

Godišnji izvještaj 2007

Annual Report 2007

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Članovi Uprave i nadležnosti

Competencies of the Management Board



ADNAN ZUKIĆ, direktor banke

Nadležan za upravljanje poslovnom mrežom i politiku plasmana, poslove upravljanja sredstvima i trezorsko poslovanje, marketing, upravljanje ljudskim resursima, poslove sigurnosti te Sekretarijat banke.

Responsible for business network management and placements policy, assets management and treasury business, marketing, human resource management, security affairs and Company secretary.



SANELA PAŠIĆ

Nadležna za poslove procjene kreditnog rizika i naplatu nekvalitetne aktive, platni promet, dokumentarno i kartično poslovanje, poslove IT podrške te pravne i opće poslove.

Responsible for risk management and collection of non-performing assets, payment operations, documentary and credit/debit card business, IT issues, legal and general affairs.



HAJRUDIN HADŽOVIĆ

Nadležan za poslove računovodstva, analize, planiranja i kontrolinga, poslove sprečavanja pranja novca i finansiranje terorizma te komunikaciju sa Odjelom interne revizije.

Responsible for accounting, analysis, planning and controlling, anti-money laundry and terrorism financing activities and communication with Internal Audit Department.

Intervju sa Predsjednikom Nadzornog odbora

Franz Kerber

Predsjednik Nadzornog odbora ABS BANKE
President of the Supervisory Board of ABS BANK



Kakvi su poslovni rezultati Steiermärkische Sparkasse u 2007. godini?

U 2007. godini uspjeli smo ostvariti zadovoljavajuće prihode, bez povećanja rizika. Poduzeli smo i perspektivne investicije u jugoistočnoj Evropi. Zabilježen je porast aktive za 5,9% na € 12,2 milijarde, te porast dobiti od 30% na € 110 miliona.

Dobri finansijski pokazatelji su rezultat kontinuiranog povećanja volumena kreditnog portfolija, sveobuhvatne redukcije troškova te konsekvantnog upravljanja rizikom. Time je ostvareno i poboljšanje cost/income koeficijenta sa 58,7% u 2006. godini na 53,4%.

Kao i uvijek, Sparkasse daje prioritet sigurnosti i solidaritetu, što dokazuje i visina vlastitog kapitala od € 664 miliona. Pripisana vlastita sredstva, uključujući i dodatna prema § 23 BWG iznose € 924 miliona.

ROE se u odnosu na 15% u protekloj godini povećao na 17,4%. Na kraju 2007. u koncernu Steiermärkische Sparkasse je radilo 5100 zaposlenika u oko 400 poslovnih jedinica u pokrajini Štajerskoj i jugoistočnoj Evropi

Da li ste zadovoljni protekom ekspanzije na prostoru jugoistočne Evrope?

Region jugoistočne Evrope ima ogroman značaj kako za austrijsku privredu tako i za Steiermärkische Sparkasse, što dokazuje visina direktnih godišnjih ulaganja Austrije u zemlje bivše Jugoslavije od € 8 milijardi u protekloj godini. U istoj godini je izvoz Štajerske na tržište ovih zemalja iznosio € 760 miliona, dok potencijal doseže i € 2,5 milijarde.

Nadalje, računa se sa nadprosječnim privrednim rastom u regionu u narednih 10 do 15 godina. Stoga je pojačani angažman u regionu jugoistočne Evrope dio strategije Steiermärkische Sparkasse. Potencijal regiona je 600 000 malih i srednjih preduzeća i 20 miliona stanovnika.

Segment poslovanja „Internacionalni poslovi“ učestvuje u dobiti grupe sa čitavih 37%. Vodeći se motom „tržišni prostor je bitniji od državnih granica“, Steiermärkische Sparkasse je investirala 220 miliona eura u ovaj region u protekloj poslovnoj godini. Sticanjem udjela u Banka Sparkasse d.d. u Sloveniji, Erste Bank a.d. Novi Sad, drugom po veličini ponuđaču kartičnih proizvoda Hrvatske „Diners Club Adriatic d.d.“ te posebno ulaskom na tržište BiH kupovinom ABS BANKE D.D. SARAJEVO i osnivanjem S-Leasing d.o.o. Sarajevo, ojačana je naša pozicija štedionice jugoistočnog regiona.

Vežanje kapitala na ovim tržištima iznosi oko € 1,5 milijardi, od čega 360 miliona u formi vlastitih sredstava dok je ostatak vezan za refinansiranje poslova za račun trećih lica. Pri tome je razvoj rizika u subsidijarnim bankama i leasing društvima stabilan što znači rezervisanja su ispod tržišnog prosjeka i pokrivaju se zaradom društava.

Trenutna internacionalna finansijska kriza odnosno privredne turbulencije se nisu reflektovale na udjele Steiermärkische Sparkasse obzirom da nisu poduzimana ulaganja u subprimes. Ova kriza se prevashodno odražava na rastuće troškove refinansiranja. Određenu opasnost predstavljaju rastući vanjski dug te trgovinski deficit. Restrikcije nacionalnih banaka, koje trebaju doprinijeti stabilizaciji privrede zemalja uticale su destimulativno na potražnju za plasmanima.

Kako ocjenjujete razvoj ABS BANKE u protekloj godini?

Sa kapitalnim jačanjem kroz Steiermärkische Sparkasse uspješno je provedena transformacija poslovnih procesa, čime je stvorena dobra osnova za kreiranje i ponudu novih proizvoda u narednoj godini. Pri tome će uposlenici imati podršku kroz novi informacijski sistem. Zaposleni u ABS BANCI su prošle godine uradili dobar posao, na što smo vrlo ponosni.

ABS BANKA je postavila ambiciozne ciljeve za narednu godinu. Kakva su Vaša očekivanja u 2008?

Ubijeđen sam da će se ABS BANKA razviti u modernu retail banku prema standardima Sparkasse-Grupe. Ona u segmentu poslovanja sa fizičkim licima treba postati partner svojim klijentima u oblasti kreditiranja i štednje sa jedne, a srednjim i malim preduzećima ponuditi široku paletu usluga i proizvoda sa druge strane. Otvaranjem filijale na prostoru Republike Srpske će se osigurati prisustvo na tržištu cijele države. Siguran sam, da će se ABS BANKA sa jakim strateškim partnerom kao što je Steiermärkische Sparkasse u narednih pet godina razviti u jednu od najvećih banaka na prostoru BiH.

Interview with the President of the Supervisory Board

What are the business results of the Steiermärkische Sparkasse in 2007?

In 2007 we managed to realize satisfying income without increasing the risks. We have undertaken prospective investments in the SEE. We also recorded the growth of assets for 5,9% to the amount of 12,2 billion euros and increase of profit of 30% to the amount of 110 million euros. Good financial indicators are the result of continued increase of the volume of the loan portfolio, all encountering reduction of costs and consequent risk management. By that we succeeded the improvement of the cost/ income coefficient from 58,7% in 2006 to 53,4%.

As always, Sparkasse gives the priority to safety and solidarity which is proven by the amount of own capital amounting 664 million euros. Own assets including additional assets according to the article 23 of the Federal Law amount 924 million euros.

ROE has increased from 15% in the last to 17,4 in this year. At the end of 2007 in the concern of the Steiermärkische Sparkasse there were 5100 employees in about 400 business units in the Steiermark and SEE.

Are you satisfied with the expansion in the region of SEE?

The region of SEE has an enormous significance for Austrian economy as well as for the Steiermärkische Sparkasse which is proven by the amount of annual investment of Austria in the countries of ex Yugoslavia amounting 8 billion euros in the last year. In the same year the export rate of Steiermark onto markets of these countries amounted 760 million euros while the potential reaches the number of 2,5 billion euros. Furthermore, we count with above average economical growth in the region in the next 10 to 15 years. Therefore, the strengthened engagement in the region of SEE is the part of the strategy of the Steiermärkische Sparkasse. The potential of the region is 600 000 SMEs and 20 million inhabitants.

The segment of the business "International business" participates in the profit of the group with whole 37%. Led by the slogan "market space is more important than country borderline" Steiermärkische has invested 220 million euros in this region in the last business year. Acquiring the participations in the Banka Sparkasse SHC in Slovenia, Erste Bank SHC in Novi Sad, second by size credit card provider, "Diners Club Adriatic" SHC and especially by the entrance into the B&H market and purchase of

the ABS bank SHC Sarajevo and establishing S – Leasing Ltd Sarajevo we strengthened our position of the savings institute of the SEE region.

Binding of the capital in these markets amounts around 1,5 billion euros out of which 360 million euros in form of own assets while the rest is related to refinancing of the businesses for the account of third parties. At all that the risk development in the subsidiary banks and leasing companies is stabile which means that the reserves are under market average and are covered by the yield of the companies.

Current international financial crisis and economical turbulences did not reflect to the participations of the Steiermärkische Sparkasse since there was no investment in the sub-primes. This crisis is in the first line reflected onto the growing costs of the refinancing. Certain danger is represented by the growth of the outer debt and trade deficit. Restrictions of the national banks that should contribute to the stabilization of the economies have exercised negative impact on the demand for disbursement.

How do you evaluate the development of the ABS BANK in the past year?

with capital strengthening by the Steiermärkische Sparkasse we successfully conducted the transformation of the business processes by which we created a solid foundation for creation and offer of new products in the next year. At that process the employees will have the support by the new information system. The employees in the ABS BANK have done a good job in the last year of which we are very proud.

ABS BANK has set ambitious goals for the next year. What are your expectations in 2008?

I am convinced that ABS BANK will develop into a modern retail bank according to the standards of the Sparkasse group. It should become a partner to its clients in the segment of the retail banking and loan disbursement on the one hand and on the other hand, offer a wide palette of services and products to SMEs. By opening of the branch office in the territory of the Republic of Srpska we will ensure the presence on the entire territory of B&H. I am certain that the ABS BANK with the strong strategic partner such as Steiermärkische Sparkasse will develop itself into one of the biggest banks in B&H in the next five years.

Intervju sa Direktorom ABS BANKE DD SARAJEVO

Da li ste zadovoljni rezultatima poslovanja u 2007. godini?

Poslovnu 2007. godinu za ABS BANKU obilježilo je članstvo u snažnoj grupaciji Steiermärkische Bank und Sparkasse AG iz Austrije. Kapitalno jačanje i raspoloživost dugoročnih izvora sredstava doprinijeli su podizanju kvalitete usluga, dodatnom ulaganju u profesionalne i stručno osposobljene kadrove te kreiranju i provođenju uspješnih poslovnih strategija.

Osim uspješno pripremljenog procesa transformacije poslovnih procesa, ostvareni su dobri finansijski rezultati: bruto dobit u iznosu od oko 1,8 miliona KM, povećanje ukupne aktive banke za 62,8%, ukupnih kredita za 61,5% i povećanje ukupnih depozita za 63,6%. Grupacija je kao osnivač, zajedno s bankom, polovinom prošle godine uspostavila i S-Leasing društvo, čime se proširila ponuda finansijskih usluga. Možemo reći da je naša snaga u kombinaciji dugoročne tradicije poslovanja i jedne od najvećih poslovnih mreža na bh. tržištu sa kapitalnim jačanjem i nastojanjem da konstantno inoviramo uslužnu ponudu.

Kako biste ocijenili uspjeh transformacije poslovnih procesa koji su znatno obilježili proteklu godinu?

U januaru 2007. godine Steiermärkische Bank und Sparkasse AG postala je većinski vlasnik banke i već krajem 2007. godine udio Grupe u ABS BANCI je iznosio preko 65%. Sa Steiermärkische Sparkasse ABS BANKA je dobila partnera sa jasnom strategijom i ciljem te je transformacija poslovnih procesa usmjerena prilagođavanju standardima Grupe. U prvom redu vršene su pripreme za novo organizaciono ustrojstvo Banke koje uključuje reorganizaciju postojećih i oformljenje novih Sektora i Direkcija. Nova organizaciona šema je implementirana, a kreirana je na način da unaprijedi efikasnost poslovanja i podrži strateški pristup Banke tržištu.

Cilj je, naime, kreirati specifičnu uslužnu ponudu po mjeri klijenta uz istovremeni jedinstven nastup Banke na cijelom bh. tržištu što će omogućiti odvojen, definisan i globalan pristup poslovanju sa stanovništvom i pravnim licima. Nadalje, izmjena vizuelnog korporativnog identiteta te novi promotivni nastup su svakako bili bitni koraci ka približavanju standardima Grupe. Sagledavši rezultate godine iza nas, mogu reći da je tim ABS BANKE uradio dobar posao i da su naši zaposlenici odlično odgovorili na vrlo složene zahtjeve u protekloj godini.

Kroz svoj partnerski pristup poslovnim klijentima ABS BANKA je istovremeno partner bh. privrede. Koji je fokus banke po pitanju corporate klijenata?

Govoreći o poslovanju sa pravnim licima, sama činjenica da je kreditni portfolio banke u prošloj godini porastao za više od 60% svjedoči kako o

porastu broja klijenata tako i povećanju potražnje za plasmanima. Razlog su zasigurno raspoloživost dugoročnih izvora sredstava te time povoljnija ročnost i kreditni uslovi koje smo bili i dalje jesmo u stanju ponuditi klijentima. Po pitanju uslužne ponude za pravna lica, akcenat smo stavili na plasmane, gdje je potražnja za dugoročnim izvorima za kreditiranje obrtnih sredstava te kratkoročnim revolving kreditima značajno porasla.

Težište poslovanja Steiermärkische Sparkasse AG je retail-bankarstvo. Kako ABS BANKA kao članica grupe realizira ovu strategiju?

Prije svega, nova organizacijska struktura u banci kreirana je na način da podrži strateški fokus na poslovanje sa stanovništvom te malim i srednjim biznisom. Kontinuirano radimo na tome da kreiramo, ne samo kvalitetnije finansijske proizvode, nego i pružimo brži i efikasniji servis. Na tom planu smo uspjeli osigurati povoljniju ročnost kredita, posebno u segmentu stambenog finansiranja u prošloj godini.

Također, planiramo poboljšanje uslova kreditiranja u dugoročnom i kratkoročnom smislu, posebno vezano za instrumente obezbjeđenja. Nadalje, u ponudi za stanovništvo u 2008. godini će se naći novi kartični proizvodi. Govoreći o oblasti depozita, već novim proizvodima i organizacijom različitih evenata edukativnog karaktera doprinosimo podizanju svijesti o važnosti štednje, počevši od najmlađih.

2007. godina je, dakle protekla uspješno. Koji strateški planovi će doprinijeti uspjehu u narednoj godini i kakva su Vaša očekivanja?

Mi vjerujemo da je za uspjeh potrebno postavljanje ambicioznih ciljeva. Vizija Grupe je, da u kratkoročnom periodu ABS BANKA bude među deset, a u dugoročnom među pet najvećih banaka u Bosni i Hercegovini. Transferom profesionalnog znanja, iskustva i tehnologija Steiermärkische Bank und Sparkasse AG ima za cilj da ABS BANKU razvija prema standardima grupe štedionica u modernu retail-banku, koja će pokrivati prostor cijele zemlje.

Za 2008. godinu planirano je uvođenje novih kreditnih linija, proširenje palete kartičnih proizvoda Visa karticom te novi informacijski sistem. Obogaćenje uslužne ponude će sigurno biti značajna podrška kako za naše corporate klijente tako i fizička lica te mala i srednja preduzeća u retail segmentu. Posebno bih naglasio, izlazak na tržište Republike Srpske te otvaranje novih poslovnica u Federaciji u 2008. godini tek je početak ostvarenja plana ekspanzije i povećanja tržišnog udjela.

Moja projekcija naredne godine? Imamo kako reko, ambiciozno postavljene ciljeve i tim koji je spreman da ih ostvari. Ne sumnjam u uspjeh.

Interview with the Director of the ABS BANK SARAJEVO

Are you satisfied with the results achieved in 2007?

The business year 2007 meant for the ABS BANK the membership in the strong group of Steiermärkische Bank und Sparkasse AG from Austria. Capital strengthening and availability of long term assets contributed to the raising of the quality of services, additional investing in professional staff and experts and creation and conducting of successful business strategies.

Beside successfully prepared process of transformation of business processes we realized solid financial results: gross profit amounting 1,8 million KM, increase of total bank assets for 62,8%, of total loans for 61,5% and increase of total deposits 63,6%. The group as the founder together with the bank has established in the last year also the S – Leasing Company widening the offer of the financial services. We can say that our strength lays in the combination of the long term tradition and one of the biggest business networks on the B&H market with capital strengthening and intention to constantly innovate the service offer.

How would you evaluate the success of the transformation process of the business processes that marked significantly the last year?

In January 2007 Steiermärkische Bank und Sparkasse AG became the major owner of the bank and already by the end of 2007 the participation of the Group amounted 65%. With Steiermärkische Sparkasse ABS BANK gained a partner with clear strategy and aim and the transformation of the business processes was aimed to be adjusted to the standards of the Group. In the first line we made the preparations for new organizational constituting of the bank that includes the reorganization of the existing and new forming of sectors and directorates. New organizational chart is implemented and is created in the manner to improve the efficacy of business and support the strategic approach of the bank to the market.

The aim is namely to create specific service offer fitted to clients with unified approach of the bank on the entire B&H market which will enable separate, defined and global approach to retail and corporate banking. Furthermore, the change of the visual identity and new promotion were definitely steps towards the Group standards. By looking at the results of the year behind us I can say that the team of the ABS BANK did a good job and that our employees responded very well to the very complex demands in the past year.

Though its partner approach to corporate clients the ABS BANK is at the same time the partner to the B&H economy. What is the focus of the bank when it comes to corporate clients?

Talking about the business with corporate clients the fact that the loan portfolio grew for more than 60% testifies alone on the growth of the

number of the clients and increase of the demand for disbursements. The reason is certainly the availability of the long term financing and more favorable maturity and loan conditions that we were able to offer to our clients. In terms of service for corporate clients we put the stress to disbursements where the demand for long term loan means for financing turnover assets and short term revolving assets increased significantly.

The focal point of the business of the Steiermärkische Sparkasse AG is the retail banking. How does the ABS BANK as the Group member realize this strategy?

Before all the new organizational structure in the bank was created in the manner to support the strategic focus on retail banking and SMEs. We work continuously to create not only quality financial products but also to provide quicker and more efficient service. On that plan we managed to ensure better maturity of loans especially in the segment of the housing financing in the last year. Also we are planning the improvement of loan conditions in short term and long term especially related to securities. Furthermore in the retail offer in 2008 there will be new card products. When speaking about deposits by new products, but also by education and raising the awareness on importance of savings already at the youngest population.

Year 2007 was actually a successful year. What strategic plans will contribute to the success in the next year and what are your expectations?

We believe that ambitious goals are important for business success. The vision of the Group is for the ABS BANK to be among top 10 in the short term and in the longer term among the top 5 banks in B&H. Transferring of professional knowledge, experience and technologies the Steiermärkische Bank und Sparkasse AG has for a goal to develop the ABS BANK according to the standards of the group of savings institutes in the modern retail bank that will cover the whole territory of the country. We planned in the 2008 introduction of new credit lines, widening of the palette of credit card products with the Visa card and new information system.

Enrichment of the service offer will certainly be significant support for retail clients as well as for SMEs in the retail segment. I would especially stress the entering the market of RS and opening of new branches in the Federation in 2008 which is only the beginning of the expansion plan and increase of the market share.

My projection for the next year? We have, as I said, ambitious goals and team ready to realize them. I do not doubt the success.

Profil Banke

ABS BANKA DD SARAJEVO posluje od 1999. godine putem jedne od najvećih poslovnih mreža na prostoru FBiH i Distrikta Brčko sa sjedištem u Sarajevu. U 2007. godini Steiermärkische Bank und Sparkasse AG iz Austrije postala je većinski vlasnik banke, sa procentualnim udjelom u dioničkom kapitalu od gotovo 65%. Naš uspjeh od nastanka do danas utemeljen je na kombinaciji regionalnog pristupa i blizine klijentu sa dugogodišnjom tradicijom poslovanja, kompetencijom i rasprostranjenom infrastrukturom.

Mi ispunjavamo očekivanja naših klijenata

ABS BANKA nudi sve vrste bankarskih usluga pri čemu je paleta finansijskih usluga proširena uspostavljanjem S-Leasing društva u protekloj godini. Većinski vlasnik, Steiermärkische Sparkasse AG je partner sa jasnom strategijom – transfer tehnologija i međunarodnog iskustva će ABS banku razvijati prema standardima grupe štedionica u modernu retail-banku, koja će pokrivati prostor cijele zemlje. Pružanje širokog asortimana proizvoda će biti prvenstveno usmjeren zadovoljavanju specifičnih potreba privatnih klijenata, te malih i srednjih preduzeća.

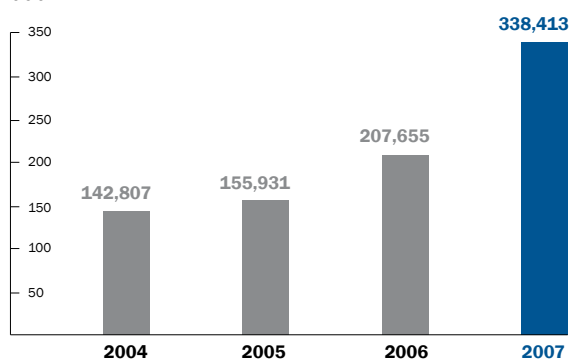
Rezultati poslovanja

Razvoj BiH i njeno približavanje svjetskim trendovima u bankarstvu i finansijama započeo je reformom platnog prometa, a obilježen je upravo prvom transakcijom preko ABS BANKE. Do danas se banka nalazi u vrhu liste po broju izvršenih platnih transakcija. Nadalje je trend upotrebe elektronskog novca na bh. tržištu pospješen izdavanjem prve jedinstvene domaće BamCard kartice ABS BANKE i obavljanjem prve transakcije po debitnoj kartici, bez posredovanja stranog procesing centra.

Pozicija banke na tržištu i zainteresovanost investitora su se, između ostalog, reflektovale na promet i vrijednost dionica, koje su prema zvaničnim izvještajima SASE bile među najprometnijim od 2005. godine. Visoko kotiranje na berzi zasigurno je bilo podsticaj da Steiermaerkische Sparkasse u ABS BANCI prepozna kvalitetnog partnera za ulazak na tržište. Rezultati poslovanja u finansijskom smislu su obilježeni porastom glavnih finansijskih pokazatelja u proteklom godinama, kako je grafički prikazano u nastavku.

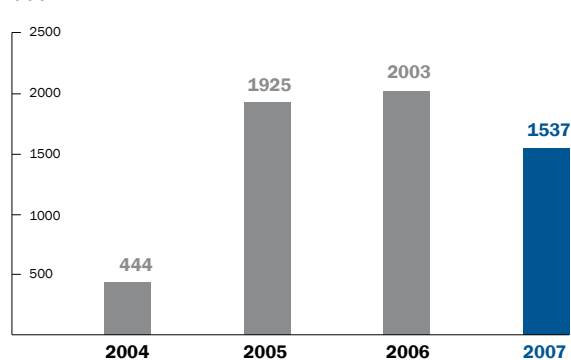
Aktiva

000 KM



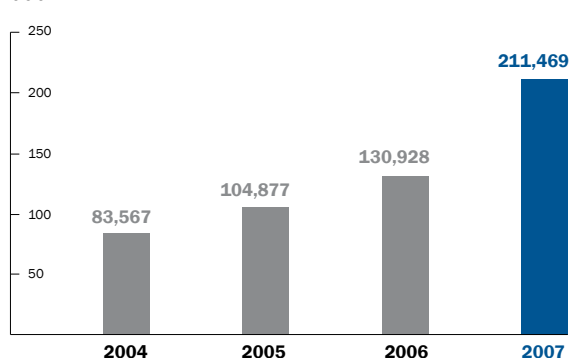
Neto dobit

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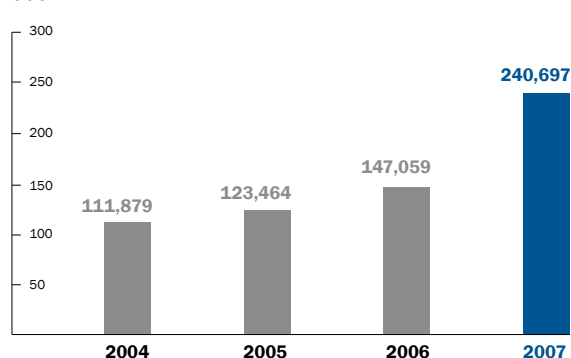
Kredit

000 KM



Depoziti

000 KM



Bank Profile

ABS BANK SARAJEVO exists since 1999 through one of the biggest business networks in the region of FB&H and District of Brčko with its seat in Sarajevo. In 2007 Steiermärkische Bank und Sparkasse AG from Austria became the major owner with percentage in participation of almost 65%. Our success from establishment until today is based in the combination of regional approach and nearness to clients with long term tradition, competence and dispersed infrastructure.

We fulfill the expectations of our clients

ABS BANK offers all kinds of banking services at which the palette of financial services is widened by the establishing of the S – Leasing company in the last year. The major owner, Steiermärkische Sparkasse AG is a partner with clear strategy – transfer of technologies and international experience will develop the ABS BANK according to the standards of the Group of savings institutes in the modern retail bank that will cover the territory of the entire country. Providing of wide assortment of products will be in the first line directed to the satisfying of specific needs of private clients and SMEs.

Business results

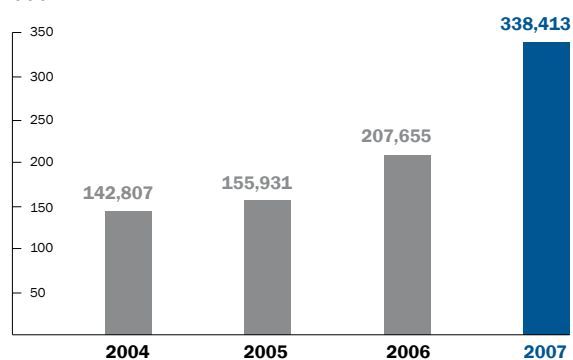
Development of B&H and its integration into the global trends in banking and finance began with the reform of the banking payments and was marked by the first transaction through the ABS BANK. Until today the bank holds the first position by number of performed transactions. The trend of use of electronic money is improved by issuance of the first unified domestic BamCard of the ABS BANK and performing the first transaction by the debit card without mediation of foreign processing center.

