REPUBLIC OF BULGARIA

MINISTRY OF FINANCE

GOVERNMENT DEBT MANAGEMENT

MONTHLY BULLETIN

AUGUST 2008

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MINISTRY OF FINANCE

GOVERNMENT DEBT MANAGEMENT

AUGUST 2008

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Contents

Abbreviations

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

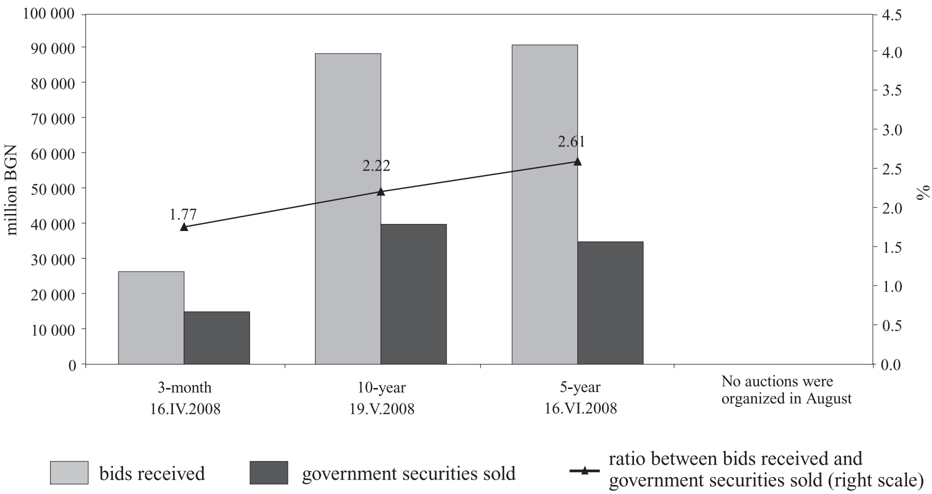
1 GOVERNMENT SECURITIES ISSUES

In accordance with the announced issuing calendar, in August no issues of government securities were offered for sale by the Ministry of Finance.

Payments effected during the month came to BGN 15,159.8 thousand, including principal payments of BGN 82.1 thousand and interest payments of BGN 15,077.7 thousand. In August reverse repurchased securities earmarked for direct sale to individuals totaled BGN 42 thousand.

Chart 1

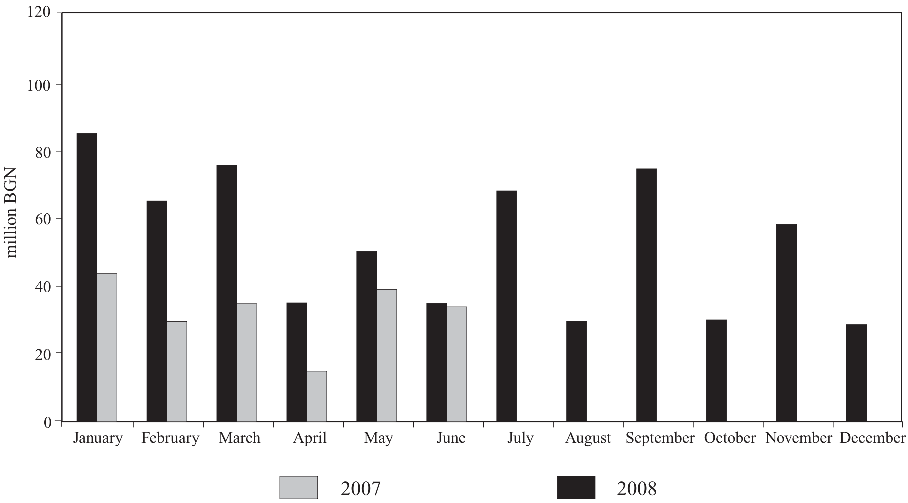
Bids Received and Government Securities Sold at Auctions



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

Chart 2

Sales of Government Securities Issues



Prices of Issues Sold per BGN 100 Nominal Value

JUNE 2008

	5-year BG2030008119
Minimum	93.99
Average-weighted	94.88
Maximum	97.35

AUGUST 2008

No auctions were organized.

Chart 3

Dynamics of the Average Annual Yield of Primary Market Government Securities

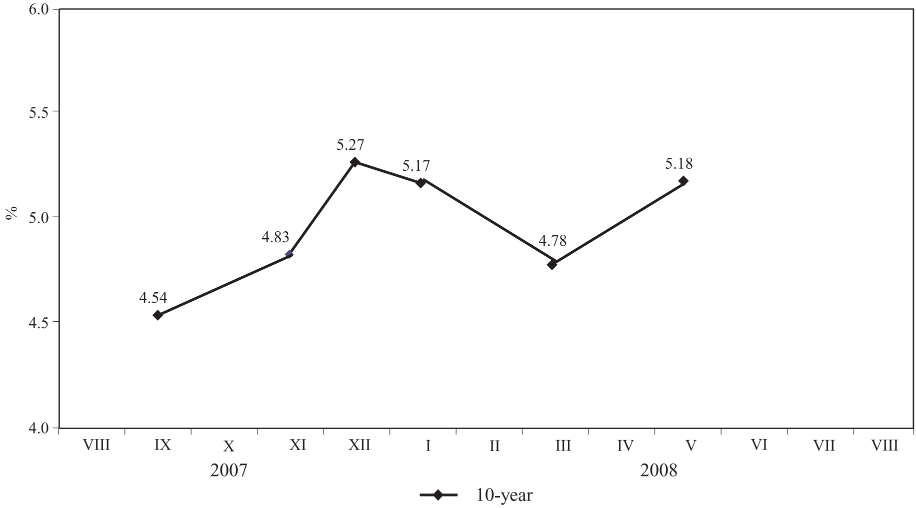
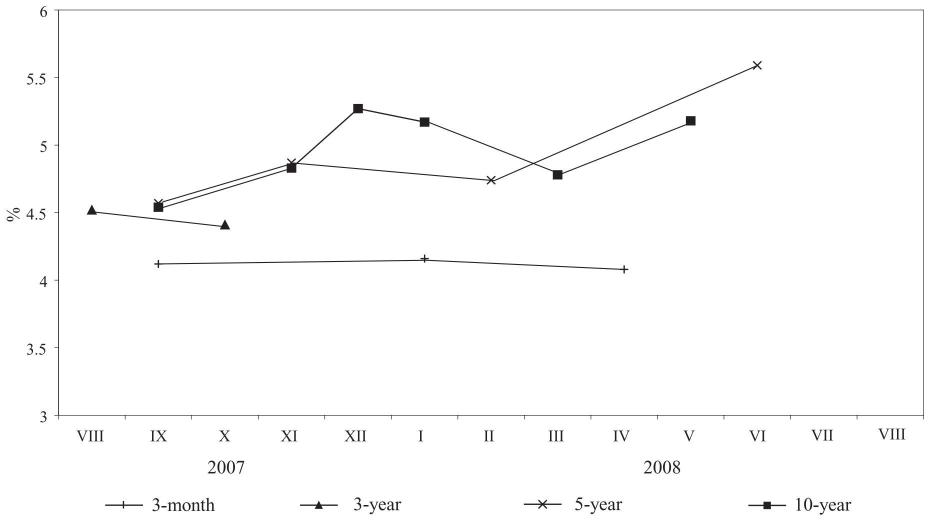


Chart 4

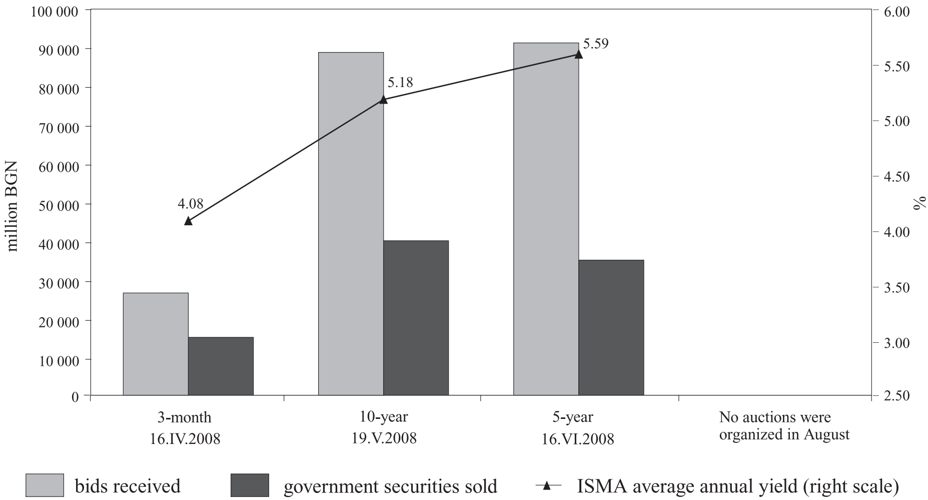
Yield of Primary Market Government Securities by Type



Note: Yield on an effective annual basis.

