

IMO 03 EAD

ANNUAL DIRECTORS' REPORT

ANNUAL FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT AUDITOR

31 DECEMBER 2012

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ANNUAL DIRECTORS' REPORT

The Directors present the report and the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), for the year ended 31 December 2012. The financial statements have been audited by PricewaterhouseCoopers Audit OOD.

BUSINESS DESCRIPTION AND OVERVIEW

On 18 December 2007 EFG Securities Bulgaria EAD was granted a full license for investment intermediary services for the countries in the European Union and non - EU countries. The Company functionally succeeded the activities of Investment Banking and Stock Exchange Brokerage and Trading divisions in Eurobank EFG Bulgaria AD.

On 11 November 2009 the Financial Supervision Commission decided to restrict partially, under the request of EFG Securities Bulgaria EAD, the license for investment intermediary activity.

Subsequently the scope of activity has been announced in the Commercial Register.

On 10 November 2010 the Sole Owner decided to change the scope of the company's activities by settling the relations with the clients, transferring the activities back to Eurobank EFG Bulgaria AD and sending request to the Financial Supervision Commission for revocation of the Company's license as an investment intermediary.

On 4 February 2011 the Sole Owner decided to change Company's trade name to IMO 03 EAD. The Company's scope of activity was changed as well. The scope of activity of the Company is meant to comprise execution of all types of real estate transactions: sale – purchase, renting, leasing and subleasing, as well as property management and maintenance, construction, designing and engineering activity, preparation of investment projects, real estate consultancy, services, project management, valuation services, real estate brokerage and intermediary services, technical consultancy services, architectural, real estate development and engineering studies.

SHARE CAPITAL STRUCTURE

As at 31 December 2012 the total authorized number of ordinary shares was BGN 2,500,000 with a nominal value of BGN 1 per share.

The sole owner of capital is ERB NEW EUROPE HOLDING B.V. a private company incorporated and existing under the laws of the Netherlands, entered into the Dutch Chamber of Commerce, under registration number 34192535.

FINANCIAL PERFORMANCE

The financial result before tax for 2012 is profit in the amount of BGN 2 thousand.

BOARD OF DIRECTORS

As at 31 December 2012 the Board of Directors consists of the following members:

Emil Pilafov – Chairman of the Board of Directors and Executive Director
Petros Angelakis – Deputy Chairman of the Board of Directors and Executive Director
Petia Dimitrova – Member of the Board of Directors and Executive Director

The total annual remuneration of the members of the Board of Directors

In 2012 the members of the Board of Directors did not receive remuneration from the Company in their capacity of Board of Directors members.

Shares and bonds of the Company that are acquired, owned and transferred by the members of the Board of Directors during the year

No member of the Board of Directors has owned or transferred shares or bonds of the Company.

The Board of Directors member's rights to acquire shares and bonds of the company

No member of the Board of Directors holds special rights of acquisition of shares or bonds of the Company.

The Board of Directors members' ownership in other commercial enterprises, as:

Partners with unlimited liability

No member of the Board of Directors has been a partner with unlimited liability in other commercial enterprise.

Partners/shareholders holding more than 25 per cent of the capital of another company:

No member of the Board of Directors holds more than 25 per cent of the capital of another company

Participants in the management of other companies or cooperatives as procurators, managers or board members:

IMO 03 EAD
ANNUAL DIRECTOR'S REPORT (CONTINUED)
31 DECEMBER 2012

Petia Nikolova Dimitrova

- Eurobank Bulgaria AD, Bulgaria – Chairperson of the Management Board and Chief Executive Officer;
- Bulgarian Retail Services AD, Bulgaria – Chairperson of the Board of Directors and Executive Director;
- ERB Property Services Sofia AD (former name EFG Property Services Sofia AD, date of change 25.03.2013), Bulgaria – Member of the Board of Directors;
- IMO Property Investments Sofia EAD, Bulgaria – Member of the Board of Directors and Executive Director;
- IMO Rila EAD, Bulgaria – Deputy Chairperson of the Board of Directors and Executive Director;
- IMO Central Office EAD, Bulgaria – Deputy Chairperson of the Board of Directors and Executive Director;
- ERB Leasing EAD (former EFG Leasing EAD, date of change 01.02.2013), Bulgaria – member of the Board of Directors (effective as of 14.03.2012)
- American Chamber of Commerce in Bulgaria, Bulgaria – Member of the Management Board;
- Bulgarian Business Leaders Forum (BBLF), Bulgaria – Member of the Management Board;
- State-owned enterprise Communicative construction and rehabilitation, Bulgaria – Member of the Management Board;
- Municipal Bank AD, Bulgaria – Member of the Supervisory Board (until 13.08.2012);
- Confederation of Employers & Industrialists in Bulgaria, Bulgaria – Member of the Management Board (from 29.06.2012 to 22.11.2012).

Emil Atanasov Pilafov

- IMO Property Investments Sofia EAD, Bulgaria – Chairman of the Board of Directors and Executive Director;
- IMO Central Office EAD, Bulgaria – Chairman of the Board of Directors and Executive Director;
- IMO Rila EAD, Bulgaria – Chairman of the Board of Directors and Executive Director.

Petros Angelakis

- Eurobank Business Services S.A., Greece - Member of the Board of Directors;
- IMO Property Investments Bucuresti S.A., Romania - Deputy Chairman of the Board of Directors (until 10.09.2012);
- IMO - II Property Investments S.A., Romania - Member of the Board of Directors;
- EFG IT Shared Services S.A, Romania – Member of the Board of Directors;
- IMO Property Investments AD Beograd, Serbia - Member of the Board of Directors (until 21.10.2012);
- IMO Property Investments Sofia EAD, Bulgaria - Deputy Chairman of the Board of Directors and Executive Director.

The Contracts under Article 240b of the Commerce Act

The company has not entered into contracts specified in Article 240b, paragraph 1 of the Commerce Act.

MANAGEMENT RESPONSIBILITIES

The Directors are responsible for the preparation and fair presentation of the enclosed financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Directors confirm that they have complied with the above responsibilities in preparing the financial statements for the year ended 31 December 2012.

The Directors also confirm that to the best of their knowledge the Company will continue on a going concern basis in the foreseeable future.


E. Pilafov

Emil Pilafov
Executive Director and Chairman of Board of Directors





Petros Angelakis
Deputy Chairman of the Board of Directors and Executive Director

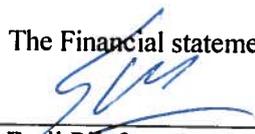
25.04.2013

**IMO 03 EAD
BALANCE SHEET
31 DECEMBER 2012**

(All amounts are presented in BGN thousands unless otherwise stated)

STATEMENT OF COMPREHENSIVE INCOME	Notes	Year-ended 31 December	
		2012	2011
Fee and commission income	5	-	38
Fee and commission expense	5	(1)	-
Net fee and commission income		(1)	38
Interest income		11	3
Other income		1	-
Other financial expense		-	(1)
Net financial income		12	2
Staff costs	6	-	(18)
Administrative expenses	7	(9)	(18)
Depreciation and amortization, write-offs		-	(21)
Total operating expenses		(9)	(57)
Profit/(loss) before income taxes		2	(17)
Income tax	8	-	-
Profit/(loss) for the year		2	(17)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		2	(17)

The Financial statements were authorised by the management on 25 April 2013.