The position of the bank in the market and interest of the investors have among others reflected to the trade and value of bonds that according to the official SASE reports were amongst most traded with since 2005. High quotation on the stock market was definitely a motivation for Steiermärkische Sparkasse to recognize in the ABS BANK a quality partner for entrance in the market.

Business results in financial terms were marked by increase of main financial indicators in past years as shown below:

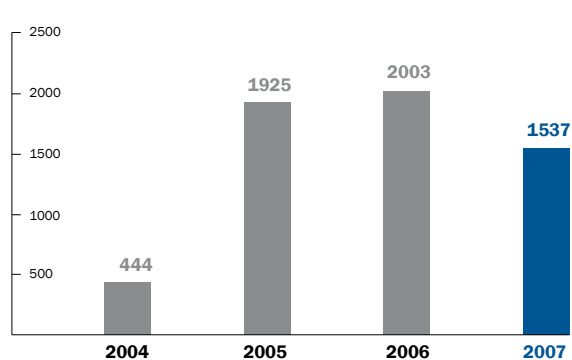
Assets Development

000 KM



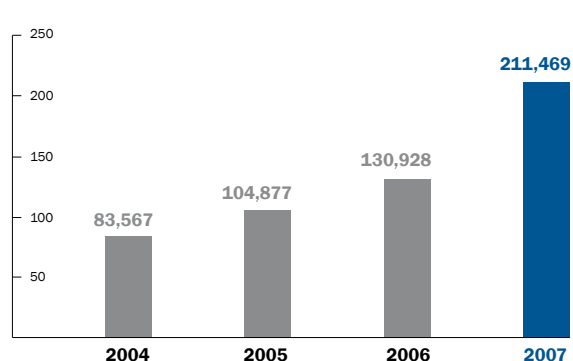
Net Profit Development

000 KM



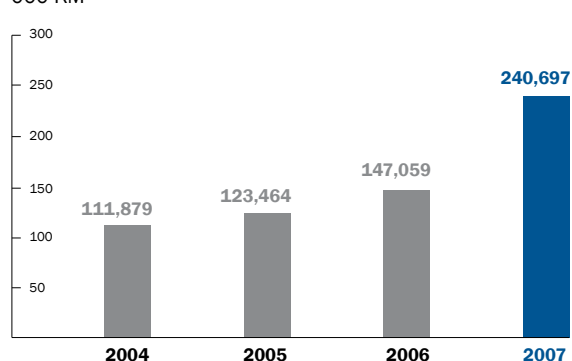
Loan Development

000 KM



Deposits Development

000 KM



Zastupljenost na tržištu

Banka trenutno opslužuje oko 100 000 klijenata putem poslovne mreže od 44 poslovnice u svim kantonima FBiH te Distriktu Brčko. Pri tome je izlazak na tržište Republike Srpske te otvaranje novih poslovnica u Federaciji u 2008. godini tek početak ostvarenja plana ekspanzije i povećanja tržišnog udjela. Korisnici naših kartičnih proizvoda imaju na raspolaganju mrežu od preko 300 prodajnih mjesta, dok finansijske tokove širom svijeta omogućavamo putem gotovo 20 korespondentnih banaka.

Korporativna kultura

Kvaliteta je naša konstanta, stoga svoju konkurentsku prednost gradimo, između ostalog, na ulaganju u profesionalno i lično usavršavanje svojih uposlenika. Na ovaj način kreiramo korporativnu klimu u kojoj vladaju zdrava ambicioznost i timski rad, profesionalnost i poslovni moral te snažan osjećaj identifikacije sa osnovnim vrijednostima i pripadnosti organizaciji. Naš tim živi ova načela, slijedeći zajednički cilj jačanja povjerenja i lojalnosti klijenata.

Društvena odgovornost

Dio našeg korporativnog identiteta jeste da svoj poslovni uspjeh ne posmatramo isključivo kroz finansijski rezultat, nego i doprinos koji smo uspjeli pružiti društvu. Svoj doprinos društvu pružamo ciljano, upravo u onim segmentima društvene stvarnosti gdje smatramo da je pomoć najpotrebnija i podržavamo humanitarne te projekte na području kulture, edukacije i sporta.

Representation in the market

Bank currently serves 100 000 clients through the business network of 44 branches in cantons of FB&H and District Brčko. At that, entering the market of RS and opening of new branches in the Federation in 2008 which is only the beginning of the expansion plan and increase of the market share. Users of our credit cards have at their disposal a network of over 300 sales points while we enable the financial flows world wide through almost 20 correspondent banks.

Corporate culture

Quality is our constant and therefore we build our competitiveness among other, on investing into personal and professional upgrade in education and training. In this way we create a corporate climate in which there are healthy ambitions and team work, professionalism and business ethics as well as strong feeling of identification and belonging to the organization. Our team lives for these principles following the common goal of strengthening of trust and loyalty of clients.

Social responsibility

Part of our corporate identity is that we do not see our business success only through the prism of the financial results but also through the contribution that we managed to give to society. In that terms we try to contribute aiming to those segments of the social reality where we consider the assistance is necessary and support the projects in the area of culture, education and sports.

ABS BANKA u 2007. godini

Januar / January



Predstavnik ABS BANKE uručuje štedne knjižice najboljim sportistima u sklopu Manifestacije „Izbor najuspješnijih sportista, sportskih organizacija i sportskih radnika 2006. godine ZE-DO Kantona“.

Representative of the ABS BANK gives in reward savings books to the best athletes within the event "Contest of best athletes, sport organizations and sport professional in 2006 of the Zenica – Doboj Canton".

Februar / February



Predstavnici Saveza hokeja na ledu i HK Bosna uručuju počasni dres Predsjedniku Štajerske gospodinu mr. Franzu Vovesu.

Representatives of the Ice hockey Federation and Hockey club Bosna award the honor tricot to the President of Steiermark, MA Franz Voves.

Mart / March



ABS BANKA daje podršku projektu „Career Days 2007“ kojeg provodi AIESEC - Udruženje studenata ekonomije i menadžmenta.

ABS BANK supports the project „Career Days 2007“ conducted by AIESEC – Association of student of economy and management.

April / april



Učenici Srednje ekonomske škole iz Vogošće u sklopu praktične nastave napravili jednodnevno izlaganje proizvoda ABS BANKE na štandu kojeg su sami uradili u holu škole.

Students of the High School in Vogošća made a project presentation of products of the ABS BANK on the stand made by them in the school hall.

Maj / May



Sponzorstvo Asocijacije Unified Sport BiH - pozorišna predstava "Crvenkapac" za pomoć osobama sa poteškoćama u mentalnom razvoju.

Sponsorship of the Association Unified Sport BIH- theatrical play „Crvenkapac“ to help persons with problems of mental development.

Juni / June



ABS BANKA donirala preko 30 polovnih računara Organizaciji porodica šehida i poginulih boraca BiH.

ABS BANK donated over 30 used computers to the Organization of fallen soldiers of B&H.

ABS BANK in 2007

Juli / July



Press konferencija u povodu predstavljanja novog vizuelnog identiteta ABS BANKE. Franz Kerber (u sredini), član uprave Steiermärkische Sparkasse, Adnan Zukić (sa lijeve strane), direktor ABS BANKE.

Press conference due presentation of the new visual identity of the ABS BANK. Franz Kerber (center), member of the management board of Steiermärkische Sparkasse, Adnan Zukić (on the left), director of the ABS BANK.

August / August



Filijala Travnik prešla u novi prostor usklađen sa novim vizuelnim identitetom.

Branch in Travnik moved to new premises adjusted to the new visual identity.

Septembar / September



ABS BANKA sponzor Atletskom klubu Sarajevo na Ekipnom takmičenju u atletici za pionire održanom 6. oktobra 2007. godine.

ABS BANK sponsor to the Athlete club Sarajevo on the Team contest in pioneer selection held on October 6th 2007.

Oktober / October



ABS BANKA obilježila Svjetski dan štednje 31.oktobar mnoštvom aktivnosti u svim gradovima Bosne i Hercegovine.

ABS BANK celebrated the World savings day – 31st of October by many activities in all cities of B&H.

Novembar / November



Produžen godišnji sponzorski ugovor sa Nogometnim savezom BiH.

Extended annual Sponsorship Agreement with the Football Union BiH.

Decembar / December



ABS BANKA potpisala sponzorski ugovor sa Rukometnim savezom BiH za sezonu 2007/08.

ABS BANK signed the sponsorship agreement with the Handball Federation of B&H for the season 2007/2008

Društvena odgovornost Banke



Dio našeg korporativnog identiteta jeste da svoj poslovni uspjeh ne posmatramo isključivo kroz finansijski rezultat, nego i doprinos koji smo uspjeli pružiti unutar sistema koji čine zaposlenici, klijenti, dobavljači i društvena zajednica. Mi, kao organizacija, u biti se smatramo članom društva i kao takvi preuzimamo društvenu odgovornost.

U tom smislu, nastojimo pružiti doprinos ciljano, upravo u onim segmentima društvene stvarnosti gdje smatramo da je pomoć najpotrebnija i podržavamo projekte iz kojih možemo idejno stati. Primjer je angažman na području kulture i edukacije gdje već nekoliko godina kroz sponzorsko-partnerski ugovor pomažemo Udruženje studenata ekonomije i menadžmenta - AIESEC, cijeneći da je podrška kvalitetnih ideja mladih ljudi jedan od najboljih vidova pomoći društvenoj zajednici.

Aktivnosti isključivo humanitarnog karaktera su stalna stavka u našem marketinškom budžetu. Iako moramo poštovati budžetska ograničenja, pokušavamo se odazvati bar dijelu poziva za pomoć. U 2007. godini je ostvarena suradnja sa Organizacijom porodica šehida i poginulih

boraca BiH, Asocijacijom Unified Sport u projektu podrške osobama sa poteškoćama u mentalnom razvoju te organizatorima različitih manifestacija pod sloganom „Sportom protiv droge“. Izdvajanja za pojedinačne donacije osobama u nevolji su, također, sastavni dio svakog godišnjeg plana.

U segmentu podrške sportu smo izuzetno aktivni. Naši sponzorski i donatorski aranžmani pokrivaju širok opseg kako juniorskih i lokalnih klubova kao što je NK „Bosna“ Visoko, ali i klubove iz najvišeg ranga takmičenja poput FK „Čelik“ Zenica, FK „Velež“ Mostar, sve do Rukometnog i Nogometnog Saveza BiH.

No, iznad svega, posebna se pažnja u oblasti društvene odgovornosti mora posvetiti čovjeku, odnosno zaposleniku. Profesionalna nadogradnja, edukacija i motivacijski programi za uposlenike će, posebno u 2008. godini, nakon transformacije poslovnog procesa i uvođenja novog informacionog sistema, biti u fokusu.

Corporate Social Responsibility



Part of our corporate identity is that we do not see our business success only through the prism of the financial results but also through the contribution that we managed to give within the system of employees, clients, suppliers and civil community. We, as an organization, consider ourselves a member of the society and as such take the part of our social responsibility.

In that terms we try to contribute aiming to those segments of the social reality where we consider the assistance is necessary and support the projects that we can justify by their sense. The example of that is the engagement in the area of culture and education where we have successfully supported through sponsorship – partnership agreement the Association of students of economics and management – AIESEC, having in mind that the support of quality ideas of young people is one of the best aspects of assistance to the community.

The activities of exclusively humanitarian character are a permanent item in our marketing budget. Although we have to respect the budget restriction we try to respond at least to the part of calls for help. In 2007

we realized the cooperation with the Organization of the families of fallen soldiers of B&H, the Association "Unified Sport" in the project of support to persons with disabilities and difficulties in mental development and organizers of several manifestations and events under the slogan "Sports against drugs". Donations to individuals in trouble are also a constant part of our annual plan.

In the segment of support to sports we are highly active. Our sponsor and donor arrangements cover a wide scope junior and local clubs such as FC "Bosna" Visoko but also clubs of highest rank such as FC "Čelik" from Zenica, FC "Velež" Mostar and Handball and Football Federation of Bosnia – Herzegovina.

But, above all we pay attention in the area of the social responsibility to the individual and employee. Professional upgrade, education and motivation programs for employees will especially in the next year be in focus after the transformation of business processes and introduction of the new information system.





Corporate clients



OLIP
A necessary step
to your future
success...

Omer Kapa
Generalni direktor
CEO



OLIP je grupa fabrika sa sjedištem u blizini Verone koja u BiH proizvodi modnu obuću visoke srednje klase. OLIP je prošle godine proslavio 30 godina postojanja. Preko 80% proizvodnje izvozi se u Njemačku i Englesku.



OLIP is a group of factories with the seat near Verona that produces upper medium class shoes in Bosnia and Hercegowina. OLIP celebrated in the last year 30 years of existence. Over 80% of the production is exported to Germany and England.



LIGNACON

We strive towards
perfection and
your ultimate
contentment...

*Amor Dedić i Vasil Tanušev
Uprava preduzeća
Management of the company*



Lignaon a.d. je bosanskohercegovačko preduzeće za proizvodnju stolica. Preduzeće je osnovano 2001. godine kao akcionarsko društvo. Lignaon je preduzeće koje je uglavnom orijentirano na izvoz i danas 100% svoje proizvodnje izvozi u Evropu i Ameriku, a najveći kupac je IKEA.



Lignaon a.d. is a B&H company for production of chairs. The company was founded in 2001 as share holding company. Lignaon is a company mostly oriented to exports and 100% of its production is oriented to Europe and USA and biggest buyer is IKEA.



UGARAK
We understand
your needs and
expectations...

Džemil Uğarak
Direktor preduzeća
CEO



UGARAK – Produkt d.o.o. vodeća je fabrika u Bosni i Hercegovini u proizvodnji i ugradnji PVC stolarije i ALUMINJSKE bravarije po narudžbi. Fabrika je smještena u tri proizvodne hale, ukupne površine 4360 m². Svoje proizvode UGARAK – Produkt d.o.o. prodaje na bh. tržištu i u inostranstvu putem svojih zastupnika u Sanskom Mostu, Bugojnu, Holandiji, Belgiji, Austriji i Srbiji.



UGARAK – Produkt d.o.o. is the leading factory in B&H in production and montage of PVC windows and doors and aluminum garments by order. The factory is placed in 3 modern halls of the entire surface of 4360 m². UGARAK – Produkt d.o.o. sells its products on B&H market and abroad through its representatives in Sanski Most, Bugojno, Hollandi, Belgium, Austria and Serbia.

A man with dark, wavy hair, wearing a dark suit, a light blue shirt, and a red and blue striped tie, stands in a factory setting. He is looking directly at the camera with a neutral expression. In the background, there are industrial elements like a blue container and some machinery.

ALTERNATIVA Four generations at your service...

Salih Lemeš
Direktor preduzeća
CEO



Alternativa d.o.o. je preduzeće osnovano 1997. godine, a bavi se proizvodnjom krovnih i fasadnih limova, poliuretanskih panela i sistema za odvodnju oborinskih voda - limarske galanterije. Alternativa d.o.o. je apsolutni lider u ovoj oblasti u Bosni i Hercegovini. U proizvodnom procesu Alternativa koristi materijale vrhunskih evropskih proizvođača i svoje proizvode izvozi u zemlje članice Evropske unije.



Alternativa d.o.o. is the company founded in 1997 and deals with production of roof and façade plates, polyurethane panels and systems for management of canalling the waters – garments. Alternativa d.o.o. is the absolute leader in this area in B&H. in the production process it uses the material of leading European producers and exports its products in the EU countries.





Uvijek bliže Vama...

Glavni pokazatelji poslovanja

Stavke bilansa stanja (po shemi FBA)	2007 u 000 KM	2006 u 000 KM	Index 2007/2006
Ukupna aktiva bilansa stanja	338.413	207.655	163,0
Kreditni, poslovi lizinga i dospjela potraživanja umanjena za rezervisanja za kreditne gubitke	205.382	123.598	166,2
Depoziti	240.697	147.059	163,7
Ukupan kapital	41.990	40.453	103,8

Stavke bilansa uspjeha (po shemi FBA)	2007 u 000 KM	2006 u 000 KM	Index 2007/2006
Neto kamata i slični prihodi	10.856	8.175	132,8
Ukupni operativni prihodi	12.987	11.568	112,3
Troškovi rezervi za opšti kreditni rizik	4.897	2.675	183,1
Ostali poslovni i direktni troškovi	1.975	2.043	96,7
Operativni rashodi	15.165	12.824	118,3
DOBIT PRIJE OPOREZIVANJA	1.806	2.201	82,1
POREZI	269	198	
NETO-DOBIT	1.537	2.003	76,7
Dodatne informacije			
Broj zaposlenika	326	297	
Broj jedinica poslovne mreže	44	42	

Main Indicators

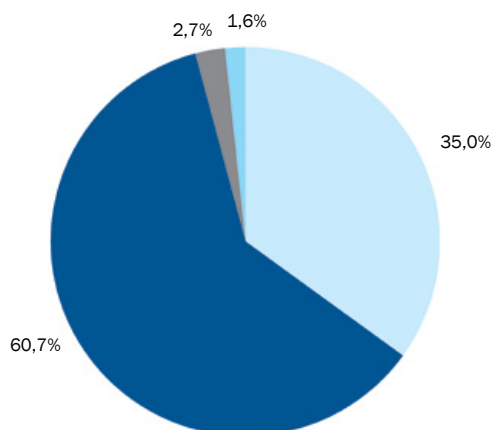
Balance Sheet (according to FBA)	2007 in 000 KM	2006 in 000 KM	Index 2007/2006
Total assets of the balance sheet	338.413	207.655	163,0
Loans, leasing, receivables minus loan loss reserves	205.382	123.598	166,2
Deposits	240.697	147.059	163,7
Total capital	41.990	40.453	103,8

Income statement (according to FBA)	2007 in 000 KM	2006 in 000 KM	Index 2007/2006
Net interest and similar income	10.856	8.175	132,8
Total operative income	12.987	11.568	112,3
Loan loss reserves	4.897	2.675	183,1
Other business and direct costs	1.975	2.043	96,7
Operative outcome	15.165	12.824	118,3
Profit before tax	1.806	2.201	82,1
Taxes	269	198	
Net profit	1.537	2.003	76,7
Additional information			
Number of employees	326	297	
Number of business network units	44	42	

Aktiva

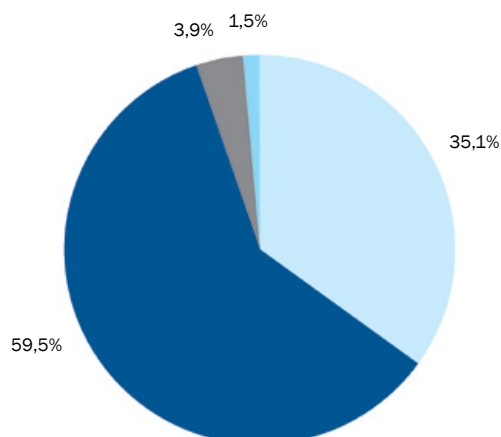
Aktiva banke na dan 31.12.2007. iznosi 338 mil. 413 hilj. KM i povećana je u odnosu na prethodnu godinu za 130 mil. 758 hilj. KM odnosno za 62,96%. U strukturi aktive, kao što se može primijetiti u donjem grafičkom prikazu, preovladavaju krediti komitentima sa udjelom od 60.70% ukupne aktive.

**STRUKTURA AKTIVE BANKE
SA 31.12.2007 GODINE**



Novčana sredstva
Kreditni plasmani
Ulaganja
Stalna sredstva

**STRUKTURA AKTIVE BANKE
SA 31.12.2006 GODINE**



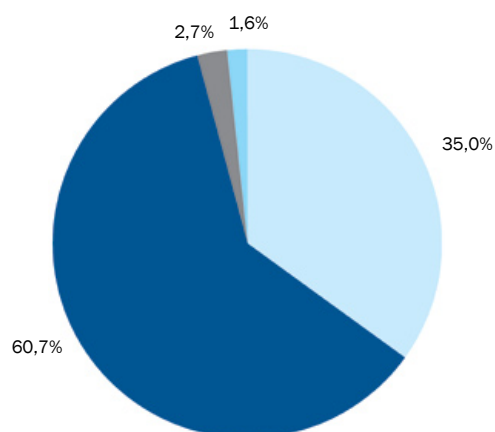
Novčana sredstva
Kreditni plasmani
Ulaganja
Stalna sredstva

AKTIVA	31.12.07.	%	31.12.06.	%	Index
Novčana sredstva	118.587	35,0	72.923	35,1	162,6
Kreditni, posl.lizinga i dosp.potr.	205.382	60,7	123.598	59,5	166,2
Stalna sredstva	9.034	2,7	7.996	3,9	113,0
Ostala aktiva	5.410	1,6	3.138	1,5	172,4
Ukupno	338.413	100,0	207.655	100,0	163,0

Bank Assets

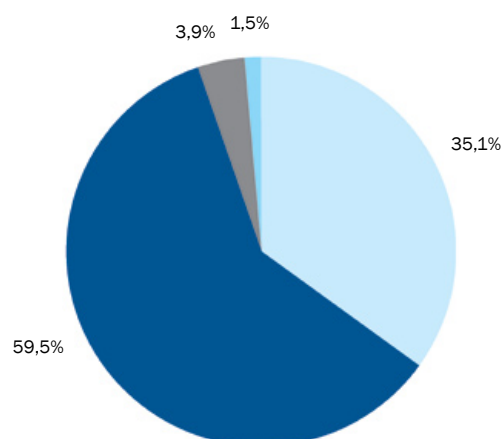
The assets of the bank amounted as of 31st December 2007 338million and 413 thousand KM and is increased in relation to 2005 for 130 million and 758 thousand KM, e.g for 62,96%.In the structure of the assets the overrule of loans to clients is visible in the graphic below with participation of 60.70% of total assets.

**Structure of the Bank's assets
as of 31. 12. 2007**



■ Cash assets
■ Loan disb.
■ Invest.
■ Perm. Assets

**Structure of the Bank's assets
as of 31. 12. 2006**



■ Cash assets
■ Loan disb.
■ Invest.
■ Perm. Assets

Assets	31.12.07.	%	31.12.06.	%	Index
Cash assets	118.587	35,0	72.923	35,1	162,6
Loans, leasing, receivables	205.382	60,7	123.598	59,5	166,2
Permanent assets	9.034	2,7	7.996	3,9	113,0
Other assets	5.410	1,6	3.138	1,5	172,4
Total	338.413	100,0	207.655	100,0	163,0

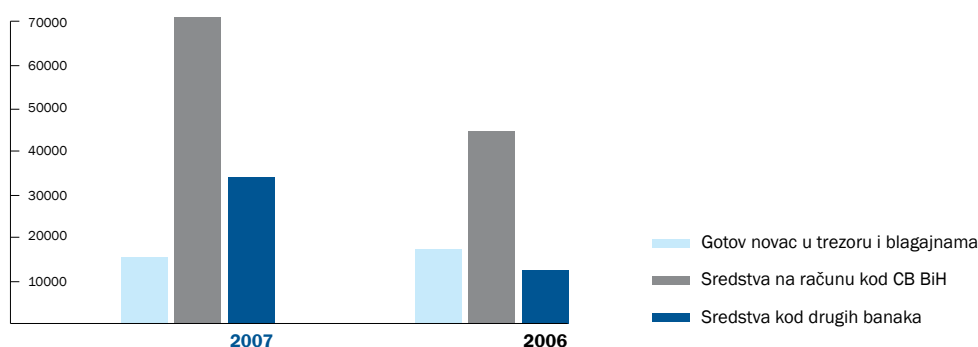
Novčana sredstva i računi depozita kod depozitnih institucija

Na svojim računima kod banaka i u gotovini krajem 2007. banka je raspolagala sa 118 mil. 593 hilj. KM, a krajem 2006. banka je raspolagala sa 72 mil. 953 hilj. KM, što znači da su likvidna sredstva povećana za 62.56%.

Koeficijent likvidnih sredstava u odnosu na depozite sa 31.12.2007. godine iznosi 49,27%. Koeficijent likvidnosti u odnosu na ukupnu aktivu 35.01%. Komparirajući podatke sa 31.12.2006. godine koeficijent likvidnih sredstava iznosio je 49.61%, a u odnosu na ukupnu aktivu 35.13%.

Novčana sredstva i računi depozita kod depozitnih institucija

000 KM



NOVČANA SREDSTVA	2007	2006	Index
Gotov novac u trezoru i blagajnama	15.173	16.895	0,9
Sredstva na računu kod CB BiH	69.849	43.874	1,6
Sredstva kod drugih banaka	33.571	12.184	2,8
Ukupno	118.593	72.953	1,6

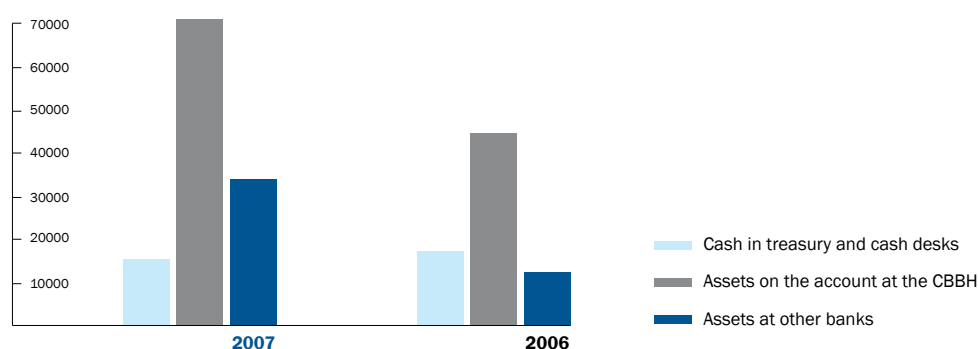
Cash Assets and Deposit Accounts at Depository Institutions

On its accounts at banks and in cash by the end of 2007 the bank disposed over 118 million and 593 thousand KM which represents an increase of 62.56%.

The coefficient of the liquid assets in relation to deposits as of 31. 12. 2007 amounts 49,27% The liquidity ration in relation to total assets amounts 35,01% By comparison of the data as of 31. 12. 2006 the coefficient of liquid assets amounted 49,61% and in relation to total assets 35,13%.