Chart 5

Yield and Sales of Government Securities



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

Chart 6

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

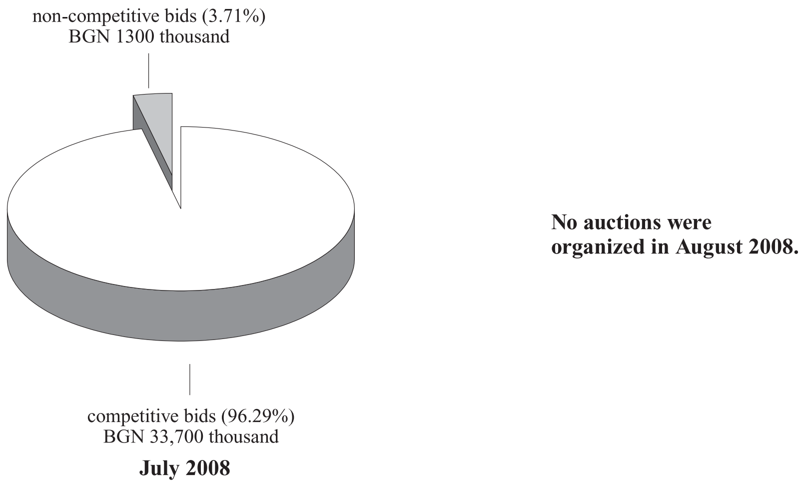
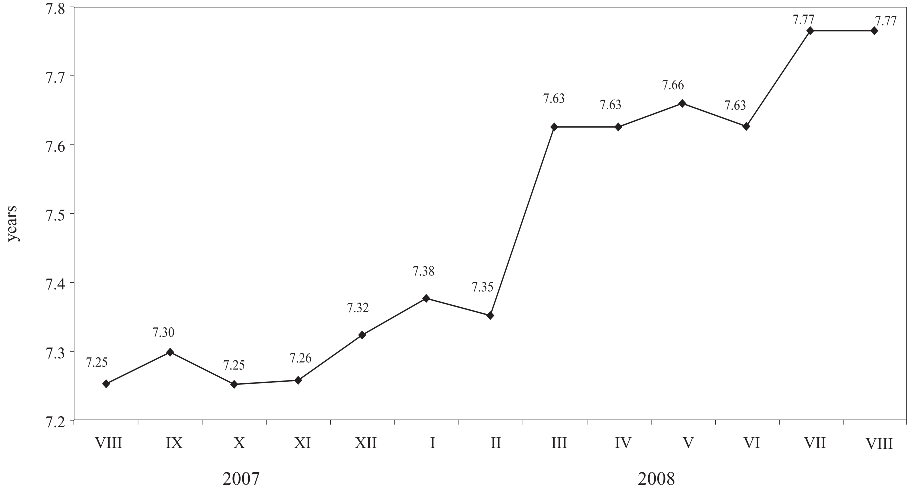


Chart 7

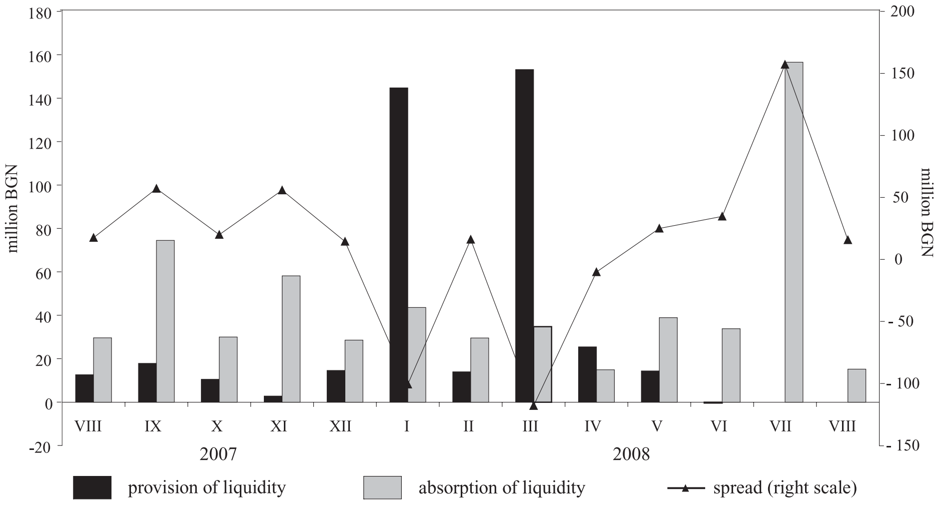
Average Term of Outstanding Government Securities Issues by Year



Note: The average term is calculated on the basis of the maturity structure of issued government securities.

Chart 8

Liquidity Provision and Absorption through Government Securities Maturities and Issues



Pending Payments on Government Securities in October 2008

(BGN'000)

Government securities	Monday	Tuesday	Wednesday	Thursday	Friday
			1	**2**	**3**
Bonds Target issues			538.63		
	6	**7**	**8**	**9**	**10**
Bonds Target issues					
	13	**14**	**15**	**16**	**17**
Bills Bonds Target issues	5867.49				3193.22
	20	**21**	**22**	**23**	**24**
Bonds Target issues	9.10				
	27	**28**	**29**	**30**	**31**
Bonds Target issues					31 131.15

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

Calendar of Government Securities Issues in October 2008

Auction date	Issue date	Maturity date	Issue term	Scheduled volume (BGN)
20.10.2008*	22.10.2008	20.02.2013	5-year	30 000 000
TOTAL **Bonds**				**30 000 000** **30 000 000**

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

* Tap issue.

2 DOMESTIC GOVERNMENT DEBT DYNAMICS

By end-August 2008 domestic government debt totaled BGN 3,013,983.5 thousand in nominal terms. The share of government securities issues in total debt was 89 per cent (BGN 2,682 671.7 thousand) and that of government securities issued for structural reform 11 per cent (BGN 331,311.8 thousand, Chart 9).

Government securities issued since early 2008 amounted to BGN 200,000 thousand. Redeemed government securities accounted for BGN 355,603.4 thousand. In August government securities issues retained their previous month levels in the maturity structure as a result of effected operations (Chart 10). The average-weighted maturity of government securities issues was seven years and nine months. Government securities issued for structural reform amounted to 331,311.8 thousand by the end of the review month.

Debt foreign exchange structure experienced slight changes in August (Chart 11). The shares of government securities in US dollars and euro increased to 4.8 per cent and 19.6 per cent respectively, while the share of government securities in levs decreased to 75.6 per cent on the previous month. The maturity structure also changed. Medium-term government securities decreased to 29.4 per cent at the expense of long-term government securities which increased to 70.6 per cent (Chart 12). Government securities with fixed interest coupons comprised 89 per cent and government securities with floating interest coupons 11 per cent.

Since early-2008 interest and discounts paid on government securities issued on the domestic market totaled BGN 139,146.6 thousand. Payments on government securities issues amounted to BGN 123,092.8 thousand or 88.5 per cent of the total repaid interest and discounts (Chart 16). Interest paid on ten-year bonds occupied the largest share, 31.2 per cent, followed by interest payments on seven-year bonds, 30 per cent (Chart 15).

