



- Assets of First Investment Bank continued to grow for third consecutive quarter and the net profit for the last three months even increased as compared to the same period of 2009. The bank managed to maintain its financial result despite the increase of impairments.
- FIB announced that the increase of assets was due to the attracted funds from households. The bank is showing solid trend of assets increase that cannot be seen in the other public listed banks. FIB's position in the retail segment helped to attract funds that have long-term horizon and lower interest payment than some of the bank's other liabilities.
- Net interest income increased slightly during the quarter as compared to the first three months of 2010. It is also hardly changed as compared to the relevant period of 2009. Credits increased by BGN 139 million since end-2009, which is significantly lower than the jump of total assets that gained 10.5% or BGN 436 million. The bank maintained its net interest income to very good levels during the period of expansion and the prospects of lower interest rates on deposits will strengthen the profit margin.
- The capital adequacy ratio of FIB is 13.56% and is above the requirement but below the average for the banking sector. FIB did not disclose the level of non-performing loans but the increase of impairments is sign of larger bad loans. However, impairments of FIB are well below the losses of other large retail banks when considering their assets.
- Shares of FIB briefly touched 15-months low in very modest volumes. The decline of the price was to the usual outflows from individual investors, which is supporting the idea for formation of bottom.

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# FIRST INVESTMENT BANK

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<b>HOLD</b>	Market performance, +/-5% as compared to SOFIX and BG40
<b>SELL</b>	More than 5% lower as compared to SOFIX and BG40 performance

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