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MARCH 2007

REPUBLIC OF BULGARIA  
MINISTRY OF FINANCE

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**GOVERNMENT DEBT  
MANAGEMENT**

MARCH 2007

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## Abbreviations

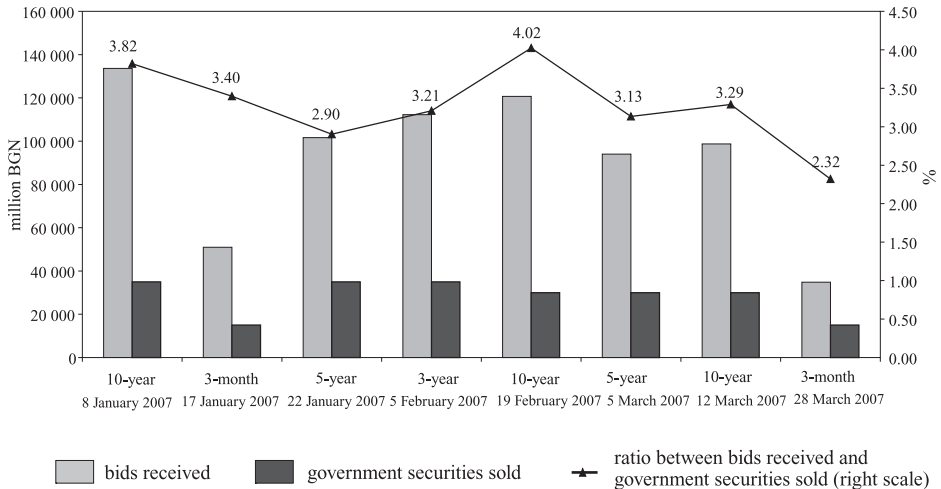
|           |   |   |
|-----------|---|---|
| BGN       | – | <i>The abbreviation of the Redenominated Bulgarian Lev</i>  |
| BIR       | – | <i>Base Interest Rate</i>   |
| BNB       | – | <i>Bulgarian National Bank</i>  |
| CB        | – | <i>Commercial Banks</i>   |
| CM        | – | <i>Council of Ministers</i>   |
| CMD       | – | <i>Council of Ministers Decree</i>  |
| CSB       | – | <i>Consolidated State Budget</i>  |
| EBRD      | – | <i>European Bank for Reconstruction and Development</i>   |
| EIB       | – | <i>Economic and Investment Bank</i>   |
| GDP       | – | <i>Gross Domestic Product</i>   |
| GS        | – | <i>Government Securities</i>  |
| IMF       | – | <i>International Monetary Fund</i>  |
| JBIC      | – | <i>Japan Bank for International Cooperation</i>   |
| LBNB      | – | <i>Law on the Bulgarian National Bank</i>   |
| LSPDACB   | – | <i>Law on State Protection of Deposits and Accounts with Commercial Banks in Respect Whereof the BNB Has Petitioned the Institution of Bankruptcy Proceedings</i> |
| MF        | – | <i>Ministry of Finance</i>  |
| SBL of RB | – | <i>State Budget Law of the Republic of Bulgaria</i>   |
| SDR       | – | <i>Special Drawing Rights</i>   |
| TFP       | – | <i>Transitional and Final Provisions</i>  |
| ZUNK      | – | <i>Bulgarian abbreviation of the Law on Settlement of Nonperforming Credits Negotiated prior to 31 December 1990 (LSNC)</i>                                       |

In March the Ministry of Finance issued through auctions organized by the BNB three government securities issues under Ordinance No. 5, including one short-term treasury bills issue (three-month, No. BG3010107004), one medium-term tap treasury bonds issue (five-year, No. BG2030007111) and one long-term tap treasury bonds issue (ten-year, No. BG2040007218).

At the auctions primary dealers' bids totaled BGN 227,500 thousand: BGN 34,800 thousand for three-month government securities, BGN 94,000 thousand for five-year government securities and BGN 98,700 thousand for ten-year government securities (Chart 1). Approved bids came to BGN 75,000 thousand nominal value, including three-month of BGN 15,000 thousand, five-year of BGN 30,000 thousand and ten-year of BGN 30,000 thousand (Charts 1 and 2). Coverage coefficient of the issues approved for sale in March accounted for 3.03: 2.32 for the three-month government securities, 3.13 for the five-year government securities and 3.29 for the ten-year government securities.

Chart 1

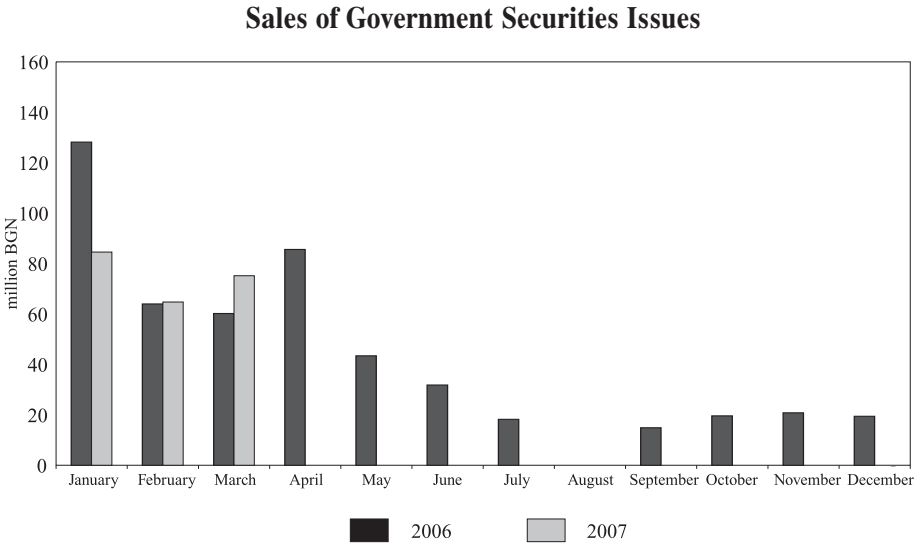
### Bids Received and Government Securities Sold at Auctions



**Note:** The three-, five- and ten-year government securities issues are tap issues. The above dates indicate the auction dates.

Government securities issued in March increased by BGN 15 million on the same period of 2006 (Chart 2).

Chart 2



In the review period the yield in the primary market as a whole reflected the demand and the preferences in the market for government securities with various maturities. The yield on the three-month treasury bonds increased by 8 basis points compared with the previous issue with the same maturity launched in January, reaching 3.63 per cent. The five-year treasury bonds declined by 11 basis points to 4.11 per cent. During the period under review the ten-year bonds reported a decrease of 6 basis points and their yield came to 4.28 per cent (Charts 3, 4 and 5).

One 2005 treasury bonds issue (BG2030005115) matured in March.

## Prices of Issues Sold per BGN 100 Nominal Value

### FEBRUARY 2007

|                  | 3-year<br>BG2030107119 | 10-year<br>BG2040007218 |
|------------------|------------------------|-------------------------|
| Minimum          | 99.02                  | 99.44                   |
| Average-weighted | 99.16                  | 99.72                   |
| Maximum          | 99.30                  | 100.06                  |

### MARCH 2007

|                  | 3-month<br>BG3010107004 | 5-year<br>BG2040007218 | 10-year<br>BG2030007111 |
|------------------|-------------------------|------------------------|-------------------------|
| Minimum          | 99.06                   | 99.96                  | 99.60                   |
| Average-weighted | 99.08                   | 100.18                 | 99.71                   |
| Maximum          | 99.14                   | 100.80                 | 99.99                   |

Chart 3

### Dynamics of the Average Annual Yield of Primary Market Government Securities

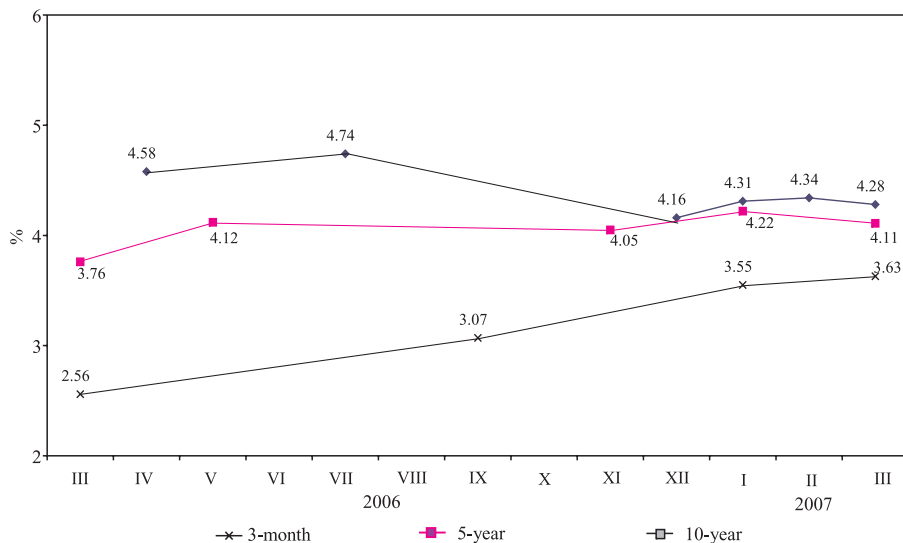
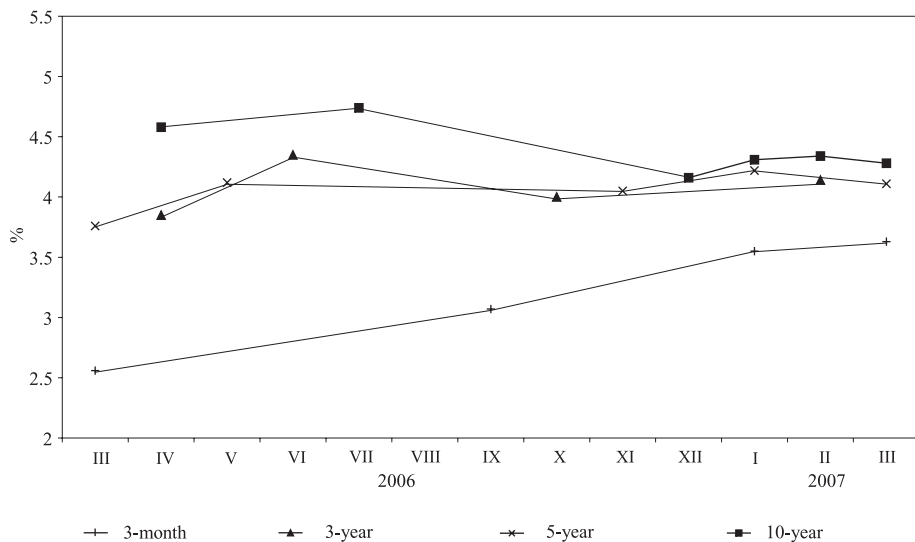




Chart 4

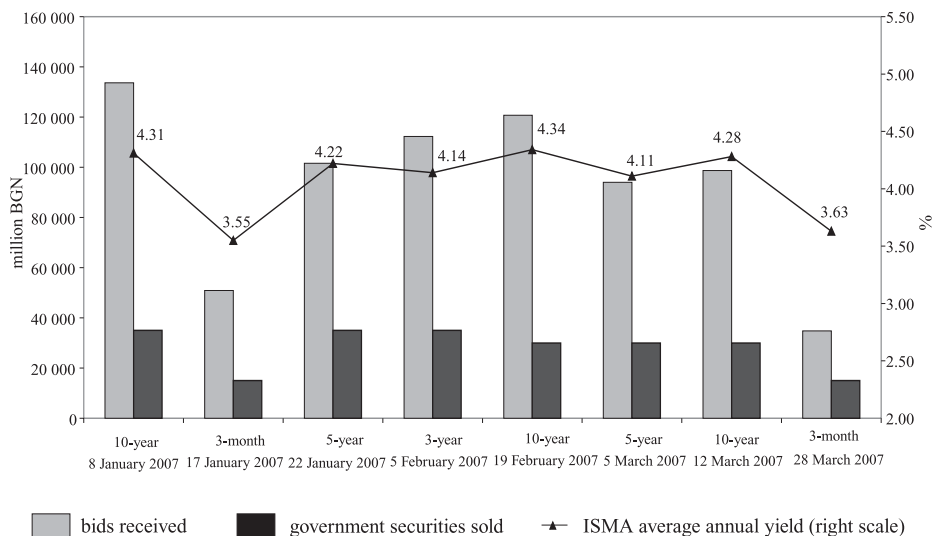
### Yield of Primary Market Government Securities by Type



**Note:** Yield on an effective annual basis.

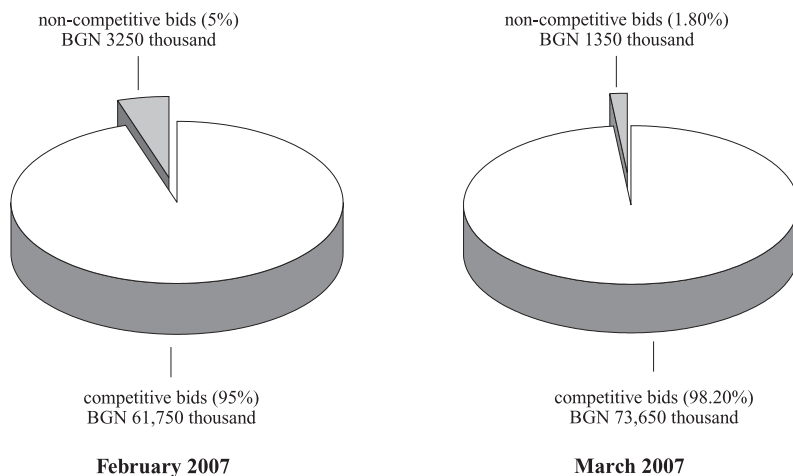
Chart 5

### Yield and Sales of Government Securities

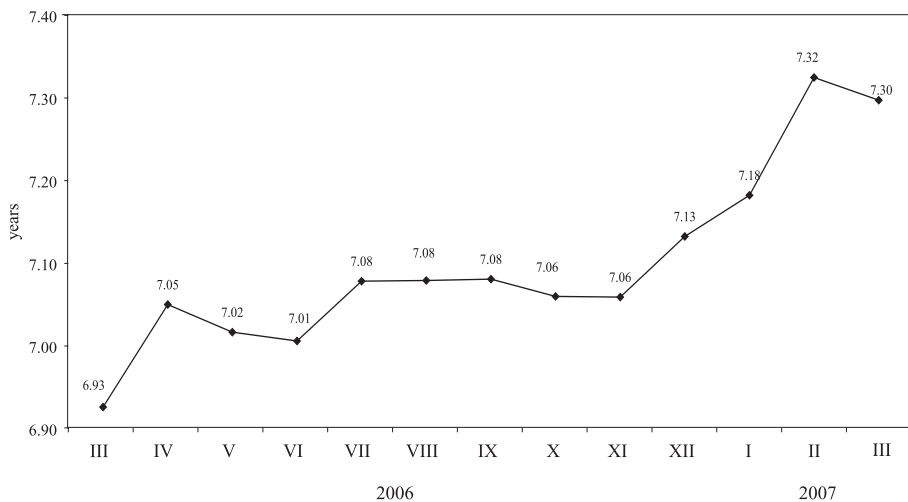


**Note:** The three-, five- and ten-year government securities issues are tap issues. The above dates indicate the auction dates.