Emil Pilafov
Chairman of the Board of Directors and
Executive Director



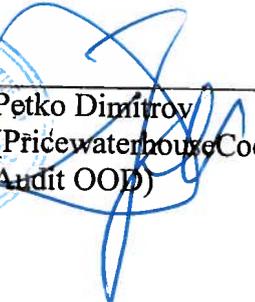

Elena Kamenova
Responsible for preparation
of financial statements

Initialed for identification purposes in reference to the audit report:


Rositsa Boteva
Registered auditor

Date: 25.04.2013
Sofia, Bulgaria




Petko Dimitrov
(PricewaterhouseCoopers
Audit OOD)

**IMO 03 EAD
BALANCE SHEET
31 DECEMBER 2012**

(All amounts are presented in BGN thousands unless otherwise stated)

BALANCE SHEET

	Notes	As at 31 December	
		2012	2011
Current assets			
Cash and cash equivalents	9	559	485
Trade receivables and other assets	10	75	161
Total assets		634	646
Current liabilities			
Trade and other payables	11	3	17
Total liabilities		3	17
Equity			
Share capital	12	2,500	2,500
Accumulated loss		(1,869)	(1,871)
Total equity		631	629
Total equity and liabilities		634	649

The Financial statements were authorised by the management on 25 April 2013.


Emil Pitarov
Chairman of the Board of Directors
and Executive Director



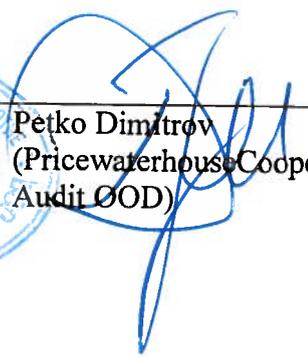

Elena Kamenova
Responsible for preparation of
financial statements

Initialled for identification purposes in reference to the audit report:


Rositsa Boteva
Registered auditor

Date: 25.04.2013
Sofia, Bulgaria




Petko Dimitrov
(PricewaterhouseCoopers
Audit OOD)

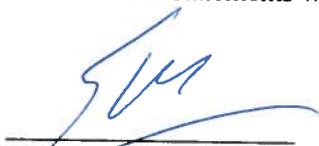
**IMO 03 EAD
STATEMENT OF CHANGES IN EQUITY
31 DECEMBER 2012**

(All amounts are presented in BGN thousands unless otherwise stated)

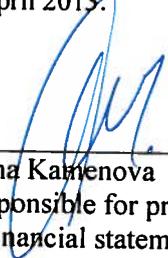
STATEMENT OF CHANGES IN EQUITY

	Share capital	Accumulated deficit	Total
At 1 January 2011	2,500	(1,854)	646
Loss for the year	-	(17)	(17)
At 1 January 2012	2,500	(1,871)	629
Profit for the year	-	2	2
At 31 December 2012	2,500	(1,869)	631

The Financial statements were authorised by the management on 25 April 2013.


Emil Pitafov
Chairman of the Board of Directors and
Executive Director



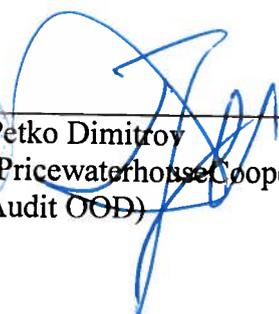

Elena Kamenova
Responsible for preparation
of financial statements

Initialled for identification purposes in reference to the audit report:


Rositsa Boteva
Registered auditor

Date: 25.04.2013
Sofia, Bulgaria




Petko Dimitrov
(PricewaterhouseCoopers
Audit OOD)

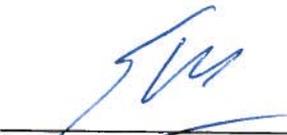
**IMO 03 EAD
STATEMENT OF CASH FLOWS
31 DECEMBER 2012**

(All amounts are presented in BGN thousands unless otherwise stated)

STATEMENT OF CASH FLOWS

	Notes	2012	2011
Cash flows from operating activities			
Fee and commission income received		-	350
Interest received		7	3
Receipts from clients		20	-
Payments to suppliers and other creditors		(11)	(59)
Payments of salaries, social security and others		(14)	(36)
Other operating cash flows		72	-
Net cash used in operating activities		74	258
Increase in cash and cash equivalents		74	258
Cash and cash equivalents at the beginning of the year		485	227
Cash and cash equivalents at end of year	9	559	485

The Financial statements were authorised by the management on 25 April 2013.