Cash assets and deposit accounts at depository institutions

000 KM



Cash assets	2007	2006	Index
Cash in treasury and cash desks	15.173	16.895	0,9
Assets on the account at the CB BiH	69.849	43.874	1,6
Assets at other banks	33.571	12.184	2,8
Total	118.593	72.953	1,6

Bruto krediti

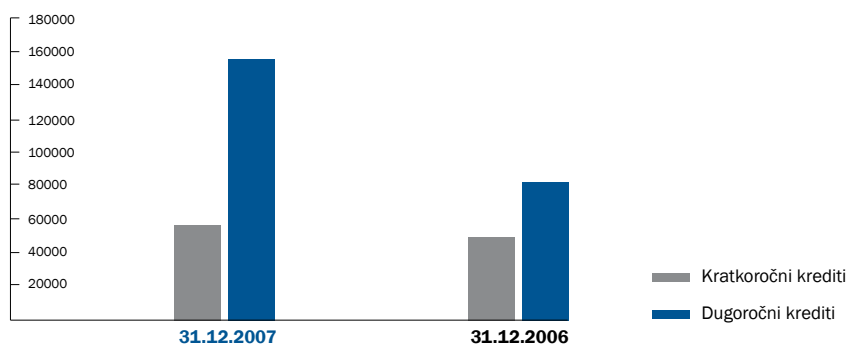
Bruto krediti iznose 211 mil. 469 hilj. KM, što u odnosu na 2006. godinu iznosi povećanje od 61.52 % odnosno 80 mil. 541 hilj.KM.

Banka je sa 31.12.07. u strukturi kredita imala 26,4% kratkoročnih, a 73.6% dugoročnih kredita, dok je sa 31.12.2006. godine u strukturi kredita imala 37.3% kratkoročnih, a 62.7% dugoročnih kredita.

Od ukupnih 55 mil. 873 hilj. KM kratkoročnih kredita na stanovništvo se odnosi 10 mil. 404 hilj.KM, a na pravna lica 45 mil. 469 hilj. KM. Od 155 mil. 596 hilj. KM dugoročnih kredita na stanovništvo se odnosi 51 mil. 872 hilj. KM., a na pravna lica 103 mil. 724 hilj. KM. Rezerve po kreditima iznose 6 mil. 087 hilj. KM, što znači da su neto krediti 205 mil. 382 hilj. KM.

Bruto krediti

000 KM



BRUTO KREDITI	31.12.07.	%	31.12.06.	%	Index
Kratkoročni krediti	55.873	26,4	48.898	37,3	114,3
Dugoročni krediti	155.596	73,6	82.030	62,7	189,7
Kreditni plasmani	211.469	100	130.928	100	161,5

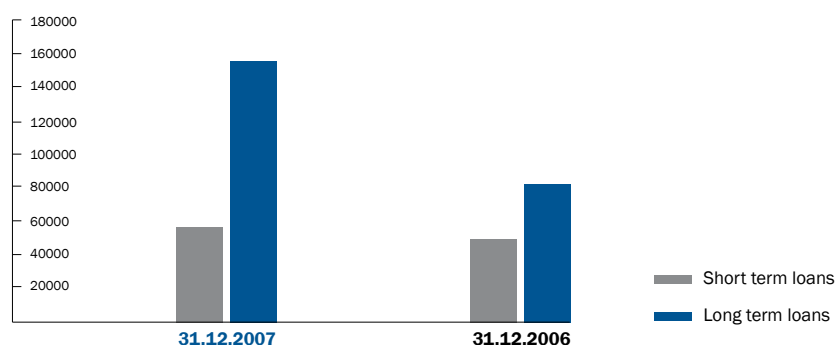
Gross Loans

Gross loans amount 211 million and 469 thousand KM which in relation to 2006 represents an increase of 61,52%, e.g. 80 million and 541 thousand KM. The Bank had as of 31. 12. 2007 in its loan structure 26,4% short term and 73,6% long term loans and as of 31. 12. 2006 37,3% short term and 62,7% long term loans.

Out of the total 55 million 872 thousand KM of the short term loans the population related are 10 million and 404 thousand KM and legal persons 45 million and 469 thousand KM and out of the 155 million and 596 thousand long term loans population related are 51 million 872 thousand and to legal persons 103 million and 724 thousand KM. Reserves on loans amount 6 million 087 thousand which means that the net loans amount 205 million and 382 thousand KM.

Gross loans

000 KM



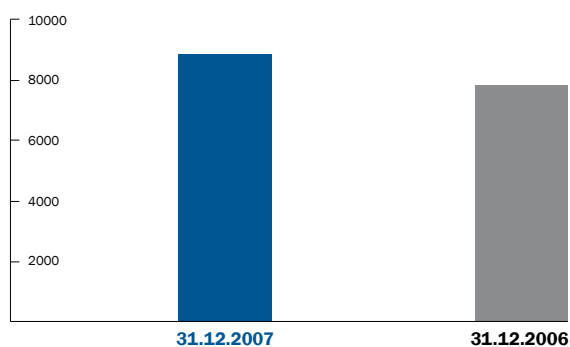
Gross loans	31.12.07.	%	31.12.06.	%	Index
Short term loans	55.873	26,4	48.898	37,3	114,3
Long term loans	155.596	73,6	82.030	62,7	189,7
Loan disbursements	211.469	100	130.928	100	161,5

Stalna sredstva i ostala aktiva

Stalna sredstva

Strukturu stalnih sredstava čine: materijalna i nematerijalna imovina. Materijalna imovina se odnosi na građevine i zemljište, računari, vozila, kancelarijska oprema, imovina u pripremi. Nematerijalna imovina odnosi se na softver, patente i licence, ulaganja u višegodišnji zakup i prava na nematerijalna dobra.

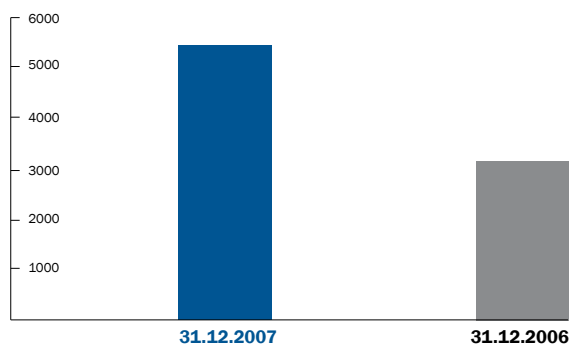
Stalna sredstva 000 KM



Ostala aktiva

Strukturu ostale aktive čine potraživanja iz osnova kamata i naknada, aktivnih vremenskih razgraničenja i sva ostala potraživanja.

Ostala aktiva 000 KM



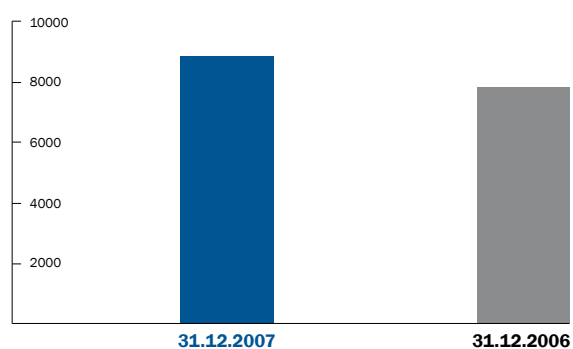
Permanent Assets and other Assets

Permanent assets

The structure of permanent assets: material and immaterial assets, at which the material assets relate to lands and buildings, vehicles, office equipment, assets in preparation and the immaterial assets relate to software, patents and licenses, investments in rights of immaterial assets.

Permanent assets

000 KM

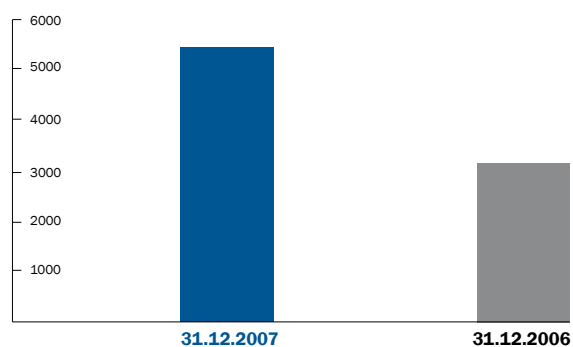


Other assets

The structure of other assets: receivables due interests and fees and active timely confinements and all other receivables.

Other assets

000 KM



Pasiva banke

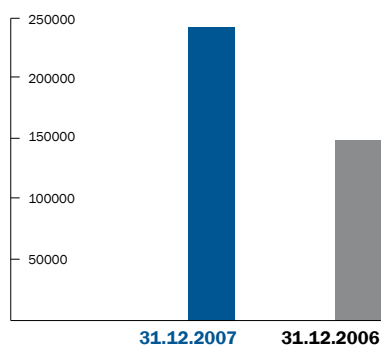
U strukturi pasive najznačajniju stavku predstavljaju depoziti, njihovo ukupno učešće je 81,2 % sa 31.12.2007. U odnosu na stanje 2006. ukupne obaveze Banke sa 31.12.2007. povećane su za 129 mil.221 hilj. KM ili 77% pri čemu je porast depozita 93 mil. 638 hilj. KM odnosno 63,7%. Depoziti pravnih lica sa 31.12.2007. godine povećani su za 66 mil. 299 hilj. KM, a depoziti građana porasli su za 27 mil. 339 hilj. KM. Obaveze prema drugima povećana su za 33 mil. 356 hilj.KM.

Obaveze po uzetim kreditima sa 31.12.07. povećane su u odnosu na 31.12.06. za 33 mil. 356 hilj. KM i iznose 48 mil. 299 hilj. KM. Banka je realizirala dugoročnu kreditnu liniju Steiermärkische u iznosu od 36 mil. 835 hilj.KM, zatim EFSE u iznosu od 9 mil. 143 hilj. KM. Od IBF-a obaveze po uzetim kreditima iznose 937 hilj. KM. Zaduženje kod Vlade Zeničko Dobojskog kantona iznosi 1 mil. 384 hilj. KM.

Strukturu ostale pasive čine: obaveze iz osnova pasivnih kamata, obaveze prema dobavljačima, obaveze prema radnicima i ostale obaveze iz redovnog poslovanja.

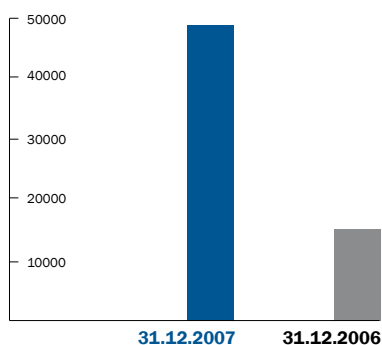
Depoziti

000 KM



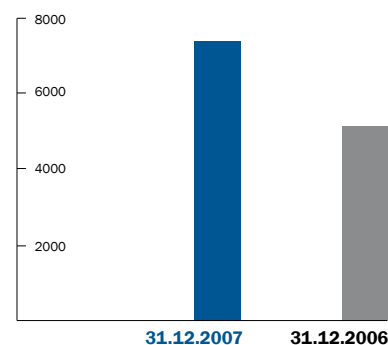
Obaveze po uzetim kreditima i ostalim pozajmicama

000 KM



Ostale obaveze

000 KM



PASIVA BANKE	31.12.07.	%	31.12.06.	%	Index
Depozitna sredstva	240.697	81,2	147.059	88,0	163,7
Pravnih lica	146.657	49,5	80.358	48,1	182,5
Građana	94.040	31,7	66.701	39,9	141,0
Kreditna sredstva	48.299	16,3	14.943	8,9	323,2
Ostale obaveze	7.427	2,5	5.200	3,1	142,8
Ukupne obaveze	296.423	100	167.202	100	177,3

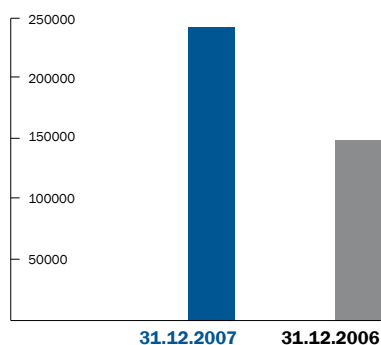
Liabilities of the Bank

In the liabilities structure the most significant part are the deposits with total participation of 81,2% as of 31. 12. 2007. In relation to 2006 total bank liabilities are increased for 129,221 million KM or 77% at which the increase of the deposits amounts 63,7% or 93,638 mil KM. Deposits of legal persons as of 31. 12. 2007 are increased for 66,299 million KM and of citizens for 27,339 million KM. The liabilities to others are increased for 33,356 million KM.

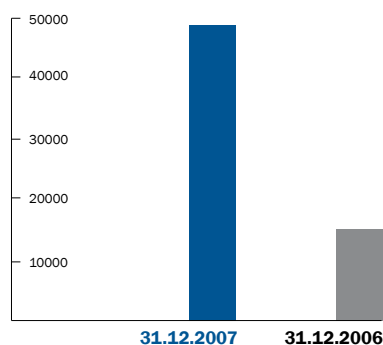
The loan liabilities as of 31. 12. 2007 are increased in relation to the last year for 33,356 million KM and amount 48,299 million KM. The Bank realized long term credit line with Steiermaerkische und amounting 36,835, EFSE 9,143. IBF liabilities amount 937 thousand KM. The liability to the Government of the ZE DO Canton amount 1,384 million KM.

The structure of other liabilities is as follows: liabilities due passive interests liabilities towards suppliers, employees and other regular business scope liabilities.

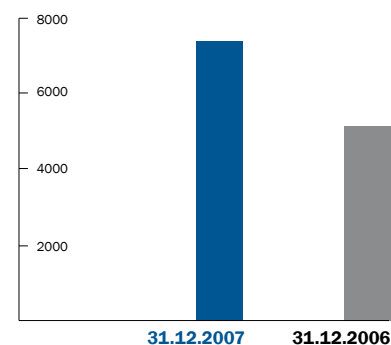
Deposits
000 KM



Loan and other borrowings liabilities
000 KM



Other liabilities
000 KM

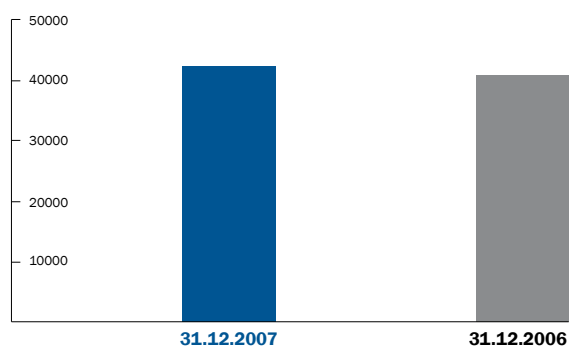


Liabilities	31.12.07.	%	31.12.06.	%	Index
Deposit assets	240.697	81,2	147.059	88,0	163,7
legal persons	146.657	49,5	80.358	48,1	182,5
population	94.040	31,7	66.701	39,9	141,0
loan assets	48.299	16,3	14.943	8,9	323,2
other liabilities	7.427	2,5	5.200	3,1	142,8
Total liabilities	296.423	100	167.202	100	177,3

Kapital

Kapital je sa 31.12.2007. godine povećan u odnosu na 31.12.2006. za 1 mil. 537 hilj.KM ili 3.80 %.

Kapital
000 KM

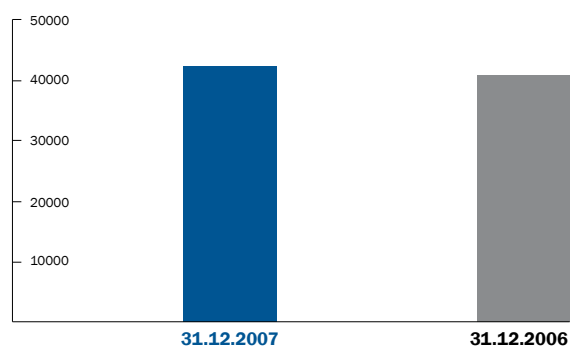


KAPITAL	31.12.07.	31.12.06.	Index
Dionički kapital	26.473	26.473	100,00
Neraspoređena dobit i rez. kapitala	13.980	11.977	116,72
Neto dobit perioda	1.537	2.003	76,73
Ukupno kapital	41.990	40.453	103,80

Capital

Capital is increased as of 31. 12. 2007 in relation to 31. 12. 2006 for 1,537 million KM or 3,80%.

Capital
000 KM



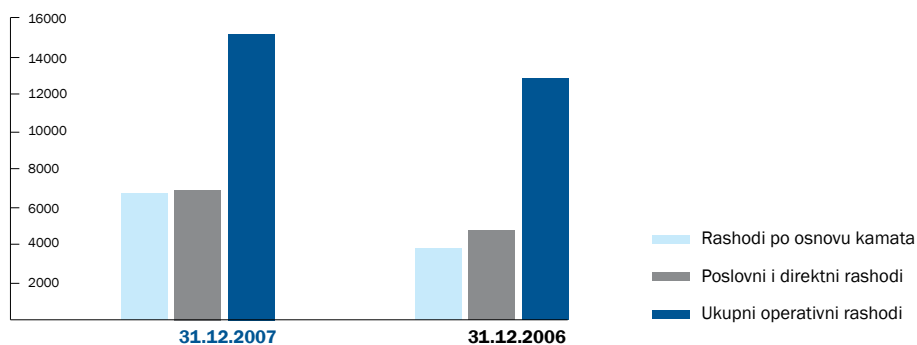
Capital	31.12.07.	31.12.06.	Index
Share capital	26.473	26.473	100,00
Unshared profit and capital result	13.980	11.977	116,72
Net profit of the period	1.537	2.003	76,73
Total capital	41.990	40.453	103,80

Rashodi

Rashodi od kamata povećani su u odnosu na prethodnu godinu za 2 mil. 950 hilj. KM odnosno za 77.9%, poslovni i direktni rashodi povećani su za 2 mil. 155 hilj. KM odnosno za 45.7% i operativni rashodi su povećani za 2 mil. 339 hilj. KM odnosno za 18.2%. U ukupnim rashodima najveće učešće se odnosi na operativne rashode u iznosu od 15 mil. 165 hilj. KM i to predstavlja 52.7% ukupnih rashoda. Troškovi rezervi za opšti kreditni rizik i potencijalne kreditne i druge gubitke iznosi 4 mil. 897 hilj. KM i predstavlja 17 % ukupnih rashoda.

Rashodi

000 KM



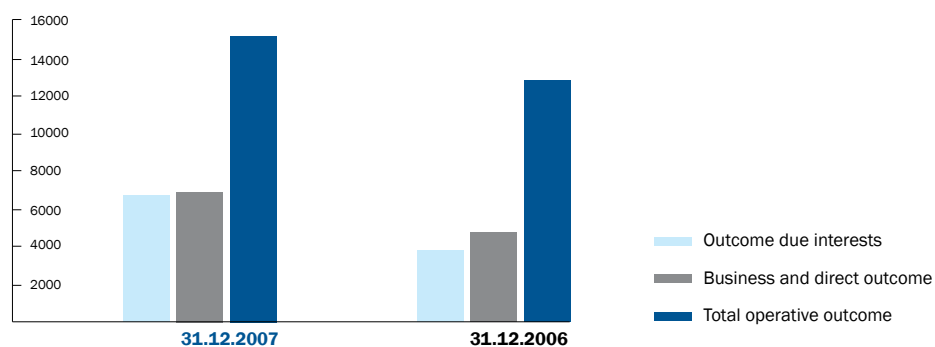
RASHODI	31.12.07.	31.12.06.	Index
Rashodi po osnovu kamata	6.739	3.789	177,9
Poslovni i direktni rashodi	6.872	4.717	145,7
Ukupni operativni rashodi	15.165	12.826	118,2
Ukupno rashodi	28.776	21.332	134,9

Outcome

The outcome from interests increased in relation to the last year for 2,950 million KM or 77,9%, business and direct income increased for 2,155 million KM e.g. for 45,7% and operative outcome increased for 2,339 thousand KM or 18,2%. In total outcome the biggest participation relates to operative outcome amounting 15,165 million KM which is 52,7% of total outcome. The reserves costs for common loan risk and potential loan losses amounts 4,897 million KM and represents 17% of total outcome.

Outcome

000 KM



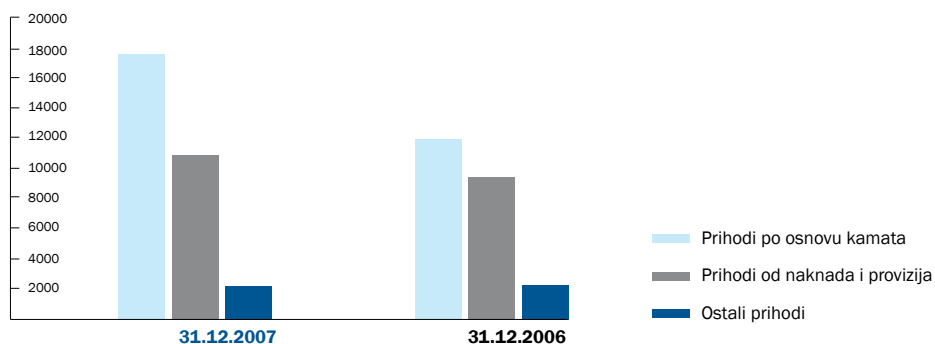
Outcome	31.12.07.	31.12.06.	Index
Outcome due interests	6.739	3.789	177,9
Business and direct outcome	6.872	4.717	145,7
Total operative outcome	15.165	12.826	118,2
Total outcome	28.776	21.332	134,9

Prihodi

Prihodi po osnovu kamata povećani su u odnosu na prethodnu godinu za 5 mil. 630 hilj. KM odnosno za 47.1% prihodi od naknada povećani su za 1 mil. 481 hilj.KM odnosno 15.8%, a ostali prihodi smanjeni su za 62 hilj.KM.

Prihodi

000 KM



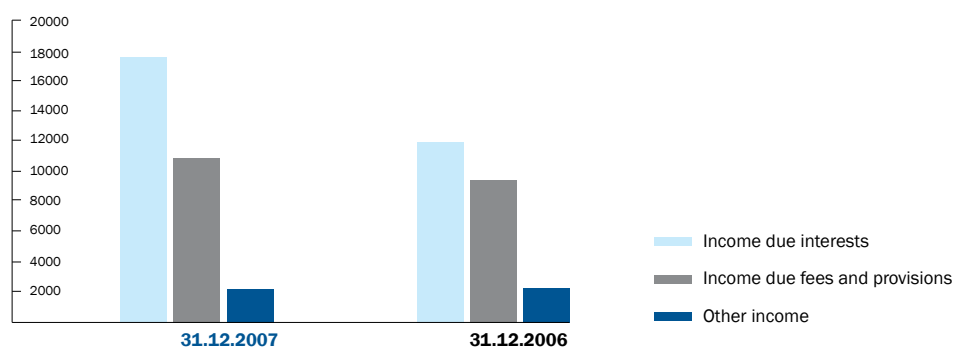
PRIHODI	31.12.07.	31.12.06.	Index
Prihodi po osnovu kamata	17.595	11.965	147,1
Prihodi od naknada i provizija	10.845	9.364	115,8
Ostali prihodi	2.142	2.204	97,2
Ukupno prihodi	30.582	23.533	130,0

Income

The income due interests increased in relation to the last year for 5,630 million KM or 47,1% and income from fees increased for 1,481 million KM or 15,8% and other income are decreased for 62 thousand KM.

Income

000 KM



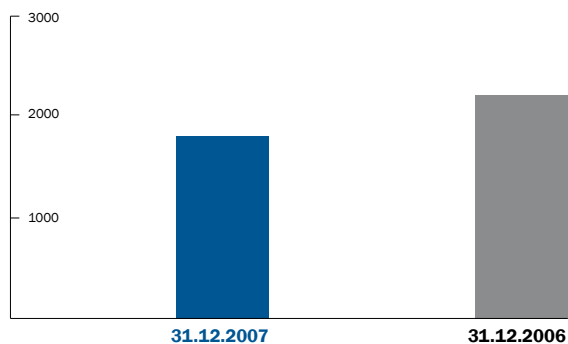
Income	31.12.07.	31.12.06.	Index
Income due interests	17.595	11.965	147,1
Income due fees and provisions	10.845	9.364	115,8
Other income	2.142	2.204	97,2
Total income	30.582	23.533	130,0

Finansijski rezultat

Aktivnosti koje je Banka provodila u 2007. godini poslovanja dale su pozitivne finansijske efekte. Ostvareni su ukupni prihodi u iznosu od 30 mil. 582 hilj.KM, odnosno ukupni rashodi u iznosu od 28 mil. 776 hilj. KM, što je omogućilo Banci ostvarenje bruto dobiti od 1 mil. 806 hilj KM. Porez na dobit za tekući period iznosi 269 hilj. KM, a neto dobit je 1 mil. 537 hilj. KM.

Bruto dobit

000 KM



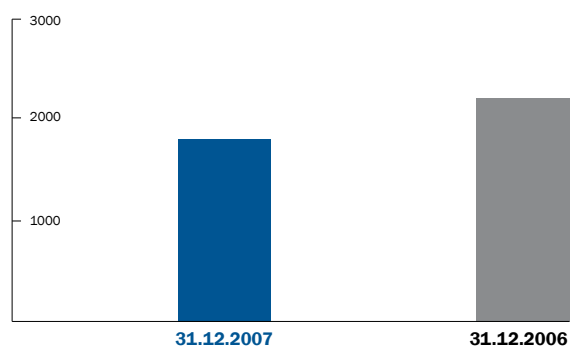
FINANSIJSKI REZULTAT	31.12.07.	31.12.06.	Index
Prihodi po osnovu kamata	17.595	11.965	147,1
Rashodi po osnovu kamata	6.739	3.790	177,8
Neto prihodi po kamatama	10.856	8.175	132,8
Operativni prihodi	12.987	11.568	112,3
Poslovni i direktni rashodi	6.872	4.718	145,7
Ukupni operativni rashodi	15.165	12.824	118,3
BRUTO DOBIT	1.806	2.201	82,1
Porezi	269	198	
NETO DOBIT	1.537	2.003	76,7

Financial Result

The activities that the bank conducted in 2007 gave positive results financially. Total income realized amounts 30,582 million KM and total outcome realized amounts 28,776 million KM which enabled the bank to realize net profit of 1,537 million KM. Taxes amounted 269 thousand KM.