### Government Securities Bought in the Primary Market through Competitive and Non-competitive Bids

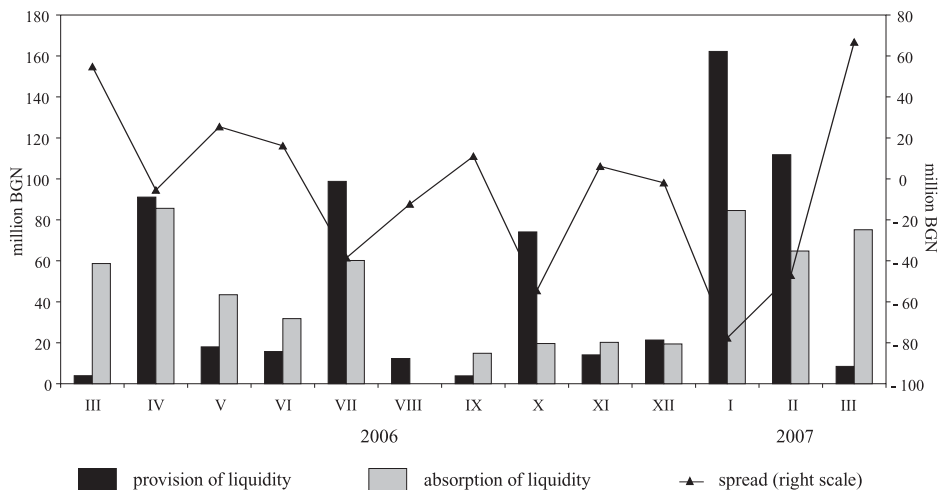


### Average Term of Outstanding Government Securities Issues by Year



**Note:** The average term is calculated on the basis of the maturity structure of government securities issued for budget deficit financing.

### Liquidity Provision and Absorption through Government Securities Maturities and Issues



## Pending Payments on Government Securities in May 2007

(BGN'000)

| Government securities           | Monday  | Tuesday | Wednesday | Thursday  | Friday |
|---------------------------------|---------|---------|-----------|-----------|--------|
|                                 |         | 1       | 2         | 3         | 4      |
| Bonds<br>Target issues          |         |         |           |           |        |
|                                 | 7       | 8       | 9         | 10        | 11     |
| Bonds<br>Target issues          |         |         |           |           |        |
|                                 | 14      | 15      | 16        | 17        | 18     |
| Bills<br>Bonds<br>Target issues |         |         |           | 13.62     |        |
|                                 | 21      | 22      | 23        | 24        | 25     |
| Bonds<br>Target issues          | 3124.11 |         |           | 11 808.32 | 5.40   |
|                                 | 28      | 29      | 30        | 31        |        |
| Bonds<br>Target issues          |         |         |           |           |        |

**Note:** When the payment day is not a business day, payment is effected on the following business day.

## Calendar of Government Securities Issues in May 2007

| Auction date           | Issue date | Maturity date | Issue term | Scheduled volume (BGN)   |
|------------------------|------------|---------------|------------|--------------------------|
| 07.05.2007*            | 09.05.2007 | 10.01.2017    | 10-year    | 25 000 000               |
| 21.05.2007*            | 23.05.2007 | 24.01.2012    | 5-year     | 25 000 000               |
| <b>TOTAL<br/>Bonds</b> |            |               |            | 50 000 000<br>50 000 000 |

**Note:** The Ministry of Finance is entitled to make relevant adjustments in the calendar where necessary.

\* Tap issue.

By end-March 2007 domestic debt totaled BGN 2,948,585.7 thousand in nominal terms. The share of government securities issues in total debt was 87.2 per cent (BGN 2,570,045.8 thousand) and that of government securities issued for structural reform 12.8 per cent (BGN 378,539.9 thousand, Chart 9).

Government securities issued since early 2007 amounted to BGN 225,000 thousand. Redeemed government securities accounted for BGN 198,967.1 thousand. In March issued government securities and effected operations led to a change in the maturity structure of government securities issues. Three-month, five-year and ten-year year government securities increased their shares reaching 1.2 per cent, 26.8 per cent and 26.5 per cent respectively at the expense of the other government securities whose shares decreased (Chart 10). The average-weighted maturity of government securities issues was seven years and four months. Government securities issued for structural reform amounted to BGN 378,539.8 thousand by the end of the review month.

Debt foreign exchange structure experienced slight changes in March (Chart 11). The share of government securities in euro and US dollars decreased to 20.6 per cent and 5.9 per cent respectively, while the share of government securities in levs increased to 73.5 per cent on the previous month. The maturity structure also changed. Short-term government securities reached 1 per cent, while medium-term government securities increased to 34.1 per cent at the expense of long-term government securities which decreased to 64.9 per cent (Chart 12). Government securities with fixed interest coupons comprised 87.2 per cent and government securities with floating interest coupons 12.8 per cent.

Since early-2007 interest and discounts paid on government securities issued on the domestic market totaled BGN 52,617.9 thousand. Payments on government securities issues amounted to BGN 44,601.5 thousand, or 84.8 per cent of the total repaid interest and discounts (Chart 16). Interest paid on five-year bonds occupied the largest share, 38.3 per cent, followed by interest payments on ten-year bonds, 25.8 per cent (Chart 15).

# Domestic Debt

(BGN'000)

| Structure                                      | Amount<br>as of<br>31 Dec. 2006 | Change in 2007   |                  | Amount<br>as of<br>31 March 2007 |
|--|---------------------------------|------------------|------------------|----------------------------------|
|  |                                 | increase         | decrease         |                                  |
| <b>I. DEBT ON GOVERNMENT SECURITIES ISSUES</b> |                                 |                  |                  |                                  |
| 1. Government securities issued in 2001        | 30 000.0                        | -                | -                | 30 000.0                         |
| 1.1. Long-term                                 | 30 000.0                        | -                | -                | 30 000.0                         |
| 7-year   | 30 000.0                        | -                | -                | 30 000.0                         |
| 2. Government securities issued in 2002        | 499 670.0                       | -                | 90 000.0         | 409 670.0                        |
| 2.1. Medium-term                               | 174 750.0                       | -                | 90 000.0         | 84 750.0                         |
| 5-year   | 174 750.0                       | -                | 90 000.0         | 84 750.0                         |
| 2.2. Long-term                                 | 324 920.0                       | -                | -                | 324 920.0                        |
| 7-year   | 240 000.0                       | -                | -                | 240 000.0                        |
| 10-year  | 84 920.0                        | -                | -                | 84 920.0                         |
| 3. Government securities issued in 2003        | 780 945.1                       | -                | -                | 780 945.1                        |
| 3.1. Medium-term                               | 175 000.0                       | -                | -                | 175 000.0                        |
| 5-year   | 175 000.0                       | -                | -                | 175 000.0                        |
| 3.2. Long-term                                 | 605 945.2                       | -                | -                | 605 945.2                        |
| 7-year   | 310 362.2                       | -                | -                | 310 362.2                        |
| EUR-denominated (lev equivalent)               | 205 362.2                       | -                | -                | 205 362.2                        |
| 10-year  | 100 000.0                       | -                | -                | 100 000.0                        |
| 15-year  | 195 583.0                       | -                | -                | 195 583.0                        |
| EUR-denominated (lev equivalent)               | 195 583.0                       | -                | -                | 195 583.0                        |
| 4. Government securities issued in 2004        | 379 353.5                       | -                | 108 950.5        | 270 402.9                        |
| 4.1. Medium-term                               | 219 353.5                       | -                | 108 950.5        | 110 402.9                        |
| 3-year   | 110 834.2                       | -                | 108 934.1        | 1 900.1                          |
| 5-year   | 108 519.2                       | -                | 16.4             | 108 502.8                        |
| EUR-denominated (lev equivalent)               | 8 519.2                         | -                | 16.4             | 8 502.8                          |
| 4.2. Long-term                                 | 160 000.0                       | -                | -                | 160 000.0                        |
| 7-year   | 80 000.0                        | -                | -                | 80 000.0                         |
| 10-year  | 80 000.0                        | -                | -                | 80 000.0                         |
| 5. Government securities issued in 2005        | 401 314.3                       | -                | 16.6             | 401 297.8                        |
| 5.1. Medium-term                               | 251 314.3                       | -                | 16.6             | 251 297.8                        |
| 3-year   | 150 491.0                       | -                | 10.6             | 150 480.4                        |
| 5-year   | 100 823.3                       | -                | 6.0              | 100 817.3                        |
| EUR-denominated (lev equivalent)               | 823.3                           | -                | 6.0              | 817.3                            |
| 5.2. Long-term                                 | 150 000.0                       | -                | -                | 150 000.0                        |
| 10-year  | 150 000.0                       | -                | -                | 150 000.0                        |
| 6. Government securities issued in 2006        | 452 730.0                       | -                | -                | 452 730.0                        |
| 6.1. Medium-term                               | 282 730.0                       | -                | -                | 282 730.0                        |
| 3-year   | 127 730.0                       | -                | -                | 127 730.0                        |
| 5-year   | 155 000.0                       | -                | -                | 155 000.0                        |
| 6.2. Long-term                                 | 170 000.0                       | -                | -                | 170 000.0                        |
| 10-year  | 170 000.0                       | -                | -                | 170 000.0                        |
| 7. Government securities issued in 2007        |                                 | 225 000.0        | -                | 225 000.0                        |
| 7.1. Short-term                                |                                 | 30 000.0         | -                | 30 000.0                         |
| 3-month  |                                 | 30 000.0         | -                | 30 000.0                         |
| 7.2. Medium-term                               |                                 | 100 000.0        | -                | 100 000.0                        |
| 3-year   |                                 | 35 000.0         | -                | 35 000.0                         |
| 5-year   |                                 | 65 000.0         | -                | 65 000.0                         |
| 7.3. Long-term                                 |                                 | 95 000.0         | -                | 95 000.0                         |
| 10-year  |                                 | 95 000.0         | -                | 95 000.0                         |
| <b>TOTAL (I)</b>                               | <b>2 544 012.9</b>              | <b>225 000.0</b> | <b>198 967.1</b> | <b>2 570 045.8</b>               |

(continued)

(continued)

(BGN'000)

| Structure  | Amount<br>as of<br>31 Dec. 2006 | Change in 2007 |         | Amount<br>as of<br>31 March 2007 |
|--|---------------------------------|----------------|---------|----------------------------------|
|  |                                 | increase       | decreas |                                  |
| <b>II. DEBT ON GOVERNMENT SECURITIES<br/>ISSUED FOR STRUCTURAL REFORM</b>                      |                                 |                |         |                                  |
| 1. Long-term government bonds issued pursuant to<br>CM Decree No. 244 of 1991                  | 1 375.9                         | -              | 275.2   | 1 100.7                          |
| 2. Long-term government bonds issued<br>pursuant to CM Decree No. 234 of 1992                  | 1 399.0                         | -              |         | 1 399.0                          |
| 3. Long-term government bonds issued<br>pursuant to Articles 4 and 5 of ZUNK of 1993<br>in BGN | 5 167.5                         | -              |         | 5 167.5                          |
| denominated in USD   | 128 557.3                       |                | 9 889.0 | 118 668.3                        |
| lev equivalent   | 190 915.4                       |                |         | 174 271.5                        |
| denominated in EUR   | 108 590.1                       | -              | 8 353.1 | 100 237.0                        |
| lev equivalent   | 212 383.8                       |                |         | 196 046.6                        |
| 4. Long-term government bonds issued<br>pursuant to CM Decree No. 3 of 1994                    | 554.5                           | -              |         | 554.5                            |
| <b>TOTAL (II)</b>  | <b>411 796.1</b>                |                |         | <b>378 539.9</b>                 |
| GOVERNMENT DEBT, TOTAL   | 2 955 809.0                     |                |         | 2 948 585.7                      |

- Notes:**
1. As of 1 April 2004 statistical reporting of total government, government guaranteed and consolidated debts has changed. The practice adopted as of March 2003 of reporting bond obligations at acquisition value has been discontinued. After the change, securities included in the stock of domestic and external debts are reported at nominal value.
  2. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended by the BNB to the MF are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. In the *Government Debt Management* bulletin, debt to the IMF is included in the external debt structure and excluded from domestic debt structure in order to avoid any mistakes in using debt information.
  3. Debt recalculation in US dollars and euro is based on BNB exchange rate of the relevant currency against the lev for the last business day of the respective period.