Emil Pilafov
Chairman of the Board of Directors and
Executive Director



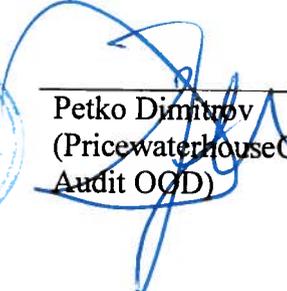

Elena Kamenova
Responsible for preparation
of financial statements

Initialled for identification purposes in reference to the audit report:


Rositsa Boteva
Registered auditor

Date: 25.04. 2013
Sofia, Bulgaria




Petko Dimitrov
(PricewaterhouseCoopers
Audit OGD)

1. General information

EFG Securities Bulgaria EAD (the 'Company') was established on 18 December 2007, as a joint-stock company, with seat and address of management at 14, Tsar Osvoboditel Blvd., region Sredets, Sofia and with the following subject of activity: Performing in the country, in the territory of the European Union and in the European Economic Area, and in third countries, the following investment services and activities under article 5, Para 2, items 1,2,3,4,5,6 and 7 in Market of Financial Instruments Act :

- acceptance and execution of orders in relation to one or more financial instruments, including intermediation for entering into transactions with financial instruments;
- execution of orders on behalf of clients;
- dealing on own account in financial instruments;
- portfolio management;
- investment advice;
- underwriting of financial instruments and/or offering for initial sale financial instruments in the conditions of unconditional and irrevocable commitment for subscription/acquisition of the financial instruments on own account;
- offering for initial sale of financial instruments without an unconditional and irrevocable commitment for acquisition of the financial instruments on own account;

And the following ancillary services under article 5, para 3 of MiFIA :

- safekeeping and administration of financial instruments for client account, including custodianship (keeping financial instruments and client cash in a depository institution) and related services such as management of the received cash/provided collateral;
- granting loans for carrying out of transactions in one or more financial instruments, provided that the entity granting the loan is involved in the transaction under conditions and procedure, laid down in an ordinance;
- advice to undertakings on capital structure, industrial strategy and related matters, as well as advice and services relating to mergers and the purchase of undertakings;
- providing of services, related to foreign exchange services where these are connected with the provided investment services;
- investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments;
- related to underwriting of issues of financial instruments;

At 11 November 2009 the scope of activity of EFG securities was amended with the issuance of the respective decision by the Financial Supervision commission and after the due registration in the Commercial Register.

At 11 November 2010 the Sole Owner decided to cease the current activities of the company by settling the relations with the clients and sending request to the Financial Supervision Commission for revocation of the Company's license as an investment intermediary.

As of 31 December 2010 all clients' accounts and business contracts were transferred to the bank or third parties.

On 24 January 2011 the Financial Supervision Commission revoked the license for the performance of activities as an investment intermediary from EFG Securities.

1. General information (Continued)

On 4 February 2011 Sole Owner issued Resolution for change of the name and the Company's scope of activity. The Sole Owner of the capital resolved on the change of the Company's trade name from EFG Securities Bulgaria EAD to IMO 03 EAD and resolved on the scope of activity to be changed to property investment activities.

As of 31 December 2012, Company have not done any investments in Properties.

The capital of the Company is BGN 2,500,000 divided into 2,500,000 ordinary, non-physical, registered voting shares with nominal value of BGN 1 each.

The Company basic activity is purchase, building and construction of real estate property for the purpose of rent and sale.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below:

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards issued by the IASB as adopted by the European Union and in particular with those IFRS and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements.

The policies set out below have been consistently applied to the years 2012 and 2011. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Going concern

Financial statements are prepared on the principle of going concern which implies that the company will continue operations in the foreseeable future. The Shareholders of the Company have confirmed the continuing support, which includes possibilities to refinance existing borrowings and receive additional borrowings so that to ensure that the Company will continue operations in the foreseeable future.