Domestic Government Debt

(BGN'000)

Structure	Amount as of 31 Dec. 2007	Change in 2008		Amount as of 31 Aug. 2008
		increase	decrease	
I. DEBT ON GOVERNMENT SECURITIES ISSUES				
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	324 920.0	-	-	324 920.0
2.1. 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	780 945.2	-	175 000.0	605 945.2
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	268 414.9	-	127.1	268 287.8
4.1. Medium-term	108 414.9	-	127.1	108 287.8
5-year	108 414.9	-	127.1	108 287.8
EUR-denominated (lev equivalent)	8 414.9	-	127.1	8 287.8
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	401 265.1	-	150 476.3	250 788.7
5.1. Medium-term	251 265.1	-	150 476.3	100 788.7
3-year	150 461.7	-	150 461.7	-0.0
5-year	100 803.4	-	14.7	100 788.7
EUR-denominated (lev equivalent)	803.4	-	14.7	788.7
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	580 000.0	-	-	580 000.0
7.1. Medium-term	330 000.0	-	-	330 000.0
3-year	150 000.0		-	150 000.0
5-year	180 000.0		-	180 000.0
7.2. Long-term	250 000.0	-	-	250 000.0
10-year	250 000.0		-	250 000.0
8. Government securities issued in 2008	-	200 000.0	30 000.0	170 000.0
8.1. Short-term	-	30 000.0	30 000.0	-
3-month	-	30 000.0	30 000.0	-
8.2. Medium-term	-	65 000.0	-	65 000.0
5-year	-	65 000.0		65 000.0
8.3. Long-term	-	105 000.0	-	105 000.0
10-year	-	105 000.0	-	105 000.0
TOTAL (I)	**2 838 275.1**	**200 000.0**	**355 603.4**	**2 682 671.7**

(continued)

(continued) (BGN'000)

Structure	Amount as of 31 Dec. 2007	Change in 2008		Amount as of 31 Aug. 2008
		increase	decrease	
II. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM				
1. Long-term government bonds issued pursuant to CM Decree No. 244 of 1991	1 100.7	-	275.2	825.5
2. Long-term government bonds issued pursuant to CM Decree No. 234 of 1992	1 271.8		127.2	1 144.6
3. Long-term government bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993				
in BGN	4 736.9	-		4 736.9
denominated in USD	118 668.3		9 889.0	108 779.3
lev equivalent	157 973.6			144 387.1
denominated in EUR	100 237.0	-	8 353.1	91 884.0
lev equivalent	196 046.6			179 709.4
4. Long-term government bonds issued pursuant to CM Decree No. 3 of 1994	508.2	-		508.2
TOTAL (II)	**361 637.9**			**331 311.8**
DOMESTIC GOVERNMENT DEBT, TOTAL	3 199 913.0			3 013 983.5

Notes: 1. Data at nominal value.
2. The lev equivalent of the debt denominated in foreign currency is based on BNB exchange rate of the relevant currency against the lev for the last business day of the respective period.

Chart 9

Changes in Domestic Government Debt

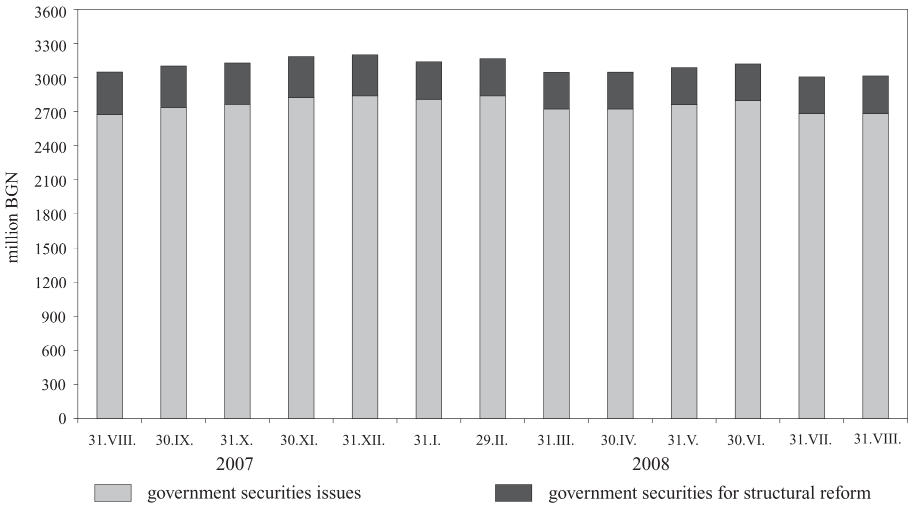
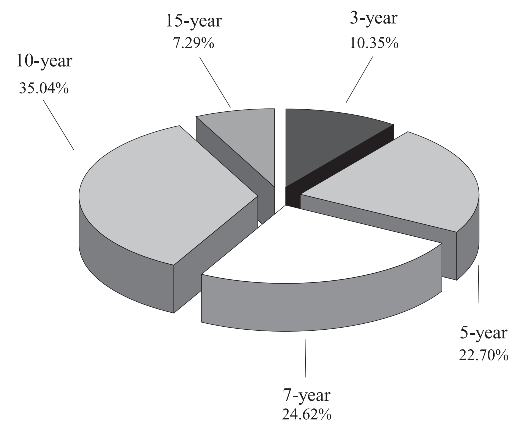


Chart 10

Outstanding Government Securities Issues as of 31 August



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

Chart 11

Currency Composition of Outstanding Government Securities as of 31 August

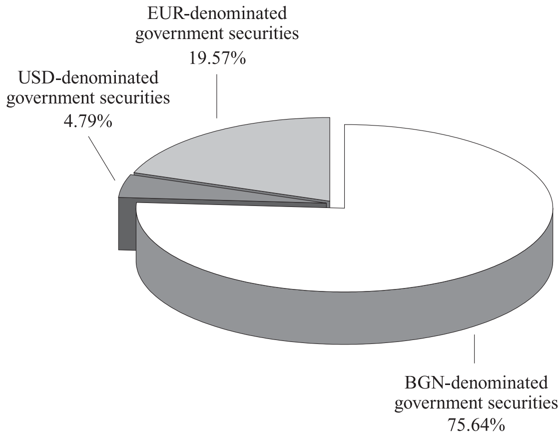


Chart 12

Maturity Structure of Outstanding Government Securities as of 31 August

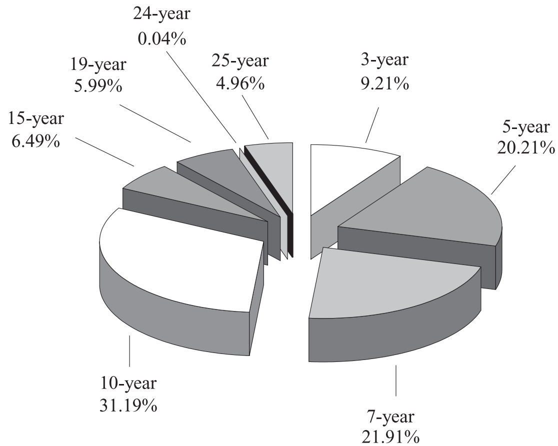


Chart 13

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

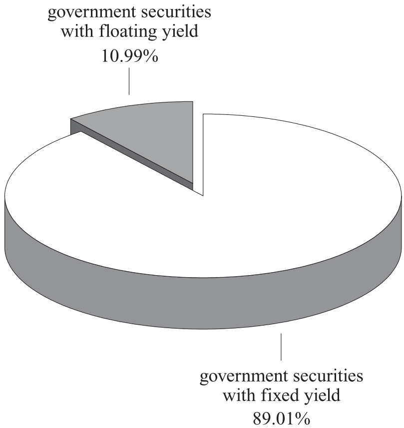
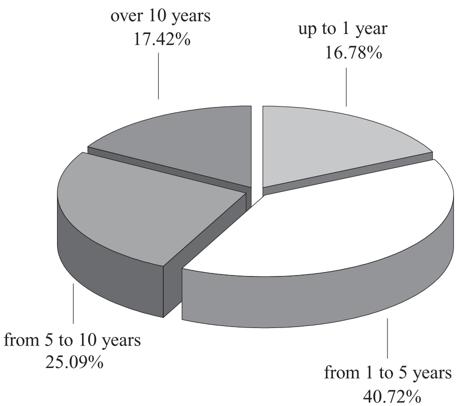


Chart 14

Residual Maturity of Domestic Government Debt as of 31 August



Expenditure on Domestic Debt between 1 January and 31 August 2008

(BGN'000)