### Changes in Domestic Government Debt

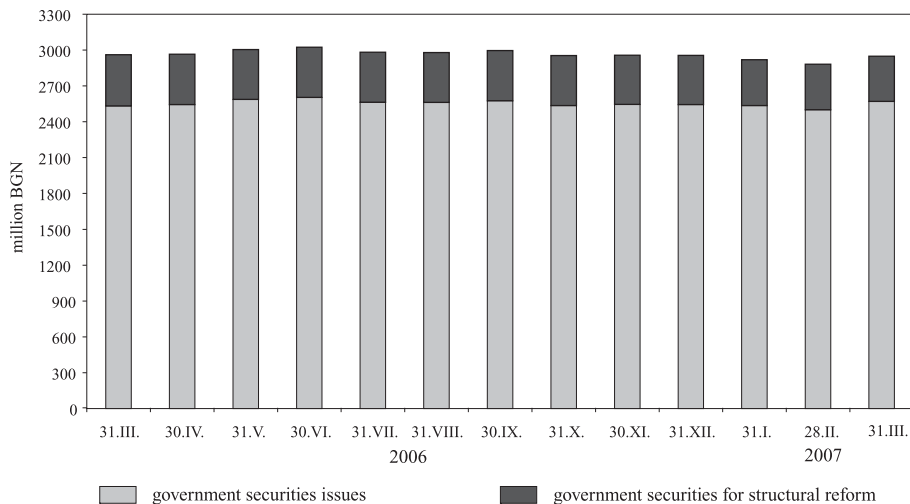
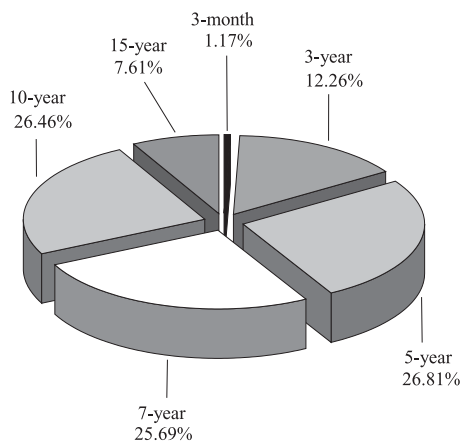


Chart 10

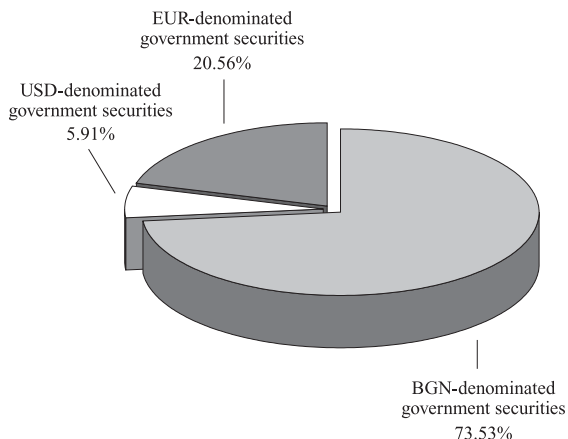
### Outstanding Government Securities Issues as of 31 March



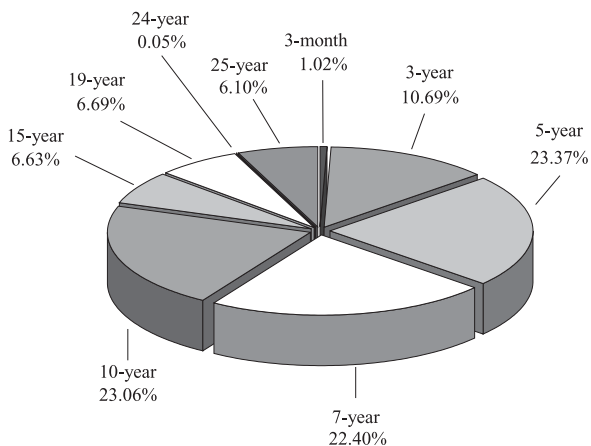
**Note:** The average-weighted maturity of government securities issues is seven years and four months.



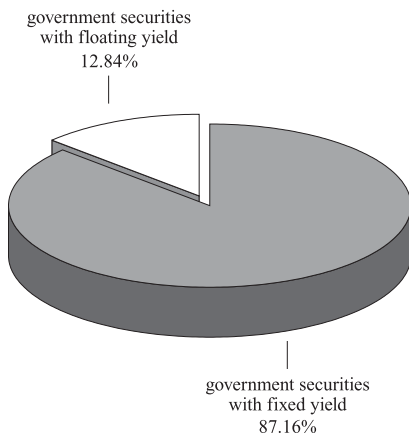
### Currency Composition of Outstanding Government Securities as of 31 March



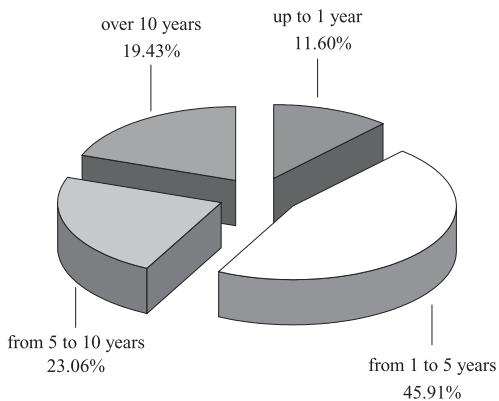
### Maturity Structure of Outstanding Government Securities as of 31 March



### Shares of Outstanding Government Securities with Fixed and Floating Yield as of 31 March



### Residual Maturity of Domestic Debt as of 31 March

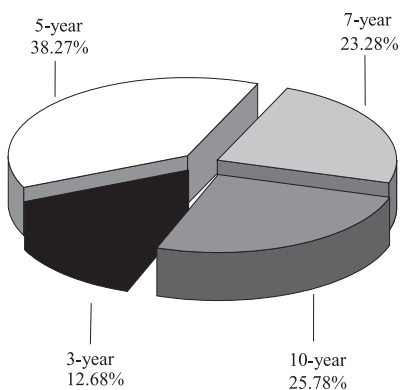


## Expenditure on Domestic Debt between 1 January and 31 March 2007

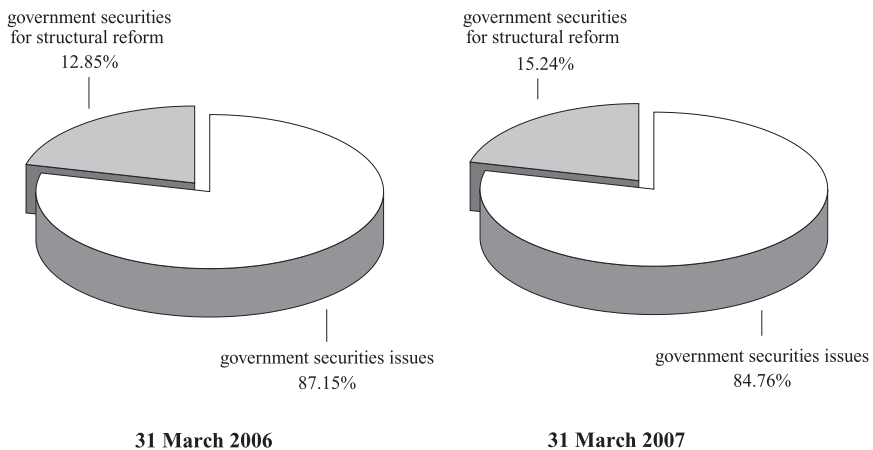
(BGN'000)

| Debt structure   | Amount of repaid interest (discount) |
|--|--------------------------------------|
| <b>I. DEBT ON GOVERNMENT SECURITIES ISSUES</b>   |                                      |
| 1. Government securities issued in 2002  | 14 557.4                             |
| 1.1. Medium-term   | 5 952.9                              |
| 5-year   | 5 952.9                              |
| 1.2. Long-term   | 8 604.5                              |
| 7-year   | 8 604.5                              |
| 2. Government securities issued in 2003  | 7 861.0                              |
| 2.1. Medium-term   | 4 521.2                              |
| 5-year   | 4 521.2                              |
| 2.2. Long-term   | 3 339.7                              |
| 10-year  | 3 339.7                              |
| 3. Government securities issued in 2004  | 7 935.1                              |
| 3.1. Medium-term   | 3 922.4                              |
| 3-year   | 1 348.3                              |
| 5-year   | 2 574.0                              |
| 3.2. Medium-term   | 4 012.7                              |
| 7-year   | 1 915.6                              |
| 10-year  | 2 097.1                              |
| 4. Government securities issued in 2005  | 7 727.9                              |
| 4.1. Medium-term   | 4 514.2                              |
| 3-year   | 2 610.7                              |
| 5-year   | 1 903.5                              |
| 4.2. Long-term   | 3 213.7                              |
| 10-year  | 3 213.7                              |
| 5. Government securities issued in 2006  | 7 114.3                              |
| 5.1. Medium-term   | 4 114.8                              |
| 3-year   | 1 770.7                              |
| 5-year   | 2 344.1                              |
| 5.2. Long-term   | 2 999.5                              |
| 10-year  | 2 999.5                              |
| 6. Government securities issued in 2007  | -594.2                               |
| 6.1. Medium-term   | -138.0                               |
| 5-year   | -138.0                               |
| 6.2. Long-term   | -456.2                               |
| 10-year  | -456.2                               |
| <b>TOTAL (I)</b>   | <b>44 601.4</b>                      |
| <b>II. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM</b>                                      |                                      |
| A. Debt on government securities issued to settle non-performing credits of state-owned companies to banks |                                      |
| 1. Bonds issued pursuant to CM Decree No. 244 of 1991  | 26.1                                 |
| 2. Bonds issued pursuant to CM Decree No. 186 of 1993  | 20.8                                 |
| 3. Bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993   | 7 969.6                              |
| lev bonds  | 0.0                                  |
| USD-denominated bonds (in BGN at the current exchange rate)  | 4 885.8                              |
| EUR-denominated bonds (in BGN at the fixed exchange rate)  | 3 083.8                              |
| 4. Bonds issued pursuant to CM Decree No. 3 of 1994  |                                      |
| <b>Total (A)</b>   | <b>8 016.5</b>                       |
| <b>TOTAL (II)</b>  | <b>8 016.5</b>                       |
| <b>EXPENDITURE ON GOVERNMENT DEBT, TOTAL</b>   | <b>52 617.9</b>                      |

### Structure of Expenditure on Government Securities Issues as of 31 March



### Structure of Expenditure on Domestic Debt



By end-March external debt totaled EUR 4348.8 million in nominal terms. Government debt accounted for EUR 3799.1 million and government guaranteed debt amounted to EUR 549.8 million.

In March new external financing totaled BGN 3827.7 thousand. Payments on the debt totaled BGN 72,315.9 thousand, including principal payments of BGN 53,464.2 thousand and interest payments of BGN 18,851.6 thousand. The bulk of payments was made to the IMF (BGN 29,109.7 thousand), to the Paris Club (BGN 13,314.3 thousand) and on government investment loans (BGN 7840.8 thousand). Interest payments were made mainly to the World Bank (BGN 5625.3 thousand), the Paris Club (BGN 5023.1 thousand) and on government guaranteed debt (BGN 3401.5 thousand). In March net external financing was negative and totaled BGN 49,636.6 thousand.

Since early-2007 received loans have totaled BGN 19,830.8 thousand, of which BGN 13,194.4 thousand receipts from tranches on government guaranteed loans. Payments on the debt have amounted to BGN 926,975.1 thousand, including BGN 642,124.8 thousand principal repayments. The largest amounts were repaid on bonds (BGN 483,358.9 thousand), to the European Union (BGN 61,119.7 thousand), to the IMF (BGN 38,830.5 thousand) and on government investment loans (BGN 30,431.4 thousand).

Certain changes occurred in foreign exchange debt structure as a result of effected payments. Debt denominated in euro exhibited a rise on the previous month reaching 61.2 per cent by the close of March. Debt in other currencies and in US dollars decreased to 11.7 per cent and 27.2 per cent respectively. Debt interest structure also changed. Debt with floating interest rates reached 40.7 per cent against 59.3 per cent of debt with fixed interest rates. The average-weighted residual term to maturity of the external debt was nine years and one month.

The structure of external debt by type of creditor was as follows: debt on bonds (global bonds and eurobonds) comprising 41.1 per cent, to the World Bank 18.1 per cent, on government investment loans 13.2 per cent, on government guaranteed loans 12.6 per cent and to the IMF 5.5 per cent. Obligations to the European Union accounted for 4.2 per cent and to the Paris Club 3.3 per cent.