Impact of the economic crisis in Greece

Greece entered into a new funding and restructuring programme with the European Commission, the ECB and the eurozone member-states as agreed in the Eurogroup meeting of 21 February 2012. The programme aimed at bringing the country's public debt-to-GDP ratio below 120% by 2020.

The new funding and reform programme improved the country's financial position and outlook, via the reduction of public debt and its servicing costs from 2012 onwards.

On the back of these developments, and after the implementation/legislation of a long list of structural reforms and fiscal austerity measures for 2013-16 by the Greek Government, the Eurogroup reached on 26 November 2012 an agreement on a set of new measures for the reduction of Greek public debt to 124.0% of GDP by 2020 and 110.0% of GDP in 2022. This debt path is consistent with the debt sustainability required by the IMF.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Position of the Eurobank Group

Greek sovereign debt exchange programme

On 21 February 2012 the Euro-area finance ministers agreed on a bail out programme for Greece, including financial assistance from the Official Sector and a voluntary debt exchange agreed with the Private Sector forgiving 53.5% of the face value of Greek debt. All exchanged bonds were derecognized and the new Greek government bonds (nGGBs) recognized at fair value, based on market quotes at the date of recognition

Following the Eurogroup's decisions on 27 November 2012 and as part of debt reduction measures, the Greek State announced on 3 December 2012 an invitation to eligible holders of nGGBs to submit offers to exchange such securities for six months zero coupon notes to be issued by the European Financial Stability Fund (EFSF). Under its participation to the Greek state's debt buyback program, the Eurobank Ergasias Group submitted for exchange the 100% of its nGGBs portfolio of total face value EUR 2.3 bn.

Recapitalization Framework and Process

Given the severity of the impact of the Greek Government Bond exchange program (PSI+), on 21 February 2012 the Euro Area finance ministers allocated a total of EUR 50 bn of the second support program for Greece specifically for the recapitalisation of the Greek banking system. These funds are directed to the Hellenic Financial Stability Fund (HFSF) whose mandate has been extended and enhanced accordingly. EUR 23 bn of these funds were remitted to Greece in the second quarter of 2012, EUR 16 bn in December 2012 while the final EUR 11 bn are expected within next months.

The Bank of Greece, after assessing the business plan and the capital needs of Eurobank has concluded on 19 April 2012 that Eurobank is a viable bank and, on 8 November 2012, notified the Bank that its Tier I capital should increase by EUR 5,839 million. The Bank, the HFSF and the European Financial Stability Facility ("EFSF") signed on 28 May 2012 and on 21 December 2012 a trilateral presubscription agreement (PSA) for the advance to the Bank of EFSF notes of face value of EUR 3,970 million and EUR 1,341 million (total EUR 5,311 million) as advance payment of its participation in the future share capital increase of the Bank. In addition, HFSF provided to the Bank a commitment letter for additional capital support of EUR 528 million up to the total level of recapitalisation needs of EUR 5,839 million. Proforma with the full recapitalisation amount of EUR 5,839 million, on 31 December 2012 the Group's regulatory capital stands at EUR 4.4 bn, the Core Tier I capital at EUR 4.1 bn, its Capital Adequacy ratio at 11.6% and the Core Tier I ratio at 10.8%. The above ratios will be negatively affected as of 31 March 2013 following recent changes in the Greek regulatory framework with respect to capital adequacy requirements. Such impact is expected to be mitigated through capital actions that are currently under planning and assessment stage by the Bank.

National Bank of Greece S.A. Voluntary Tender Offer (VTO)

On 5 October 2012, the National Bank of Greece (NBG) announced its intention to launch a voluntary exchange offer to acquire all Eurobank's shares offering 58 new shares of NBG for every 100 shares of Eurobank tendered. NBG also stated that, Eurobank shareholders holding 43.6% of Eurobank's ordinary share capital have committed to tender their shares in the tender offer.