Debt structure	Amount of repaid interest (discount)
I. DEBT ON GOVERNMENT SECURITIES ISSUES	
1. Government securities issued in 2001	1 118.9
1.1. Long-term	1 118.9
7-year	1 118.9
2. Government securities issued in 2002	17 225.6
2.1. Long-term	14 041.1
7-year	14 041.1
10-year	3 184.5
3. Government securities issued in 2003	38 442.1
3.1. Medium-term	7 958.8
5-year	7 958.8
3.2. Long-term	30 483.2
7-year	17 985.6
10-year	6 630.2
15-year	5 867.5
4. Government securities issued in 2004	13 138.7
4.1. Medium-term	5 167.7
5-year	5 167.7
4.2. Long-term	7 971.0
7-year	3 805.2
10-year	4 165.7
5. Government securities issued in 2005	12 789.7
5.1. Medium-term	6 405.9
3-year	2 622.8
5-year	3 783.1
5.2. Long-term	6 383.8
10-year	6 383.8
6. Government securities issued in 2006	14 132.0
6.1.Short-term	1 770.7
3-month	1 770.7
6.2. Medium-term	6 403.1
3-year	1 746.7
5-year	4 656.4
6.3. Long-term	5 958.2
10-year	5 958.2
7. Government securities issued in 2007	23 557.4
7.1.Short-term	2 873.4
3-month	2 873.4
7.2. Medium-term	10 044.3
3-year	2 834.4
5-year	7 209.9
7.3. Long-term	10 639.6
10-year	10 639.6
8. Government securities issued in 2008	2 688.5
8.1.Short-term	309.7
3-month	309.7
8.2. Medium-term	890.7
5-year	890.7
8.3. Long-term	1 488.1
10-year	1 488.1
TOTAL (I)	123 092.8

(continued)

(continued)

(BGN'000)

Debt structure	Amount of repaid interest (discount)
II. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM	
A. Debt on government securities issued to settle non-performing loans of state-owned companies to banks	
1. Bonds issued pursuant to CM Decree No. 244 of 1991	50.3
2. Bonds issued pursuant to CM Decree No. 234 of 1992	57.5
3. Bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993	15 946.0
lev bonds	92.8
USD-denominated bonds (in BGN at the current exchange rate)	7 707.2
EUR-denominated bonds (in BGN at the fixed exchange rate)	8 146.0
4. Bonds issued pursuant to CM Decree No. 3 of 1994	0.0
Total (A)	16 053.8
TOTAL (II)	16 053.8
EXPENDITURE ON GOVERNMENT DOMESTIC DEBT, TOTAL	139 146.6

Chart 15

Structure of Expenditure on Government Securities Issues as of 31 August

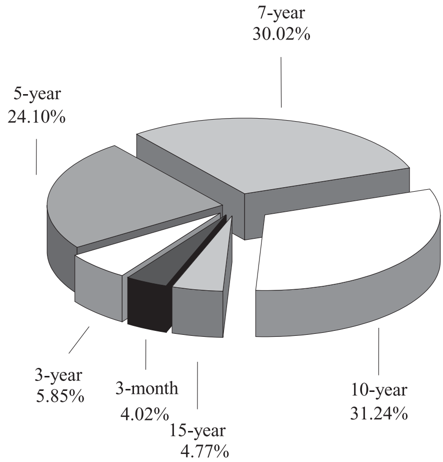
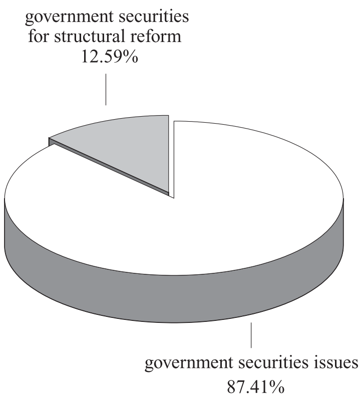
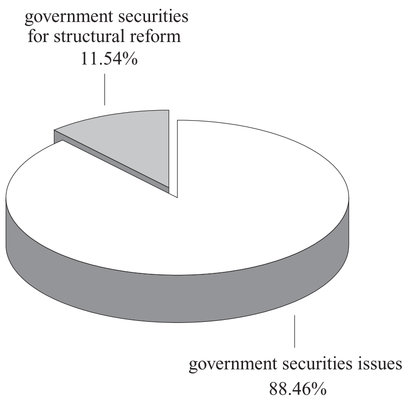


Chart 16

Structure of Expenditure on Domestic Government Debt



31 August 2007



31 August 2008

3 EXTERNAL GOVERNMENT DEBT DYNAMICS

By end-August external government debt totaled EUR 3226.8 million in nominal terms.

During the period under review new external financing came to BGN 9621.1 thousand. Payments on the debt totaled BGN 11,575.9 thousand, including principal payments of BGN 8828.9 thousand and interest payments of BGN 2747 thousand. The bulk of payments was made on government investment loans from the European Investment Bank (BGN 2544.4 thousand) and on called government guarantees to the World Bank (BGN 3806.9 thousand). Interest was paid mainly on government investment loans bonds from the EIB (BGN 1195.4 thousand).

Certain changes occurred in foreign exchange debt structure as a result of effected payments. Debt in euro decreased on the previous month reaching 67.7 per cent. The shares of debt denominated in US dollars and in other currencies increased to 28.4 per cent and 3.9 per cent respectively by the close of August. Debt interest structure also changed slightly. Debt with floating interest rates reached 28.1 per cent against 71.9 per cent of debt with fixed interest rates. The average-weighted residual term to maturity of the external debt was eight years and four months.

The structure of external debt by type of creditor was as follows: debt on other bonds (global bonds and eurobonds) comprised 52.6 per cent, to the World Bank 17.7 per cent and on government investment loans 21.3 per cent. Obligations to the European Union accounted for 3 per cent and to the Paris Club 4.1 per cent.

External Government Debt

(million EUR)

Structure	as of 31.XII. 2007	2008			
		as of 31.III.	as of 30.VI.	as of 31.VII.	as of 31.VIII.
I. Bonds	1 700.3	1 639.0	1 641.4	1 649.3	1 697.7
1. Bonds	1 700.3	1 639.0	1 641.4	1 649.3	1 697.7
II. Credits	1 826.5	1 541.8	1 499.4	1 518.9	1 529.0
1. Paris Club	138.5	132.2	132.2	132.2	132.2
2. World Bank	870.5	604.4	570.7	570.3	571.6
2.1. World Bank	817.7	548.7	546.3	546.3	546.3
2.2. JBIC (JEXIM)	52.8	55.7	24.4	24.0	25.3
3. European Union	127.5	96.3	96.3	96.3	96.3
4. Other	31.6	31.6	25.3	25.3	25.3
5. Government investment loans	637.4	658.3	656.0	675.8	686.3
5.1. World Bank	185.7	188.7	191.6	199.3	204.4
5.2. European Investment Bank	314.5	329.8	333.4	341.8	342.9
5.3. EBRD	2.2	2.0	0.8	0.8	0.8
5.4. Other	135.0	137.9	130.2	133.9	138.1
6. Called government guarantees	21.0	19.0	19.0	19.0	17.4
6.1. World Bank	21.0	19.0	19.0	19.0	17.4
EXTERNAL GOVERNMENT DEBT	**3 526.7**	**3 180.8**	**3 140.8**	**3 168.3**	**3 226.8**

Notes: 1. Debt reported at nominal value.
2. 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.
3. Preliminary data for the last month.

New External Financing and External Government Debt Payments as of 31 August

(BGN'000)

Structure	Received loans (tranches)	Payments, incl.	
		installments	interest
External government debt	**150 286.2**	**741 052.4**	**339 110.5**
I. Bonds	-	-	256 583.4
1. Bonds	-	-	256 583.4
II. Loans	150 286.2	741 052.4	82 527.1
1. Paris Club	-	12 314.3	4 603.2
2. World Bank	-	587 508.5	34 958.5
2.1. World Bank	-	529 886.7	33 997.2
2.2. JBIC (JEXIM)	-	57 621.8	961.3
3. G24	-	-	-
4. European Union	-	61 119.7	5 862.4
5. IMF	-	-	-
6. Other	-	12 355.7	1 645.3
7. Government investment loans	150 286.2	60 270.2	33 508.0
7.1. World Bank	48 423.5	11 857.7	9 507.6
7.2. European Investment Bank	91 587.4	35 194.4	16 715.6
7.3. EBRD	-	2 417.4	118.0
7.4. Other	10 275.3	10 800.7	7 166.8
8. Called government guarantees	-	7 484.0	1 949.7
8.1. World Bank	-	7 484.0	1 949.7
8.2. European Investment Bank	-	-	-
8.3. Other	-	-	-

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.