## External Debt

(million EUR)

| Structure                                     | as of 31.XII.2006 | as of 31.I.2007 | as of 28.II.2007 | as of 31.III.2007 |
|---|-------------------|-----------------|------------------|-------------------|
| <b>Government debt</b>                        | <b>4 134.3</b>    | <b>4 149.2</b>  | <b>3 833.5</b>   | <b>3 799.1</b>    |
| I. Bonds                                      | 2 050.2           | 2 066.3         | 1 797.2          | 1 789.5           |
| 1. Bonds                                      | 2 050.2           | 2 066.3         | 1 797.2          | 1 789.5           |
| II. Credits                                   | 2 084.1           | 2 083.0         | 2 036.3          | 2 009.6           |
| 1. Paris Club                                 | 151.1             | 151.1           | 151.1            | 144.8             |
| 2. World Bank                                 | 787.0             | 787.1           | 787.2            | 786.8             |
| 2.1. World Bank                               | 726.7             | 726.8           | 726.6            | 726.5             |
| 2.2. JBIC (JEXIM)                             | 60.4              | 60.2            | 60.6             | 60.2              |
| 3. G24  | 14.3              | 14.3            | 14.3             | 14.3              |
| 4. European Union                             | 215.0             | 215.0           | 183.8            | 183.8             |
| 5. IMF  | 258.9             | 260.7           | 253.2            | 237.2             |
| 6. Other                                      | 44.2              | 44.2            | 44.2             | 44.2              |
| 7. Government investment credits              | 588.6             | 585.5           | 579.3            | 575.3             |
| 7.1. World Bank                               | 168.2             | 169.3           | 169.6            | 170.1             |
| 7.2. European Investment Bank                 | 282.8             | 280.9           | 275.9*           | 272.0             |
| 7.3. EBRD                                     | 8.1               | 4.7             | 4.6              | 4.6               |
| 7.4. Other                                    | 129.6             | 130.6           | 129.2            | 128.5             |
| 8. Called government guarantees               | 25.0              | 25.1            | 23.3             | 23.2              |
| 8.1. World Bank                               | 25.0              | 25.1            | 23.3             | 23.2              |
| <b>Government guaranteed debt</b>             | <b>551.2</b>      | <b>557.0</b>    | <b>552.9</b>     | <b>549.8</b>      |
| 1. World Bank                                 | 91.6              | 93.4            | 89.7*            | 89.3              |
| 2. European Investment Bank                   | 7.0               | 7.0             | 7.0              | 7.0               |
| 3. EBRD                                       | 49.0              | 49.7            | 48.1             | 45.9              |
| 4. Other                                      | 403.6             | 406.8           | 408.0*           | 407.5             |
| <b>EXTERNAL DEBT, TOTAL</b>                   | <b>4 685.5</b>    | <b>4 706.2</b>  | <b>4 386.4</b>   | <b>4 348.8</b>    |
| <b>EXTERNAL DEBT,<br/>TOTAL (million USD)</b> | <b>6 170.8</b>    | <b>6 096.4</b>  | <b>5 794.8</b>   | <b>5 791.8</b>    |

**Notes:** 1. Debt based on cash flows. External debt based on cash flows as of 1 January 2003.

2. Credits in the *Government investment credits* and *Government guaranteed debt* items have been rearranged according to the provisions of the Law on the Government Debt (published in the Darjaven Vestnik, issue 93 of 1 October 2002).

3. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. In the *Government Debt Management* bulletin, debt to the IMF is included in the external debt structure and excluded from domestic debt structure in order to avoid any mistakes in using debt information.

4. Debt recalculation in US dollars and in euro is based on BNB exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

5. Preliminary data for the last month.

\* Revised data.

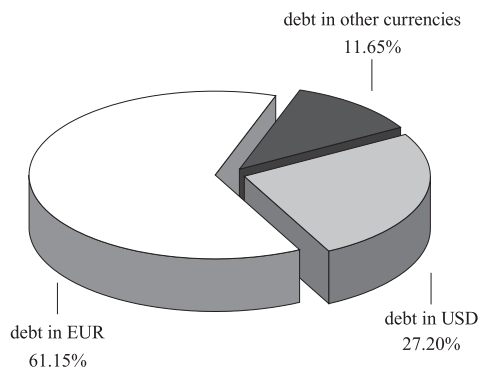
## New External Financing and External Debt Payments as of 31 March

(BGN'000)

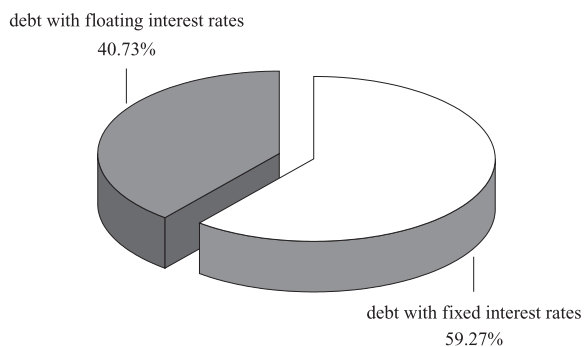
| Structure                         | Received credits<br>(tranches) | Payments, incl.  |                  |
|-----------------------------------|--------------------------------|------------------|------------------|
|                                   |                                | installments     | interest         |
| <b>Government debt</b>            | <b>6 636.4</b>                 | <b>629 486.3</b> | <b>276 242.5</b> |
| I. Bonds                          | -                              | 483 358.9        | 242 547.7        |
| 1. Bonds                          | -                              | 483 358.9        | 242 547.7        |
| II. Credits                       | 6 636.4                        | 146 127.4        | 33 694.8         |
| 1. Paris Club                     | -                              | 12 314.3         | 5 023.1          |
| 2. World Bank                     | -                              | -                | 5 625.3          |
| 2.1. World Bank                   | -                              | -                | 5 625.3          |
| 2.2. JBIC (JEXIM)                 | -                              | -                | -                |
| 3. G24                            | -                              | -                | -                |
| 4. European Union                 | -                              | 61 119.7         | 4 133.2          |
| 5. IMF                            | -                              | 38 830.5         | 7 033.6          |
| 6. Other                          | -                              | -                | -                |
| 7. Government investment credits  | 6 636.4                        | 30 431.4         | 11 008.9         |
| 7.1. World Bank                   | 5 054.7                        | 1 197.2          | 553.5            |
| 7.2. European Investment Bank     | -                              | 19 933.2         | 7 158.3          |
| 7.3. EBRD                         | -                              | 6 673.7          | 345.2            |
| 7.4. Other                        | 1 581.7                        | 2 627.3          | 2 951.9          |
| 8. Called government guarantees   | -                              | 3 431.5          | 870.8            |
| 8.1. World Bank                   | -                              | 3 431.5          | 870.8            |
| 8.2. European Investment Bank     | -                              | -                | -                |
| 8.3. Other                        | -                              | -                | -                |
| <b>Government guaranteed debt</b> | <b>13 194.4</b>                | <b>12 638.5</b>  | <b>8 607.7</b>   |
| 1. World Bank                     | 1 893.7                        | 5 505.3          | 1 159.6          |
| 2. European Investment Bank       | -                              | -                | 129.4            |
| 3. EBRD                           | 1 293.7                        | 6 953.0          | 1 483.5          |
| 4. Other                          | 10 007.0                       | 180.2            | 5 835.3          |
| <b>TOTAL</b>                      | <b>19 830.8</b>                | <b>642 124.8</b> | <b>284 850.3</b> |

**Notes:** 1. Lev equivalence of the new external financing received and payments effected is calculated on the basis of BNB central exchange rates of the respective foreign currencies against the Bulgarian lev valid until 4.00 p.m. on the day of corresponding payment.  
2. Preliminary data.

### Currency Composition of the External Debt as of 31 March

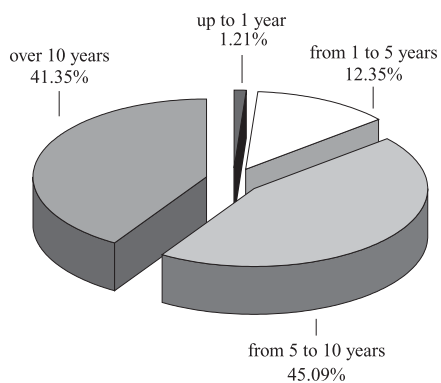


### Interest Rate Structure of the External Debt as of 31 March





## Residual Maturity of the External Debt as of 31 March



**Note:** The average-weighted residual maturity of the external debt is nine years and one month.

By end-March government and government guaranteed debt totaled EUR 5856.4 million nominal value, including domestic debt of EUR 1507.6 million and external debt of EUR 4348.8 million. The decrease in nominal terms came to some EUR 3 million on the previous month due mainly to exchange rate fluctuations.

By end-March the debt to GDP ratio stayed at the same level of 22.4 per cent, registered in February. The value of this indicator for domestic debt and external debt accounted for 5.8 per cent and 16.6 per cent respectively (Chart 20).

Domestic debt occupied 25.7 per cent and external debt 74.3 per cent in the debt structure (Chart 21).

The foreign exchange debt structure experienced certain changes due to effected repayments. By end-March debt in US dollars reached 21.7 per cent, in euro 50.7 per cent, in levs 18.9 per cent and in other currencies 8.7 per cent (Chart 22).

In the structure of external debt by type of creditor other bonds (global bonds and eurobonds) occupied the largest share, totaling 30.6 per cent, followed by domestic debt (government securities) 25.7 per cent, obligations to the World Bank 13.4 per cent, government investment loans 9.8 per cent and government guaranteed loans 9.4 per cent and (Chart 23).

By end-March debt interest structure also experienced changes: debt with fixed interest rates reached 66.5 per cent and debt with floating interest rates comprised 33.5 per cent (Chart 24).

Since early-2007 payments on government and government guaranteed debt have totaled BGN 1209.5 million including domestic debt payments of BGN 282.5 million and external debt payments of BGN 927 million (Chart 25). In March payments to the IMF and the Paris Club occupied the largest shares. Domestic debt payments were effected mainly on government securities.

Payments in euro (recalculated in levs: BGN 818.6 million) dominated the foreign exchange composition of debt payments, followed by payments in levs (BGN 282.5 million) and in US dollars (BGN 95.3 million) (Chart 26).

## Government and Government Guaranteed Debt

(million EUR)

| Structure   | as of 31.XII.2006 | as of 31.I.2007 | as of 28.II.2007 | as of 31.III.2007 |
|---|-------------------|-----------------|------------------|-------------------|
| <b>Domestic debt</b>                                  | <b>1 511.3</b>    | <b>1 492.7</b>  | <b>1 473.1</b>   | <b>1 507.6</b>    |
| I. Government debt                                    | 1 511.3           | 1 492.7         | 1 473.1          | 1 507.6           |
| 1. Debt on government securities issues               | 1 300.7           | 1 296.7         | 1 278.8          | 1 314.0           |
| 2. Government securities issued for structural reform | 210.5             | 196.0           | 194.3            | 193.5             |
| II. Government guaranteed debt                        | -                 | -               | -                | -                 |
| <b>External debt</b>                                  | <b>4 685.5</b>    | <b>4 706.2</b>  | <b>4 386.4</b>   | <b>4 348.8</b>    |
| I. Government debt                                    | 4 134.3           | 4 149.2         | 3 833.5          | 3 799.1           |
| 1. Bonds  | 2 050.2           | 2 066.3         | 1 797.2          | 1 789.5           |
| 2. Credits  | 2 084.1           | 2 083.0         | 2 036.3*         | 2 009.6           |
| Government investment credits                         | 588.6             | 585.5           | 579.3*           | 575.3             |
| Called government guarantees                          | 25.0              | 25.1            | 23.3             | 23.2              |
| II. Government guaranteed debt                        | 551.2             | 557.0           | 552.9*           | 549.8             |
| <b>Debt, total</b>                                    | <b>6 196.8</b>    | <b>6 198.9</b>  | <b>5 859.4</b>   | <b>5 856.4</b>    |
| <b>Debt/GDP (%)</b>                                   | <b>24.7</b>       | <b>23.7</b>     | <b>22.4</b>      | <b>22.4</b>       |
| Domestic debt/GDP (%)                                 | 6.0               | 5.7             | 5.6              | 5.8               |
| External debt/GDP (%)                                 | 18.7              | 18.0            | 16.8             | 16.6              |

**Notes:** 1. Debt based on cash flows.

2. GDP projection for 2007: BGN 51,141 million. Revised GDP projection for 2006: BGN 49,090.6 million.

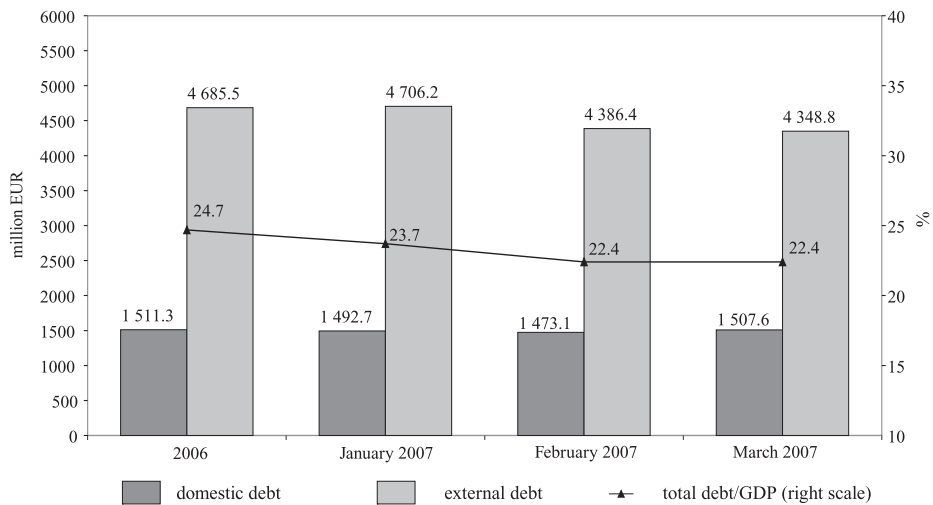
3. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. Debt to the IMF is included in the external debt structure and excluded from domestic debt structure in the *Government Debt Management* bulletin.

4. Debt recalculation in US dollars and in euro is based on BNB exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

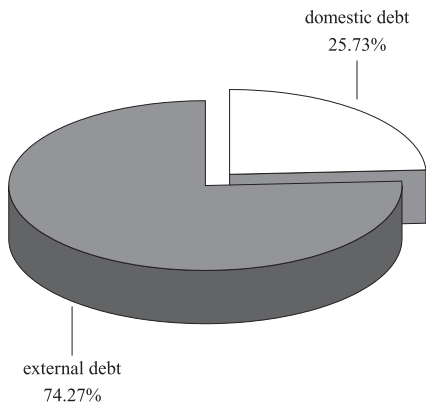
5. Preliminary data for the last month.

\* Revised data.