Gross Profit

000 KM



Financial result	31.12.07.	31.12.06.	Index
Income due interest	17.595	11.965	147,1
Outcome due interest	6.739	3.790	177,8
Net income due interest	10.856	8.175	132,8
Operative income	12.987	11.568	112,3
Business and direct outcome	6.872	4.718	145,7
Total operative outcome	15.165	12.824	118,3
Gross profit	1.806	2.201	82,1
Taxes	269	198	
Net profit	1.537	2.003	76,7

Finansijski izvještaj 2007

*Finansijski izvještaji za godinu koja je završila 31. decembra 2007.
pripremljeni u skladu sa Međunarodnim standardima finansijskog
izveštavanja i Izvještaj nezavisnog revizora*

Financial Statements 2007

Financial statements for the year ended 31 December 2007 prepared in accordance with International Financial Reporting Standards and Independent Auditors' Report

Odgovornost za finansijske izvještaje

U skladu sa Zakonom o računovodstvu i reviziji Federacije Bosne i Hercegovine ("Službene novine Federacije Bosne i Hercegovine", broj 32/05), Uprava je dužna osigurati da za svaku finansijsku godinu budu sastavljeni finansijski izvještaji u skladu s Međunarodnim standardima finansijskog izvještavanja (MSFI), koje je objavio Odbor za međunarodne računovodstvene standarde, koji pružaju istinit i fer pregled stanja u ABS Banka d.d. Sarajevo ('Banka'), kao i njene rezultate poslovanja za navedeni period.

Nakon provedbe odgovarajuće analize, Uprava opravdano očekuje da će Banka u dogledno vrijeme raspolagati odgovarajućim resursima, te stoga i dalje usvaja načelo vremenske neograničenosti poslovanja pri sastavljanju finansijskih izvještaja.

Odgovornosti Uprave pri izradi finansijskih izvještaja obuhvataju slijedeće:

- odabir i dosljednu primjenu odgovarajućih računovodstvenih politika;
- davanje opravdanih i razboritih prosudbi i procjena;
- postupanje u skladu s važećim računovodstvenim standardima, uz objavljivanje i obrazloženje svih materijalno značajnih odstupanja u finansijskim izvještajima te
- sastavljanje finansijskih izvještaja pod pretpostavkom vremenske neograničenosti poslovanja, osim ako pretpostavka da će Banka nastaviti poslovanje nije primjerena.

Uprava je odgovorna za vođenje odgovarajućih računovodstvenih evidencija, koje u svakom trenutku s opravdanom tačnošću prikazuju finansijski položaj Banke. Također, Uprava je dužna pobrinuti se da finansijski izvještaji budu u skladu sa Zakonom o računovodstvu i reviziji Federacije Bosne i Hercegovine. Pored toga, Uprava je odgovorna za čuvanje imovine Banke, te za poduzimanje opravdanih koraka za sprječavanje i otkrivanje prevara i drugih nepravilnosti.

Za i u ime Uprave
Adnan Zukić
Direktor

ABS Banka d.d.
Trampina 12/6
71000 Sarajevo
Bosna i Hercegovina

Responsibility for the Financial Statements

Pursuant to the Law on Accounting and Audit of Federation of Bosnia and Herzegovina (Official Gazette No. 32/05), the Management Board is responsible for ensuring that financial statements are prepared for each financial period in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) which give a true and fair view of the state of affairs and results of ABS Banka d.d. Sarajevo (the Bank) for that period.

After making enquiries, the Management Board has a reasonable expectation that the Bank has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board continues to adopt the going concern basis in preparing the financial statements.

In preparing those financial statements, the responsibilities of the Management Board include ensuring that:

- suitable accounting policies are selected and then applied consistently;
- judgments and estimates are reasonable and prudent;
- applicable accounting standards are followed, subject to any material departures disclosed and explained in the financial statements; and
- the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Bank will continue in business.

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Bank and must also; ensure that the financial statements comply with the Federation of Bosnia and Herzegovina Accounting and Audit Law. The Management Board is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Management Board
Adnan Zukić
Director

ABS Banka d.d.
Trampina 12/6
71000 Sarajevo
Bosnia and Herzegovina

Izvještaj nezavisnog revizora

Dioničarima ABS Banke d.d. Sarajevo

Obavili smo reviziju priloženih finansijskih izvještaja ABS Banke d.d. (u daljem tekstu: "Banka"), prikazanih na stranicama 3 do 40, koji se sastoje od bilansa stanja na dan 31. decembra 2007. godine, kao i bilansa uspjeha, izvještaja o novčanim tokovima i izvještaja o promjenama na kapitalu za godinu koji je tada završila, te sažetog prikaza značajnih računovodstvenih politika i drugih napomena uz finansijske izvještaje.

Odgovornost Uprave za finansijske izvještaje

Uprava je odgovorna za pripremanje i fer prezentiranje priloženih finansijskih izvještaja u skladu sa Međunarodnim standardima finansijskog izveštavanja, prilagođenim u skladu sa regulatornim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine. Odgovornosti Uprave obuhvataju slijedeće: dizajniranje, uspostavljanje i održavanje sistema internih kontrola vezanih za pripremanje i fer prezentiranje finansijskih izvještaja koji ne sadrže materijalno značajne pogreške, bilo zbog prevare ili grešaka; odabir i dosljednu primjenu odgovarajućih računovodstvenih politika; te davanje razboritih računovodstvenih procjena u datim uvjetima.

Odgovornost revizora

Naša je odgovornost izraziti nezavisno mišljenje o priloženim finansijskim izvještajima na temelju naše revizije. Reviziju smo obavili u skladu sa Međunarodnim standardima revizije. Navedeni standardi zahtijevaju da reviziju planiramo i obavimo na način da dobijemo razumno uvjerenje da finansijski izvještaji ne sadrže materijalno značajne pogreške.

Revizija uključuje provjeru dokaza, pomoću testiranja, koji potkrijepljuju iznose i druge informacije objavljene u finansijskim izvještajima. Odabir procedura zavisi od prosudbi Revizora, uključujući ocjenu rizika da li finansijski izvještaji sadrže materijalno značajne pogreške, bilo zbog prevare ili grešaka. Za potrebe ocjene rizika, Revizor vrši procjenu internih kontrola vezanih za pripremanje i fer prezentiranje finansijskih izvještaja, u svrhu određivanja revizorskih procedura u datim uvjetima, ali ne u svrhu davanja mišljenja u pogledu funkcionisanja internih kontrola Banke. Revizija također uključuje i procjenu primijenjenih računovodstvenih politika te ocjenu značajnih procjena Uprave, kao i ocjenu prikaza finansijskih izvještaja u cjelini.

Uvjereni smo da su revizijski dokazi koje smo prikupili dostatni i primjereni kao osnova za izražavanje našeg mišljenja.

Mišljenje

Po našem mišljenju, finansijski izvještaji prikazuju objektivno, u svim materijalno značajnim stavkama, finansijski položaj Banke na 31. decembar 2007. godine, kao i rezultate njenog poslovanja i novčane tokove za godinu koja je tada završila, u skladu s Međunarodnim standardima finansijskog izveštavanja, prilagođenim u skladu sa regulatornim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine.

Deloitte d.o.o.

Sarajevo, 22. februar 2008. godine

Independent Auditors' Report

To the Shareholders of ABS Banka d.d. Sarajevo

We have audited the accompanying financial statements ABS Banka d.d. ('the Bank'), set out on pages 3 to 40 which comprise of the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement 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 modified by the regulatory requirements prescribed by the Banking Agency of the Federation of Bosnia and Herzegovina. 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.

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.

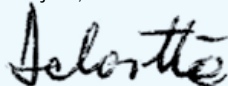
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the regulatory requirements prescribed by the Banking Agency of the Federation of Bosnia and Herzegovina.

Deloitte d.o.o.

Sarajevo, 22. februar 2008. godine



Bilans uspjeha

za godinu koji je završila 31. decembra 2007.

(svi iznosi su iskazani u hiljadama KM)

	Napomene	2007.	2006.
Prihodi od kamata i ostali slični prihodi	5	19.732	13.604
Rashodi od kamata i ostali slični rashodi	6	(6.738)	(3.790)
Neto prihodi od kamata		12.994	9.814
Prihodi od naknada i provizija	7	7.670	6.824
Rashodi od naknada i provizija	8	(1.077)	(1.073)
Neto prihod od naknada i provizija		6.593	5.751
Prihodi od kursnih razlika, neto	9	1.122	1.218
Ostali poslovni prihodi		495	750
Prihod iz redovnog poslovanja		21.204	17.533
Troškovi zaposlenih	10	(8.646)	(7.194)
Amortizacija		(851)	(826)
Ostali administrativni troškovi	11	(6.567)	(5.774)
Rashodi iz redovnog poslovanja		(16.064)	(13.794)
DOBIT PRIJE REZERVISANJA I POREZA NA DOBIT		5.140	3.739
Umanjenja vrijednosti i rezervisanja	12	(4.895)	(2.675)
Prihodi od naplaćenih otpisanih potraživanja	13	1.561	1.137
		(3.334)	(1.538)
DOBIT PRIJE POREZA NA DOBIT		1.806	2.201
Porez na dobit	14	(269)	(198)
NETO DOBIT ZA GODINU		1.537	2.003
Zarada po dionici	15	0,0058	0,0117

Računovodstvene politike i napomene u nastavku čine sastavni dio ovih finansijskih izvještaja.

Income Statement

for the year ended 31 December 2007

(all amounts are expressed in thousands of KM)

	Notes	2007.	2006.
Interest and similar income	5	19.732	13.604
Interest expense and similar charges	6	(6.738)	(3.790)
Net interest income		12.994	9.814
Fee and commission income	7	7.670	6.824
Fee and commission expense	8	(1.077)	(1.073)
Net fee and commission income		6.593	5.751
Net foreign exchange gains	9	1.122	1.218
Other operating income		495	750
Income from operating activities		21.204	17.533
Personnel expenses	10	(8.646)	(7.194)
Depreciation expenses		(851)	(826)
Other administrative expenses	11	(6.567)	(5.774)
Operating expenses		(16.064)	(13.794)
PROFIT BEFORE IMPAIRMENT LOSSES, PROVISIONS AND INCOME TAX		5.140	3.739
Impairment losses and provisions	12	(4.895)	(2.675)
Recoveries	13	1.561	1.137
		(3.334)	(1.538)
PROFIT BEFORE INCOME TAX		1.806	2.201
Income tax expense	14	(269)	(198)
NET PROFIT FOR THE YEAR		1.537	2.003
Earnings per Share	15	0,0058	0,0117

The accompanying accounting policies and notes form an integral part of these financial statements.

Bilans stanja

na dan 31. decembra 2007. godine

(svi iznosi su iskazani u hiljadama KM)

	Napomene	2007.	2006.
SREDSTVA			
Gotovina i računi kod banaka	16	53.054	38.740
Obavezna rezerva kod Centralne banke	17	33.316	25.530
Plasmani kod drugih banaka	18	32.402	9.886
Dati krediti i avansi klijentima, neto	19	205.823	124.158
Finansijska imovina raspoloživa za prodaju, neto	20	160	140
Ostala imovina, neto	21	4.512	1.595
Nekretnine, postrojenja i oprema	22	8.189	7.172
Ukupna sredstva		337.456	207.221
OBAVEZE			
Obaveze prema bankama i ostalim finansijskim institucijama	23	63.726	15.001
Obaveze prema klijentima	24	227.671	148.457
Rezervisanja	25	1.589	837
Ostale obaveze	26	2.480	2.473
Ukupne obaveze		295.466	166.768
KAPITAL			
Dionički kapital	27	34.845	34.845
Rezerve i zadržana dobit		7.145	5.608
Ukupni kapital		41.990	40.453
UKUPNE OBAVEZE I KAPITAL		337.456	207.221

Računovodstvene politike i napomene u nastavku čine sastavni dio ovih finansijskih izvještaja.
Potpisali za i u ime ABS Banke d.d. dana 22. februara 2008. godine.

Adnan Zukić
Direktor

Hajrudin Hadžović
Izvršni direktor

Balance Sheet

as at 31 December 2007

(all amounts are expressed in thousands of KM)

	Notes	2007.	2006.
ASSETS			
Cash and balances with banks	16	53.054	38.740
Obligatory reserve with Central Bank	17	33.316	25.530
Placements with other banks	18	32.402	9.886
Loans and advances to customers, net	19	205.823	124.158
Financial assets available for sale, net	20	160	140
Other assets, net	21	4.512	1.595
Property, plant and equipment	22	8.189	7.172
TOTAL ASSETS		337.456	207.221
LIABILITIES			
Due to banks and other financial institutions	23	63.726	15.001
Due to customers	24	227.671	148.457
Provisions	25	1.589	837
Other liabilities	26	2.480	2.473
Total liabilities		295.466	166.768
SHAREHOLDERS' EQUITY			
Share capital	27	34.845	34.845
Reserves and retained earnings		7.145	5.608
Total shareholders equity		41.990	40.453
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		337.456	207.221

The accompanying accounting policies and notes form an integral part of these financial statements.
Signed on behalf of ABS Banka d.d. on 22 February 2008:

Adnan Zukić
Director

Hajrudin Hadžović
Executive Director

Izvještaj o novčanim tokovima

za godinu koja je završila 31. decembra 2007.

(svi iznosi su iskazani u hiljadama KM)

	2007.	2006.
Neto dobit	1.537	2.003
Usklađenje na neto novčana sredstva ostvarena poslovnim aktivnostima:		
Amortizacija	851	826
Rezervisanja za moguće gubitke	4.895	2.675
Smanjenje rezervisanja uslijed otpisa	(233)	-
Neto gubitak od otuđenja stalnih sredstava	27	52
Promjene u sredstvima i obavezama:		
Neto povećanje obavezne rezerve kod Centralne banke	(7.786)	(7.594)
Neto (povećanje)/smanjenje plasmana bankama	(22.516)	5.654
Neto (povećanje) kredita, prije rezervisanja	(85.321)	(28.116)
Neto (povećanje)/smanjenje ostale imovine, prije rezervisanja	(2.863)	730
Neto povećanje/(smanjenje) depozita od banaka	15.186	(28)
Neto povećanje obaveza prema klijentima	79.214	24.561
Neto povećanje/(smanjenje) ostalih obaveza	7	(2.243)
NETO NOVAC KORIŠTEN U POSLOVNIM AKTIVNOSTIMA	(17.002)	(1.480)
Ulagačke aktivnosti		
Kupovina imovine raspoložive za prodaju	(20)	(23)
Nabavka stalnih sredstava	(2.203)	(1.714)
Priliv od prodaje stalnih sredstava	-	98
NETO NOVAC KORIŠTEN U ULAGAČKIM AKTIVNOSTIMA	(2.223)	(1.639)
Finansijske aktivnosti		
Neto povećanje obaveza po kreditima	33.539	8.636
Izdavanje dionica	-	18.221
NETO NOVAC OSTVAREN FINANSIJSKIM AKTIVNOSTIMA	33.539	26.857
NETO POVEĆANJE NOVCA I NOVČANIH EKVIVALENATA	14.314	23.738
NOVAC I NOVČANI EKVIVALENTI NA DAN 1. JANUARA	38.740	15.002
NOVAC I NOVČANI EKVIVALENTI NA DAN 31. DECEMBRA	53.054	38.740

Računovodstvene politike i napomene u nastavku čine sastavni dio finansijskih izvještaja.

Cash flow Statement

for the year ended 31 December 2007

(all amounts are expressed in thousands of KM)

	2007.	2006.
Net profit	1.537	2.003
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	851	826
Impairment losses and provisions	4.895	2.675
Release of provision for contingent liabilities	(233)	-
Net loss on disposal of fixed assets	27	52
Changes in assets and liabilities:		
Increase in obligatory reserve with the Central Bank (net)	(7.786)	(7.594)
Increase/(decrease) in placements with other banks, before provision (net)	(22.516)	5.654
Increase in loans, before provision (net)	(85.321)	(28.116)
(Increase)/decrease in other assets, before provision (net)	(2.863)	730
Increase/(decrease) in deposits from banks (net)	15.186	(28)
Increase in amounts due to customers (net)	79.214	24.561
Increase/(decrease) in other liabilities (net)	7	(2.243)
NET CASH USED IN OPERATING ACTIVITIES	(17.002)	(1.480)
Investing activities		
Acquisition of assets available for sale	(20)	(23)
Purchase of fixed assets	(2.203)	(1.714)
Proceeds from disposal of fixed assets	-	98
NET CASH USED IN INVESTING ACTIVITIES	(2.223)	(1.639)
Financing activities		
Proceeds from borrowings (net)	33.539	8.636
Shares issuance	-	18.221
NET CASH FROM FINANCING ACTIVITIES	33.539	26.857
NET INCREASE IN CASH AND CASH EQUIVALENTS	14.314	23.738
CASH AND CASH EQUIVALENTS AT 1 JANUARY	38.740	15.002
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	53.054	38.740

The accompanying accounting policies and notes form an integral part of these financial statements.

Izvještaj o promjenama na kapitalu

za godinu koja je završila 31. decembra 2007.

(svi iznosi su iskazani u hiljadama KM)

	Dionički kapital	Dionička premija	Rezerve	Zadržana dobit	Ukupno
Stanje na dan 1. januara 2006.	16.624	-	1.680	1.925	20.229
Izdavanje dionica	9.849	8.372	-	-	18.221
Raspored dobiti za 2005. godinu	-	-	1.925	(1.925)	-
Dobit za 2006. godinu	-	-	-	2.003	2.003
Stanje na dan 31. decembra 2006.	26.473	8.372	3.605	2.003	40.453
Raspored dobiti za 2006. godinu	-	-	2.003	(2.003)	-
Dobit za 2007. godinu	-	-	-	1.537	1.537
Stanje na dan 31. decembra 2007.	26.473	8.372	5.608	1.537	41.990

Računovodstvene politike i napomene u nastavku čine sastavni dio finansijskih izvještaja.

Statement of Changes in Shareholders' Equity

for the year ended 31 December 2007

(all amounts are expressed in thousands of KM)

	Share capital	Share premium	Reserves	Retained earnings	Total
Balance as of 1 January 2006	16.624	-	1.680	1.925	20.229
Shares issuance	9.849	8.372	-	-	18.221
Allocation of net profit for 2005	-	-	1.925	(1.925)	-
Profit for 2006	-	-	-	2.003	2.003
Balance as of 31 December 2006	26.473	8.372	3.605	2.003	40.453
Allocation of net profit for 2006	-	-	2.003	(2.003)	-
Profit for 2007	-	-	-	1.537	1.537
Balance as of 31 December 2007	26.473	8.372	5.608	1.537	41.990

The accompanying accounting policies and notes form an integral part of these financial statements.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2007.

(svi iznosi su iskazani u hiljadama KM)

1. OPĆI PODACI

ABS Banka d.d. ('Banka') registrovana je 9. jula 1999. godine kod nadležnog suda u Sarajevu, pod brojem U/I-1291/99. Dana 28. jula 1999. godine Banka je dobila dozvolu za rad od Agencije za bankarstvo Federacije Bosne i Hercegovine, broj 01-376/99. Sjedište Banke je u Sarajevu, u ulici Trampina 12/6.

Osnovna djelatnost Banke

Banka pruža bankarske usluge putem razvijene mreže poslovnica u Bosni i Hercegovini i to:

- Primanje i plasiranje depozita,
- Primanje depozita po viđenju i oročenih depozita,
- Davanje i uzimanje kredita,
- Kupovina i prodaja strane valute,
- Novčane transakcije na međubankarskom tržištu,
- Platni promet u zemlji i inozemstvu,
- Kartičarsko poslovanje.

Nadzorni odbor

Franz Kerber	Predsjednik
Hamdija Alagić	Član
Gerhard Maier	Član
Georg Bucher	Član
Kristijan Schellander	Član

Uprava

Adnan Zukić	Direktor
Hajrudin Hadžović	Izvršni direktor
Sanela Pašić	Izvršni direktor

Notes to the Financial Statements

for the year ended 31 December 2007

(all amounts are expressed in thousands of KM)

1. GENERAL

ABS Banka d.d. (the 'Bank') is registered at the relevant court in Sarajevo, registration No. U/I-1291/99 on 9 July 1999. The Bank was issued a banking licence by the Banking Agency of the Federation of Bosnia and Herzegovina on 28 July 1999, registration No. 01-376/99. The Bank's registered address is in Sarajevo, Trampina 12/6.

Principal activities

The Bank offers banking services through developed network of business in Bosnia and Herzegovina, including:

- Receiving and placing of deposits
- Receiving of term and demand deposits
- Making and purchasing of loans
- Buying and selling foreign currencies
- Cash transactions in interbank market
- Cash payment and transfer, both national and abroad
- Debit/credit card operations

Supervisory Board

Franz Kerber	President
Hamdija Alagić	Member
Gerhard Maier	Member
Georg Bucher	Member
Kristijan Schellander	Member

Management Board

Adnan Zukić	Director
Hajrudin Hadžović	Executive Director
Sanela Pašić	Executive Director

2. USVAJANJE NOVIH I REVIDIRANIH STANDARDA

U tekućoj godini, Banka je usvojila MSFI 7 Finansijski instrumenti: Objavljivanje koji je na snazi za obračunski period koji je počeo 1. januara 2007. godine ili nakon tog datuma, kao i izmjene MRS-a 1 Prezentiranje finansijskih izvještaja.

Uticaj usvajanja MSFI-a 7 i promjena MRS-a 1 je dovela do širenja objava predviđenih u ovim finansijskim izvještajima koji se tiču finansijskih instrumenata Banke i upravljanja kapitalom (vidi Napomenu 30).

Četiri tumačenja izdata od strane Odbora za međunarodno finansijsko izvještavanje su na snazi za tekuću godinu. To su: IFRIC 7 Primjena prepravljanja prema MRS-u 29, Finansijsko izvještavanje u uvjetima visoke inflacije; IFRIC 8 Djelokrug MSFI-ja 2; IFRIC 9 Ponovna procjena ugrađenih izvedenih finansijskih instrumenata; i IFRIC 10 Finansijsko izvještavanje prije kraja poslovne godine i umanjenje vrijednosti. Usvajanje ovih tumačenja nije dovelo do promjena u računovodstvenim politikama Banke.

Na dan izdavanja ovih finansijskih izvještaja, slijedeći Standardi i Interpretacije su objavljeni, ali ne još u upotrebi:

(a) MSFI 8 Poslovni segmenti	Na snazi za godišnje periode koji počinju na dan ili nakon 1. januara 2009. godine
(b) MRS 23 Troškovi pozajmljivanja (revidirano)	Na snazi za troškove pozajmljivanja vezane za kvalifikovano sredstvo, a čiji je početak kapitalizacije na dan ili nakon 1. januara 2009. godine
(c) IFRIC 11 / MSFI 2 Transakcije dionicama grupe i trezorskim dionicama	Na snazi za godišnje periode koji počinju na dan ili nakon 1. marta 2007. godine
(d) IFRIC 12 Koncesije za pružanje usluga	Na snazi za godišnje periode koji počinju na dan ili nakon 1. januara 2008. godine
(e) IFRIC 13 Programi lojalnosti potrošača	Na snazi za godišnje periode koji počinju na dan ili nakon 1. jula 2008. godine
(f) IFRIC 14 MRS 19 Ograničenje definisanih primanja, minimalni zahtjevi finansiranja i njihova interakcija	Na snazi za godišnje periode koji počinju na dan ili nakon 1. januara 2008. godine

Uprava Banke predviđa da usvajanje spomenutih standarda i tumačenja u budućim periodima neće značajno utjecati na finansijske izvještaje Banke.

2. ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Bank has adopted IFRS 7 Financial Instruments: Disclosures which is effective for annual reporting periods beginning on or after 1 January 2007, and the consequential amendments to IAS 1 Presentation of Financial Statements.

The impact of the adoption of IFRS 7 and the changes to IAS 1 has been to expand the disclosures provided in these financial statements regarding the Bank's financial instruments and management of capital (see Note 30).

The four interpretations issued by the International Accounting Standards Board (the IASB) are effective for the current year and they are as follows: IFRIC 7 Application corrected toward IFRS 29, Financial reporting during high inflation, IFRIC 8 Scope of IFRS 2; IFRIC 9 Valuation of integrated financial instruments and IFRIC 10 Financial Reporting before end of business year and impairment. Adoption of those interpretations did not cause changes in Accounting policies of the Bank.

At the date of authorization of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

(a) IFRS 8 Operating Segments	Effective for annual periods beginning on or after 1 January 2009
(b) IFRS 23 Borrowing costs (revised)	Effective for borrowing costs relating to qualifying assets for which the commencement date for capitalization is on or after 1 January 2009
(c) IFRIC 11 IFRS 2: Group and Treasury Share Transactions	Effective for annual periods beginning on or after 1 March 2007
(d) IFRIC 12 Service Concession Arrangements	Effective for annual periods beginning on or after 1 January 2008
(e) IFRIC 13 Customer Loyalty Programs	Effective for annual periods beginning on or after 1 July 2008
(f) IFRIC 14 IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Effective for annual periods beginning on or after 1 January 2008

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material financial impact on the financial statements of the Bank.

3. TEMELJ ZA PREZENTIRANJE I SAŽETAK RAČUNOVODSTVENIH POLITIKA

Temelj za prezentiranje

U skladu s lokalnim propisima, Banka priprema ove finansijske izvještaje u skladu s Međunarodnim standardima finansijskog izvještavanja ("MSFI") koje je objavio Odbor za međunarodne računovodstvene standarde, prilagođenim u skladu sa regulatornim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine (FBA), a vezano za obračun rezervacija za umanjenje vrijednosti finansijskih instrumenata.

Uprava Banke vjeruje da rezervacije obračunate prema MSFI prilagođenim u skladu s regulatornim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine značajno ne odstupaju od rezervacija koje bi bile napravljene u skladu s MSFI.

Finansijski izvještaji Banke pripremljeni su po načelu historijskog troška usklađenog za revalorizaciju određenih dugotrajnih sredstava i finansijske imovine. Osnovne računovodstvene politike prikazane su u nastavku.

Finansijski izvještaji iskazani su u hiljadama konvertibilnih maraka ('000 KM), što je i funkcionalna valuta Banke.

Finansijski izvještaji su pripremljeni na obračunskoj osnovi, i to pod pretpostavkom neograničenog poslovanja Banke.