Chart 17

Currency Composition of the External Government Debt as of 31 August

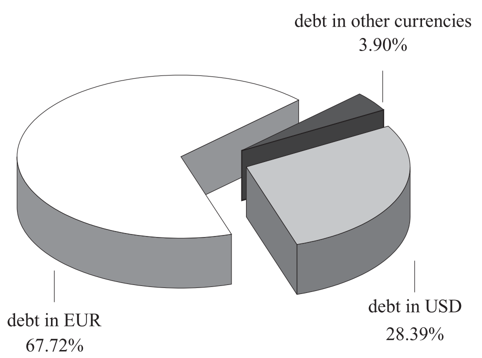


Chart 18

Interest Rate Structure of the External Government Debt as of 31 August

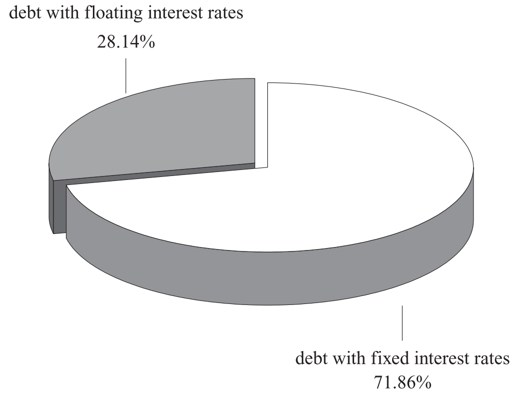
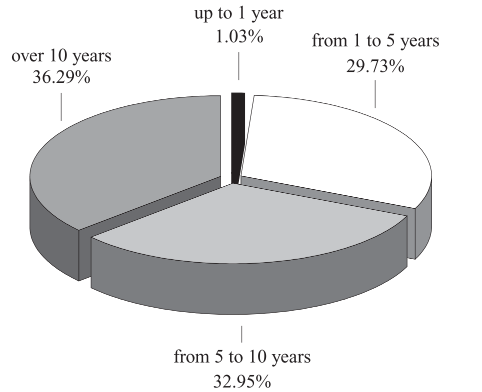


Chart 19

Residual Maturity of the External Government Debt as of 31 August



Note: The average-weighted residual maturity of the external government debt is eight years and four months.

4 GOVERNMENT DEBT STRUCTURE

By end-August government debt totaled EUR 4767.8 million nominal value, including domestic debt of EUR 1541 million and external debt of EUR 3226.8 million. The increase in nominal terms came to some EUR 62.6 million on the previous month due mainly to exchange rate fluctuations.

By end-August the *debt to GDP* ratio came to 15.1 per cent: up by 0.2 percentage points on end-July. The value of this indicator for domestic government debt and external government debt accounted for 4.9 per cent and 10.2 per cent respectively (Chart 20).

Domestic government debt occupied 32.3 per cent and external government debt 67.7 per cent in the debt structure (Chart 21).

By end-August debt in US dollars reached 20.8 per cent, in euro 52.2 per cent, in levs 24.4 per cent and in other currencies 2.6 per cent (Chart 22).

In the structure of debt by type of creditor bonds (global bonds and eurobonds) occupied the largest share, totaling 35.6 per cent, followed by domestic debt (government securities) 32.3 per cent, obligations to the World Bank 12 per cent and government investment loans 14.4 per cent (Chart 23).

By end-August debt intrest structure also experienced changes: debt with fixed interest rates reached 77.4 per cent and debt with floating interest rates comprised 22.6 per cent (Chart 24).

Since early-2008 payments on government debt have totaled BGN 1603.4 million, including domestic debt payments of BGN 523.2 million and external debt payments of BGN 1080.2 million (Chart 25). Payments on domestic government debt and on government investment loans occupied the largest relative share in August.

Payments in euro (recalculated in levs: BGN 855 million) dominated the foreign exchange composition of debt payments, followed by payments in levs (BGN 504.9 million) and in US dollars (BGN 170.3 million) (Chart 26).

Government Debt Amount

(million EUR)

Structure	as of 31.XII. 2007	2008			
		as of 31.III.	as of 30.VI.	as of 31.VII.	as of 31.VIII.
Domestic government debt	**1 636.1**	**1 556.7**	**1 595.1**	**1 536.9**	**1 541.0**
1. Debt on government securities issues	1 451.2	1 392.2	1 430.5	1 371.7	1 371.6
2. Government securities issued for structural reform	184.9	164.4	164.6	165.3	169.4
External government debt	**3 526.7**	**3 180.8**	**3 140.8**	**3 168.3**	**3 226.8**
1. Bonds	1 700.3	1 639.0	1 641.4	1 649.3	1 697.7
2. Loans	1 826.5	1 541.8	1 499.4	1 518.9	1 529.0
Government investment loans	637.4	658.3	656.0	675.8	686.3
Called government guarantees	21.0	19.0	19.0	19.0	17.4
Debt, total	**5 162.8**	**4 737.5**	**4 736.0**	**4 705.2**	**4 767.8**
Debt/GDP (%)	**17.9**	**15.0**	**15.0**	**14.9**	**15.1**
Domestic government debt/GDP (%)	5.7	4.9	5.1	4.9	4.9
External government debt/GDP (%)	12.2	10.1	10.0	10.0	10.2

Notes: 1. Debt at nominal value.
2. Revised GDP projection for 2008: BGN 61,711 million. Revised GDP projection for 2007: BGN 56,519.8 million.
3. Debt recalculation 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.
4. Preliminary data for the last month.