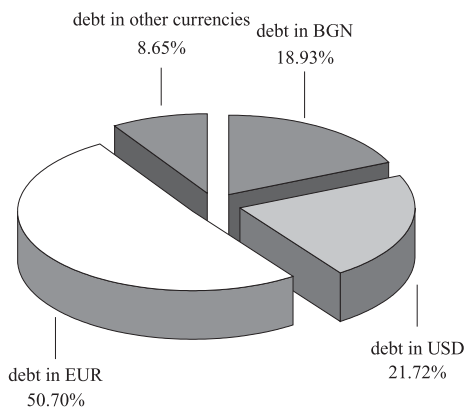
### Dynamics of Domestic and External Government and Government Guaranteed Debt



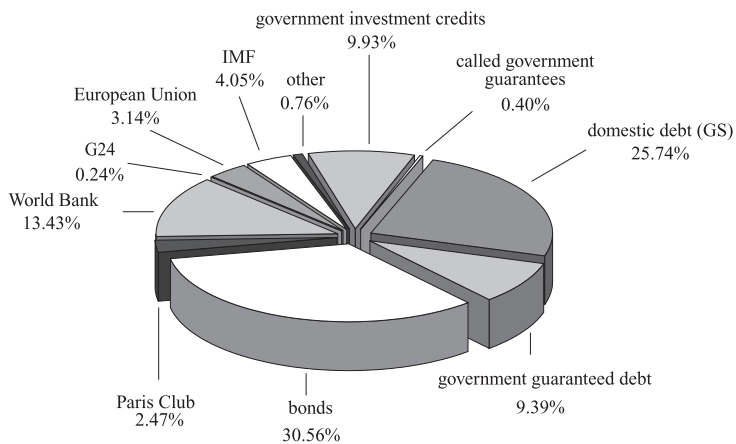
### Debt Structure as of 31 March



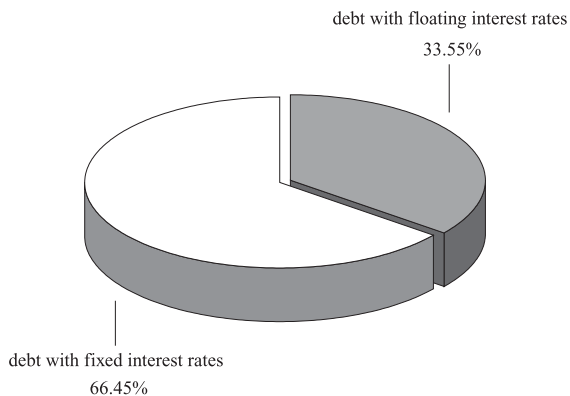
### Debt Currency Structure as of 31 March



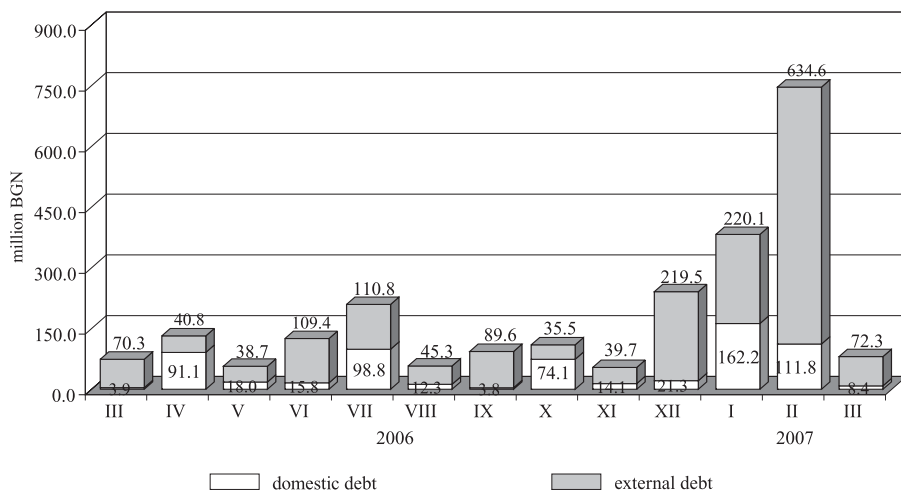
### Debt Structure by Creditor as of 31 March



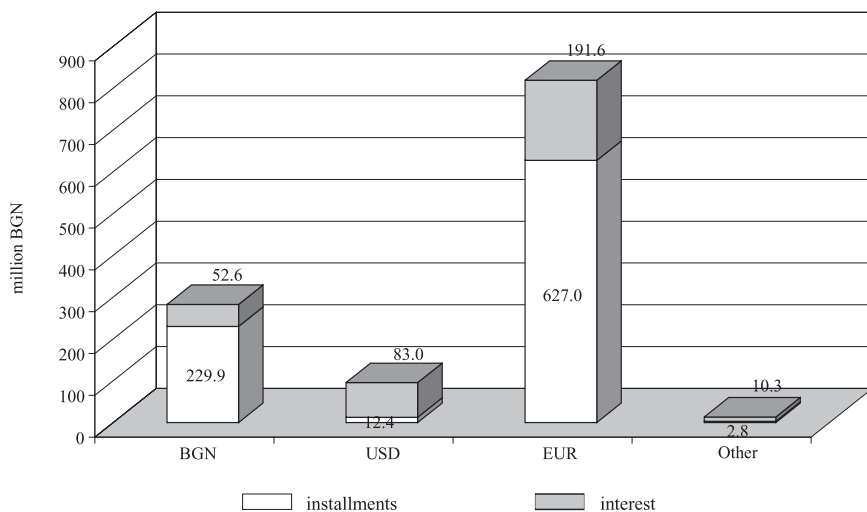
### Debt Interest Rate Structure as of 31 March



### Government Debt Payments



### Currency Structure of Government Debt Payments as of 31 March



## Government Securities Issued in Domestic Market and Held by Non-residents

(BGN'000)

| Government securities type                         | 31.XII.<br>2006 | 31.I.<br>2007   | 28.II.<br>2007  |
|--|-----------------|-----------------|-----------------|
| Government securities issues                       | 17 113.6        | 17 113.6        | 17 113.6        |
| – in BGN   | -               | -               | -               |
| – in EUR   | 17 113.6        | 17 113.6        | 17 113.6        |
| Government securities issued for structural reform | 1 503.1         | 42.2            | 41.7            |
| – in USD   | 1 426.9         | 19.0            | 19.0            |
| – in EUR   | 76.2            | 23.2            | 22.7            |
| <b>Total</b>                                       | <b>18 616.7</b> | <b>17 155.7</b> | <b>17 155.3</b> |

## Government Securities Issued in International Markets and Held by Residents

(million EUR)

| Government securities type | 31.XII.<br>2006 | 31.I.<br>2007 | 28.II.<br>2007 |
|----------------------------|-----------------|---------------|----------------|
| Eurobonds                  | 123.7           | 123.5         | 0.0            |
| Global bonds               | 331.6           | 351.4         | 396.1          |
| – in EUR                   | 188.0           | 195.7         | 241.6          |
| – in USD                   | 143.6           | 155.7         | 154.5          |
| <b>Total</b>               | <b>455.3</b>    | <b>475.0</b>  | <b>396.1</b>   |



## MUNICIPAL DEBT AND SOCIAL SECURITY FUNDS DEBT

### Municipal Debt and Municipal Guarantees

(BGN'000)

| Structure   | 31.XII.<br>2006  | 31.I.<br>2007    | 28.II.<br>2007   |
|---|------------------|------------------|------------------|
| <b>I. Municipal debt</b>  | <b>232 852.2</b> | <b>232 276.8</b> | <b>231 158.1</b> |
| <i>1. Domestic municipal debt</i>   | <i>158 461.2</i> | <i>157 920.5</i> | <i>155 761.7</i> |
| 1.1. Government securities issues<br>(at nominal value as of<br>corresponding period) | 40 208.7         | 40 215.5         | 40 215.5         |
| 1.2. Credits from banks and other<br>financial institutions                           | 95 786.8         | 95 163.7         | 99 466.2         |
| 1.3. Credits from the republican budget   | 7 432.9          | 7 855.9          | 7 924.9          |
| 1.4. Credits from extrabudgetary<br>accounts and funds                                | 7 246.7          | 6 781.5          | 463.7            |
| 1.5. Credits from other municipalities  | -                | -                | -                |
| 1.6. Called municipal guarantees  | 7 786.1          | 7 903.9          | 7 691.3          |
| 1.7. Other  | -                | -                | -                |
| <i>2. External municipal debt</i>   | <i>74 391.0</i>  | <i>74 356.3</i>  | <i>75 396.4</i>  |
| 2.1. Credits from banks and other<br>financial institutions                           | 26 062.5         | 26 062.5         | 26 062.5         |
| 2.2. Government guaranteed<br>municipal debt  | 48 328.5         | 48 293.7         | 49 333.9         |
| <b>II. Municipal guarantees</b>   | <b>61 429.8</b>  | <b>61 429.8</b>  | <b>61 405.2</b>  |
| <i>1. Domestic municipal guarantees</i>   | <i>799.0</i>     | <i>799.0</i>     | <i>774.4</i>     |
| <i>2. External municipal guarantees</i>   | <i>60 630.7</i>  | <i>60 630.7</i>  | <i>60 630.7</i>  |
| <b>Municipal debt and municipal<br/>guarantees, total (I+II)</b>                      | <b>294 282.0</b> | <b>293 706.6</b> | <b>292 563.2</b> |

- Notes: 1. The credit extended by the Council of Europe Development Bank (CEB) to the Republic of Bulgaria under the *Building and Rehabilitation of Houses for Rom Families* project (utilized by the Sofia Municipality) represents external municipal debt and is reported under 2.2. *Government guaranteed municipal debt*. This credit has been guaranteed by the government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt, II. Government guaranteed debt*.
2. The credit extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Credit Agreement is an external municipal debt and is reported under 2.2. *Government guaranteed municipal debt*. Pursuant to the Guarantee Agreement concluded between the Government of Bulgaria and the Government of Japan under the Credit Agreement, this credit is guaranteed by the Bulgarian Government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt, II. Government guaranteed debt*.
3. Debt recalculation in US dollars and in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

## Social Security Funds Debt

(BGN'000)

| Structure                             | 31.XII.<br>2006 | 31.I.<br>2007   | 28.II.<br>2007  |
|---------------------------------------|-----------------|-----------------|-----------------|
| <b>Domestic debt</b>                  | <b>29 367.0</b> | <b>29 388.8</b> | <b>29 362.9</b> |
| I. National Insurance Institute       | 29 367.0        | 29 388.8        | 29 362.9        |
| 1. Other*                             | 29 367.0        | 29 388.8        | 29 362.9        |
| 2. Credits from the republican budget | -               | -               | -               |
| II. National Health Insurance Fund    | -               | -               | -               |
| III. Teachers' Pension Fund           | -               | -               | -               |
| <b>External debt</b>                  | <b>-</b>        | <b>-</b>        | <b>-</b>        |

**Note:** Debt recalculation in US dollars and in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

\*This credit was extended by the Ministry of Finance to the National Insurance Institute under a subcredit agreement concluded on the basis of the credit agreement between the Republic of Bulgaria and the International Bank for Reconstruction and Development (the World Bank) under the *Social Insurance Administration* project.

(million EUR)

| Structure  | 31.XII.<br>2006 | 31.I.<br>2007  | 28.II.<br>2007 |
|--|-----------------|----------------|----------------|
| <b>I. Consolidated government debt</b>                 | <b>5 764.7</b>  | <b>5 760.7</b> | <b>5 424.7</b> |
| 1. Central government debt                             | 5 645.6         | 5 642.0        | 5 306.6        |
| 2. Social security funds debt                          | 0.0             | 0.0            | 0.0            |
| 3. Municipal debt                                      | 119.1           | 118.8          | 118.2          |
| <b>Consolidated government debt/GDP,<br/>total (%)</b> | <b>23.0</b>     | <b>22.0</b>    | <b>20.7</b>    |

- Notes:**
- As of 1 April 2004 statistical reporting of total government, government guaranteed and consolidated debts has changed. The practice adopted as of January 2003 of reporting bond obligations at acquisition value has been discontinued. After the change, securities included in domestic and external debt are reported at nominal value.
  - Revised GDP projection for 2007: BGN 51,141 million. GDP projection for 2006: BGN 49,090.6 million.
  - Debt recalculation in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.
  - The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. Debt to the IMF is included in the external debt structure and excluded from domestic debt structure in the *Government Debt Management* bulletin.
  - The credit extended by the Ministry of Finance to the National Insurance Institute under a subcredit agreement concluded on the basis of the credit agreement between the Republic of Bulgaria and the International Bank for Reconstruction and Development (the World Bank) under the *Social Insurance Administration* project is excluded from *2. Social security funds debt* and is reported under *1. Central government debt*.
  - The credit extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Credit Agreement represents an external municipal debt and is reported under *Consolidated government debt, 3. Municipal debt*. Pursuant to the Guarantee Agreement concluded between the governments of Bulgaria and Japan under the Credit Agreement, this credit is guaranteed by the Bulgarian Government.

