



RoC	9.40%	P/E	3.83
RoA	1.40%	P/Assets	0.05
RoE	12.28%	P/B	0.36

Stock Price of Central Cooperative Bank



- Central Cooperative Bank managed to increase its net profit for 2008 despite the deterioration of the credit conditions during the second half of the year. The bank announced 5.5% increase of net profit. The 4Q profit was much more impressive as the bank made BGN 11 million, whereas the financial result for the same quarter of 2007 was only BGN 1.8 million.

- The largest part of the net profit for the last year is due to the positive results from the trading with financial assets not measured at fair value through profit or loss. The result at this item was BGN 24.8 million, of which BGN 11.5 million were from assets for sales and BGN 13.3 million from credits. The net interest income increased by 14.7%, whereas net income from fees and commissions was 12% higher.

- Assets jumped 6.3% for 2008 to total BGN 1.663 billion but the growth rates for last year were significantly lower as compared to the previous periods. Another point of interest is the significant structural changes in the balance sheet. The solid increase of credits to individual and corporate clients was at the expense of credits to banks, which fell 90% during the whole 2008. The total amount of credits decreased in 4Q, whereas the deposits in the central bank increased. The structure of the liabilities was almost unchanged.

- The liquidity ratio of Central Cooperative Bank is 25% and is better than the average for the Bulgarian banking system.

- The price/assets ratio is the lowest among the public listed Bulgarian banks as well as the P/B of 0.36. The stock market is ignoring the current valuation measures of listed companies due to the uncertainty of the economy and the liquidity issues of investors that are liquidating their positions. In the case of CCB the market is influenced by the dependence of profits to the income from financial instruments. Recently, the bank sold out its stakes in Industrial Holding Bulgaria and Odessos.

- CCB is one of the most liquid positions, which also contributed for the 90% price decline last year. The persistent selling pressure limited the recovery from the November bottom. The positive market reaction after the yearly report was short-lived and the stock returned below the key level of BGN 1.00.



CENTRAL COOPERATIVE BANK 2008 Report

21 January 2009

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Outperform	More than 5% higher as compared to SOFIX and BG40 performance
Market Perform	Market performance, +/-5% as compared to SOFIX and BG40
Underperform	More than 5% lower as compared to SOFIX and BG40 performance

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