Chart 20

Dynamics of Domestic and External Government Debt

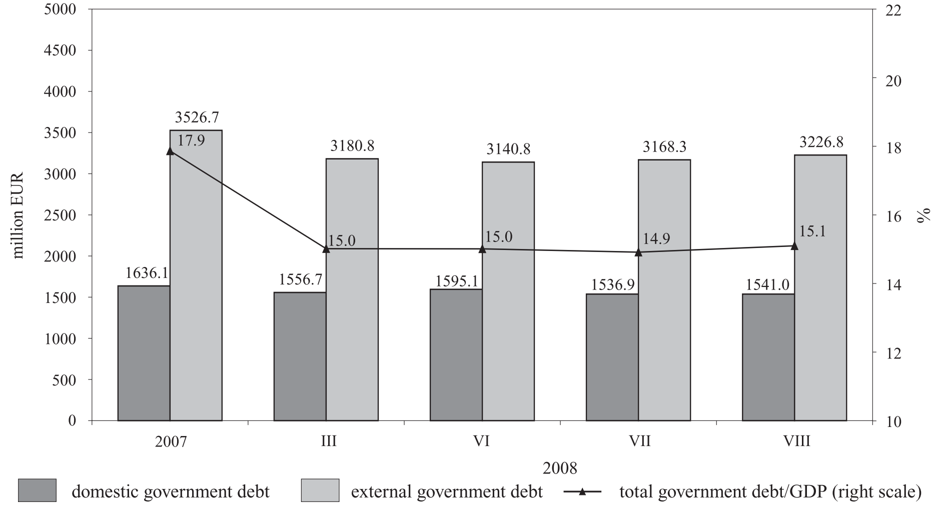


Chart 21

Government Debt Structure as of 31 August

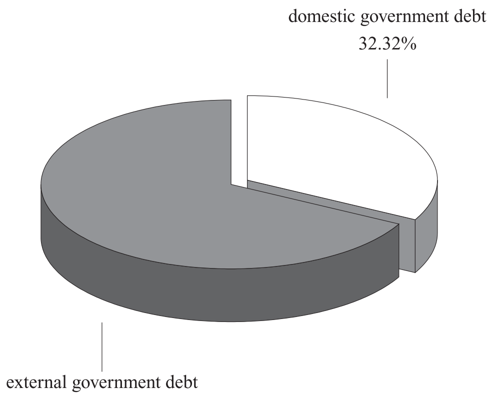


Chart 22

Government Debt Currency Structure as of 31 August

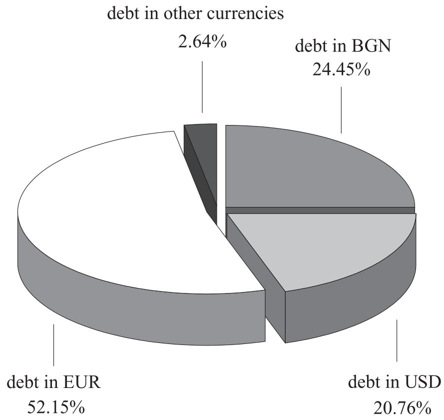


Chart 23

Government Debt Structure by Creditor as of 31 August

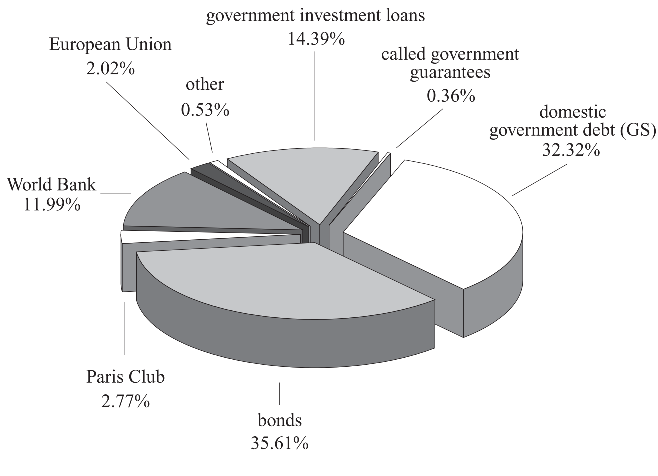


Chart 24

Government Debt Interest Rate Structure as of 31 August

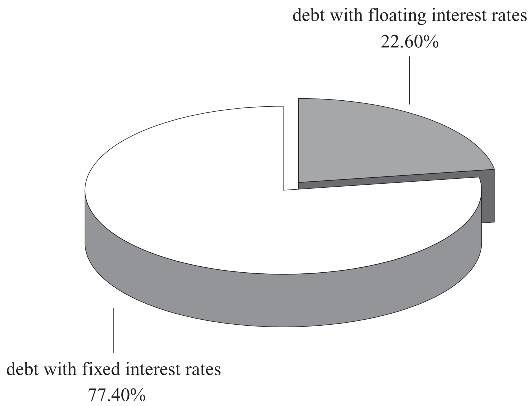


Chart 25

Government Debt Payments

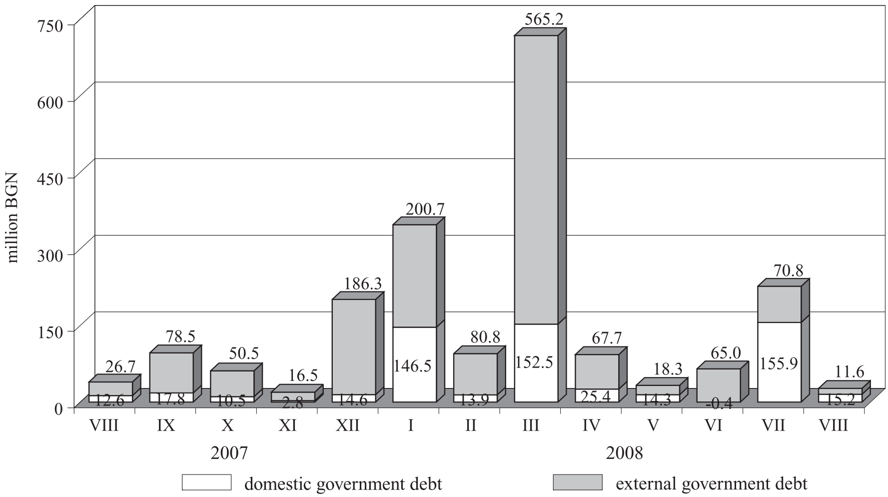
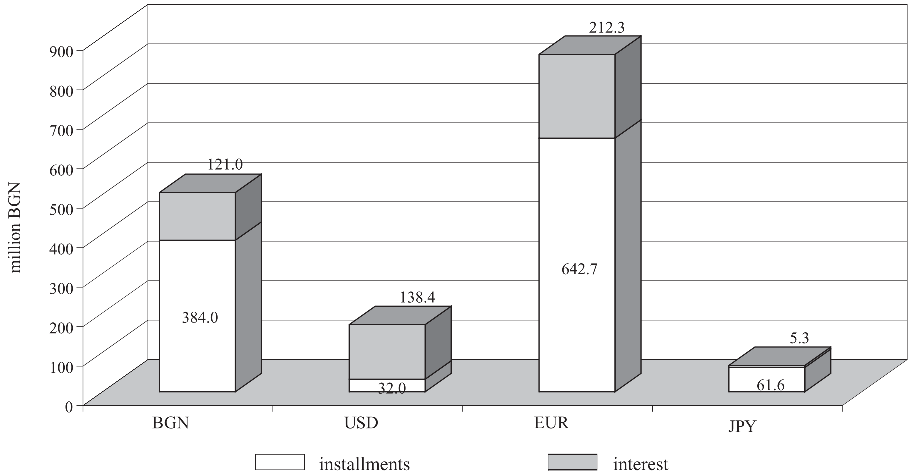


Chart 26

Currency Structure of Government Debt Payments as of 31 August



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

(BGN'000)

Government securities type	31.XII.2007	31.III.2008	30.VI.2008	31.VII.2008
Government securities issues	17 133.1	55 386.6	32 093.5	18 473.2
– in BGN	-	38 253.5	14 691.1	1 070.8
– in EUR	17 133.1	17 133.1	17 402.4	17 402.4
Government securities issued for structural reform	1 380.2	1 261.1	1 224.9	1 225.0
– in EUR	1 317.2	1207.4	1 207.4	1 207.4
– in USD	63.0	53.7	17.5	17.6
Total	**18 513.3**	**56 647.7**	**33 318.4**	**19 698.3**

Government Securities Issued in International Markets and Held by Residents

(million EUR)

Government securities type	31.XII.2007	31.III.2008	30.VI.2008	31.VII.2008
Eurobonds				
Global bonds	487.3	435.1	469.3	532.6
– in EUR	304.1	269.7	276.2	332.7
– in USD	183.2	165.4	193.1	199.9
Total	**487.3**	**435.1**	**469.3**	**532.6**

5 GOVERNMENT GUARANTEED DEBT STRUCTURE

By end-August government guaranteed debt totaled EUR 586.7 million nominal value. The increase in nominal terms came to some EUR 14.5 million on the previous month due mainly to exchange rate fluctuations and received tranches.

By end-August the *government guaranteed debt to GDP* ratio came to 1.9 per cent: up by 0.1 per cent on the previous month.

Used amounts came to BGN 6804.6 thousand while payments on the debt totaled BGN 12,470.3 thousand, including principal payments of BGN 9054.1 thousand and interest payments of BGN 3416.2. housand.

The foreign exchange structure of government guaranteed debt experienced certain changes due to effected operations. By end-August debt in US dollars reached 16.6 per cent, in euro 51.8 per cent and in other currencies 31.6 per cent (Chart 27).

Government guaranteed debt interest structure also changed. Debt with fixed interest rates reached 44.6 per cent and that with floating interest rates 55.4 per cent (Chart 28).

In the structure of government guaranteed debt by sector *energy* occupied the largest share (76.7 per cent), followed by *transport* (14.1 per cent) and *other industries* (9.2 per cent) (Chart 29).

Government Guaranteed Debt

(million EUR)

Structure	as of 31.XII. 2007	2008			
		as of 31.III.	as of 30.VI.	as of 31.VII.	as of 31.VIII.
Government guaranteed debt	**546.9**	**567.1**	**567.4**	**572.2**	**586.7**
I. Domestic government guaranteed debt	-	-	-	-	-
II. External government guaranteed debt	546.9	567.1	567.4	572.2	586.7
1. World Bank	82.3	77.8	76.3	76.8	76.2
2. European Investment Bank	5.9	5.9	5.4	5.4	5.4
3. EBRD	42.4	38.2	39.4	39.7	39.4
4. Other	416.3	445.2	446.3	450.4	465.7
GOVERNMENT GUARANTEED DEBT/GDP (%)	**1.9**	**1.8**	**1.8**	**1.8**	**1.9**

Notes: 1. Debt at nominal value.
2. Debt recalculation 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.
3. Preliminary data for the last month.