Sastavljanje finansijskih izvještaja u skladu s MSFI zahtijeva od Uprave da daje procjene i pretpostavke koje utiču na iskazane iznose sredstava i obaveza, te objavu potencijalne imovine i obaveza na datum finansijskih izvještaja, kao i iznose prihoda i rashoda za izvještajni period. Procjene se temelje na informacijama koje su dostupne na datum sastavljanja finansijskih izvještaja, dok se stvarni rezultati mogu razlikovati od procijenjenih.

Banka vodi svoje računovodstvene evidencije i priprema statutarne finansijske izvještaje u skladu sa odlukama Agencije za bankarstvo Federacije Bosne i Hercegovine i Zakonom o bankama Federacije Bosne i Hercegovine.

Banka smatra da posluje u jednom poslovnom segmentu, i u jednom geografskom području, a to je pružanje bankarskih usluga u Bosni i Hercegovini.

Prihodi i rashodi od kamata

Prihodi i rashodi od kamata za sve finansijske instrumente na koje se obračunava kamata, osim onih koji se iskazuju kao 'raspoloživi za trgovanje' ili 'po fer vrijednost kroz bilans uspjeha', priznaju se unutar kategorija 'Prihodi od kamata' i 'Rashodi od kamata' u bilansu uspjeha, uz upotrebu metode efektivne kamatne stope.

Prihodi i rashodi od naknada i provizija

Naknade i provizije sastoje se uglavnom od provizija u domaćem i inostranom platnom prometu, te naknada za odobrenje kredita i drugih kreditnih instrumenata Banke. Provizije od platnog prometa priznaju se u periodu u kojem su usluge pružene.

Naknade za odobrenje kredita se nakon odobrenja i povlačenja kreditnih sredstava razgraničavaju (zajedno s povezanim direktnim troškovima odobrenja) i priznaju kao usklađenje efektivnog prinosa na kredit tokom trajanja kredita.

Troškovi naknada za zaposlene

U ime svojih zaposlenika, Banka plaća penzijsko i zdravstveno osiguranje na i iz plate, koji su obračunati na bruto plaćenu platu, kao i poreze, koji su obračunati na neto plaćenu platu. Banka gore navedene doprinose plaća u Federalni penzijski i zdravstveni fond, po zakonskim stopama tokom godine na bruto plaćenu platu. Nadalje, topli obrok, prijevoz i regres su plaćeni u skladu sa domaćim zakonskim propisima. Ovi troškovi su prikazani u bilansu uspjeha u periodu u kojem su troškovi plata nastali.

3. BASIS OF PRESENTATION AND SUMMARY OF ACCOUNTING POLICIES

Basis of presentation

As required by local legislation, the Bank prepares financial statements in accordance with International Financial Reporting Standards (IFRSs) as published by the International Accounting Standards Board and as modified by the regulatory requirements prescribed by the Banking Agency of the Federation of Bosnia and Herzegovina ('FBA') with respect to the calculation of provision for impairment of financial instruments.

Management of the Bank believes that provisions made under IFRSs as modified by the regulatory requirements prescribed by the Banking Agency of the Federation of Bosnia and Herzegovina are not significantly different from provisions that would be made under IFRSs.

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and financial instruments. The principal accounting policies are set out below.

The financial statements are presented in thousands of Convertible mark (KM'000) which is the functional currency of the Bank.

The financial statements are prepared on an accrual basis of accounting, under the going concern assumption.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and their reported amounts of revenues and expenses during the reporting period. These estimates are based on the information available as at the balance sheet date and actual results could differ from those estimates.

The Bank maintains its books of accounts and prepares financial statements for regulatory purposes in accordance with the regulations of the Federal Banking Agency ('FBA') and Law on Banks of the Federation of Bosnia and Herzegovina.

The Bank considers that it operates in a single business segment, and a single geographical segment, that is the provision of banking services in Bosnia and Herzegovina.

Interest income and expense

Interest income and expense for all interest-bearing financial instruments, except for those classified as held for trading or designated at fair value through profit and loss, are recognized within 'interest income' and 'interest expense' in the income statement using the effective interest rate method.

Fee and commission income and expense

Fees and commissions consist mainly of fees earned on domestic and foreign payment transactions, and fees for loans and other credit instruments issued by the Bank. Fees for payment transactions are recognized in the period when services are rendered.

Loan origination fees, after approval and drawdown of loans, are deferred (together with related direct costs) and recognized as an adjustment to the effective yield of the loan over its life.

Employee benefits

On behalf of its employees, the Bank is paying pension and health insurance on and from salaries, which are calculated on the gross salary paid, as well as taxes, which are calculated on the net salary paid. The Bank is paying the above contributions into the Federal Pension and Health Fund, as per the set legal rates during the course of the year on the gross salary paid. In addition, meal allowances, transport allowances and vacation bonuses are paid in accordance with the local legislation. These expenses are recorded in the income statement in the period in which the salary expense is incurred.

Otpremnine prilikom odlaska u penziju

U skladu sa lokalnim zakonom, Banka isplaćuje otpremnine prilikom odlaska u penziju u visini od minimalno tri prosječne plate uposlenika u pitanju ili tri prosječne plate isplaćene u Banci u periodu od posljednja tri mjeseca, u zavisnosti šta više odgovara uposleniku.

Oporezivanje

Poreski rashod s temelja poreza na dobit jest zbirni iznos tekuće poreske obaveze i odgođenih poreza. Tekuća poreska obaveza temelji se na oporezivoj dobiti za godinu. Oporeziva dobit razlikuje se od neto dobiti perioda iskazanoj u bilansu uspjeha jer uključuje stavke prihoda i rashoda koje su oporezive ili neoporezive u drugim godinama, kao i stavke koje nikada nisu oporezive ni odbitne. Tekuća poreska obaveza Banke izračunava se primjenom poreskih stopa koje su na snazi, odnosno u postupku donošenja na datum bilansa.

Odgođeni porez jest iznos za koji se očekuje da će po njemu nastati obaveza ili povrat temeljem razlike između knjigovodstvene vrijednosti imovine i obaveza u finansijskim izvještajima i pripadajuće poreske osnovice koja se koristi za izračunavanje oporezive dobiti a obračunava se metodom bilansne obaveze. Odgođene poreske obaveze općenito se priznaju za sve oporezive privremene razlike, a odgođena poreska imovina se priznaje u onoj mjeri u kojoj je vjerovatno da će biti raspoloživa oporeziva dobit na temelju koje je moguće iskoristiti privremene razlike koje se odbijaju.

Knjigovodstveni iznos odgođene poreske imovine procjenjuje se na svaki datum bilansa i umanjuje u onoj mjeri u kojoj više nije vjerovatno da će biti raspoloživ dostatan iznos oporezive dobiti za povrat cijelog ili dijela iznosa poreske imovine. Odgođeni porez obračunava se po poreskim stopama za koje se očekuje da će biti u primjeni u periodu u kojem će doći do podmirenja obaveze ili realizacije sredstva. Odgođeni porez knjiži se na teret ili u korist bilansa uspjeha, osim ako se odnosi na stavke koje se knjiže direktno u korist ili na teret glavnice, u kojem slučaju se i odgođeni porez također iskazuje u okviru glavnice.

Odgođena poreska imovina i obaveze se prebijaju ako se odnose na poreze na dobit koje je nametnula ista poreska vlast i ako Banka namjerava podmiriti svoju tekuću poresku imovinu i obaveze na neto osnovi.

Banka ima obavezu plaćanja raznih indirektnih poreza, koji su iskazani u okviru administrativnih troškova.

Novac i novčani ekvivalenti

Za potrebe izvještavanja o novčanim tokovima, novac i novčani ekvivalenti obuhvataju sredstva kod Centralne banke Bosne i Hercegovine ('CBBH'), stanja na žiro računima kod drugih banaka i novac u blagajnama.

Novac i novčani ekvivalenti isključuju obaveznu minimalnu rezervu kod Centralne Banke, budući da sredstva obavezne rezerve nisu na raspolaganju Banci u njenom svakodnevnom poslovanju. Obavezna minimalna rezerva kod CBBiH je iznos koji su obavezne izdvajati sve poslovne banke koje imaju dozvolu za rad u Bosni i Hercegovini.

Finansijska imovina

Finansijska imovina se priznaje, odnosno prestaje se priznavati na datum trgovanja kad je kupoprodaja finansijskog sredstva definirana ugovorenim datumom isporuke finansijskog sredstva u rokovima utvrđenima prema konvencijama na predmetnom tržištu, i početno su mjereni po fer vrijednosti, plus troškovi transakcija, osim za ona finansijska sredstva klasifikovana po fer vrijednosti kroz bilans uspjeha, početno mjerena po fer vrijednosti.

Finansijska imovina je klasifikovana u sljedeće kategorije: 'po fer vrijednost kroz bilans uspjeha', 'raspoloživa za prodaju', 'u posjedu do dospeljeća' i 'dati krediti i potraživanja'. Klasifikacija finansijske imovine ovisi o prirodi i svrsi finansijske imovine i određena je u trenutku inicijalnog prepoznavanja. Za tekuće operacije, Banka koristi dvije kategorije finansijske imovine za koje je računovodstvena osnova prikazano kako slijedi.

Metod efektivne kamatne stope

Metod efektivne kamatne stope je metod izračuna amortiziranog troška finansijske imovine i raspoređivanja prihoda od kamata tokom određenog perioda. Efektivna kamatna stopa je kamatna stopa koja tačno diskontira procjenjena buduća novčana plaćanja ili primitke (uključujući sve naknade za plaćene i primljene stavke koje čine integralni dio efektivne kamatne stope, troškova transakcije i ostalih premija ili popusta) kroz očekivani vijek trajanja finansijskog instrumenta ili, gdje je to moguće, kraćeg perioda. Finansijski instrumenti koji su "u posjedu do dospeljeća", "raspoloživi za prodaju" i "dati krediti i potraživanja" priznaju prihod na temelju efektivne kamatne stope.

Retirement severance payments

According to the local legislation, the Bank makes retirement severance payments of minimum three average monthly salaries of the employee in question or three average salaries of the Federation of Bosnia and Herzegovina paid in the period of the last three months, depending on what is more favorable to the employee.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax expense is based on taxable income for the year. Taxable income differs from net income as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Bank has the ability and intention to settle on a net basis.

The Bank is subject to various indirect taxes which are included in administrative expenses.

Cash and cash equivalents

For the purpose of reporting cash flows, cash and cash equivalents are defined as cash, balances with the Central Bank ('CBBH'), current accounts with other banks and cash at hand.

Cash and cash equivalents excludes the compulsory minimum reserve with the Central Bank as these funds are not available for the Bank's day to day operations. The compulsory minimum reserve with the CBBH is a required reserve to be held by all commercial banks licensed in Bosnia and Herzegovina.

Financial assets

Financial assets are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the instrument within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss' (FVTPL), 'available-for-sale' (AFS), 'held-to-maturity investments', and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. For current operations, the Bank uses two categories of financial assets, for which basis of accounting is disclosed below.

Method of effective interest rate

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest basis for financial instruments: 'held-to-maturity investments', 'available-for-sale' and 'loans and receivables'.

Finansijska imovina raspoloživa za prodaju

Određene dionice i vrijednosni papiri s mogućnošću otkupa koje drži Banka klasifikuju kao “raspoloživa za prodaju” i vode po fer vrijednosti. Fer vrijednost se određuje na način spomenut u Napomeni 30, tačka j). Dobit i gubitak koji nastaju zbog promjena u fer vrijednosti se priznaju direktno kao kapital tj. revalorizacije rezerve sa izuzetkom gubitaka po umanjenju vrijednosti, kamata obračunatih po metodu efektivne kamatne stope, i dobiti i gubitaka po osnovu kursnih razlika na monetarnim sredstvima, koji se priznaju kao direktna dobit ili gubitak. U slučaju otpisa sredstva ili kad je sredstvo pretrpjelo umanjenje vrijednosti, kumulativna dobit ili gubitak koja je prethodno bila priznata kao revalorizaciona rezerva se uključuje u bilans uspjeha perioda.

Dividende po vlasničkim instrumentima klasifikovanim kao ‘raspoloživi za prodaju’ se priznaju kao dobit ili gubitak kada Banka uspostavi pravo da primi dividendu.

Fer-vrijednost finansijskih sredstava ‘raspoloživih za prodaju’, denominiranih u stranoj valuti se određuje u toj valuti i preračunava se po važećoj kursnoj stopi na dan bilansa stanja. Promjena u fer-vrijednosti koja se može pripisati promjenama kursa i koja rezultira promjeni amortizovanog troška sredstva priznaje se kao dobit ili gubitak, dok se ostale promjene priznaju kao promjene u kapitalu.

Dati krediti i potraživanja

Dati krediti i ostala potraživanja sa fiksnim ili utvrdivim plaćanjima koja ne kotiraju na aktivnom tržištu, mogu se klasificirati kao krediti i potraživanja. Krediti i potraživanja se mjere po amortiziranom trošku koristeći metod efektivne kamatne stope umanjen za umanjenje vrijednosti. Prihod od kamate se priznaje primjenom efektivne kamatne stope, osim za kratkoročna potraživanja kada bi priznavanje kamate bilo nematerijalno.

Umanjenje vrijednosti finansijske imovine

Finansijska imovina, osim finansijske imovine iskazane po fer vrijednosti kroz bilans uspjeha, se evaluira sa ciljem identifikacije indikatora umanjenja vrijednosti na svaki datum bilansa. Finansijska imovina je pretrpjela umanjenje vrijednosti tamo gdje je dokazano da, kao rezultat jednog ili više događaja koji su se desili nakon početnog priznanja finansijske imovine, procijenjeni budući novčani tokovi investicije su izmijenjeni.

Za sva ostala finansijska sredstva, uključujući otkupive vrijednosne papire klasifikovane kao ‘raspoloživi za prodaju’, objektivni dokaz umanjenja može uključiti:

- značajnu finansijsku teškoću pravne osobe koja se bavi trgovanjem dionicama ili strane pod ugovorom; ili
- kašnjenje ili propust u plaćanju kamata ili glavnice; ili
- kada postane vjerovatno da će dužnik otići pod stečaj ili finansijsku reorganizaciju.

Za određene kategorije finansijskih sredstava, kao što su dati krediti i ostala potraživanja, sredstva za koja je procijenjeno da nisu umanjena pojedinačno su naknadno procjenjuju za umanjenje na kolektivnoj osnovi. Objektivni dokaz umanjenja za portfolio potraživanja može uključiti ranije iskustvo Banke u naplati potraživanja, uvećanje u broju zakašnjelih isplata u portfoliu koji su prošli prosječni kreditni period, kao i vidljive promjene u nacionalnim ili lokalnim ekonomskim uslovima koji su u uzajamnoj vezi sa kašnjenjem naplate potraživanja.

Za finansijsku imovinu iskazanu po amortizovanom trošku, iznos umanjenja je razlika između knjigovodstvene vrijednosti imovine i sadašnje vrijednosti procijenjenih budućih novčanih tokova, diskontovanih umanjenih za originalnu efektivnu kamatnu stopu finansijskog sredstva.

Knjigovodstvena vrijednost finansijskog sredstva se umanjuje direktno kroz gubitke od umanjenja vrijednosti za sva finansijska sredstva osim potraživanja od kupaca, čija knjigovodstvena vrijednost se umanjuje upotrebom računa umanjenja vrijednosti. Kada je potraživanje od kupca nenaplativo, otpisuje se preko računa umanjenja vrijednosti. Naknadne naplate ranije otpisanih iznosa se knjiže na teret umanjenja vrijednosti. Promjene u knjigovodstvenoj vrijednosti računa umanjenja vrijednosti se priznaju u bilans uspjeha.

Ako se u sljedećem periodu iznos gubitka od umanjenja smanji i smanjenje se objektivno može povezati sa događajem koji je nastao nakon priznavanja umanjenja vrijednosti, sa izuzetkom vlasničkih instrumenata “raspoloživih za prodaju”, prethodno priznati gubitak od umanjenja vrijednosti se ispravlja kroz bilans uspjeha u mjeri koja neće rezultirati knjigovodstvenim iznosom većim nego što bi bio amortizirani trošak da nije došlo do priznavanja umanjenja vrijednosti na datum kada je umanjenje vrijednosti ispravljeno.

U vezi sa vlasničkim instrumentima “raspoloživim za prodaju”, svako sljedeće povećanje u fer vrijednosti nakon priznavanja gubitaka od umanjenja se priznaje direktno u kapital.

Prestanak priznavanja finansijske imovine

Banka prestaje priznavati finansijsku imovinu samo kada ugovorna prava na novčane tokove od finansijske imovine isteknu; ili ako prenese finansijsku imovinu, pa samim tim i sve rizike i nagrade od vlasništva sredstva na drugi subjekt. Ako Banka ne prenese i zadrži suštinski sve rizike i povrate od vlasništva, i zadrži kontrolu nad finansijskom imovinom, Banka nastavlja da priznaje finansijsku imovinu.

AFS financial assets

Listed shares and listed redeemable notes held by the Bank that are traded in an active market are classified as being AFS and are stated at fair value. Fair value is determined in the manner described in the Note 30, point j). Gains and losses arising from changes in fair value are recognized directly in equity in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest rate method and foreign exchange gains and losses on monetary assets, which are recognized directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in the investments revaluation reserve is included in profit or loss for the period.

Dividends on AFS equity instruments are recognized in profit or loss when the Bank's right to receive payments is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The change in fair value attributable to translation differences that result from a change in amortized cost of the asset is recognized in profit or loss, and other changes are recognized in equity.

Loans and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For all other financial assets, including redeemable notes classified as AFS and finance lease receivables objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as loans and receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Bank's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, any increase in fair value subsequent to an impairment loss is recognised directly in equity.

Derecognition of financial assets

Bank derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Bank continues to recognise the financial asset.

Finansijske obaveze i vlasnički instrumenti izdati od Banke

Klasifikacija kao finansijska obaveza ili kapital

Dužnički ili vlasnički instrumenti su klasifikovani ili kao finansijske obaveze ili kao kapital u skladu sa suštinom ugovornog angažmana.

Vlasnički instrumenti

Vlasnički instrument je bilo koji ugovor koji dokazuje pravo na preostali iznos udjela u imovini subjekta nakon odbijanja svih njegovih obaveza. Vlasnički instrumenti koje je Banka izdala knjiže se u iznosu primljenih sredstava, umanjениh za troškove izdavanja.

Složeni instrumenti

Sastavni dijelovi složenih instrumenata izdatih od Banke su klasifikovani odvojeno kao finansijske obaveze i kapital u skladu sa suštinom ugovornog angažmana. Na datum izdavanja, fer vrijednost dijela obaveze je procijenjena koristeći preovladavajuću tržišnu kamatnu stopu za slične instrumente bez mogućnosti konverzije. Ovaj iznos je knjižen kao obaveza na amortizovanu osnovu troška koristeći efektivnu kamatnu metodu do poništenja nakon konverzije ili do datuma dospeljeća instrumenta. Vlasnički dio je utvrđen odbijanjem iznosa dijela obaveze od fer vrijednosti složenog instrumenta u cjelosti. Ovo je priznato i uključeno u kapital, neto od efekta poreza na dobit i naknadno se ne vrši ponovno mjerenje.

Obaveze za ugovore o finansijskoj garanciji

Obaveze za ugovore o finansijskoj garanciji su inicijalno mjerene po fer vrijednosti i naknadno su mjerene po većem od:

- iznosa obaveze u ugovoru, kako je utvrđeno u skladu sa MRS 37 Rezervisanja, nepredviđene obaveze i nepredviđena imovina; ili
- iznosa inicijalno priznat umanjenog, gdje je to odgovarajuće, za kumulativnu amortizaciju priznatu u skladu sa politikama priznavanja prihoda koji su gođe utvrđeni.

Finansijske obaveze

Finansijske obaveze su klasifikovane kao finansijske obaveze 'iskazane po fer-vrijednosti kroz bilans uspjeha' ili kao 'ostale finansijske obaveze'. Kroz svoje poslovanje, Banka stvara samo jednu kategoriju finansijskih obaveza za koju je računovodstvena osnova prikazano kako slijedi.

Ostale finansijske obaveze

Ostale finansijske obaveze, uključujući i obaveze po kreditima, se početno priznaju po fer vrijednosti, umanjenoj za transakcijske troškove.

Ostale finansijske obaveze su naknadno mjerene po amortiziranom trošku koristeći metodu efektivne kamatne stope. Metoda efektivne kamate je metoda izračunavanja troškova amortizacije finansijske obaveze i određivanja troška kamate za relevantni period. Efektivna kamatna stopa je stopa koja tačno diskontuje procijenjena buduća plaćanja u gotovini kroz očekivani period trajanja finansijske obaveze, ili, gdje je to moguće, u kraćem periodu.

Prestanak priznavanja finansijske obaveze

Banka prestaje priznavati finansijsku obavezu kada, i samo kada, su obaveze Banke otpuštene, otkazane ili ističu.

Nekretnine, postrojenja i oprema

Nekretnine, postrojenja i oprema početno se iskazuju po trošku nabavke umanjenom za ispravku vrijednosti i akumulirane gubitke od umanjenja vrijednosti. Trošak nabavke obuhvata nabavnu cijenu i sve troškove direktno povezane s dovođenjem sredstva u radno stanje za namjeravanu upotrebu. Troškovi tekućeg održavanja i popravaka, zamjene te investicijskog održavanja manjeg obima priznaju se kao rashod kad su nastali. Troškovi značajnih investicijskih održavanja i zamjene se kapitaliziraju. Dobici i gubici temeljem rashodovanja ili otuđenja dugotrajne materijalne imovine iskazuju se u bilansu uspjeha u periodu u kojem su nastali.

Financial liabilities and equity instruments issued by the Bank

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Bank are recorded at the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments issued by the Bank are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

Financial guarantee contract liabilities

Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets;
- and the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out at above.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. The Bank creates one category of financial liabilities, for which basis of accounting is disclosed below.

Other financial liabilities

Ostale finansijske obaveze, uključujući i obaveze po kreditima, se početno priznaju po fer vrijednosti, umanjenoj za transakcijske troškove.

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Bank derecognises financial liabilities when, and only when, the Bank's obligations are discharged, cancelled or they expire.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes the purchase price and directly associated cost of bringing the asset to a working condition for its intended use. Maintenance and repairs, replacements and improvements of minor importance are expensed as incurred. Significant improvements and replacement of assets are capitalized. Gains or losses on the retirement or disposal of property and equipment are included in the statement of income in the period in which they occur.

Procijenjene stope amortizacije bile su kao što slijedi:

	31. decembar 2007.	31. decembar 2006.
Građevinski objekti	1,3% - 3%	1,3% - 3%
Računari	33,3%	33,3%
Vozila	20%	20%
Namještaj i ostala uredska oprema	15% - 20%	15% - 20%

Nekretnine u izgradnji iskazane su po trošku nabavke umanjenom za eventualne gubitke od umanjenja. Obračun amortizacije započinje u trenutku u kojem je sredstvo spremno za namjeravanu upotrebu. Amortizacija se obračunava linearnom metodom na temelju procijenjenog vijeka upotrebe sredstva.

Umanjenja

Na svaki datum bilansa stanja Banka preispituje knjigovodstvene iznose svojih nekretnina, postrojenja i opreme da bi utvrdilo postoje li naznake da je došlo do gubitaka uslijed umanjenja vrijednosti navedene imovine. Ako postoje takve naznake, procjenjuje se nadoknadiivi iznos sredstva da bi se mogao utvrditi eventualni gubitak nastao umanjenjem. Ako nije moguće procijeniti nadoknadiivi iznos pojedinog sredstva, Banka procjenjuje nadoknadiivi iznos jedinice koja generira novac, a kojoj to sredstvo pripada.

Nadoknadiiva vrijednost je neto prodajna cijena ili vrijednost u upotrebi, zavisno od toga koja je viša. Za potrebe procjene vrijednosti u upotrebi, procijenjeni budući novčani tokovi diskontuju se do sadašnje vrijednosti primjenom diskontne stope prije oporezivanja koja odražava sadašnju tržišnu procjenu vremenske vrijednosti novca i rizike specifične za to sredstvo.

Ako je procijenjen nadoknadiivi iznos sredstva (ili jedinice koja generira novac) manji od knjigovodstvenog iznosa, onda se knjigovodstveni iznos tog sredstva (ili jedinice koja generira novac) umanjuje do nadoknadiivog iznosa. Gubici od umanjenja vrijednosti priznaju se odmah kao rashod, osim ako sredstvo nije zemljište ili zgrada koje se ne koristi kao investicijska nekretnina koja je iskazana po revalorizovanom iznosu, u kojem slučaju se gubitak od umanjenja iskazuje kao smanjenje vrijednosti nastalo revalorizacijom sredstva.

Kod naknadnog poništenja gubitka od umanjenja vrijednosti, knjigovodstveni iznos sredstva (jedinice koja generira novac) povećava se do revidiranog procijenjenog nadoknadiivog iznosa toga sredstva, pri čemu veća knjigovodstvena vrijednost ne premašuje knjigovodstvenu vrijednost koja bi bila utvrđena da u prethodnim godinama nije bilo priznatih gubitaka na tom sredstvu (jedinici koja generira novac) uslijed umanjenja vrijednosti. Poništenje gubitka od umanjenja vrijednosti odmah se priznaje kao prihod, osim ako se predmetno sredstvo ne iskazuje po procijenjenoj vrijednosti, u kojem slučaju se poništenje gubitka od umanjenja vrijednosti iskazuje kao povećanje uslijed revalorizacije.

Nematerijalna imovina

Nematerijalna imovina početno se mjeri po trošku nabavke i amortizuje se linearno tokom procijenjenog vijeka upotrebe.

Preračunavanje stranih valuta

Transakcije u stranim valutama preračunavaju se u konvertibilne marke po službenom kursu Centralne banke Bosne i Hercegovine na datum transakcije, koji odgovara tržišnom. Monetarna imovina i obaveze iskazani u stranim valutama ponovno se preračunavaju na dan bilanse primjenom kursa važećeg na taj datum. Nenovčane stavke u stranoj valuti iskazane po fer vrijednosti preračunavaju se primjenom valutnog kursa važećeg na datum procjene fer vrijednosti. Nenovčane stavke u stranoj valuti iskazane po historijskom trošku se ne preračunavaju ponovno na dan bilansa. Dobici i gubici proizašli iz promjena u kursovima valuta uključuju se u bilans uspjeha.