## APPENDIX

## Outstanding Government Securities

### Discount Treasury Bills

#### 3-month government securities

| Issue No.  | BG3010007006 | BG3010107004 |
|--|--------------|--------------|
| Issue date   | 15.01.2007   | 28.03.2007   |
| Maturity date                                      | 17.04.2007   | 28.06.2007   |
| Nominal value of the offer (BGN'000)               | 15 000.00    | 15 000.00    |
| Total nominal value of the bids received (BGN'000) | 50 937.50    | 34 800.00    |
| Total nominal value of the bids approved (BGN'000) | 15 000.00    | 15 000.00    |
| Average price of the bids approved per BGN 100 (%) | 99.12        | 99.08        |
| Average discount per BGN 100 (%)                   | 0.88         | 0.92         |
| Average annual yield (%)                           | 3.55         | 3.63         |
| Effective annual yield (%)                         | 3.60         | 3.68         |
| Bid-to-cover ratio                                 | 3.40         | 2.32         |

**Note:** Since 22 November 2004 government securities yield has been calculated according to ISMA-International Yield.

## Treasury Bonds

### 3-year government securities

| Issue No.  | BG2030106111 <sup>4</sup> |                |               |                | BG2030107119 <sup>1</sup> |               |                     |
|--|---------------------------|----------------|---------------|----------------|---------------------------|---------------|---------------------|
| Auction date                                       | First opening             | Second opening | Third opening | Fourth opening | Total for the issue       | First opening | Total for the issue |
| 06.02.2006   | 06.02.2006                | 10.04.2006     | 19.06.2006    | 23.10.2006     |                           | 05.02.2007    |                     |
| 08.02.2006   | 08.02.2006                | 08.02.2006     | 08.02.2006    | 08.02.2006     | 08.02.2006                | 07.02.2007    | 07.02.2007          |
| 08.02.2009   | 08.02.2009                | 08.02.2009     | 08.02.2009    | 08.02.2009     | 08.02.2009                | 07.02.2010    | 07.02.2010          |
| Nominal value of the offer (BGN'000)               | 35 000.00                 | 40 000.00      | 45 000.00     | 20 000.00      | 140 000.00                | 35 000.00     | 35 000.00           |
| Total nominal value of the bids received (BGN'000) | 87 800.00                 | 48 950.00      | 32 730.00     | 64 720.00      | 234 200.00                | 112 250.00    | 112 250.00          |
| Total nominal value of the bids approved (BGN'000) | 35 000.00                 | 40 000.00      | 32 730.00     | 20 000.00      | 127 730.00                | 35 000.00     | 35 000.00           |
| Average price of the bids approved per BGN 100 (%) | 98.74                     | 97.20          | 96.19         | 97.38          | 97.39                     | 99.16         | 99.16               |
| Interest rate                                      | 2.75                      | 2.75           | 2.75          | 2.75           | 2.75                      | 3.80          | 3.80                |
| Bid-to-cover ratio                                 | 2.51                      | 1.22           | 0.73          | 3.24           | 1.67                      | 3.21          | 3.21                |
| Average annual yield (%)                           | 3.23                      | 3.85           | 4.35          | 4.00           | 3.83                      | 4.14          | 4.14                |

(continued)

## 5-year government securities

(continued)

| Issue No.  | BG2030202118 <sup>4</sup> |                |               |                | BG2030003110 <sup>3</sup> |               |                |               |                     |
|--|---------------------------|----------------|---------------|----------------|---------------------------|---------------|----------------|---------------|---------------------|
|  | First opening             | Second opening | Third opening | Fourth opening | Total for the issue       | First opening | Second opening | Third opening | Total for the issue |
| Auction date                                       | 08.07.2002                | 12.08.2002     | 07.10.2002    | 11.11.2002     |                           | 13.01.2003    | 10.02.2003     | 02.06.2003    |                     |
| Issue date   | 10.07.2002                | 10.07.2002     | 10.07.2002    | 10.07.2002     | 10.07.2002                | 15.01.2003    | 15.01.2003     | 15.01.2003    | 15.01.2003          |
| Maturity date                                      | 10.07.2007                | 10.07.2007     | 10.07.2007    | 10.07.2007     | 10.07.2007                | 15.01.2008    | 15.01.2008     | 15.01.2008    | 15.01.2008          |
| Nominal value of the offer (BGN'000)               | 25 000.00                 | 20 000.00      | 25 000.00     | 20 000.00      | 90 000.00                 | 30 000.00     | 25 000.00      | 20 000.00     | 75 000.00           |
| Total nominal value of the bids received (BGN'000) | 38 080.00                 | 19 100.00      | 49 950.00     | 67 184.70      | 174 314.70                | 87 720.00     | 50 900.00      | 49 450.00     | 188 070.00          |
| Total nominal value of the bids approved (BGN'000) | 25 000.00                 | 14 750.00      | 25 000.00     | 20 000.00      | 84 750.00                 | 30 000.00     | 25 000.00      | 20 000.00     | 75 000.00           |
| Average price of the bids approved per BGN 100 (%) | 99.81                     | 98.45          | 98.78         | 99.52          | 99.20                     | 100.42        | 100.55         | 100.40        | 100.46              |
| Interest rate                                      | 6.50                      | 6.50           | 6.50          | 6.50           | 6.50                      | 5.625         | 5.625          | 5.625         | 5.625               |
| Bid-to-cover ratio                                 | 1.52                      | 0.96           | 2.00          | 3.36           | 1.94                      | 2.92          | 2.04           | 2.47          | 2.51                |
| Average annual yield (%)                           | 6.55                      | 6.87           | 6.79          | 6.61           | 6.69                      | 5.53          | 5.50           | 5.53          | 5.52                |

(continued)

## 5-year government securities

(continued)

| Issue No.  | First opening                   | Second opening | Third opening | Fourth opening | Fifth opening | Total for the issue |
|--|---------------------------------|----------------|---------------|----------------|---------------|---------------------|
|  | <b>BG2030203116<sup>5</sup></b> |                |               |                |               |                     |
| Auction date                                       | 07.07.2003                      | 04.08.2003     | 08.09.2003    | 12.11.2003     | 01.12.2003    |                     |
| Issue date   | 09.07.2003                      | 09.07.2003     | 09.07.2003    | 09.07.2003     | 09.07.2003    | 09.07.2003          |
| Maturity date                                      | 09.07.2008                      | 09.07.2008     | 09.07.2008    | 09.07.2008     | 09.07.2008    | 09.07.2008          |
| Nominal value of the offer (BGN'000)               | 25 000.00                       | 15 000.00      | 20 000.00     | 20 000.00      | 20 000.00     | 100 000.00          |
| Total nominal value of the bids received (BGN'000) | 47 300.00                       | 37 150.00      | 43 600.00     | 56 500.00      | 60 750.00     | 245 300.00          |
| Total nominal value of the bids approved (BGN'000) | 25 000.00                       | 15 000.00      | 20 000.00     | 20 000.00      | 20 000.00     | 100 000.00          |
| Average price of the bids approved per BGN 100 (%) | 99.12                           | 98.33          | 98.25         | 99.22          | 99.48         | 98.92               |
| Interest rate                                      | 4.75                            | 4.75           | 4.75          | 4.75           | 4.75          | 4.75                |
| Bid-to-cover ratio                                 | 1.89                            | 2.48           | 2.18          | 2.83           | 3.04          | 2.45                |
| Average annual yield (%)                           | 4.95                            | 5.13           | 5.15          | 4.93           | 4.87          | 5.00                |

(continued)



## 5-year government securities

(continued)

| Issue No.  | First opening | Second opening | Third opening             | Fourth opening | Fifth opening | Total for the issue |
|--|---------------|----------------|---------------------------|----------------|---------------|---------------------|
|  |               |                | BG2030004118 <sup>5</sup> |                |               |                     |
| Auction date                                       | 05.01.2004    | 01.03.2004     | 07.06.2004                | 13.09.2004     | 20.12.2004    |                     |
| Issue date   | 07.01.2004    | 07.01.2004     | 07.01.2004                | 07.01.2004     | 07.01.2004    | 07.01.2004          |
| Maturity date                                      | 07.01.2009    | 07.01.2009     | 07.01.2009                | 07.01.2009     | 07.01.2009    | 07.01.2009          |
| Nominal value of the offer (BGN'000)               | 20 000.00     | 20 000.00      | 20 000.00                 | 20 000.00      | 20 000.00     | 100 000.00          |
| Total nominal value of the bids received (BGN'000) | 84 450.00     | 60 120.00      | 35 850.00                 | 76 600.00      | 92 285.00     | 284 855.00          |
| Total nominal value of the bids approved (BGN'000) | 20 000.00     | 20 000.00      | 20 000.00                 | 20 000.00      | 20 000.00     | 100 000.00          |
| Average price of the bids approved per BGN 100 (%) | 99.79         | 100.72         | 96.88                     | 99.94          | 103.98        | 100.26              |
| Interest rate                                      | 4.70          | 4.70           | 4.70                      | 4.70           | 4.70          | 4.70                |
| Bid-to-cover ratio                                 | 4.22          | 3.01           | 1.79                      | 3.83           | 4.61          | 2.85                |
| Average annual yield (%)                           | 4.75          | 4.54           | 5.42                      | 4.71           | 3.67          | 4.62                |

(continued)

## 5-year government securities

(continued)

| Issue No.  | BG2030105113 <sup>4</sup> |                |               |                | BG2030006113 <sup>4</sup> |                |               |                | Total for the issue |
|--|---------------------------|----------------|---------------|----------------|---------------------------|----------------|---------------|----------------|---------------------|
|  | First opening             | Second opening | Third opening | Fourth opening | First opening             | Second opening | Third opening | Fourth opening |                     |
| Auction date                                       | 14.02.2005                | 09.05.2005     | 15.08.2005    | 10.10.2005     | 23.01.2006                | 20.03.2006     | 29.05.2006    | 13.11.2006     |                     |
| Issue date   | 16.02.2005                | 16.02.2005     | 16.02.2005    | 16.02.2005     | 25.01.2006                | 25.01.2006     | 25.01.2006    | 25.01.2006     | 25.01.2006          |
| Maturity date                                      | 16.02.2010                | 16.02.2010     | 16.02.2010    | 16.02.2005     | 25.01.2011                | 25.01.2011     | 25.01.2011    | 25.01.2011     | 25.01.2011          |
| Nominal value of the offer (BGN'000)               | 25 000.00                 | 25 000.00      | 25 000.00     | 25 000.00      | 45 000.00                 | 45 000.00      | 45 000.00     | 20 000.00      | 155 000.00          |
| Total nominal value of the bids received (BGN'000) | 108 300.00                | 98 810.00      | 105 900.00    | 71 100.00      | 125 710.00                | 75 100.00      | 72 870.00     | 77 450.00      | 351 130.00          |
| Total nominal value of the bids approved (BGN'000) | 25 000.00                 | 25 000.00      | 25 000.00     | 25 000.00      | 45 000.00                 | 45 000.00      | 45 000.00     | 20 000.00      | 155 000.00          |
| Average price of the bids approved per BGN 100 (%) | 101.43                    | 102.36         | 103.17        | 103.09         | 98.37                     | 96.82          | 95.47         | 96.12          | 96.79               |
| Interest rate                                      | 3.75                      | 3.75           | 3.75          | 3.75           | 3.00                      | 3.00           | 3.00          | 3.00           | 3.00                |
| Bid-to-cover ratio                                 | 4.33                      | 3.95           | 4.24          | 2.84           | 2.79                      | 1.67           | 1.62          | 3.87           | 2.27                |
| Average annual yield (%)                           | 3.46                      | 3.24           | 3.01          | 3.01           | 3.38                      | 3.76           | 4.12          | 4.05           | 3.79                |

(continued)

## 5-year government securities

(continued)

| Issue No.  | First opening | BG20300071111 <sup>2</sup><br>Second opening | Total for the issue |
|--|---------------|--|---------------------|
| Auction date                                       | 22.01.2007    | 05.03.2007                                   |                     |
| Issue date   | 24.01.2007    | 24.01.2007                                   | 24.01.2007          |
| Maturity date                                      | 24.01.2012    | 24.01.2012                                   | 24.01.2012          |
| Nominal value of the offer (BGN'000)               | 35 000.00     | 30 000.00                                    | 65 000.00           |
| Total nominal value of the bids received (BGN'000) | 101 600.00    | 94 000.00                                    | 195 600.00          |
| Total nominal value of the bids approved (BGN'000) | 35 000.00     | 30 000.00                                    | 65 000.00           |
| Average price of the bids approved per BGN 100 (%) | 99.22         | 99.71  | 99.45               |
| Interest rate                                      | 4.00          | 4.00   | 4.00                |
| Bid-to-cover ratio                                 | 2.90          | 3.13   | 3.01                |
| Average annual yield (%)                           | 4.22          | 4.11   | 4.17                |

(continued)

## 7-year government securities

(continued)

| Issue No.  | BG2040001211 <sup>2</sup> |                |                     | BG2040002219 <sup>2</sup> |                |                     | BG2040102217 <sup>3</sup> |                |               |                     |
|--|---------------------------|----------------|---------------------|---------------------------|----------------|---------------------|---------------------------|----------------|---------------|---------------------|
|  | First opening             | Second opening | Total for the issue | First opening             | Second opening | Total for the issue | First opening             | Second opening | Third opening | Total for the issue |
| Auction date                                       | 29.10.2001                | 30.11.2001     |                     | 14.01.2002                | 21.01.2002     |                     | 18.02.2002                | 18.03.2002     | 13.05.2002    |                     |
| Issue date   | 31.10.2001                | 31.10.2001     | 31.10.2001          | 16.01.2002                | 16.01.2002     | 16.01.2002          | 20.02.2002                | 20.02.2002     | 20.02.2002    | 20.02.2002          |
| Maturity date                                      | 31.10.2008                | 31.10.2008     | 31.10.2008          | 16.01.2009                | 16.01.2009     | 16.01.2009          | 20.05.2009                | 20.05.2009     | 20.05.2009    | 20.05.2009          |
| Nominal value of the offer (BGN'000)               | 30 000.00                 | 11 070.00      | 41 070.00           | 30 000.00                 | 30 000.00      | 60 000.00           | 30 000.00                 | 25 000.00      | 35 000.00     | 90 000.00           |
| Total nominal value of the bids received (BGN'000) | 53 672.00                 | 54 615.00      | 108 287.00          | 106 295.00                | 99 331.00      | 205 626.00          | 63 350.00                 | 58 812.00      | 58 300.00     | 180 462.00          |
| Total nominal value of the bids approved (BGN'000) | 18 930.00                 | 11 070.00      | 30 000.00           | 30 000.00                 | 50 000.00      | 80 000.00           | 30 000.00                 | 25 000.00      | 35 000.00     | 90 000.00           |
| Average price of the bids approved per BGN 100 (%) | 95.45                     | 98.19          | 96.46               | 100.47                    | 101.46         | 101.09              | 99.05                     | 99.77          | 99.44         | 99.40               |
| Interest rate                                      | 7.50                      | 7.50           | 7.50                | 7.50                      | 7.50           | 7.50                | 7.00                      | 7.00           | 7.00          | 7.00                |
| Bid-to-cover ratio                                 | 1.79                      | 4.93           | 2.64                | 3.54                      | 3.31           | 3.43                | 2.11                      | 2.35           | 1.67          | 2.01                |
| Average annual yield (%)                           | 8.37                      | 7.84           | 8.17                | 7.41                      | 7.23           | 7.30                | 7.17                      | 7.04           | 7.10          | 7.10                |

(continued)