On 11 January 2013, the Board of Directors of Eurobank Ergasias S.A., having considered the content of the VTO information memorandum and the reports provided by the Bank's financial advisors, concluded in summary that the Offer Consideration satisfies the requirements of the Law and is fair from a financial point of view.

IMO 03 EAD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
31 DECEMBER 2012

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

On 15 February 2013, NBG announced that all necessary regulatory approvals have been obtained.

On 18 February 2013, NBG announced that during the offering's acceptance period for Eurobank's shareholders, 84,35% of Eurobank's shareholders have accepted legally the VTO; thus NBG holds 84,38% of Eurobank's paid in Share Capital.

As stated in the VTO documentation, the VTO will be followed by the merger of the two banks. In line with this, on 19 March 2013, the boards of Eurobank and NBG resolved to initiate the merger process, with NBG absorbing Eurobank, and set 31 December 2012 as the merger reference date.

On 8 April 2013, Eurobank announced that the relevant regulatory authorities, with the consent of the management of both banks, have decided that NBG and Eurobank will be independently recapitalized in full. As a consequence, the merger process of the two Banks is being suspended.

As per the announcement of the Bank of Greece, the recapitalization process for the four systemic banks will be completed before the end of April 2013. The final decisions regarding the merger process will be taken by their future common shareholder, the HFSF.

On 10 April 2013, Eurobank's Board of Directors decided to convene a General Shareholders' Meeting on 30 April 2013 in order to discuss the Bank's €5.8 bn recapitalization.

Within the current legal framework, a part of the recapitalization may be executed through the issuance of CoCos (contingent convertible securities) thus reducing the amount of the total Common Shares rights issue by an equal amount. Existing shareholders as well as other private investors will have the right to participate in the rights issue, while the recapitalization amount has already been guaranteed by the Hellenic Financial Stability Fund and EUR 5.3 bn out of EUR 5.8 bn has already been paid in advance to the Bank.

On 22 April 2013, Eurobank's Board of Directors decided to propose to the General Shareholders' Meeting on 30 April 2013 that the share capital increase of EUR 5.8 bn be fully subscribed by the HFSF, leading to the immediate and full recapitalization of the Bank.

Position of the Company

IMO 03 EAD finances its activities only through its capital base.

(a) New and amended standards and interpretations effective in 2012

- IFRS 7, Amendment – Disclosures, Transfers of Financial Assets

(b) Standards and Interpretations issued but not yet effective

- IAS 1, Amendment - Presentation of items of Other Comprehensive Income (effective 1 January 2013)
- IAS 12, Amendment – Deferred tax: Recovery of Underlying Assets (effective 1 January 2013)
- IAS 19, Amendment - Employee Benefits (effective 1 January 2013)
- IAS 27, Amendment - Separate Financial Statements (effective 1 January 2014)
- IAS 28, Amendment - Investments in Associates and Joint Ventures, (effective 1 January 2014)

IMO 03 EAD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
31 DECEMBER 2012

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

- IAS 32, Amendment - Offsetting Financial Assets and Financial Liabilities (effective 1 January 2014).
- IFRS 7, Amendment – Disclosures, Offsetting Financial Assets and Financial Liabilities (effective 1 January 2013).
- IFRS 9, Financial Instruments (effective 1 January 2015, not yet endorsed by EU)
- IFRS 9 and IFRS 7, Amendment – Mandatory Effective Date and Transition Disclosures (effective 1 January 2015, not yet endorsed by EU)
- IFRS 10, Consolidated Financial Statements (effective 1 January 2014),
- IFRS 11, Joint Arrangements (effective 1 January 2014).
- IFRS 12, Disclosure of Interest in Other Entities, (effective 1 January 2014)
- IFRS 13, Fair value measurement, (effective 1 January 2013)
- IFRS 10, 11 and 12 Amendments – Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (effective 1 January 2013, not yet endorsed by EU)
- Annual Improvements to IFRSs 2009-2011 Cycle (effective 1 January 2013, not yet endorsed by EU)
- IFRS 10, 12 and 27 Amendments – Investment Entities (effective 1 January 2014, not yet endorsed by EU)

IFRS 9 is a part of IASB's project to replace IAS 39 Financial Instruments which has not been finalised yet and as a result, it is not practicable to quantify its impact. The application of the other above mentioned standards and interpretations is not expected to have a material impact on the Company's separate statements in the period of the initial application.