New External Financing and Government Guaranteed Debt Payments as of 31 August

(BGN'000)

Structure	Received loans (tranches)	Payments, incl.	
		installments	interest
I. Domestic government guaranteed debt	-	-	-
II. External government guaranteed debt	113 276.4	46 844.6	33 444.5
1. World Bank	2 532.6	16 381.4	5 609.6
2. European Investment Bank	1 068.0	287.4	
3. EBRD	7 124.9	12 802.3	2 919.5
4. Other	103 618.9	16 593.0	24 628.0
GOVERNMENT GUARANTEED DEBT	**113 276.4**	**46 844.6**	**33 444.5**

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.

Chart 27

Government Guaranteed Debt Currency Structure as of 31 August

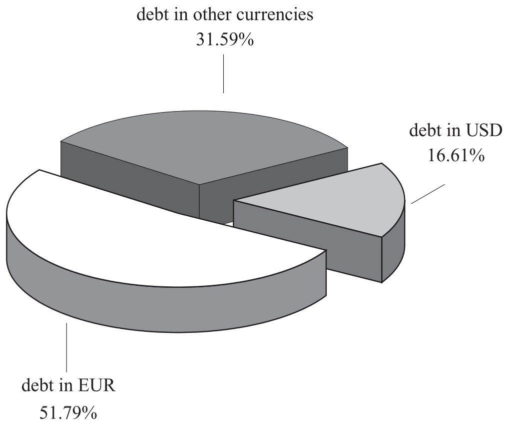


Chart 28

Government Guaranteed Debt Interest Rate Structure as of 31 August

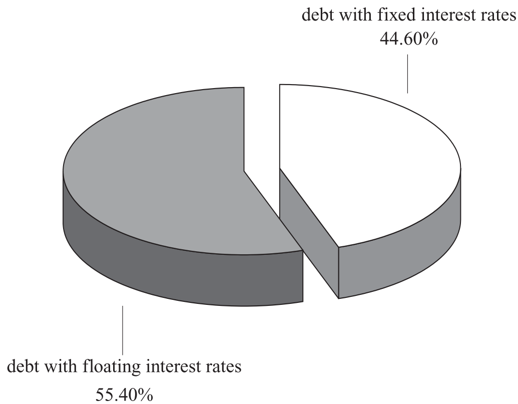
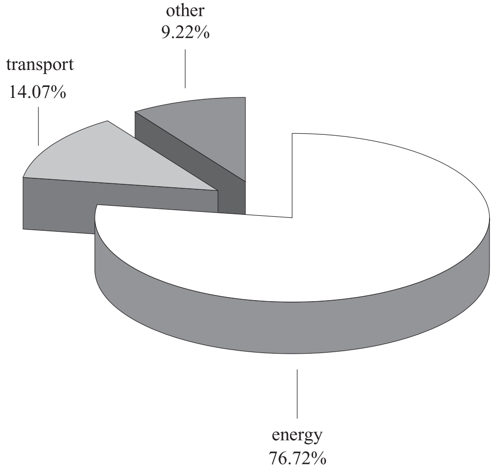


Chart 29

Government Guaranteed Debt by Industry as of 31 August



Government and Government Guaranteed Debt

(million EUR)

Structure	as of 31.XII. 2007	2008			
		as of 31.III.	as of 30.VI.	as of 31.VII.	as of 31.VIII.
Domestic debt	**1 636.1**	**1 556.7**	**1 595.1**	**1 536.9**	**1 541.0**
I. Domestic government debt	1 636.1	1 556.7	1 595.1	1 536.9	1 541.0
II. Domestic government guaranteed debt	-	-	-	-	-
External government debt	**4 073.6**	**3 747.9**	**3 708.3**	**3 740.5**	**3 813.4**
I. External government debt	3 526.7	3 180.8	3 140.8	3 168.3	3 226.8
II. External government guaranteed debt	546.9	567.1	567.4	572.2	586.7
Debt, total	**5 709.7**	**5 304.5**	**5 303.4**	**5 277.4**	**5 354.5**
Debt/GDP (%)	**19.8**	**16.8**	**16.8**	**16.7**	**17.0**
Domestic government debt/GDP (%)	5.7	4.9	5.1	4.9	4.9
External government debt/GDP (%)	14.1	11.9	11.8	11.9	12.1

Notes: 1. Debt at nominal value.
2. Revised GDP projection for 2008: BGN 61,711 million. Revised GDP projection for 2007: BGN 56,519.8 million.
3. Debt recalculation 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.
4. Preliminary data for the last month.

Municipal Debt and Municipal Guarantees

(BGN'000)

Structure	2007	2008		
	as of 31.XII.	as of 31.III.	as of 30.VI.	as of 31.VII.
I. Domestic municipal debt and municipal guarantees (1+2)	**233 781 059.00**	**252 940 121.00**	**249 418 941.00**	**254 637 513.00**
1. Municipal debt (1.1+1.2+1.3+1.4+1.5+1.6+1.7)	***232 921 080.00***	***252 119 804.00***	***248 627 603.00***	***253 851 713.00***
1.1. Government securities issues (at nominal value as of corresponding period)	56 494 571.00	60 215 892.00	59 080 248.00	61 080 249.00
1.2. Debt under municipal land contracts	151 263 311.00	163 219 506.00	160 662 025.00	160 073 942.00
1.3. Debt of municipal enterprises under Article 52 of the Law on Municipal Property	-	-	-	-
1.4. Callable municipal guarantees	-	-	-	-
1.5. Noninterest-bearing loans, extended under Article 43, paragraph 1 of the Law on the Structure of the State Budget for financing temporary municipal budget deficit	-	-	-	-
1.6. Central budget noninterest-bearing loans, extended for financing expenditure till its recovery under programs co-financed by the EU	21 990 704.00	25 917 244.00	26 138 276.00	28 717 892.00
1.7. Obligations under commercial loan and financial leasing contracts of over two years	3 172 494.00	2 767 162.00	2 747 054.00	3 979 630.00
2. Municipal guarantees	***859 979.00***	***820 317.00***	***791 338.00***	***785 800.00***
II. External municipal debt and municipal guarantees (1+2)	**164 106 136.59**	**180 492 109.87**	**117 059 309.73**	**124 663 332.73**
1. Municipal debt (1.1+1.2+1.3)	***111 199 761.59***	***127 585 734.87***	***117 059 309.73***	***124 663 332.73***
in original currency	-	-	-	-
1.1. Government securities issues (at nominal value as of corresponding period)	-	-	-	-
in original currency	-	-	-	-
1.2. Debt under municipal land contracts	111 199 761.59	127 585 734.87	117 059 309.73	124 663 332.73
in USD	3 000 000.00	3 000 000.00	3 000 000.00	2 880 000.00
in JPY	4 746 379 999.00	5 289 969 907.15	5 289 969 960.00	6 055 117 788.38
in EUR	14 539 946.00	19 008 425.00	15 739 173.00	15 739 173.00
1.3. Callable municipal guarantees	-	-	-	-
in original currency	-	-	-	-
2. Municipal guarantees (lev equivalent)	***52 906 375.00***	***52 906 375.00***	**-**	**-**
in original currency	27 050 600.00	27 050 600.00	-	-
III. Municipal debt and municipal guarantees, total (I+II)	**397 887 195.59**	**433 432 230.87**	**366 478 250.73**	**379 300 845.73**

Notes: 1. The table has been structured according to Article 3 of the Law on the Municipal Debt.