Banka vrednuje imovinu i obaveze po srednjem kursu Centralne Banke Bosne i Hercegovine na dan bilansa stanja, a koji približan tržišnim stopama. Kursevi valuta određeni od strane Centrane Banke koji su korišteni u izradi bilansa stanja Banke na dan izvještavanja su sljedeći:

31. decembar 2007.	1 EUR = 1,95583 KM	1 USD = 1,331221 KM
31. decembar 2006.	1 EUR = 1,95583 KM	1 USD = 1,485065 KM

Estimated depreciation rates were as follows:

	31 December 2007	31 December 2006
Buildings	1.3% - 3%	1.3% - 3%
Computers	33.3%	33.3%
Vehicles	20%	20%
Furniture and other office equipment	15% - 20%	15% - 20%

Properties in the course of construction are carried at cost, less impairment loss, if any. Depreciation commences when the assets are ready for their intended use. Depreciation is calculated on a straight-line basis over the estimated useful life of the applicable assets.

Impairment

At each balance sheet date, the Bank reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Bank estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately, unless the relevant asset is land or buildings other than investment property carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Intangible assets

Intangible assets are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives.

Foreign currency translation

Transactions in currencies other than Bosnia and Herzegovina KM are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Profits and losses arising on translation are included in the statement of income for the period.

The Bank values its assets and liabilities by middle rate of Central Bank of Bosnia and Herzegovina valid at the date of balance sheet, which approximate market rates. The principal rates of exchange set forth by the Central Bank and used in the preparation of the Bank's balance sheet at the reporting dates were as follows:

31 December 2007	EUR 1 = KM 1,95583	USD 1 = KM 1,331221
31 December 2006	EUR 1 = KM 1,95583	USD 1 = KM 1,485065

Rezervisanja

Banka priznaje rezerviranje ako ima sadašnju obavezu koja je nastala temeljem prošlih događaja, ako postoji vjerovatnost da će za podmirenje obaveze biti potreban odliv resursa. Uprava Banke određuje iznos rezervisanja na temelju najbolje moguće procjene troškova koji će nastati podmirenjem obaveze. Ako je učinak materijalno značajan, rezervisanja se diskontiraju do sadašnje vrijednosti.

Reklasifikacija

Određeni iznosi iz finansijskih izvještaja za prethodnu godinu reklasificirani su da bi bili u skladu s ovogodišnjim prikazom.

Zakonski okvir

Banka podliježe regulativi Agencije za bankarstvo FBiH, kojom se propisuju limiti i druga ograničenja vezana za minimalnu razinu adekvatnosti kapitala, klasifikaciju zajmova i vanbilansnih preuzetih obaveza te utvrđivanje rezervisanja za kreditni rizik, kamatni rizik i valutni rizik, rizik likvidnosti i deviznu poziciju. Banka je na kraju godine udovoljavala svim regulatornim zahtjevima.

Provisions

Provisions are recognized when the Bank has a present obligation as a result of a past event, and it is probable that the Bank will be required to settle that obligation. Management Board estimates the provisions based at the best estimate of expenditure to settle the Bank's obligation. Provisions are discounted to present value where the effect is material.

Reclassification

Certain amounts in the previous year financial statements have been reclassified to conform to the current year presentation.

Regulatory requirements

The Bank is subject to the regulatory requirements of 'Agencija za bankarstvo FBiH' (Federal Banking Bank – FBA). These regulations include limits and other restrictions pertaining to minimum capital adequacy requirements, classification of loans and off balance sheet commitments and forming allowances to cover credit risk, liquidity, interest rate and foreign currency position. At period end, the Bank was in compliance with all regulatory requirements.

4. KLJUČNE RAČUNOVODSTVENE PROSUDBE I KLJUČNI IZVORI PROCJENE

U primjeni računovodstvenih politika Banke, koje su objašnjene u Napomeni 3., Uprava je obavezna da prosudi, procjeni i pretpostavi knjigovodstvenu vrijednost imovine i obaveza koje se ne mogu izvesti iz ostalih izvora. Procjene i povezane pretpostavke se temelje na ranijem iskustvu i ostalim faktorima koji su uzeti u obzir kao relevantni. Stvarni rezultati mogu se razlikovati od procijenjenih.

Procjene i temeljne pretpostavke se stalno revidiraju. Izmjene knjigovodstvenih procjena priznaju se u periodu izmjene ukoliko se odnose samo na taj period, ili u periodu izmjene i budućim periodima ukoliko izmjena utiče na tekući i buduće periode.

Ključni izvori procjene neizvjesnosti

Ključne pretpostavke vezane za budućnost i ostale ključne izvore procjene neizvjesnosti na datum bilansa, koje nose značajan rizik uzrokovanja materijalnog usklađenja knjigovodstvene vrijednosti imovine i obaveza u okviru naredne finansijske godine su slijedeće.

Vijek trajanja nekretnina, postrojenja i opreme

Kao što je objašnjeno u Napomeni 3, u paragrafima pod naslovom Nekretnine, postrojenja i oprema, Banka preispituje procijenjeni vijek trajanja nekretnina, postrojenja i opreme na kraju svakog godišnjeg izvještajnog perioda.

Fer vrijednost derivativa i ostalih finansijskih instrumenata

Kao što je objašnjeno u Napomeni 30, Tačka j), Uprava koristi svoju prosudbu u odabiru odgovarajuće tehnike vrednovanja za finansijske instrumente koji ne kotiraju na aktivnom tržištu. Primjenjene su uobičajene tehnike vrednovanja koje koriste stručnjaci na tržištu. Finansijski instrumenti su vrednovani koristeći analizu diskontovanog novčanog toka koja se temelji na potkrijepljenim pretpostavkama, gdje je to moguće, sa vidljivim tržišnim cijenama ili stopama. Procjena fer vrijednosti dionica koje ne kotiraju na tržištu kapitala uključuje neke pretpostavke koje nisu podržane od strane vidljivih tržišnih cijena ili stopa.

Kredit i avansi klijentima

Fer vrijednost kredita s varijabilnim prinosom, čija cijena se redovno preispituje i kod kojih nisu zapažene nikakve značajne promjene u kreditnom riziku, uglavnom su približne njihovim knjigovodstvenim iznosima. Fer vrijednost kredita s fiksnom kamatnom stopom procjenjuje se na temelju analize diskontiranog novčanog toka primjenom trenutno važećih kamatnih stopa na kredite na koje se primjenjuju slični uvjeti ili koji imaju slična kreditna obilježja.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Bank's accounting policies, which are described in Note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment

As described at Note 3 above, in paragraph with heading Property, plant and equipment, the Bank reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Fair value of derivatives and other financial instruments

As described in Note 30, point j), the directors use their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. Financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates. The estimation of fair value of unlisted shares includes some assumptions not supported by observable market prices or rates.

Loans and advances to customers

The fair value of variable yield loans that regularly reprice, with no significant change in credit risk, generally approximates their carrying value. The fair value of loans at fixed interest rates is estimated using discounted cash flow analyses, based upon interest rates currently offered for loans with similar terms to borrowers of similar credit quality.

5. PRIHODI OD KAMATA I SLIČNI PRIHODI

	2007.	2006.
Kamate na kredite odobrene stanovništvu	10.635	7.396
Kamate na kredite odobrene kompanijama	7.013	5.109
Kamate na kredite kod banaka	1.525	493
Kamata na plasmane kod Centralne banke Bosne i Hercegovine	559	606
Ukupno	19.732	13.604

6. RASHODI OD KAMATA I SLIČNI RASHODI

	2007.	2006.
Kamate na depozite stanovništva	2.529	1.637
Kamate na depozite kompanija	2.013	2.098
Kamate na depozite i kredite banaka	2.196	55
Ukupno	6.738	3.790

7. PRIHODI OD NAKNADA I PROVIZIJA

	2007.	2006.
Naknade po platnom prometu	6.114	5.401
Naknade po vanbilansnim poslovima	908	764
Naknade od konverzija	648	659
Ukupno	7.670	6.824

8. RASHODI OD NAKNADA I PROVIZIJA

	2007.	2006.
Naknade i provizije po platnom prometu	934	928
Ostale naknade prema bankama	143	145
Ukupno	1.077	1.073

5. INTEREST AND SIMILAR INCOME

	2007.	2006.
Interest on loans to individuals	10.635	7.396
Interest on loans to companies	7.013	5.109
Interest on loans to banks	1.525	493
Interest on placements with the Central Bank of Bosnia and Herzegovina	559	606
Total	19.732	13.604

6. INTEREST EXPENSE AND SIMILAR CHARGES

	2007.	2006.
Interest on individuals' deposits	2.529	1.637
Interest on companies' deposits	2.013	2.098
Interest on deposits and borrowings from banks	2.196	55
Total	6.738	3.790

7. FEE AND COMMISSION INCOME

	2007.	2006.
Fees from payment transactions	6.114	5.401
Fees from off-balance sheet transactions	908	764
Fees from conversion transactions	648	659
Total	7.670	6.824

8. FEE AND COMMISSION EXPENSE

	2007.	2006.
Fees and commissions for payment transactions	934	928
Other fees to banks	143	145
Total	1.077	1.073

9. PRIHODI OD KURSNIH RAZLIKA, NETO

	2007.	2006.
Pozitivne kursne razlike od dnevnih transakcija	1.231	1.347
Negativne kursne razlike od kupoprodaje stranih valuta	(109)	(129)
Ukupno	1.122	1.218

10. TROŠKOVI ZAPOSLENIH

	2007.	2006.
Neto plate	4.205	3.485
Porezi i doprinosi	2.916	2.410
Ostalo	1.525	1.299
Ukupno	8.646	7.194

Prosječan broj zaposlenih u Banci tokom godine koja je završila 31. decembra 2007. i 2006. bio je 303, odnosno 292.

11. OSTALI ADMINISTRATIVNI TROŠKOVI

	2007.	2006.
Transport	974	950
Troškovi materijala	700	477
Troškovi komunikacija	671	587
Osiguranje	623	540
Zakupnina	617	546
Troškovi održavanja	525	323
Režijski troškovi	395	395
Ostali porezi i obaveze	325	334
Reklama, propaganda i reprezentacija	490	376
Troškovi usluga	216	135
Naknade članovima Nadzornog odbora	104	93
Ostali administrativni troškovi	927	1.018
Ukupno	6.567	5.774

9. NET FOREIGN EXCHANGE GAINS

	2007.	2006.
Foreign exchange gains	1.231	1.347
Foreign exchange losses	(109)	(129)
Total net	1.122	1.218

10. PERSONNEL EXPENSES

	2007.	2006.
Net salaries	4.205	3.485
Taxes and contributions	2.916	2.410
Other	1.525	1.299
Total	8.646	7.194

The average number of employees of the Bank during the periods ended 31 December 2007 and 2006 was 303 and 292 respectively.

11. OTHER ADMINISTRATIVE EXPENSES

	2007.	2006.
Transportation	974	950
Material expenses	700	477
Communication costs	671	587
Insurance	623	540
Rent	617	546
Maintenance	525	323
Electricity costs	395	395
Other taxes and dues	325	334
Advertising and marketing	490	376
Services	216	135
Fees to Supervisory Board members	104	93
Other administrative expenses	927	1.018
Total	6.567	5.774

12. UMANJENJA VRIJEDNOSTI I REZERVISANJA

	Napomena	2007.	2006.
Rezervisanja za moguće gubitke na kreditima odobrenim klijentima	19	3.656	2.537
Povećanje rezervisanja za potencijalne i preuzete obaveze	25	418	140
Povećanje/(smanjenje) rezervisanja za moguće gubitke na ostaloj imovini	21	254	(2)
Ostala rezervisanja	25	567	-
Ukupno		4.895	2.675

13. PRIHODI OD NAPLAĆENIH OTPISANIH POTRAŽIVANJA

	2007.	2006.
Prihodi od naplaćene otpisane glavnice	773	338
Prihodi od naplaćene otpisane kamate	645	256
Prihodi od naplaćenih otpisanih ostalih potraživanja	143	543
Ukupno	1.561	1.137

14. POREZ NA DOBIT

	2007.	2006.
Dobit prije poreza na dobit	1.806	2.201
Poreski nepriznati troškovi	2.057	765
Prihodi izuzeti od obračuna poreza	(271)	(330)
Oporeziva dobit	3.592	2.636
Obaveza za porez na dobit 30%	1.077	791
Poresko oslobađanje		
Na bazi ulaganja u materijalnu imovinu	(808)	(593)
Obaveza za porez na dobit	269	198
Efektivna poreska stopa (%)	7,50%	7,50%

Banka obračunava obavezu za porez na osnovu dobiti iz bilansa uspjeha uzimajući u obzir porezno nepriznate troškove i prihoda koji su oslobođeni poreza. Stopa poreza na dobit za godine koje su završile 31. decembra 2007., odnosno 2006. iznosila je 30%.

Na knjigovodstveni iznos odgođene poreske imovine načinjena je ispravka vrijednosti u 100% iznosu zbog značajne sumnje da uslijed očekivanih promjena poreskih propisa neće biti povrativ cijeli ili dio porezne imovine. Zbog toga odgođena poreska imovina nije knjižena u ovim finansijskim izvještajima

U skladu sa fiskalnim propisima porezno oslobođenje od poreza na dobit je zasnovano na planiranim ulaganjima u stalna sredstva u narednoj godini.

12. IMPAIRMENT LOSSES AND PROVISIONS

	Notes	2007.	2006.
Impairment losses on loans and advances	19	3.656	2.537
Additions on provision for commitments and contingencies	25	418	140
Additions on/(release of) provisions for other assets	21	254	(2)
Other provisions	25	567	-
Total		4.895	2.675

13. RECOVERIES

	2007.	2006.
Income from collection of written-off loan principle amounts	773	338
Income from collection of written-off interest receivable	645	256
Income from collection of written-off other receivables	143	543
Total	1.561	1.137

14. INCOME TAX

	2007.	2006.
Profit before income tax	1.806	2.201
Non-deductible expenses	2.057	765
Tax exempt income	(271)	(330)
Taxable income	3.592	2.636
Income tax liability at 30% of taxable income	1.077	791
Tax relief based on		
Fixed assets investment exemption	(808)	(593)
Income tax liability	269	198
Effective income tax rate (%)	7,50%	7,50%

The Bank's tax liability is calculated based upon the profit from the income statement taking into account tax non-deductible expenses and tax exempt income. The corporate income tax rate for the periods ended 31 December 2007 and 2006 was 30%.

Allowance was made for the total amount of deferred tax assets, since there are strong reasons to believe that due to expected changes in the local fiscal regulation a portion or the whole amount of the deferred asset will not be recoverable, and therefore, no deferred tax assets have been recorded in the accompanying financial statements.

According to the fiscal legislation, the Bank's exemption from income tax is based on planned investments in fixed assets in the next year.

15. ZARADA PO DIONICI

	2007.	2006.
Ponderisani prosjek dionica radi izračunavanja osnovne zarade po dionici	264.733	171.095
Neto dobit	1.537	2.003
Osnovna zarada po dionici	0,0058	0,0117

16. GOTOVINA I RAČUNI KOD BANAKA

	2007.	2006.
Novac u blagajni	15.108	16.884
Sredstva na tekućim računima kod Centralne banke	36.533	18.345
Sredstva na računima kod drugih banaka u stranim valutama	1.348	3.500
Čekovi na naplati	65	11
Ukupno	53.054	38.740

17. OBAVEZNA REZERVA KOD CENTRALNE BANKE

	2007.	2006.
Obavezna rezerva kod Centralne banke Bosne i Hercegovine	33.316	25.530
Ukupno	33.316	25.530

Minimalna obavezna rezerva izračunata je kao 15% od prosječnog stanja primljenih depozita i pozajmljenih sredstava u svim valutama tokom prethodnih 10 kalendarskih dana na dan 31. decembra 2007. i 2006. godine.

Kamatna stopa na sredstva obavezne rezerve iznosila je 1% tokom 2007. i 2006. godine. Gotovina držana kao obavezna rezerva na računu kod Centralne Banke BiH nije dostupna na korištenje bez specijalnog odobrenja Centralne banke BiH i Agencije za bankarstvo Federacije Bosne i Hercegovine.

15. EARNINGS PER SHARE

	2007.	2006.
Weighted average number of shares for the purpose of basic earnings per share	264.733	171.095
Net profit	1.537	2.003
Basic earnings per share	0,0058	0,0117

16. CASH AND BALANCES WITH BANKS

	2007.	2006.
Cash on hand	15.108	16.884
Current account with the Central Bank	36.533	18.345
Current accounts with other banks in foreign currencies	1.348	3.500
Cheques in course of collection	65	11
Total	53.054	38.740

17. OBLIGATORY RESERVE WITH THE CENTRAL BANK

	2007.	2006.
Obligatory reserve with the Central Bank of Bosnia and Herzegovina	33.316	25.530
Total	33.316	25.530

Minimum obligatory reserve as of 31 December 2007 and 31 December 2006 is calculated in amount of 15% of the average amount of total deposits and the borrowings for each working day during 10 calendar days following the period of maintaining the obligatory reserve.

Interest rate on funds kept up to minimum obligatory reserve was 1% during 2007 and 2006. Cash held at the obligatory reserve account with the Central Bank of Bosnia and Herzegovina is not available for daily operations without specific approval from the Central Bank and the Federal Banking Bank.

18. PLASMANI KOD DRUGIH BANAKA

	2007	2006
Depozite po viđenju kod banaka u sljedećim zemljama:		
Zemlje OECD-a	22.402	8.455
Ostale zemlje	10.000	1.431
Ukupno	32.402	9.886

Kamatna stopa na plasmane u EUR iznosila je 3,00% - 4,33%, i 3,10% - 3,55%, a za plasmane u USD 4,10% - 5,30%, i 5,16% - 5,19% godišnje, na dan 31. decembra 2007 i 2006. godine.

19. DATI KREDITI I AVANSI KLIJENTIMA, NETO

	2007.	2006.
Kratkoročni krediti (uključujući tekuća dospjeća dugoročnih kredita):		
Pravna lica	46.485	39.520
Fizička lica	10.824	10.360
Tekuća dospjeća dugoročnih kredita	38.697	30.466
	96.006	80.346
Dugoročni krediti (isključujući tekuća dospjeća):		
Pravna lica	103.085	53.381
Fizička lica	51.556	28.253
Tekuća dospjeća dugoročnih kredita	(38.697)	(30.466)
	115.944	51.168
Ukupno krediti prije rezervisanja za umanjenja	211.950	131.504
Rezervisanja za moguće gubitke	(6.127)	(7.356)
Ukupno	205.823	124.148

Kreditni su odobreni klijentima u Federaciji Bosne i Hercegovine.

Promjene u rezervisanjima za moguće gubitke mogu se prikazati kako slijedi:

	2007.	2006.
Stanje na dan 1. januar	7.356	7.254
Troškovi rezervisanja	3.656	2.537
Otpisi	(4.885)	(2.435)
Stanje na dan 31. decembar	6.127	7.356

18. PLACEMENTS WITH OTHER BANKS

	2007	2006
Demand deposits with banks registered in:		
OECD countries	22.402	8.455
Other countries	10.000	1.431
Total	32.402	9.886

The interest rate for placements in EUR was 3.00% - 4.33%, and 3.10% - 3.55%, p.a., for placements in USD 4.10% - 5.30%, and 5.16% - 5.19%, p.a. as of 31 December 2007 and 31 December 2006, respectively.

19. LOANS AND ADVANCES TO CUSTOMERS, NET

	2007.	2006.
Short-term loans (including current portion of long-term loans):		
Corporate loans	46.485	39.520
Retail loans	10.824	10.360
Current portion of long-term loans	38.697	30.466
	96.006	80.346
Long-term loans (excluding current portion):		
Corporate loans	103.085	53.381
Retail loans	51.556	28.253
Current portion of long-term loans	(38.697)	(30.466)
	115.944	51.168
Total loans before provision for impairment	211.950	131.504
Provision for loan impairment	(6.127)	(7.356)
Total	205.823	124.148

Loans are approved to borrowers in the Federation of Bosnia and Herzegovina.

Changes in provision can be presented as follows:

	2007.	2006.
Balance as at 1 January	7.356	7.254
Impairment losses	3.656	2.537
Write-offs	(4.885)	(2.435)
Balance as at 31 December	6.127	7.356

Analiza bruto kredita prije rezervisanja za umanjenja po privrednim granama:

	2007.	2006.
Trgovina	56.801	41.599
Građevinarstvo	12.767	12.441
Ugostiteljstvo i turizam	18.658	8.769
Industrija i rudarstvo	12.312	6.231
Saobraćaj i komunikacije	5.353	4.115
Uslužne djelatnosti	3.888	3.791
Poljoprivreda i šumarstvo	1.741	1.538
Stanovništvo	63.110	38.309
Ostalo	37.320	14.721
Ukupno	211.950	131.514

Iznosi predstavljeni u gornjoj tabeli predstavljaju glavnice kredita prije umanjenja za odloženi prihod na dan 31. decembra 2007. odnosno 31. decembra 2006. godine.

Ponderisana prosječna kamatna stopa sažeto je prikazana kako slijedi:

	2007.	2006.
Pravna lica	8,75%	10,28%
Fizička lica	9,29%	10,73%

20. FINANSIJSKA IMOVINA RASPOLOŽIVA ZA PRODAJU, NETO

	2007.	2006.
BAMCARD d.o.o. Sarajevo	115	115
S.W.I.F.T.	24	24
S Leasing	20	-
EBB Elektronsko bankarstvo Sarajevo	4	4
	163	143
Rezervisanja za umanjenja	(3)	(3)
Ukupno	160	140

Promjene u rezervisanjima za umanjenja mogu se prikazati kako slijedi:

	2007.	2006.
Stanje na dan 1. januar	3	3
Troškovi rezervisanja	-	-
Stanje na dan 31. decembar	3	3

Analysis of gross loans before provision for impairment by industry:

	2007.	2006.
Trade	56.801	41.599
Construction	12.767	12.441
Hospitality and tourism	18.658	8.769
Energy sector	12.312	6.231
Transport and communications	5.353	4.115
Services	3.888	3.791
Agriculture and forestry	1.741	1.538
Individuals	63.110	38.309
Other	37.320	14.721
Total	211.950	131.514

Amounts presented in the table above include outstanding principle only, as of 31 December 2007 and 31 December 2006, respectively.

Weighted average interest rate can be presented as follows:

	2007.	2006.
Corporate	8,75%	10,28%
Retail	9,29%	10,73%

20. FINANCIAL ASSETS AVAILABLE FOR SALE, NET

	2007.	2006.
BAMCARD d.o.o. Sarajevo	115	115
S.W.I.F.T.	24	24
S Leasing	20	-
EBB Elektronsko bankarstvo Sarajevo	4	4
Subtotal	163	143
Less: Provision for impairment	(3)	(3)
Total	160	140

Changes in provisions are as follows:

	2007.	2006.
Balance as at 1 January	3	3
Impairment losses	-	-
Balance as at 31 December	3	3

Ulaganja su kao što slijedi:

Društvo	Aktivnost	% vlasništva	Zemlja
BAMCARD d.o.o. Sarajevo	Debitne i kreditne kartice	4,73	Bosna i Hercegovina
S.W.I.F.T	Međubankarske telekomunikacije	-	Belgija
S Leasing d.o.o. Sarajevo	Najam	10	Bosna i Hercegovina
Electronic Banking Bureau d.o.o. Sarajevo	e-banking	1,88	Bosna i Hercegovina

21. OSTALA IMOVINA, NETO

	2007.	2006.
Potraživanja od Credit Suisse Bank	2.571	-
Kolaterali vraćeni u posjed	715	725
Pretplata poreza na dobit	835	616
Potraživanja od domaćih transakcija	316	219
Potraživanja za provizije i naknade	279	156
Potraživanja po cesijama	99	166
Unaprijed plaćeni troškovi	66	127
Sitan inventar	15	89
Ostalo	105	68
Ukupno ostala imovina prije rezervisanja za umanjeње	5.001	2.166
Manje: Rezervisanja za moguće gubitke	(489)	(571)
Ukupno	4.512	1.595

Potraživanja od Credit Suisse Bank

U oružanoj pljački izvršenoj na Međunarodnom Aerodromu Sarajevo dana 5. decembra 2007. godine ukraden je novac namjenjen za Credit Suisse Bank, Ciri, Švicarska, u ukupnom iznosu od 2.573 hiljade KM (1.316 hiljada EUR). Isporuka je bila osigurana kod 'Basler Versicherung' Bazel, Švicarska ('Osiguravatelj') kome je Credit Suisse Bank podnijela zahtjev za namirenje štete.

Na dan 22. februar 2008. godine, Banka je službeno obavještena da će potraživani iznos biti plaćen od strane Osiguravatelja u roku od sedam dana nakon što Credit Suisse Bank primi od Osiguravatelja potvrdu da je Banka podnijela dokument kojim se odriče prava na ukradeni novac u korist Osiguravatelja.

Promjene u rezervisanjima se mogu prikazati kako slijedi:

	2007.	2006.
Stanje na dan 1. januar	571	586
Rezervisanja za gubitke/(Umanjenje rezervisanja uslijed naplate)	254	(2)
Otpisi	(336)	(13)
Stanje na dan 31. decembar	489	571

Investments are as follows:

Company	Activity	% of ownership	Country
BAMCARD d.o.o. Sarajevo	Debit and credit cards	4,73	Bosnia & Herzegovina
S.W.I.F.T	Interbank telecommunication	-	Belgium
S Leasing d.o.o. Sarajevo	Leasing	10	Bosnia & Herzegovina
Electronic Banking Bureau d.o.o. Sarajevo	e-banking	1,88	Bosnia & Herzegovina

21. OTHER ASSETS, NET

	2007.	2006.
Receivables from Credit Suisse Bank	2.571	-
Reposessed collaterals	715	725
Prepaid income tax	835	616
Receivables from domestic payment transactions	316	219
Fee and commission receivable	279	156
Receivables from assignment contracts	99	166
Advances paid	66	127
Equipment and consumable stores	15	89
Other	105	68
Total other assets before provision	5.001	2.166
Less: Provision for impairment	(489)	(571)
Total	4.512	1.595

Receivables from Credit Suisse Bank

Due to armed robbery on International Airport Sarajevo on 5 December 2007, banknotes for Credit Suisse Bank, Zurich, Switzerland in total value of KM 2,573 thousand (EUR 1,316 thousand) have been stolen at the Airport transit area. Delivery has been insured by 'Basler Versicherungen' Basel, Switzerland ('the Insurer') and Credit Suisse Bank has submitted claim for stolen amount to the Insurer.