## 7-year government securities

(continued)

| Issue No.  | BG2040302213 <sup>4</sup> |                |               |                | BG2040103215 <sup>5</sup> |                |               |                | Total for the issue |               |
|--|---------------------------|----------------|---------------|----------------|---------------------------|----------------|---------------|----------------|---------------------|---------------|
|  | First opening             | Second opening | Third opening | Fourth opening | First opening             | Second opening | Third opening | Fourth opening |                     | Fifth opening |
| Auction date                                       | 15.07.2002                | 19.08.2002     | 14.10.2002    | 18.11.2002     | 03.02.2003                | 14.04.2003     | 07.05.2003    | 21.07.2003     | 20.10.2003          |               |
| Issue date   | 17.07.2002                | 17.07.2002     | 17.07.2002    | 17.07.2002     | 05.02.2003                | 05.02.2003     | 05.02.2003    | 05.02.2003     | 05.02.2003          | 05.02.2003    |
| Maturity date                                      | 17.07.2009                | 17.07.2009     | 17.07.2009    | 17.07.2009     | 05.02.2010                | 05.02.2010     | 05.02.2010    | 05.02.2010     | 05.02.2010          | 05.02.2010    |
| Nominal value of the offer (BGN'000)               | 20 000.00                 | 15 000.00      | 20 000.00     | 15 000.00      | 20 000.00                 | 20 000.00      | 20 000.00     | 15 000.00      | 30 000.00           | 105 000.00    |
| Total nominal value of the bids received (BGN'000) | 29 863.50                 | 24 239.00      | 48 880.30     | 86 964.00      | 77 850.00                 | 49 650.00      | 34 800.00     | 46 260.00      | 68 030.00           | 276 590.00    |
| Total nominal value of the bids approved (BGN'000) | 20 000.00                 | 15 000.00      | 20 000.00     | 15 000.00      | 20 000.00                 | 20 000.00      | 20 000.00     | 15 000.00      | 30 000.00           | 105 000.00    |
| Average price of the bids approved per BGN 100 (%) | 98.39                     | 96.38          | 96.63         | 99.09          | 100.42                    | 98.90          | 98.06         | 101.92         | 102.27              | 100.42        |
| Interest rate                                      | 7.00                      | 7.00           | 7.00          | 7.00           | 5.875                     | 5.875          | 5.875         | 5.875          | 5.875               | 5.875         |
| Bid-to-cover ratio                                 | 1.49                      | 1.62           | 2.44          | 5.80           | 3.89                      | 2.48           | 1.74          | 3.08           | 2.27                | 2.63          |
| Average annual yield (%)                           | 7.30                      | 7.68           | 7.63          | 7.17           | 5.80                      | 6.07           | 6.22          | 5.54           | 5.48                | 5.80          |

(continued)

## 7-year government securities

(continued)

| Issue No.  | BG2040203213 <sup>2*</sup> |                |                     | BG2040104213 <sup>4</sup> |                |               |                | Total for the issue |
|--|----------------------------|----------------|---------------------|---------------------------|----------------|---------------|----------------|---------------------|
|  | First opening              | Second opening | Total for the issue | First opening             | Second opening | Third opening | Fourth opening |                     |
| Auction date                                       | 18.02.2003                 | 10.03.2003     |                     | 09.02.2004                | 03.05.2004     | 01.11.2004    | 07.12.2004     |                     |
| Issue date   | 24.02.2003                 | 24.02.2003     | 24.02.2003          | 11.02.2004                | 11.02.2004     | 11.02.2004    | 11.02.2004     | 11.02.2004          |
| Maturity date                                      | 24.05.2010                 | 24.05.2010     | 24.05.2010          | 11.02.2011                | 11.02.2011     | 11.02.2011    | 11.02.2011     | 11.02.2011          |
| Nominal value of the offer (BGN'000)               | 50 000.00                  | 25 000.00      | 75 000.00           | 20 000.00                 | 20 000.00      | 20 000.00     | 20 000.00      | 80 000.00           |
| Total nominal value of the bids received (BGN'000) | 139 990.00                 | 76 475.00      | 216 465.00          | 76 850.00                 | 39 060.00      | 90 400.00     | 97 000.00      | 303 310.00          |
| Total nominal value of the bids approved (BGN'000) | 50 000.00                  | 55 000.00      | 105 000.00          | 20 000.00                 | 20 000.00      | 20 000.00     | 20 000.00      | 80 000.00           |
| Average price of the bids approved per BGN 100 (%) | 100.99                     | 100.55         | 100.76              | 98.42                     | 96.77          | 99.61         | 101.69         | 99.12               |
| Interest rate                                      | 5.75                       | 5.75           | 5.75                | 4.75                      | 4.75           | 4.75          | 4.75           | 4.75                |
| Bid-to-cover ratio                                 | 2.80                       | 3.06           | 2.89                | 3.84                      | 1.95           | 4.52          | 4.85           | 3.79                |
| Average annual yield (%)                           | 5.58                       | 5.65           | 5.62                | 5.02                      | 5.31           | 4.82          | 4.48           | 4.91                |

(continued)

## 10-year government securities

(continued)

| Issue No.  | BG2040202215 <sup>4</sup> |                |               |                | BG2040003217 <sup>2</sup> |                |                     | Total for the issue |
|--|---------------------------|----------------|---------------|----------------|---------------------------|----------------|---------------------|---------------------|
|  | First opening             | Second opening | Third opening | Fourth opening | First opening             | Second opening | Total for the issue |                     |
| Auction date                                       | 15.04.2002                | 22.04.2002     | 17.06.2002    | 22.07.2002     | 06.01.2003                | 31.03.2003     |                     |                     |
| Issue date   | 17.04.2002                | 17.04.2002     | 17.04.2002    | 17.04.2002     | 08.01.2003                | 08.01.2003     | 08.01.2003          | 08.01.2003          |
| Maturity date                                      | 17.04.2012                | 17.04.2012     | 17.04.2012    | 17.04.2012     | 08.01.2013                | 08.01.2013     | 08.01.2013          | 08.01.2013          |
| Nominal value of the offer (BGN'000)               | 15 000.00                 | 25 000.00      | 25 000.00     | 25 000.00      | 30 000.00                 | 20 000.00      | 20 000.00           | 50 000.00           |
| Total nominal value of the bids received (BGN'000) | 72 080.00                 | 59 589.60      | 42 338.50     | 28 859.30      | 94 289.80                 | 56 355.00      | 202 867.40          | 150 644.80          |
| Total nominal value of the bids approved (BGN'000) | 15 000.00                 | 25 000.00      | 25 000.00     | 19 920.00      | 30 000.00                 | 20 000.00      | 84 920.00           | 50 000.00           |
| Average price of the bids approved per BGN 100 (%) | 98.14                     | 96.77          | 95.92         | 93.76          | 104.08                    | 105.18         | 96.06               | 104.52              |
| Interest rate                                      | 7.50                      | 7.50           | 7.50          | 7.50           | 7.50                      | 7.50           | 7.50                | 7.50                |
| Bid-to-cover ratio                                 | 4.81                      | 2.38           | 1.69          | 1.15           | 3.14                      | 2.82           | 2.25                | 3.01                |
| Average annual yield (%)                           | 7.77                      | 7.97           | 8.10          | 8.44           | 6.93                      | 6.78           | 8.08                | 6.87                |

(continued)

## 10-year government securities

(continued)

| Issue No.  | First opening | Second opening | Total for the issue | First opening | Second opening | Third opening                   | Fourth opening | Total for the issue |
|--|---------------|----------------|---------------------|---------------|----------------|---------------------------------|----------------|---------------------|
|  |               |                |                     |               |                | <b>BG2040004215<sup>4</sup></b> |                |                     |
| Auction date                                       | 30.06.2003    | 29.09.2003     |                     | 02.02.2004    | 13.04.2004     | 04.10.2004                      | 15.11.2004     |                     |
| Issue date   | 02.07.2003    | 02.07.2003     | 02.07.2003          | 04.02.2004    | 04.02.2004     | 04.02.2004                      | 04.02.2004     | 04.02.2004          |
| Maturity date                                      | 02.07.2013    | 02.07.2013     | 02.07.2013          | 04.02.2014    | 04.02.2014     | 04.02.2014                      | 04.02.2014     | 04.02.2014          |
| Nominal value of the offer (BGN'000)               | 20 000.00     | 30 000.00      | 50 000.00           | 20 000.00     | 20 000.00      | 20 000.00                       | 20 000.00      | 80 000.00           |
| Total nominal value of the bids received (BGN'000) | 69 350.00     | 78 753.00      | 148 103.00          | 85 300.00     | 82 680.00      | 86 010.00                       | 78 128.00      | 332 118.00          |
| Total nominal value of the bids approved (BGN'000) | 20 000.00     | 30 000.00      | 50 000.00           | 20 000.00     | 20 000.00      | 20 000.00                       | 20 000.00      | 80 000.00           |
| Average price of the bids approved per BGN 100 (%) | 98.82         | 97.71          | 98.15               | 97.85         | 99.20          | 99.75                           | 101.47         | 99.57               |
| Interest rate                                      | 5.75          | 5.75           | 5.75                | 5.20          | 5.20           | 5.20                            | 5.20           | 5.20                |
| Bid-to-cover ratio                                 | 3.47          | 2.63           | 2.96                | 4.27          | 4.13           | 4.30                            | 3.91           | 4.15                |
| Average annual yield (%)                           | 5.91          | 6.06           | 6.00                | 5.48          | 5.30           | 5.23                            | 5.01           | 5.26                |

(continued)



## 10-year government securities

(continued)

| Issue No.  | First opening | Second opening | Third opening | BG2040005212 <sup>6</sup><br>Fourth opening | Fifth opening | Sixth opening | Total for the issue |
|--|---------------|----------------|---------------|---|---------------|---------------|---------------------|
| Auction date                                       | 10.01.2005    | 07.03.2005     | 06.06.2005    | 04.07.2005                                  | 19.09.2005    | 03.10.2005    |                     |
| Issue date   | 12.01.2005    | 12.01.2005     | 12.01.2005    | 12.01.2005                                  | 12.01.2005    | 12.01.2005    | 12.01.2005          |
| Maturity date                                      | 12.01.2015    | 12.01.2015     | 12.01.2015    | 12.01.2015                                  | 12.01.2015    | 12.01.2015    | 12.01.2015          |
| Nominal value of the offer (BGN'000)               | 25 000.00     | 25 000.00      | 15 000.00     | 35 000.00                                   | 25 000.00     | 25 000.00     | 150 000.00          |
| Total nominal value of the bids received (BGN'000) | 130 600.00    | 102 150.00     | 86 325.00     | 158 625.00                                  | 79 707.00     | 80 350.00     | 637 757.00          |
| Total nominal value of the bids approved (BGN'000) | 25 000.00     | 25 000.00      | 15 000.00     | 35 000.00                                   | 25 000.00     | 25 000.00     | 150 000.00          |
| Average price of the bids approved per BGN 100 (%) | 100.68        | 101.09         | 103.74        | 105.00                                      | 106.40        | 106.20        | 103.94              |
| Interest rate                                      | 4.25          | 4.25           | 4.25          | 4.25  | 4.25          | 4.25          | 4.25                |
| Bid-to-cover ratio                                 | 5.22          | 4.09           | 5.76          | 4.53  | 3.19          | 3.21          | 4.25                |
| Average annual yield (%)                           | 4.21          | 4.16           | 3.82          | 3.66  | 3.47          | 3.49          | 3.79                |

(continued)

## 10-year government securities

(continued)

| Issue No.  | First opening                   | Second opening | Third opening | Fourth opening | Fifth opening | Total for the issue |
|--|---------------------------------|----------------|---------------|----------------|---------------|---------------------|
|  | <b>BG2040006210<sup>s</sup></b> |                |               |                |               |                     |
| Auction date                                       | 03.01.2006                      | 20.02.2006     | 25.04.2006    | 24.07.2006     | 18.12.2006    |                     |
| Issue date   | 04.01.2006                      | 04.01.2006     | 04.01.2006    | 04.01.2006     | 04.01.2006    | 04.01.2006          |
| Maturity date                                      | 04.01.2016                      | 04.01.2016     | 04.01.2016    | 04.01.2016     | 04.01.2016    | 04.01.2016          |
| Nominal value of the offer (BGN'000)               | 50 000.00                       | 30 000.00      | 50 000.00     | 20 000.00      | 20 000.00     | 170 000.00          |
| Total nominal value of the bids received (BGN'000) | 96 350.00                       | 107 905.00     | 97 410.00     | 67 765.00      | 87 500.00     | 456 930.00          |
| Total nominal value of the bids approved (BGN'000) | 50 000.00                       | 30 000.00      | 50 000.00     | 20 000.00      | 20 000.00     | 170 000.00          |
| Average price of the bids approved per BGN 100 (%) | 98.26<br>3.50                   | 97.61<br>3.50  | 92.02<br>3.50 | 91.00<br>3.50  | 95.36<br>3.50 | 95.11<br>3.50       |
| Interest rate                                      | 1.93                            | 3.60           | 1.95          | 3.39           | 4.38          | 2.69                |
| Bid-to-cover ratio                                 | 3.74                            | 3.83           | 4.58          | 4.74           | 4.16          | 4.17                |
| Average annual yield (%)                           |                                 |                |               |                |               |                     |

(continued)

## 10-year government securities

(continued)

| Issue No.  | First opening | Second opening | BG2040007218 <sup>3</sup><br>Third opening | Total for the issue |
|--|---------------|----------------|--|---------------------|
| Auction date                                       | 08.01.2007    | 19.02.2007     | 12.03.2007                                 |                     |
| Issue date   | 10.01.2007    | 10.01.2007     | 10.01.2007                                 | 10.01.2007          |
| Maturity date                                      | 10.01.2017    | 10.01.2017     | 10.01.2017                                 | 10.01.2017          |
| Nominal value of the offer (BGN'000)               | 35 000.00     | 30 000.00      | 30 000.00                                  | 95 000.00           |
| Total nominal value of the bids received (BGN'000) | 133 640.00    | 120 700.00     | 98 700.00                                  | 353 040.00          |
| Total nominal value of the bids approved (BGN'000) | 35 000.00     | 30 000.00      | 30 000.00                                  | 95 000.00           |
| Average price of the bids approved per BGN 100 (%) | 99.94         | 99.72          | 100.18                                     | 99.95               |
| Interest rate                                      | 4.25          | 4.25           | 4.25                                       | 4.25                |
| Bid-to-cover ratio                                 | 3.82          | 4.02           | 3.29                                       | 3.72                |
| Average annual yield (%)                           | 4.31          | 4.34           | 4.28                                       | 4.31                |