The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

2.2 Foreign currency transactions

(a) Functional and presentation currency

The functional currency and the presentation currency is 'Bulgarian lev'(BGN). The financial statements are prepared in BGN. All amounts in the financial statements are rounded to the nearest multiple of thousand.

(b) Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

2. Summary of significant accounting policies (continued)

2.3. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and provision for impairment, where required.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on items of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss.

2.4 Receivables and other financial assets

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established, when there is an objective evidence that the entity will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to profit or loss.

2.5 Cash and cash equivalent

Cash and cash equivalents are carried at amortized cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and excludes restricted cash accounts.

2.6 Payables and other financial liabilities

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.7 Accounting for operating lease contracts

Assets leased out under operating leases are included in investment property in the balance sheet. Rental income (net of any incentives given to lessees) is recognized on a straight-line basis over the lease term.

Operating lease payments are recognized as expenses in the statement of comprehensive income on a straight-line basis over the lease term.

2. Summary of significant accounting policies (continued)

2.8 Interest expense

Interest expenses for borrowings are recognized within 'finance costs' in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.9. Revenue recognition

Fee income

Fees and commissions are generally recognized on an accrual basis, when the service has been provided.

2.10 Taxation

Taxation has been provided for in the financial statements in statement of comprehensive income in accordance with Bulgarian legislation currently in force. The charge for taxation in the income statement comprises the current tax and changes in the deferred tax. The current tax is calculated on the basis of the taxable profit for the year, using the tax rates enacted at the balance sheet date. Income tax payable on profits, based on the applicable tax law, is recognized as an expense in the period in which profits arise. Taxes other than on income are recorded within operating expenses.

The deferred income tax is provided in full, using the liability method, on temporary differences arising (next line) between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The principal temporary differences arise from depreciation of investment property.

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

3. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk, liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The risk management is executed by the management as its policy is approved by the parent company.

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3. Financial risk management (continued)

3.1. Market risk

(a) Currency risk

The Company's policy is not to hold monetary assets, denominated in a currency different from BGN or EUR. The Company has insignificant exposure to currency risk since FX rate EUR/BGN is pegged at 1.95583.

(b) Interest rate risk

As the Company has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

The Company has not borrowed funds and there are no interest rate risk as at 31 December 2012.

The Company's cash flow and interest rate risk is periodically monitored by the Company's management.

Trade and other receivables and payables are interest-free and have settlement dates within one year.

The Company is not exposed to the price risk with respect to financial instruments as it does not hold any equity securities.

3.2 Credit risk

Credit risk arises from cash and cash equivalents and bank deposits, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions.

The table below shows balances of cash and cash equivalents as at 31 December 2012 and 2011 by banks, as follows:

Contractor	31 December 2012		31 December 2011	
	Credit rating	Balance	Credit rating	Balance
Eurobank Bulgaria AD	BBB (BCRA)	559	BBB (BCRA)	482
Central Cooperative Bank (CCB)		-		3
		559		485

The Company has not suffered losses as a result of default of the counterparties. The fair value of those assets do not differ materially from their carrying amount.

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3.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities. The liquidity risk is strictly monitored by the Management. The table below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The Continued company financial liabilities are not interest bearing. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 December 2011	Up to 3 months	Total
Other payables	17	17
As at 31 December 2011	17	17
As at 31 December 2012	Up to 3 months	Total
Other payables	3	3
As at 31 December 2012	3	3

3.4. Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Total capital is calculated by the management as "equity" as shown in the balance sheet.