On 22 February 2008, the Bank has been officially informed that claimed amount will be paid by the Insurer within seven days of Credit Suisse Bank having received from the Insurer the confirmation that the Bank has submitted the original of the cession of rights document to the satisfaction of the Insurer.

Changes in provisions are presented as follows:

	2007.	2006.
Balance as at 1 January	571	586
Impairment losses/(Release of provisions)	254	(2)
Write-offs	(336)	(13)
Balance as at 31 December	489	571

22. NEKRETNINE, POSTROJENJA I OPREMA

Slijedi sažeti prikaz promjena u dugotrajnoj materijalnoj i nematerijalnoj imovini tokom godine koji je završila 31. decembra 2007.:

	Gradevine i zemljište	Računari	Vozila	Namještaj i uredska oprema	Investicije u toku	Nematerijalna imovina	Ukupno
NABAVNA VRIJEDNOST							
Na dan 31. decembra 2005.	4.182	2.085	527	2.536	710	1.372	11.412
Nabavke	23	206	163	-	1.262	60	1.714
Prijenos (sa)/na	1.513	28	-	198	(1.739)	-	-
Umanjenja	(70)	(188)	(123)	(104)	-	(18)	(503)
Na dan 31. decembra 2006.	5.648	2.131	567	2.630	233	1.414	12.623
ISPRAVKA VRIJEDNOSTI							
Na dan 31. decembra 2005.	268	1.747	172	1.616	-	1.175	4.978
Amortizacija	102	301	74	250	-	99	826
Umanjenja	(20)	(188)	(101)	(42)	-	(2)	(353)
Na dan 31. decembra 2006.	350	1.860	145	1.824	-	1.272	5.451
Neto knjigovodstvena vrijednost na dan 31. decembra 2006.	5.298	271	422	806	233	142	7.172
NABAVNA VRIJEDNOST							
Na dan 31. decembra 2006.	5.648	2.131	567	2.630	233	1.414	12.623
Nabavke	195	519	168	206	1.042	73	2.203
Prijenos (sa)/na	156	27	-	202	(461)	76	-
Reklasifikacija	-	(265)	-	265	-	-	-
Umanjenja	(339)	(160)	-	(463)	-	(18)	(980)
Na dan 31. decembra 2007.	5.660	2.252	735	2.840	814	1.545	13.846
ISPRAVKA VRIJEDNOSTI							
Na dan 31. decembra 2006.	350	1.860	145	1.824	-	1.272	5.451
Amortizacija	109	230	160	269	-	83	851
Umanjenja	(31)	(264)	-	(332)	-	(18)	(645)
Na dan 31. decembra 2007.	428	1.826	305	1.761	-	1.337	5.657
Neto knjigovodstvena vrijednost na dan 31. decembra 2007.	5.232	426	430	1.079	814	208	8.189

22. PROPERTY, PLANT AND EQUIPMENT

The movements in tangible and intangible fixed assets during the year ended 31 December 2007 are summarized as follows:

	Land and buildings	Computers	Vehicles	Furniture and office equipment	Investment in progress	Intangible assets	Total
COST							
At 31 December 2005	4.182	2.085	527	2.536	710	1.372	11.412
Additions	23	206	163	-	1.262	60	1.714
Transfer (from) / to	1.513	28	-	198	(1.739)	-	-
Disposals	(70)	(188)	(123)	(104)	-	(18)	(503)
At 31 December 2006	5.648	2.131	567	2.630	233	1.414	12.623
ACCUMULATED DEPRECIATION							
At 31 December 2005	268	1.747	172	1.616	-	1.175	4.978
Depreciation charge	102	301	74	250	-	99	826
Disposals	(20)	(188)	(101)	(42)	-	(2)	(353)
At 31 December 2006	350	1.860	145	1.824	-	1.272	5.451
Carrying amount as at 31 December 2006	5.298	271	422	806	233	142	7.172
COST							
At 31 December 2006	5.648	2.131	567	2.630	233	1.414	12.623
Additions	195	519	168	206	1.042	73	2.203
Transfer (from) / to	156	27	-	202	(461)	76	-
Reclassifications	-	(265)	-	265	-	-	-
Disposals	(339)	(160)	-	(463)	-	(18)	(980)
At 31 December 2007	5.660	2.252	735	2.840	814	1.545	13.846
ACCUMULATED DEPRECIATION							
At 31 December 2006	350	1.860	145	1.824	-	1.272	5.451
Depreciation charge	109	230	160	269	-	83	851
Disposals	(31)	(264)	-	(332)	-	(18)	(645)
At 31 December 2007	428	1.826	305	1.761	-	1.337	5.657
Carrying amount as at 31 December 2007	5.232	426	430	1.079	814	208	8.189

23. OBAVEZE PREMA BANKAMA I OSTALIM FINANSIJSKIM INSTITUCIJAMA

	2007.	2006.
Depoziti:		
U domaćoj valuti	13.440	48
U stranim valutama	1.804	10
	15.244	58
Pozajmice:		
U domaćoj valuti	2.321	7.237
U stranim valutama	46.161	7.706
	48.482	14.943
Ukupno	63.726	15.001

Kamatna stopa na depozite po viđenju drugih banaka je iznosila 0,50% do 1% tokom godina koje su završile 31. decembra 2007. i 2006. Kamatne stope na oročene depozite drugih banaka kretale su se u rasponu od 2,00% do 6,50% i od 2,20% do 6,22% tokom godina koje su završile 31. decembra 2007. i 2006.

Pozajmice obuhvataju sljedeće:

	Kratkoročne		Dugoročne	
	2007.	2006.	2007.	2006.
Steiermarkische Bank und Sparkassen AG (i)	3.260	-	33.574	-
European Fund for Southeast Europe (ii)	1.453	636	7.873	6.601
Vlada Zeničko-dobojskog Kantona (iii)	422	581	963	1.385
Investicijska banka Federacije Bosne i Hercegovine (iv)	391	892	546	937
Abanka Vipra d.d. (v)	-	3.911	-	-
	5.526	6.020	42.956	8.923

(i) Između Banke i Steiermarkische Bank und Sparkassen AG, Graz, Austrija potpisana su tri dugoročna kreditna sporazuma:

Datum	Iznos	Rok dospelja	Kamatna stopa
28. februar 2007.	10 miliona EUR	10 godina	EURIBOR + 1,5%
27. septembar 2007.	5 miliona EUR	15 godina	EURIBOR + 1,5%
27. decembar 2007.	5 miliona EUR	15 godina	EURIBOR + 1,5%

Otplata svih kredita vrši se na polugodišnjoj osnovi.

(ii) Banka je 24. jula 2006. godine potpisala Ugovor o dugoročnom kreditu sa European Fund for Southeast Europe u iznosu od 5 miliona EUR. Kredit je podijeljen na dva dijela: (1) grant za finansiranje malih i srednjih preduzeća u iznosu od 1,5 miliona EUR, sa dospeljem od 5 godina, i (2) grant za stambene kredite u iznosu od 3,5 miliona EUR sa rokom dospelja od 10 godina. Otplata kredita se vrši na polugodišnjoj osnovi. Do 31. decembra 2007. godine kamatna stopa je iznosila EURIBOR + 3% godišnje; od 1. januara 2008. godine kamatna stopa iznosi EURIBOR + 2% godišnje.

(iii) Dana 24. maja 2004. godine Zeničko-dobojski kanton odobrio je kreditnu liniju za finansiranje ekonomskog razvoja i porasta zapošljavanja. Kredit dospelja za 10 godina sa grace periodom do 24 mjeseca u zavisnosti od pojedinačnog kredita dodijeljenog korisniku kredita. Kamatna stopa iznosi EURIBOR + 1,5% godišnje, ali ne manje od 6% godišnje.

(iv) Sredstva pozajmljena od Investicijske banke Federacije Bosne i Hercegovine namijenjena su restrukturiranju postojećih kredita datih za obrtna sredstva, kao i za finansiranje razvojnih programa i projekata malih i srednjih preduzeća u Federaciji Bosne i Hercegovine. Sredstva su odobrena na period od 2,5 do 5 godina, sa kamatnom stopom na bazi šestomjesečnog EURIBOR-a. Otplata se vrši u jednakim mjesečnim anuitetima.

(v) Dana 2. oktobra 2006. godine Banka je potpisala Ugovor o kratkoročnom kreditu sa Abanka Vipra d.d. Ljubljana, Slovenija. Ukupan iznos kredita je bio 2 miliona EUR, a kamatna stopa je bila EURIBOR + 1,5% godišnje. Kredit je otplaćen 2. oktobra 2007. godine.

23. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	2007.	2006.
Deposits:		
In domestic currency	13.440	48
In foreign currencies	1.804	10
	15.244	58
Other borrowings:		
In domestic currency	2.321	7.237
In foreign currencies	46.161	7.706
	48.482	14.943
Total	63.726	15.001

Interest rate on demand deposits ranged from 0.50% to 1% during the year ended 31 December 2007, and during 2006 as well. Interest rates on term deposits from other banks ranged from 2.00% to 6.50%, and from 2.20% to 6.22%, p.a. as of 31 December 2007 and 31 December 2006, respectively.

Other borrowings are as follows:

	Short-term		Long-term	
	2007.	2006.	2007.	2006.
Steiermarkische Bank und Sparkassen AG (i)	3.260	-	33.574	-
European Fund for Southeast Europe (ii)	1.453	636	7.873	6.601
Government of Zenica-Doboj Canton (iii)	422	581	963	1.385
Investment Bank of Federation of Bosnia and Herzegovina (iv)	391	892	546	937
Abanka Vipava d.d. (v)	-	3.911	-	-
	5.526	6.020	42.956	8.923

(i) Three long-term loan agreements were signed between the Bank and Steiermarkische Bank und Sparkassen AG, Graz, Austria:

Date	Amount	Maturity	Interest rate
28 February 2007	EUR 10 million	10 years	EURIBOR + 1.5%
27 September 2007	EUR 5 million	15 years	EURIBOR + 1.5%
27 December 2007	EUR 5 million	15 years	EURIBOR + 1.5%

Repayment for all loans is made on semi-annual basis.

(ii) Long-term loan agreement between the Bank and European Fund for Southeast Europe was signed as of 24 July 2006, in total amount of EUR 5 million. The loan is divided into two components: (1) fund for financing of small and medium enterprises in amount of EUR 1.5 million, with maturity in five years, and (2) fund for housing loans in amount of EUR 3.5 million, with maturity in ten years. Loan repayment is on semi-annual basis. Up to 31 December 2007, interest rate was EURIBOR + 3% p.a.; from 1 January 2008 interest rate is EURIBOR + 2% p.a.

(iii) On 24 May 2004, Zenica-Doboj Canton approved the credit line for financing of economic development and improvement of employment. Loan maturity is up to 10. years, with grace period up to 24 months, depending on particular loan approved to the final beneficiary. Interest rate is EURIBOR + 1.5% p.a., but not less than 6% p.a.

(iv) Borrowed funds from the Investment Bank of Federation of Bosnia and Herzegovina are with the purpose of restructuring of existing loans for working capital as well as financing of development programs and projects of small and medium size enterprises in Federation of Bosnia and Herzegovina. The funds are approved for periods ranging between 2.5 - 5 years, with interest rate of 6-month EURIBOR p.a. Repayments are made in equal monthly installments.

(v) On 2 October 2006, the Bank signed short-term loan contract with Abanka Vipava d.d. Ljubljana, Slovenia. Total amount of loan was EUR 2 million and interest rate was EURIBOR + 1.5% p.a. Loan was repaid on 2 October 2007.

24. OBAVEZE PREMA KLIJENTIMA

	2007.	2006.
Depoziti po viđenju:		
Fizička lica:		
U domaćoj valuti	28.069	19.331
U stranim valutama	12.939	9.928
	41.008	29.259
Pravna lica:		
U domaćoj valuti	54.732	26.813
U stranim valutama	6.430	6.148
	61.162	32.961
Ostale vladine i nevladine organizacije:		
U domaćoj valuti	20.376	10.557
U stranim valutama	871	721
	21.247	11.278
Ukupno depoziti po viđenju	123.417	73.498
Oročeni depoziti:		
Fizička lica:		
U domaćoj valuti	18.512	12.304
U stranim valutama	35.579	25.856
	54.091	38.160
Pravna lica:		
U domaćoj valuti	41.056	30.756
U stranim valutama	4.643	3.520
	45.699	34.276
Ostale vladine i nevladine organizacije:		
U domaćoj valuti	4.394	2.437
U stranim valutama	70	86
	4.464	2.523
Ukupno oročeni depoziti	104.254	74.959
Ukupno	227.671	148.457

Kamatne stope na obaveze prema klijentima kreću se u istom rasponu kao kamatne stope na obaveze prema bankama i drugim finansijskim institucijama (vidjeti Napomenu 23).

24. DUE TO CUSTOMERS

	2007.	2006.
Demand deposits:		
Individuals:		
In domestic currency	28.069	19.331
In foreign currencies	12.939	9.928
	41.008	29.259
Companies:		
In domestic currency	54.732	26.813
In foreign currencies	6.430	6.148
	61.162	32.961
Other government and non-government organizations:		
In domestic currency	20.376	10.557
In foreign currencies	871	721
	21.247	11.278
Total demand deposits	123.417	73.498
Term deposits:		
Individuals:		
In domestic currency	18.512	12.304
In foreign currencies	35.579	25.856
	54.091	38.160
Companies:		
In domestic currency	41.056	30.756
In foreign currencies	4.643	3.520
	45.699	34.276
Other government and non-government organizations:		
In domestic currency	4.394	2.437
In foreign currencies	70	86
	4.464	2.523
Total term deposits	104.254	74.959
Total	227.671	148.457

Interest rates on amounts due to customers have been ranged as for amounts due to banks and other financial institutions (see Note 23).

25. REZERVISANJA

	2007.	2006.
Rezervisanja za potencijalne obaveze (vanbilans)	1.022	837
Rezervisanja za ostale naknade zaposlenim	567	-
Ukupno	1.589	837

Promjene u rezervisanjima su kako slijedi:

	Potencijalne obaveze	Naknade zaposlenim	Ukupno
Stanje na 1. januar 2006.	697	-	697
Priznata dodatna rezervisanja	644	-	644
Umanjenja koja proizilaze od isplata	-	-	-
Smanjenje zbog ponovnog mjerenja ili podmirenja bez troška	(504)	-	(504)
Otpisi	-	-	-
Stanje na 31. decembar 2006.	837	-	837
Priznata dodatna rezervisanja	979	567	1.546
Umanjenja koja proizilaze od isplata	-	-	-
Smanjenje zbog ponovnog mjerenja ili podmirenja bez troška	(561)	-	(561)
Otpisi	(233)	-	(233)
Stanje na 31. decembar 2007.	1.022	567	1.589

Ugovoreni iznosi vanbilansnih finansijskih instrumenata po kojima je Banka preuzela obavezu kreditiranja komitenata bili kao što slijedi:

	2007.	2006.
Plative garancije	7.152	7.183
Činidbene garancije	26.549	23.018
Akreditivi	155	1.586
Preuzete obaveze za kreditiranjem	17.824	10.719
Ukupno	51.680	42.506

25. PROVISIONS

	2007.	2006.
Provision for contingent liabilities (Off-Balance sheet)	1.022	837
Other employee benefits	567	-
Total	1.589	837

Changes in provisions are presented as follows:

	Contingent liabilities	Employee benefits	Total
Balance as of 1 January 2006	697	-	697
Additional provisions recognized	644	-	644
Reductions arising from payments	-	-	-
Reductions resulting from re-measurement or settlement without cost	(504)	-	(504)
Write-off	-	-	-
Balance as of 31 December 2006	837	-	837
Additional provisions recognized	979	567	1.546
Reductions arising from payments	-	-	-
Reductions resulting from re-measurement or settlement without cost	(561)	-	(561)
Write-off	(233)	-	(233)
Balance as of 31 December 2007	1.022	567	1.589

Contracted amount for off-balance finance instruments by which Bank taken liability of crediting commitments were as follows:

	2007.	2006.
Payment guarantees	7.152	7.183
Performance guarantees	26.549	23.018
Letters of credit	155	1.586
Irrevocable credits	17.824	10.719
Total	51.680	42.506

26. OSTALE OBAVEZE

	2007.	2006.
Obaveze za međubankarske transakcije	703	879
Obaveze iz komisionih poslova (vidjeti Napomenu 29)	489	475
Obaveze prema zaposlenima	383	338
Obaveze prema dobavljačima	293	249
Obaveze za PDV	271	238
Obaveze za dividende	149	150
Obaveze prema Vladi Zeničko-dobojskog kantona	18	30
Ostalo	174	114
Ukupno	2.480	2.473

27. DIONIČKI KAPITAL

Vlasnička struktura Banke je kako slijedi:

	31. decembar 2007.		31. decembar 2006.	
	Dionički kapital '000 KM	% vlasništva	Dionički kapital '000 KM	% vlasništva
Steiermarkische Bank und Sparkassen AG, Graz, Austrija	16.663	62,95	5.073	19,16
Koprom GmbH, Beč, Austrija	2.416	9,13	-	-
HVB Central Profit Banka d.d. Sarajevo	1.036	3,92	-	-
Hypo-Alpe-Adria-Bank AG, Klagenfurt, Austrija	889	3,36	1.429	5,40
Danske Fund, Luxembourg	226	0,85	-	-
Adžajlić Emir, Sarajevo	-	-	2.002	7,56
Fabrika duhana Sarajevo d.d.	-	-	1.405	5,31
Kapitalni Fond d.d. Zagreb, Hrvatska	-	-	1.400	5,29
Ostalo	5.243	19,79	15.164	57,28
Ukupno uplaćeni kapital	26.473	100,00	26.473	100,00
Dionička premija	8.372		8.372	
	34.845		34.845	

Dionički kapital Banke sastoji se od 264.733 običnih dionica nominalne vrijednosti 100 KM.

26. OTHER LIABILITIES

	2007.	2006.
Liabilities from interbank transactions	703	879
Liabilities from on-lending activities (see Note 29)	489	475
Liabilities to employees	383	338
Liabilities to suppliers	293	249
Tax payables	271	238
Liabilities for dividends	149	150
Liabilities toward the Government of Zenica-Doboj Canton	18	30
Other	174	114
Total	2.480	2.473

27. SHARE CAPITAL

The Bank's ownership structure was as follows:

	31 December 2007		31 December 2006	
	Share capital KM '000	% of ownership	Share capital KM '000	% of ownership
Steiermarkische Bank und Sparkassen AG, Graz, Austria	16.663	62,95	5.073	19,16
Koprom GmbH Vienna , Austria	2.416	9,13	-	-
HVB Central Profit Banka d.d. Sarajevo	1.036	3,92	-	-
Hypo-Alpe-Adria-Bank AG, Klagenfurt, Austria	889	3,36	1.429	5,40
Danske Fund, Luxembourg	226	0,85	-	-
Adžajlić Emir, Sarajevo	-	-	2.002	7,56
Fabrika Duhana Sarajevo d.d.	-	-	1.405	5,31
Kapitalni Fond d.d. Zagreb, Croatia	-	-	1.400	5,29
Other	5.243	19,79	15.164	57,28
Total	26.473	100,00	26.473	100,00
Share premium	8.372		8.372	
Total paid in capital	34.845		34.845	

Capital is made up of 264,733 ordinary shares at nominal value of KM 100.

28. TRANSAKCIJE S POVEZANIM STRANAMA

Na dan 31. decembra 2007. godine stanja koja proizlaze iz transakcija s povezanim stranama obuhvataju:

	2007.		2006.	
	Potraživanja	Obaveze	Potraživanja	Obaveze
Steiermarkische Bank und Sparkassen AG, Graz, Austrija	-	36.835	-	-
Ukupno	-	36.835	-	-

	2007.		2006.	
	Prihodi	Troškovi	Prihodi	Troškovi
Steiermarkische Bank und Sparkassen AG, Graz, Austrija	-	1.033	-	-
Ukupno	-	1.033	-	-

Sve navedene transakcije obavljene su po tržišnim i bankarskim uvjetima.

Naknade Direktor i ostalim članovima Uprave

Članovima Uprave i osobama na ključnim rukovodećim položajima tokom godine koji je završila 31. decembra 2007. isplaćene su sljedeće naknade:

	2007.	2006.
Plate i ostala primanja	765	585
Porezi i doprinosi na plate i ostala primanja	535	479
Ukupno	1.300	1.064

28. RELATED-PARTY TRANSACTIONS

Transactions with related parties as at 31 December 2007 are summarized as follows:

	2007.		2006.	
	Receivables	Payables	Receivables	Payables
Steiermarkische Bank und Sparkassen AG, Graz, Austrija	-	36.835	-	-
Total	-	36.835	-	-

	2007.		2006.	
	Income	Expenditures	Income	Expenditures
Steiermarkische Bank und Sparkassen AG, Graz, Austrija	-	1.033	-	-
Total	-	1.033	-	-

All of the transactions stated above have been made under commercial and banking terms and conditions.

Director's and executives' remuneration

The remuneration of directors and other members of key management during the year ended 31 December 2007 was as follows:

	2007.	2006.
Net salaries and other benefits	765	585
Tax and contributions on net salaries and other benefits	535	479
Total	1.300	1.064

29. KOMISIONI POSLOVI

Sredstva kojima Banka upravlja kao povjerenik za i u ime pojedinaca, zaklada i drugih institucija ne predstavljaju sredstva Banke, stoga nisu uključena u njen bilans.

Niže u tabeli analizirana su sredstva kojima Banka upravlja za i u ime svojih klijenata:

	2007.	2006.
PLASMANI		
Privreda	23.401	6.178
Stanovništvo	5.020	27.214
Ukupno	28.421	33.392
IZVORI		
Agencija za zapošljavanje Federacije Bosne i Hercegovine	21.063	24.954
Pravna lica i stanovništvo	3.003	2.899
Međunarodna agencija za garancije -IGA	1.880	2.359
Ministarstvo ratnih vojnih invalida Zeničko-dobojskog kantona	904	1.077
Agencija za zapošljavanje Zeničko-dobojskog kantona	444	715
Ministarstvo trgovine Bosansko-podrinjskog kantona	810	810
Vlada Zeničko-dobojskog kantona	357	372
USAID	274	274
Stambeni fond Unsko-sanskog kantona	44	82
Lutheran World Federation	65	65
Agencija za zapošljavanje Bosansko-podrinjskog kantona	47	95
RVI Bihać	19	-
Humanitarna organizacija MOJ BLIŽNJI	-	165
Ukupno	28.910	33.867
Tekuće obaveze po osnovu komisionih poslova (vidi Napomenu 26)	489	475

Banka ne snosi rizik po ovim plasmanima, a za svoje usluge ostvaruje naknadu.

29. ON-LENDING ACTIVITIES

Funds managed by the Bank on behalf of individuals, trusts and other institutions are not assets of the Bank and, therefore, are not included in its balance sheet.

The table below provides analysis of the funds managed on behalf of customers by investment type:

	2007.	2006.
LOANS		
Companies	23.401	6.178
Individuals	5.020	27.214
Total	28.421	33.392
LIABILITIES		
Employment agency of the Federation of Bosnia and Herzegovina	21.063	24.954
Citizens and companies	3.003	2.899
International Guarantee Agency	1.880	2.359
Ministry of War veterans of Zenica-Doboj Canton	904	1.077
Employment agency of Zenica-Doboj Canton	444	715
Ministry of Trade of Bosnia-Drina Canton	810	810
Government of Zenica-Doboj Canton	357	372
USAID	274	274
Housing fund of Una-Sana Canton	44	82
Lutheran World Federation	65	65
Employment agency of Bosnia-Drina Canton	47	95
War veterans Bihać	19	-
Humanitarian organization MOJ BLIŽNJI	-	165
Total	28.910	33.867
Current liabilities from managed funds activities (see Note 26)	489	475

The Bank does not bear the risk for these placements and charges a fee for its services.

30. FINANSIJSKI INSTRUMENTI

a) Upravljanje rizikom kapitala

Ciljevi Banke prilikom upravljanja kapitalom, koji je mnogo šira kategorija od 'kapitala' iskazanog u bilansu stanja su sljedeći:

- Usaglasiti se sa zahtjevima vezanim za kapital koji su propisani od strane regulatora na tržištu banaka;
- Osigurati da je Banka u mogućnosti nastaviti sa neograničenim vijekom poslovanja da bi mogla obezbjediti povrat dioničarima, kao i koristi ostalim učesnicima na tržištu; i
- Održavati jaku kapitalnu osnovu koja će podržati razvoj poslovanja Banke.

Od Banke se očekuje da održava adekvatan odnos duga i kapitala. Pokazatelji solventnosti su kao što slijedi:

	31. decembar 2007.	31. decembar 2006.
Dug	291.397	163.458
Kapital	41.990	40.453
Omjer neto duga i kapitala	6,94	4,04

Dug je definisan kao obaveze prema bankama i klijentima kao što je prezentirano u napomenama 23 i 24. Kapital uključuje ukupni kapital, rezerve, zadržanu dobit i subordinirani dug.

Adekvatnost kapitala i korištenje neto-kapitala na dnevnoj osnovi prati Uprava Banke, uzimajući u obzir odluke Agencije za bankarstvo FBiH ('Agencija'). Zahtjevine informacije se podnose Agenciji kvartalno.

Agencija zahtjeva od svake banke: (a) da održava minimalni iznos uplaćenog dioničkog kapitala banke u iznosu 15 miliona KM; i (b) da održava odnos neto-kapitala i rizika ponderisane imovine u visini od minimalno 12%.

Neto-kapital Banke podjeljen je u dva dijela:

- Tier 1 kapital ili Bazni kapital: dionički kapital (netiran za bilo koji knjigovodstveni iznos trezorskih dioica), dionička premija, zadržana dobit i rezerve nastale izdvajanjem iz zadržane dobiti; i
- Tier 2 kapital ili Dopunski kapital: kvalifikovani subordinirani dug, umanjenja vrijednosti na bazi portfolia i nerealizirani dobiti nastali na bazi procjene fer vrijednosti vlasničkih instrumentata klasifikovanih kao raspoloživi za prodaju.