(continued)

## 15-year government securities

(continued)

| Issue No.  | First opening | Second opening | Third opening         | Fourth opening | Total for the issue |
|--|---------------|----------------|-----------------------|----------------|---------------------|
|  |               |                | <b>BG2040403219**</b> |                |                     |
| Auction date                                       | 03.11.2003    | 19.01.2004     | 02.08.2004            | 03.01.2005     |                     |
| Issue date   | 12.11.2003    | 12.11.2003     | 12.11.2003            | 12.11.2003     | 12.11.2003          |
| Maturity date                                      | 11.10.2018    | 11.10.2018     | 11.10.2018            | 11.10.2018     | 11.10.2018          |
| Nominal value of the offer (BGN'000)               | 20 000.00     | 50 000.00      | 15 000.00             | 15 000.00      | 100 000.00          |
| Total nominal value of the bids received (BGN'000) | 73 628.54     | 124 820.00     | 62 878.00             | 89 545.00      | 350 871.54          |
| Total nominal value of the bids approved (BGN'000) | 20 000.00     | 50 000.00      | 15 000.00             | 15 000.00      | 100 000.00          |
| Average price of the bids approved per BGN 100 (%) | 94.81         | 99.43          | 100.59                | 110.58         | 100.35              |
| Interest rate                                      | 6.00          | 6.00           | 6.00                  | 6.00           | 6.00                |
| Bid-to-cover ratio                                 | 3.68          | 2.50           | 4.19                  | 5.97           | 3.51                |
| Average annual yield (%)                           | 6.55          | 6.06           | 5.94                  | 4.99           | 5.96                |

<sup>1</sup>The price indicated in the *Total for the issue* column is a result of the one auction organized for sale of this issue.

<sup>2</sup>The price indicated in the *Total for the issue* column is a result of the two auctions organized for sale of this issue.

<sup>3</sup>The price indicated in the *Total for the issue* column is a result of the three auctions organized for sale of this issue.

<sup>4</sup>The price indicated in the *Total for the issue* column is a result of the four auctions organized for sale of this issue.

<sup>5</sup>The price indicated in the *Total for the issue* column is a result of the five auctions organized for sale of this issue.

<sup>6</sup>The price indicated in the *Total for the issue* column is a result of the six auctions organized for sale of this issue.

\* Issues Nos. BG2040203213 and BG2040403219 are denominated in euro and all related values are also in euro.

**Note:** Since 22 November 2004 government securities yield has been calculated according to ISMA-International Yield.

## Government Securities Issued to Settle Non-performing Credits of State-owned Companies to Banks

| Legal regulation        | CMD 244/91                   | CMD 186/93                   | Art. 4 ZUNK/93               | Art. 5 ZUNK/93               | CMD 3/94                     | §10 of TFP of SBL/99         |
|-------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Issue No.               | BG 2000192224                | BG 2009993226                | BG 2009893228                | BG 2009794228                | BG 2009693222                | BG 2040009223                |
| Issue date              | 01.01.1992                   | 01.07.1993                   | 01.10.1993                   | 01.01.1994                   | 01.12.1993                   | 01.07.1999                   |
| Maturity date           | 01.01.2011                   | 01.07.2017                   | 01.10.2018                   | 01.01.2019                   | 01.12.2018                   | 01.01.2019                   |
| Maturity (years)        | 19                           | 24                           | 25                           | 25                           | 25                           | 19,5                         |
| Grace period (years)    | 4                            | 4                            | 5                            | 5                            | 5                            |                              |
| Redemption term (years) | 15                           | 20                           | 20                           | 20                           | 20                           | 19,5                         |
| Repayments              | 15 equal annual installments | 20 equal annual installments | 20 equal annual installments | 20 equal annual installments | 20 equal annual installments | 20 equal annual installments |
| Principal (thousand)    | BGN 1100,69                  | BGN 1399,02                  | BGN 5167,51                  | USD 118,668,32               | BGN 554,46                   | EUR 100,237,05               |
| Interest payments       | semiannual                   | semiannual                   | semiannual                   | semiannual                   | annual                       | semiannual                   |
| Interest                | BIR + 1                      | BIR                          | BIR                          | LIBOR*                       | BIR                          | EURIBOR**                    |

\* Six-month LIBOR of the US dollar for the preceding interest period; the amount of the interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.

\*\* Six-month EURIBOR for the preceding interest period; the amount of the interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.

EUR-denominated issue BG 2040009223 has the same status as the USD-denominated issue BG 2009794228 (issued under Article 5 of ZUNK).

Pursuant to CM Decree No. 221 of 1995 holders of long-term government bonds issued under ZUNK, CM Decrees No. 244 of 1991, No. 186 of 1993 and No. 3 of 1994 may use them as legal tender in privatisation transactions.

Pursuant to CM Decree No. 22 of 1995, long-term government bonds issued under ZUNK may be used to repay obligations of state-owned enterprises, firms and commercial companies to the government, transformed under Article 10 of ZUNK. In meeting these obligations, long-term government bonds are valued at their nominal for the bonds denominated in US dollars, and 80% for those denominated in levs.

Principals are based on actual data as of 31 March 2007.

# LIST

## of Financial Institutions Approved by the Ministry of Finance and the Governor of the Bulgarian National Bank to Act as Government Securities Primary Dealers between 1 January and 30 June 2007

| No. | Financial institution  | Reuters page of government securities quotations | Bloomberg page of government securities quotations | Website                     |
|-----|--|--|--|-----------------------------|
| 1   | DSK BANK<br>19 Moskovska Str., 1036 Sofia<br>tel. (+359 2) 9391220                             | SSBG 01-03                                       | DSKB   | www.dskbank.bg              |
| 2   | BNP PARIBAS (BULGARIA)<br>2 Tsar Osvoboditel Blvd., 1000 Sofia, PB 11<br>tel. (+359 2) 9218640 | BSBD 01-03                                       |  | www.bulgaria.bnpparibas.com |
| 3   | PURAEUS BANK BULGARIA<br>3 Vitosha Blvd., 1000 Sofia<br>tel. (+359 2) 9805654                  | EBSF 01-03                                       |  | www.eurobank.bg             |
| 4   | BULBANK<br>7 Sveta Nedelya Sq., 1000 Sofia<br>tel. (+359 2) 9232111                            | BGTB 01-03                                       |  | www.bulbank.bg              |
| 5   | BULGARIAN POST BANK<br>14 Tsar Osvoboditel Blvd., 1048 Sofia<br>tel. (+359 2) 8166000          | BPBB 01-03                                       |  | www.postbank.bg             |
| 6   | DZI BANK<br>4-6 Dondukov Blvd., 1000 Sofia<br>tel. (+359 2) 9307136                            | REBS 01-03                                       |  | www.dzibank.bg              |
| 7   | HVB BANK BIOCHIM<br>1 Ivan Vazov Str., 1026 Sofia<br>тел: (+359 2) 9269210                     | CBBB 01-03                                       | CBBB   | www.biochim.com             |
| 8   | INVESTBANK<br>83A Bulgaria Blvd., 1404 Sofia<br>tel. (+359 2) 8186119                          | OBBG 01-03                                       |  | www.ibank.bg                |
| 9   | INTERNATIONAL ASSET BANK<br>81-83 Todor Alexandrov Blvd., 1303 Sofia<br>tel. (+359 2) 8120111  | EIBG 01-03                                       |  | www.iabank.bg               |
| 10  | CORPORATE COMMERCIAL BANK<br>10 Graf Ignatiev Str., 1000 Sofia<br>tel. (+359 2) 9809362        | BGIB 01-03                                       |  | www.corpbank.bg             |
| 11  | MKB UNIONBANK<br>30-32 Gen. E. I. Totleben Blvd., 1606 Sofia<br>tel. (+359 2) 9153333          | UNBS 01-03                                       |  | www.unionbank.bg            |
| 12  | UNITED BULGARIAN BANK<br>5 Sveta Sofia Str., 1040 Sofia<br>tel. (+359 2) 2811+extension        | UBBB 01-03                                       |  | www.ubb.bg                  |

(continued)

(continued)

| No. | Financial institution   | Reuters page of government securities quotations | Bloomberg page of government securities quotations | Website  |
|-----|---|--|--|--|
| 13  | MUNICIPAL BANK<br>6 Vrabcha Str., 1000 Sofia<br>tel. (+359 2) 9300111                                       | SMBK 01-03                                       |  | <a href="http://www.municipalbank.bg">www.municipalbank.bg</a> |
| 14  | FIRST INVESTMENT BANK<br>37 Dragan Tsankov Blvd., 1797 Sofia<br>tel.: (+359 2) 8171100                      | BFIB 01-03                                       |  | <a href="http://www.fibank.bg">www.fibank.bg</a>               |
| 15  | RAIFFEISENBANK (BULGARIA)<br>18-20 Nikolay Gogol Str., 1504 Sofia<br>tel. (+359 2) 91985101                 | RBBS 01-03                                       |  | <a href="http://www.raiffeisen.bg">www.raiffeisen.bg</a>       |
| 16  | SOCIETE GENERALE<br>EXPRESSBANK<br>92 Vladislav Varnenchik Blvd., 9000 Varna<br>tel. (+359 52) 686100       | EBVB 01-03                                       |  | <a href="http://www.sgexpressbank.bg">www.sgexpressbank.bg</a> |
| 17  | ECONOMIC AND INVESTMENT BANK<br>2 Slavjanska Str., 1000 Sofia<br>тeл: (+359 2) 9399240                      | RIBB 01-03                                       |  | <a href="http://www.eibank.bg">www.eibank.bg</a>               |
| 18  | TOKUDA BANK<br>3 Graf Ignatiev Str., 1000 Sofia<br>tel. (+359 2) 9801294                                    | CRED 01  |  | <a href="http://www.tcebank.com">www.tcebank.com</a>           |
| 19  | ALLIANZ BULGARIA<br>COMMERCIAL BANK<br>79 Knyaginya Maria-Louisa Blvd., 1202 Sofia<br>tel. (+359 2) 9215404 | BGIN 01-03                                       |  | <a href="http://www.bank.allianz.bg">www.bank.allianz.bg</a>   |
| 20  | D COMMERCE BANK<br>8 Tsar Osvoboditel Blvd., 1000 Sofia<br>tel.: (+359 2) 9357171                           | DBBG 01-03                                       |  | <a href="http://www.dbank.bg">www.dbank.bg</a>                 |
| 21  | CENTRAL COOPERATIVE BANK<br>103 Rakovski Str., 1000 Sofia<br>tel. (+359 2) 9266107                          | SCCB 01-03                                       |  | <a href="http://www.ccbank.bg">www.ccbank.bg</a>               |
| 23  | BULBROKERS<br>30 Ivan Vazov Str., 1000 Sofia<br>tel. (+359 2) 9376200                                       | BULB 01-03                                       |  | <a href="http://www.bulbrokers.com">www.bulbrokers.com</a>     |
| 23  | EUROFINANCE<br>84 Patriarh Evtimii Blvd., 1463 Sofia<br>tel. (+359 2) 9805657                               | EUFI 01-03                                       |  | <a href="http://www.euro-fin.com">www.euro-fin.com</a>         |
| 24  | ELANA TRADING<br>INVESTMENT INTERMEDIARY<br>49 Bulgaria Blvd., 1404 Sofia<br>tel. (+359 2) 8100000          | ELAN 01-03                                       |  | <a href="http://www.elana.net">www.elana.net</a>               |

## Credit Ratings Range for Bulgaria

|                     | Moody's       | S&P    | Fitch  | JCRA   |              |  |
|---------------------|---------------|--------|--------|--------|--------------|--|
|                     | Aaa           | AAA    | AAA    | AAA    |              |  |
|                     | Aa1           | AA+    | AA+    | AA+    |              |  |
|                     | Aa2           | AA     | AA     | AA     |              |  |
|                     | Aa3           | AA-    | AA-    | AA-    |              |  |
|                     | A1            | A+     | A+     | A+     |              |  |
|                     | A2            | A      | A      | A      | 17 Aug. 2005 |  |
|                     | A3            | A-     | A-     | A-     | 26 Oct. 2006 |  |
| Investment grade    | Baa1          | ↑ BBB+ | ↑ BBB+ | ↑ BBB+ | 23 Feb. 2007 |  |
|                     | Baa2          | ↑ BBB  | ↑ BBB  | ↑ BBB  | 29 Nov. 2006 |  |
|                     | Baa3          | ↑ BBB- | ↑ BBB- | ↑ BBB- |              |  |
| Subinvestment grade | Ba1           | ↑ BB+  | ↑ BB+  | ↑ BB+  |              |  |
|                     | Ba2           | ↑ BB   | ↑ BB   | ↑ BB   |              |  |
|                     | Ba3           | ↑ BB-  | ↑ BB-  | ↑ BB-  |              |  |
|                     | B1            | ↑ B+   | ↑ B+   | ↑ B+   |              |  |
|                     | B2            | ↑ B    | ↑ B    | ↑ B    |              |  |
|                     | 27 Sept. 1996 | B3     | ↑ B-   | ↑ B-   | ↑ B-         |  |
|                     |               | Caa    | ↑ CCC+ | ↑ CCC  | ↑ CCC        |  |
|                     | ...           | ...    | ...    | ...    |              |  |
|                     | C             | D      | D      | D      |              |  |

Long-term government securities: foreign currency



Long-term government securities: local currency