4. Critical accounting estimates and judgments

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. Fee and commission income

	2012	2011
Brokerage income	-	38
Other fees and commission	(1)	-
Net brokerage income	(1)	38

6. Staff cost

	2012	2011
Salaries	-	17
Social securities	-	1
	-	18

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7. Administrative expenses

	2012	2011
Telephone call charges	-	1
Membership, subscriptions	-	1
Audit fees expenses	8	8
Miscellaneous	1	8
	<u>9</u>	<u>18</u>

8. Current income tax expense

	2012	2011
Accounting loss before income tax	2	(17)
Increase of Tax base	1	191
Decreases of Tax base	(14)	(127)
Tax profit (loss) base	<u>(11)</u>	<u>47</u>
Unrecognized deferred tax for year	1	-
Deducted profit from accumulated losses	<u>-</u>	<u>(5)</u>

Expected income tax credit calculated at a tax rate of 10% (2011:10%)

9. Cash and cash equivalents

	2012	2011
Cash at banks	559	485
	<u>559</u>	<u>485</u>

10. Trade receivables and other assets

	2012	2011
Receivables	74	91
Guarantee deposits	-	56
Other	1	14
	<u>75</u>	<u>161</u>

11. Trade and other payables

	2012	2011
Audit fees payable	3	3
Liabilities for unpaid leave	-	14
	<u>3</u>	<u>17</u>

The fair value of the above financial liabilities do not significantly differ from their carrying amount.

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12. Share capital

	Number of shares	Nominal value of one share (BGN)	Value
As of 1 January 2011	2,500	1	2,500
As of 1 January 2012	2,500	1	2,500
As of 31 December 2012	2,500	1	2,500

All shares are owned by ERB New Europe Holding B.V., (the Netherlands), and are fully paid.

13. Related parties transactions and balances

The company's immediate parent is ERB New Europe Holdings B.V. (Netherlands) which is 100% owned by Eurobank Ergasias S.A. (Greece). Eurobank Ergasias S.A. is listed on the Athens Stock Exchange and until 23 July 2012, it was a member of the EFG Group, which held 44.7% of the Bank's ordinary shares and voting rights, through wholly owned subsidiaries.

On 23 July 2012, 43.55% of the ordinary shares and voting rights held by EFG Group were transferred to ten legal entities, each of which acquire approximately 4.4%, while the EFG Group retained the remaining 1.15%. These entities have formally stated they are independent from each other. As a result from 23 July 2012, onwards, Eurobank ceased to be under EFG Group's control and will no longer be consolidated in the financial statements of the EFG Group. In addition, the Bank's corporate and trade name have been amended in order to no longer include the "EFG" suffix.

The Company had the following transactions and balances with related parties:

There is no key management compensation for the year ended 31 December 2012 and 2011.

Expenses for hired services	2012	2011
Eurobank Bulgaria AD - Other expenses for information system	-	5
Interest income		
Eurobank Bulgaria AD	11	3
Cash and cash equivalents		
Eurobank Bulgaria AD	559	482
Receivables from related parties		
Eurobank Bulgaria AD	3	-
		21

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14. Contingent liabilities and commitments

The management has not identified any significant contingent liabilities and commitments valid as at 31 December 2012.

15. Post Balance Sheet date events

There are no events after the Balance Sheet Date as defined by IAS 10.



Independent auditor's report

To Shareholder of the Imo 03 EAD

Report on the Financial Statements

We have audited the accompanying financial statements of "Imo 03" EAD which comprise the balance sheet as of 31 December 2012 and the statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*PricewaterhouseCoopers Audit OOD, 9-11 Maria Louisa Blvd., 1000 Sofia, Bulgaria
T: +359 2 9355200, F: +359 2 9355266, www.pwc.com/bg
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This version of our report/the accompanying documents is a translation from the original, which was prepared in Bulgarian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