Rizik ponderisane aktive se mjeri na bazi četiri pondera klasifikovana prema prirodi svakog od sredstava i odražava procjenu kreditnog, tržišnog i ostalih rizika povezanih sa tim sredstvima, uzimajući u obzir prihvatljiv kolateral ili garancije. Sličan tretman je usvojen za izloženost po vanbilansnim pozicijama, sa određenim korekcijama u svrhu preciznijeg iskazivanja prirode potencijalnih gubitaka.

30. FINANCIAL INSTRUMENTS

a) Capital risk management

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of balance sheets, are:

- To comply with the capital requirements set by the regulators of the banking markets;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

The Bank expects to maintain its debt to capital ratio. Solvency indicators were as follows:

	31 December 2007	31 December 2006
Debt	291.397	163.458
Capital	41.990	40.453
Net debt to capital ratio	6,94	4,04

Debt is defined as liabilities to banks and clients presented in detail in Notes 23 and 24. Capital includes total capital, reserves and retained earnings.

Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management, employing techniques based on the guidelines developed by Banking Agency of Federation of Bosnia and Herzegovina (FBA) for supervisory purposes. The required information is filed with the FBA on a quarterly basis.

The FBA requires each bank to: (a) hold the minimum level of the share capital of KM 15 million, and (b) maintain a ratio of total regulatory capital to the risk-weighted asset at or above the minimum of 12%.

The Bank's regulatory capital is divided into two tiers:

- Tier 1 capital or Core Capital: share capital (net of any book values of the treasury shares), share premium, retained earnings and reserves created by appropriations of retained earnings; and
- Tier 2 capital or Supplementary Capital: qualifying subordinated loan capital, collective impairment allowances and unrealized gains arising on the fair valuation of equity instruments held as available for sale.

The risk-weighted assets are measured by means of a hierarchy of five four weights classified according to the nature of – and reflecting an estimate of credit, market and other risks associated with – each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposure, with some adjustments to reflect the more contingent nature of the potential losses.

Donja tabla prikazuje kompoziciju neto-kapitala i pokazatelja Banke za godine završene 31. decembra. Tokom te dvije godine Banka je bila usaglašena sa svim eksterno nametnutim zahtjevima vezanim za kapital:

	2007.	2006.
Tier 1 kapital		
Dionički kapital	26.473	26.473
Dionička premija	8.372	8.372
Zakonske rezerve	5.608	3.605
Zadržana dobit	1.537	2.003
Ukupno kvalifikovani Tier 1 kapital	41.990	40.453
Tier 2 kapital		
Kvalifikovani subordinirani dug	5.139	3.153
Ukupno kvalifikovani Tier 2 kapital	5.139	3.153
Ukupni neto-kapital	47.129	43.606
Rizik ponderisane aktive		
Bilans stanja	216.919	131.814
Vanbilansne stavke	28.367	23.536
	245.286	155.350
Bazel pokazatelj	19,21%	28,07%

b) Značajne računovodstvene politike

Detalji značajnih računovodstvenih politika i usvojenih metoda, uključujući i kriterije za priznavanje, na osnovu mjerenja i na osnovu toga koji su prihodi i troškovi priznati, u pogledu na svaku od klasa finansijske imovine, finansijskih obaveza i vlasničkih instrumenata objavljeni su u Napomeni 3 ovih finansijskih izvještaja.

The table below summarizes the composition of regulatory capital and the ratios of the Bank for the years ended 31 December. During those two years the Bank complied with all of the externally imposed capital requirements to which they are subject:

	2007.	2006.
Tier 1 capital		
Share capital	26.473	26.473
Share premium	8.372	8.372
Statutory reserves	5.608	3.605
Retained earnings	1.537	2.003
Total qualifying Tier 1 Capital	41.990	40.453
Tier 2 capital		
Collective impairment allowances	5.139	3.153
Total qualifying Tier 2 Capital	5.139	3.153
Total regulatory capital	47.129	43.606
Risk weighted assets		
On balance sheet	216.919	131.814
Off balance sheet	28.367	23.536
	245.286	155.350
Basel ratio	19,21%	28,07%

b) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

c) Kategorije finansijskih instrumenata

	2007.	2006.
Finansijska imovina		
Po fer vrijednosti kroz bilans uspjeha ("FVTPL")		
- U posjedu radi trgovanja	-	-
- Svrstana kao "FVTPL"	-	-
Ulaganja u posjedu do dospeljeća	-	-
Zajmovi i potraživanja (uključujući novac i novčane ekvivalente)	328.155	190.674
Finansijska imovina raspoloživa za prodaju	160	140
	328.315	198.814
Finansijske obaveze		
Po fer vrijednosti kroz bilans uspjeha ("FVTPL")		
- U posjedu radi trgovanja	-	-
- Svrstana kao "FVTPL"	-	-
Amortizirani trošak	291.397	163.458
	291.397	163.458

d) Ciljevi upravljanja finansijskim rizikom

Funkcija trezora u Banci pruža podršku poslovanju, koordinira pristup domaćem i međunarodnim tržištima, nadgleda i upravlja finansijskim rizikom koji se odnose na poslovanje Banke kroz interne izvještaje o riziku kojima se analizira izloženost po stepenu i uticaju rizika. Ovi rizici uključuju tržišni rizik (uključujući devizni rizik, rizik kamatne stope na fer vrijednost i rizik cijene), kreditni rizik, rizik likvidnosti i rizik kamatne stope na novčani tok.

e) Tržišni rizik

Usljed svojih aktivnosti Banka je primarno izložena finansijskim rizicima promjena kursa stranih valuta, te promjena kamatnih stopa (vidjeti ispod tačke f) i g)).

Izloženosti tržišnom riziku se analiziraju pomoću analize osjetljivosti. Nije bilo promjena u izloženosti Banke tržišnom riziku ili načinu na koji Banka upravlja i mjeri taj rizik.

c) Categories of financial instruments

	2007.	2006.
Financial assets		
Fair value through profit or loss (FVTPL)		
- Held for trading	-	-
- Designated as at FVTPL	-	-
Held-to-maturity investments	-	-
Loans and receivables (including cash and cash equivalents)	328.155	190.674
Financial assets available-for-sale	160	140
	328.315	198.814
Financial liabilities		
Fair value through profit or loss (FVTPL)		
- Held for trading	-	-
- Designated as at FVTPL	-	-
Amortised cost	291.397	163.458
	291.397	163.458

d) Financial risk management objectives

The Bank's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Bank through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

e) Market risk

The Bank's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below points f and g).

Market risk exposures are supplemented by sensitivity analysis. There has been no change to the Bank's exposure to market risks or the manner in which it manages and measures the risk.

f) Upravljanje deviznim rizikom

Banka obavlja određene transakcije denominirane u stranim valutama. Dakle, dolazi do izloženosti promjenama kursa stranih valuta. Izloženošću kursu valute se upravlja u okviru odobrenih parametara politika koji koriste terminske ugovore za strane valute. Knjigovodstvena vrijednost monetarnih sredstava i obaveza Banke denominiranih u stranoj valuti je na dan izvještavanja kako slijedi:

Na dan 31. decembra 2007.	KM	EUR	USD	Ostale valute	Rezervisanja	Ukupno
IMOVINA						
Gotovina i računi kod banaka	44.294	4.670	575	3.515	6	53.048
Obavezna rezerva kod CBBiH	33.316	-	-	-	-	33.316
Plasmani kod drugih banaka	10.000	18.075	4.327	-	-	32.402
Dati krediti i avansi klijentima	211.950	-	-	-	6.127	205.823
Ostala imovina	2.360	1.602	53	986	483	4.518
Ukupno	301.920	24.347	4.955	4.501	6.616	329.107
OBAVEZE						
Obaveze prema bankama i ostalim finansijskim institucijama	15.761	47.965	-	-	-	63.726
Obaveze prema klijentima	167.138	54.115	4.928	1.490	-	227.671
Ostale obaveze	1.982	454	3	41	-	2.480
Ukupno	184.881	102.534	4.931	1.531	-	293.877
Na dan 31. decembra 2006.						
Ukupna monetarna imovina	181.933	13.753	5.573	6.577	7.927	199.909
Ukupne monetarne obaveze	106.406	52.461	5.481	1.583	-	165.931

Analiza osjetljivosti strane valute

Banka je uglavnom izložena riziku po valutama EUR i USD. Budući da je KM fiksno vezana za Euro, Banka nije izložena promjenama kursa Eura.

Slijedeća tabela detaljno prikazuje osjetljivost Banke na 10%-tno povećanje i smanjenje u poređenju sa USD. 10% je stopa osjetljivosti koja se koristi pri internom izvještavanju ključnom osoblju Uprave o riziku strane valute i predstavlja procjenu Uprave o razumno mogućim promjenama kurseva stranih valuta. Analiza se vrši samo za potraživanja i obaveze nominirane u stranoj valuti i predstavlja usklađenje njihove vrijednosti na kraju perioda za promjenu kursa od 10%. Analiza osjetljivosti uključuje eksterne zajmove koji su denominirani u valuti različitoj od valute zajmodavca ili zajmoprimca. Pozitivan iznos niže ukazuje na povećanje dobiti ili kapitala kada KM u odnosu na relevantnu valutu jača za 10%. Za 10% slabljenja KM u odnosu na relevantnu valutu, efekat bi bio isti, ali u negativnom iznosu.

	USD Efekat		Efekat drugih valuta	
	2007.	2006.	2007.	2006.
Dobit ili gubitak	2	9	294	499

f) Foreign currency risk management

The Bank undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts. The carrying amounts of the Bank's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

As of 31 December 2007	KM	EUR	USD	Other currencies	Provisions	Total
ASSETS						
Cash and balances with other banks	44.294	4.670	575	3.515	6	53.048
Obligatory reserves with the Central Bank	33.316	-	-	-	-	33.316
Placements with other banks	10.000	18.075	4.327	-	-	32.402
Loans and advances to customers	211.950	-	-	-	6.127	205.823
Other assets	2.360	1.602	53	986	483	4.518
Total	301.920	24.347	4.955	4.501	6.616	329.107
LIABILITIES						
Due to banks and other financial institutions	15.761	47.965	-	-	-	63.726
Amounts due to customers	167.138	54.115	4.928	1.490	-	227.671
Other liabilities	1.982	454	3	41	-	2.480
Total	184.881	102.534	4.931	1.531	-	293.877
As of 31 December 2006						
Total Monetary assets	181.933	13.753	5.573	6.577	7.927	199.909
Total Monetary liabilities	106.406	52.461	5.481	1.583	-	165.931

Foreign currency sensitivity analysis

The Bank is mainly exposed to EUR and USD. Since Convertible Mark (KM) is pegged to EUR, the Bank is not exposed to risk of change of EUR exchange rate.

The following table details the Bank's sensitivity to a 10% increase and decrease in KM against USD and against other currencies (in cumulative). 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in USD and other currencies. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit where KM strengthens 10% against USD and against other currencies (in cumulative). For a 10% weakening of KM against USD and other currencies (in cumulative), there would be an equal and opposite impact on the profit, and the balances below would be negative.

	USD Impact		Other currencies Impact	
	2007.	2006.	2007.	2006.
Profit or loss	2	9	294	499

g) Upravljanje rizikom kamatne stope

Banka je izložena riziku kamatnih stopa jer subjekti u sklopu Banke posuđuju sredstva i po fiksnim i po promjenjivim kamatnim stopama. Banka upravlja rizikom tako što održava odgovarajuću kombinaciju pozajmica sa fiksnim i promjenjivim kamatnim stopama.

Izloženost Banke kamatnim stopama na finansijsku imovinu i obaveze je detaljno prikazana u dijelu koji govori o upravljanju rizikom likvidnosti (vidjeti Tačku i)).

Analiza osjetljivosti na kamatne stope

Analize osjetljivosti ispod su urađene na osnovu izloženosti kamatnim stopama i za derivativne i ne-derivativne instrumente na datum bilansa stanja. Za promjenjive kamatne stope pripremljena je analiza pod pretpostavkom da je nepodmireni iznos obaveza na dan bilansa stanja bio nepodmiren čitavu godinu. Koristi se 50 baznih poena umanjenja ili povećanja pri internom izvještavanju o riziku kamatnih stopa i ključnom osoblju uprave i predstavlja procjenu uprave o razumno mogućim promjenama kamatnih stopa.

Da su kamatne stope bile 50 baznih poena više ili niže a da su se druge varijable održale konstantnim, Banka bi imala umanjen/povećan profit za 399 hiljada KM za godinu koja završava 31. decembra 2007. (2006.: umanjen/povećan profit za 140 hiljada KM). Ovo se uglavnom može pripisati izloženosti Banke pozajmicama sa promjenjivim kamatnim stopama

h) Upravljanje kreditnim rizikom

Kreditni rizik odnosi se na nemogućnosti druge strane da podmiri svoje ugovorne obaveze što rezultira finansijskim gubitkom Banke. Banka je usvojila politiku da posluje samo sa kreditno pouzdanim strankama i da obezbijedi dovoljno kolaterala, gdje se pokaže kao potrebno, kao sredstvo za umanjenje rizika i finansijskih gubitaka.

Izloženost Banke i kreditnih rejtinzi klijenata se stalno nadgledaju, a ukupna vrijednost zaključenih transakcija je disperzirana između prihvaćenih klijenata. Izloženost kreditima se kontrolira ograničenjima klijenata koje godišnje pregleda i odobrava Komisija za upravljanje rizikom.

Banka nema značajne izloženosti kreditnom riziku prema bilo kojoj stranci ili bilo kojem društvu stranci koja ima slične karakteristike. Banka smatra da stranke imaju slične karakteristike ukoliko su povezane strane.

Knjigovodstvena vrijednost finansijske imovine knjižena u finansijskim izvještajima, što je neto iznos gubitaka umanjenja, predstavlja maksimalnu izloženost Banke kreditnom riziku bez uzimanja u obzir vrijednost bilo kojih prikupljenih kolaterala.

Izuzev za navedeno u dolje datoj tabeli, knjigovodstvena vrijednost finansijske imovine prikazana u finansijskim izvještajima, umanjena za gubitke po osnovu umanjenja vrijednosti, predstavlja maksimalnu izloženost Banke kreditnom riziku bez uzimanja u obzir vrijednosti prikupljenih kolaterala.

g) Interest rate risk management

The Bank is exposed to interest rate risk as the Bank's borrows funds at both fixed and floating interest rates. The risk is managed by the Bank by maintaining an appropriate mix between fixed and floating rate borrowings.

The Bank's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note (see point i)

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Bank profit for the year ended 31 December 2007 would decrease/increase by KM 399 thousands for year ended 31 December 2007 (2006: decrease/increase by KM 140 thousands). This is mainly attributable to the Bank's exposure to variable interest rates on borrowings.

h) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Bank. The Bank has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Bank's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Bank does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. The Bank defines counterparties as having similar characteristics if they are related entities.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Bank's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Except stated below in table, the carrying amount of financial asset presented in financial statements, decreased for losses based on impairments, represents the Bank's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Finansijska imovina

	Ukupna bruto knjigovodstvena vrijednost	Imovina čija vrijednost nije umanjena	Imovina čija je vrijednost umanjena	Umanjenje na individualnoj osnovi	Umanjenje na bazi portfolia	Ukupna neto knjigovodstvena vrijednost
Na dan 31. decembra 2007.						
Gotovina i računi kod banaka	53.054	52.756	298	6	-	53.048
Obavezna rezerva kod CBBiH	33.316	33.316	-	-	-	33.316
Plasmani kod drugih banaka	32.402	32.402	-	-	-	32.402
Dati krediti i avansi klijentima	211.950	201.056	10.894	2.135	3.992	205.823
Finan. imovina raspoloživa za prodaju	163	-	163	3	-	160
Ostala imovina	3.566	3.566	-	-	-	3.566
Ukupno	334.451	323.096	11.355	2.144	3.992	328.315

Na dan 31. decembra 2006.

Gotovina i računi kod banaka	38.740	38.498	242	5	-	38.735
Obavezna rezerva kod CBBiH	25.530	25.530	-	-	-	25.530
Plasmani kod drugih banaka	9.886	9.886	-	-	-	9.886
Dati krediti i avansi klijentima	131.514	114.886	16.628	5.113	2.243	124.158
Finan. imovina raspoloživa za prodaju	143	-	143	3	-	140
Ostala imovina	375	375	-	-	-	375
Ukupno	206.188	189.175	17.013	5.121	2.243	198.824

Izloženost kreditnom riziku i kolaterali

	Izloženost kreditnom riziku		Fer vrijedost kolaterala
	Neto izloženost	Nepovučena kreditna sredstva /Garancije	
Na dan 31. decembra 2007.			
Gotovina i računi kod banaka	53.048	-	10.000
Obavezna rezerva kod CBBiH	33.316	-	-
Plasmani kod drugih banaka	32.402	-	-
Dati krediti i avansi klijentima	205.823	50.658	430.288
Finansijska imovina raspoloživa za prodaju	160	-	-
Ostala imovina	3.566	-	-
Ukupno	328.315	50.658	440.288
Na dan 31. decembra 2006.			
Gotovina i računi kod banaka	38.735	-	-
Obavezna rezerva kod CBBiH	25.530	-	-
Plasmani kod drugih banaka	9.886	-	-
Dati krediti i avansi klijentima	124.158	41.669	310.607
Finansijska imovina raspoloživa za prodaju	140	-	-
Ostala imovina	375	-	-
Ukupno	198.824	41.669	310.607

Financial assets

	Total gross carrying amount	Unimpaired assets	Individually impaired assets	Individual impairment allowance	Collective impairment allowance	Total net carrying amount
31 December 2007						
Cash and balances with other banks	53.054	52.756	298	6	-	53.048
Obligatory reserve with CBBH	33.316	33.316	-	-	-	33.316
Placements with other banks	32.402	32.402	-	-	-	32.402
Loans and advances to customers	211.950	201.056	10.894	2.135	3.992	205.823
Financial assets held for sale	163	-	163	3	-	160
Other assets	3.566	3.566	-	-	-	3.566
TOTAL	334.451	323.096	11.355	2.144	3.992	328.315

31 December 2006

Cash and balances with other banks	38.740	38.498	242	5	-	38.735
Obligatory reserve with CBBH	25.530	25.530	-	-	-	25.530
Placements with other banks	9.886	9.886	-	-	-	9.886
Loans and advances to customers	131.514	114.886	16.628	5.113	2.243	124.158
Financial assets held for sale	143	-	143	3	-	140
Other assets	375	375	-	-	-	375
TOTAL	206.188	189.175	17.013	5.121	2.243	198.824

Credit exposure and collateral

	Net exposure	Credit Risk Exposure Loan commitments / Guarantees	Fair value of collateral
31 December 2007			
Cash and balances with other banks	53.048	-	10.000
Obligatory reserve with CBBH	33.316	-	-
Placements with other banks	32.402	-	-
Loans and advances to customers	205.823	50.658	430.288
Financial assets held for sale	160	-	-
Other assets	3.566	-	-
Total	328.315	50.658	440.288
31 December 2006			
Cash and balances with other banks	38.735	-	-
Obligatory reserve with CBBH	25.530	-	-
Placements with other banks	9.886	-	-
Loans and advances to customers	124.158	41.669	310.607
Financial assets held for sale	140	-	-
Other assets	375	-	-
Total	198.824	41.669	310.607

Fer vrijednost kolaterala

	31. decembar 2007.	31. decembar 2006.
Nekretnine	352.123	246.056
Pokretnine	74.924	60.535
Depoziti	13.241	4.016
Ukupno	440.288	310.607

i) Upravljanje rizikom likvidnosti

Krajnja odgovornost za upravljanje rizikom likvidnosti leži na Nadzornom odboru, koji je izgradio odgovarajući okvir za upravljanje rizikom likvidnosti, a u svrhu upravljanja kratkoročnim, srednjoročnim i dugoročnim potrebama Banke za likvidnim sredstvima. Banka upravlja ovim rizikom održavanjem adekvatnih rezervi, pozajmicama od strane ostalih banaka i drugih finansijskih institucija, kao i ostalim izvorima finansiranja, a time što konstantno nadgleda prognozirane i stvarne novčane tokove i uspoređuje rokove dospijuća finansijske imovine i obaveza.

Tabele rizika likvidnosti i kamatnih stopa

Slijedeća tabela detaljno prikazuje preostala ugovorena dospijuća Banke za finansijsku imovinu. Tabela je pripremljena na osnovu nediskontiranih novčanih tokova finansijske imovine, uključujući i kamate na tu imovinu koje će biti zarađene.

Dospijće finansijske imovine:

	Ponderirana prosječna efektivna kamatna stopa (%)	Manje od 1 mjeseca	1 do 3 mjeseca	3 mjeseca do 1 godine	1 do 5 godina	Preko 5 godina	Ukupno
31. decembar 2007.							
Bez kamata	-	15.173	3.566	-	-	-	18.739
Instrumenti varijabilne kamatne stope	6,025	108.534	2.493	10.420	14.369	4.903	140.719
Instrumenti fiksne kamatne stope	9,14	14.560	14.072	58.800	81.077	27.669	196.178
		138.267	20.131	69.220	95.446	32.572	355.636
31. decembar 2006.							
Bez kamata	-	16.895	375	-	-	-	17.270
Instrumenti varijabilne kamatne stope	5,725	60.059	2.181	7.882	7.997	399	78.518
Instrumenti fiksne kamatne stope	10,70	17.812	12.450	44.996	45.655	2.283	123.196
		94.766	15.006	52.878	53.652	2.682	218.984

Fair value of the collaterals

	31 December 2007	31 December 2006
Real estate	352.123	246.056
Movable property	74.924	60.535
Deposits	13.241	4.016
Total	440.288	310.607

i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Supervisory Board, which has built an appropriate liquidity risk management framework for the management of the Bank's short, medium and long-term funding and liquidity management requirements. The Bank manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Bank anticipates that the cash flow will occur in a different period.

Maturity for financial assets

	Weighted average effective interest rate (%)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total
31 December 2007							
Non-interest bearing	-	15.173	3.566	-	-	-	18.739
Variable interest rate instruments	6,025	108.534	2.493	10.420	14.369	4.903	140.719
Fixed interest rate instruments	9,14	14.560	14.072	58.800	81.077	27.669	196.178
		138.267	20.131	69.220	95.446	32.572	355.636
31 December 2006							
Non-interest bearing	-	16.895	375	-	-	-	17.270
Variable interest rate instruments	5,725	60.059	2.181	7.882	7.997	399	78.518
Fixed interest rate instruments	10,70	17.812	12.450	44.996	45.655	2.283	123.196
		94.766	15.006	52.878	53.652	2.682	218.984

Slijedeća tabela detaljno prikazuje preostala ugovorena dospijeca Banke za finansijske obaveze. Tabela je pripremljena na osnovu nediskontiranih novčanih tokova finansijskih obaveza na osnovu najranijeg datuma na koji se od Banke može tražiti da plati. Tabela uključuje novčane tokove kamata i glavnica.

Dospijeca za finansijske obaveze:

	Ponderirana prosječna efektivna kamatna stopa (%)	Manje od 1 mjeseca	1 do 3 mjeseca	3 mjeseca do 1 godine	1 do 5 godina	Preko 5 godina	Ukupno
31. decembar 2007.							
Bez kamata	-	54.141	996	-	-	-	55.137
Instrumenti varijabilne kamatne stope	6,53	99	191	4.067	21.393	25.158	50.908
Instrumenti fiksne kamatne stope	2,67	83.161	16.675	58.297	33.443	354	191.930
		137.401	17.862	62.364	54.836	25.512	297.975
31. decembar 2006.							
Bez kamata	-	338	1.128	-	-	-	1.466
Instrumenti varijabilne kamatne stope	5,90	142	336	5.633	4.442	5.272	15.825
Instrumenti fiksne kamatne stope	2,18	81.978	5.209	29.679	30.327	29	147.222
		82.458	6.673	35.312	34.769	5.301	164.513

Banka očekuje da će ispuniti druge obaveze iz operativnih novčanih tokova i priliva od dospjelih finansijskih sredstava.

j) Fer vrijednost finansijskih instrumenata

Fer vrijednost finansijskih sredstava i finansijskih obaveza određuje se na slijedeći način:

- Fer vrijednost finansijskih sredstava i finansijskih obaveza sa standardnim uslovima i kojima se trguje na aktivnim likvidnim tržištima se određuje referiranjem na kotirane tržišne cijene.
- Fer vrijednost ostalih finansijskih sredstava i finansijskih obaveza (ne uključujući derivativne instrumente) se određuje u skladu sa generalno prihvaćenim modelima određivanja cijena na osnovu analize diskontiranog novčanog toka korištenjem cijena iz vidljivih postojećih tržišnih transakcija i kvota dilera za slične instrumente.
- Fer vrijednost derivativnih instrumenata se računa korištenjem kotiranih cijena. Kada takve cijene nisu dostupne, koristi se analiza diskontiranog novčanog toka koja koristi primjenjivu krivulju prihoda za trajanje instrumenata za ne-opcijske derivate, i modele određivanja cijena za opcijske derivate.

Uprava smatra da knjigovodstveni iznosi finansijskih sredstava i finansijskih obaveza knjiženih po amortizovanom trošku u finansijskim izvještajima imaju približno istu vrijednost kao njihova fer vrijednost.

The following tables detail the Bank's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Bank can be required to pay. The table includes both interest and principal cash flows.

Maturity for financial liabilities

	Weighted average effective interest rate (%)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total
31 December 2007							
Non-interest bearing	-	54.141	996	-	-	-	55.137
Variable interest rate instruments	6,53	99	191	4.067	21.393	25.158	50.908
Fixed interest rate instruments	2,67	83.161	16.675	58.297	33.443	354	191.930
		137.401	17.862	62.364	54.836	25.512	297.975
31 December 2006							
Non-interest bearing	-	338	1.128	-	-	-	1.466
Variable interest rate instruments	5,90	142	336	5.633	4.442	5.272	15.825
Fixed interest rate instruments	2,18	81.978	5.209	29.679	30.327	29	147.222
		82.458	6.673	35.312	34.769	5.301	164.513

The Bank expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

j) Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments; and
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The Management believes that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the financial statements is approximate to their fair values.

31. ODOBRAVANJE FINANSIJSKIH IZVJEŠTAJA

Ove finansijske izvještaje odobrila je Uprava Banke dana 22. februara 2008. godine:

Adnan Zukić
Direktor

Hajrudin Hadžović
Izvršni direktor

31. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Management Board on 22 February 2008:

Adnan Zukić
Director

Hajrudin Hadžović
Executive Director

REDAKCIJA / REDACTION

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