2. The loan 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 loan has been guaranteed by the government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt*, *II. Government guaranteed debt.*

3. The loan extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Loan 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 Loan Agreement, this loan is guaranteed by the Bulgarian Government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt, II. Government guaranteed debt.*

4. 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	2007	2008		
	as of 31.XII.	as of 31.III.	as of 30.VI.	as of 31.VII.
Domestic debt	**26 971.5**	**26 894.9**	**25 714.5**	**25 724.0**
I. National Insurance Institute	26 971.5	26 894.9	25 714.5	25 724.0
1. Other*	26 971.5	26 894.9	25 714.5	25 724.0
2. Loans from the republican budget	-	-	-	-
II. National Health Insurance Fund	-	-	-	-
III. Teachers' Pension Fund	-	-	-	-
External debt	**-**	**-**	**-**	**-**

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

7 CONSOLIDATED GOVERNMENT DEBT AMOUNT

(million EUR)

Structure	2007	2008				
	as of 31.XII.	as of 31.III.	as of 30.IV.	as of 31.V.	as of 30.VI.	as of 31.VII.
I. Consolidated government debt	**5 338.8**	**4 931.6**	**4 929.1**	**4 944.1**	**4 922.9**	**4 898.7**
1. Central government debt	5 162.8	4 737.5	4 736.4	4 754.4	4 736.0	4 705.2
2. Social security funds debt	0.0	0.0	0.0	0.0	0.0	0.0
3. Municipal debt	175.9	194.1	192.8	189.7	187.0	193.5
Consolidated government debt/GDP (%)	**18.5**	**15.6**	**15.6**	**15.7**	**15.6**	**15.5**

Notes: 1. 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.

2. Revised GDP projection for 2008: BGN 61,711 million. GDP projection for 2007: BGN 56,519.8 million.

3. 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.

4. The loan extended by the Ministry of Finance to the National Insurance Institute under a subloan agreement concluded on the basis of the loan 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.*

5. The loan extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Loan 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 Loan Agreement, this loan is guaranteed by the Bulgarian Government.

APPENDICES

3-year government securities

Issue No.	BG2030106111[4]					BG2030107119[5]					
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
Auction date	06.02.2006	10.04.2006	19.06.2006	23.10.2006		05.02.2007	16.04.2007	04.06.2007	06.08.2007	22.10.2007	
Issue date	08.02.2006	08.02.2006	08.02.2006	08.02.2006	08.02.2006	07.02.2007	07.02.2007	07.02.2007	07.02.2007	07.02.2007	07.02.2007
Maturity date	08.02.2009	08.02.2009	08.02.2009	08.02.2009	08.02.2009	07.02.2010	07.02.2010	07.02.2010	07.02.2010	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	20 000.00	30 000.00	30 000.00	150 000.00
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	82 500.00	75 800.00	67 300.00	71 400.00	409 250.00
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	20 000.00	30 000.00	30 000.00	150 000.00
Average price of the bids approved per BGN 100 (%)	98.74	97.20	96.19	97.38	97.39	99.16	98.91	98.27	98.42	98.78	98.76
Interest rate	2.75	2.75	2.75	2.75	2.75	3.80	3.80	3.80	3.80	3.80	3.80
Bid-to-cover ratio	2.51	1.22	0.73	3.24	1.67	3.21	2.36	3.79	2.24	2.38	2.73
Average annual yield (%)	3.23	3.85	4.35	4.00	3.83	4.14	4.26	4.54	4.52	4.41	4.35

(continued)

5-year government securities

(continued)

Issue No.	BG2030004118[5]					
	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
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[4]					BG2030006113[4]				
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	First opening	Second opening	Third opening	Fourth opening	Total for the issue
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	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	16.02.2010	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	100 000.00	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	384 110.00	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	100 000.00	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	102.51	98.37	96.82	95.47	96.12	96.79
Interest rate	3.75	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	3.84	2.79	1.67	1.62	3.87	2.27
Average annual yield (%)	3.46	3.24	3.01	3.01	3.18	3.38	3.76	4.12	4.05	3.79

(continued)

5-year government securities

(continued)

Issue No.	BG20300071111[6]							BG2030008119[2]		
	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Sixth opening	Total for the issue	First opening	Second opening	Total for the issue
Auction date	22.01.2007	05.03.2007	21.05.2007	23.07.2007	24.09.2007	26.11.2007		18.02.2008	16.06.2008	
Issue date	24.01.2007	24.01.2007	24.01.2007	24.01.2007	24.01.2007	24.01.2007	24.01.2007	20.02.2008	20.02.2008	20.02.2008
Maturity date	24.01.2012	24.01.2012	24.01.2012	24.01.2012	24.01.2012	24.01.2012	24.01.2012	20.02.2013	20.02.2013	20.02.2013
Nominal value of the offer (BGN'000)	35 000.00	30 000.00	25 000.00	35 000.00	25 000.00	30 000.00	180 000.00	30 000.00	35 000.00	65 000.00
Total nominal value of the bids received (BGN'000)	101 600.00	94 000.00	88 950.00	92 402.20	72 650.00	43 350.00	492 952.20	84 775.00	91 229.00	176 004.00
Total nominal value of the bids approved (BGN'000)	35 000.00	30 000.00	25 000.00	35 000.00	25 000.00	30 000.00	180 000.00	30 000.00	35 000.00	65 000.00
Average price of the bids approved per BGN 100 (%)	99.22	99.71	98.29	97.55	97.96	96.97	98.30	98.09	94.88	96.36
Interest rate	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.25	4.25	4.25
Bid-to-cover ratio	2.90	3.13	3.56	2.64	2.91	1.45	2.74	2.83	2.61	2.71
Average annual yield (%)	4.22	4.11	4.46	4.66	4.57	4.87	4.48	4.74	5.59	5.20

(continued)

7-year government securities

(continued)

Issue No.	BG2040001211[2]			BG2040002219[2]			BG2040102217[3]			
	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[4]					BG2040103215[5]					
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
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	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	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	70 000.00	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	189 946.80	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	70 000.00	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	97.61	100.42	98.90	98.06	101.92	102.27	100.42
Interest rate	7.00	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	2.71	3.89	2.48	1.74	3.08	2.27	2.63
Average annual yield (%)	7.30	7.68	7.63	7.17	7.44	5.80	6.07	6.22	5.54	5.48	5.80

(continued)

7-year government securities

(continued)

Issue No.	BG2040203213[2*]			BG2040104213[4]				
	First opening	Second opening	Total for the issue	First opening	Second opening	Third opening	Fourth opening	Total for the issue
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[4]				BG2040003217[2]	
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	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	17.04.2002	08.01.2003	08.01.2003	08.01.2003
Maturity date	17.04.2012	17.04.2012	17.04.2012	17.04.2012	17.04.2012	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	90 000.00	30 000.00	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	202 867.40	94 289.80	56 355.00	150 644.80
Total nominal value of the bids approved (BGN'000)	15 000.00	25 000.00	25 000.00	19 920.00	84 920.00	30 000.00	20 000.00	50 000.00
Average price of the bids approved per BGN 100 (%)	98.14	96.77	95.92	93.76	96.06	104.08	105.18	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	2.25	3.14	2.82	3.01
Average annual yield (%)	7.77	7.97	8.10	8.44	8.08	6.93	6.78	6.87

(continued)

10-year government securities

(continued)

Issue No.		BG2040303211[2]				BG2040004215[4]		
	First opening	Second opening	Total for the issue	First opening	Second opening	Third opening	Fourth opening	Total for the issue
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.	BG2040005212[6] First opening	Second opening	Third opening	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.	BG2040006210[5]					
	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
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	97.61	92.02	91.00	95.36	95.11
Interest rate	3.50	3.50	3.50	3.50	3.50	3.50
Bid-to-cover ratio	1.93	3.60	1.95	3.39	4.38	2.69
Average annual yield (%)	3.74	3.83	4.58	4.74	4.16	4.17

(continued)

10-year government securities

(continued)

Issue No.					BG2040007218[8]				
	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Sixth opening	Seventh opening	Eight opening	Total for the issue
Auction date	08.01.2007	19.02.2007	12.03.2007	07.05.2007	09.07.2007	17.09.2007	12.11.2007	03.12.2007	
Issue date	10.01.2007	10.01.2007	10.01.2007	10.01.2007	10.01.2007	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	10.01.2017	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	25 000.00	35 000.00	35 000.00	30 000.00	30 000.00	250 000.00
Total nominal value of the bids received (BGN'000)	133 640.00	120 700.00	98 700.00	93 600.00	87 600.00	69 050.00	53 700.00	59 050.00	716 040.00
Total nominal value of the bids approved (BGN'000)	35 000.00	30 000.00	30 000.00	25 000.00	35 000.00	35 000.00	30 000.00	30 000.00	250 000.00
Average price of the bids approved per BGN 100 (%)	99.94	99.72	100.18	99.05	95.95	98.27	96.22	93.24	97.81
Interest rate	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Bid-to-cover ratio	3.82	4.02	3.29	3.74	2.50	1.97	1.79	1.97	2.86
Average annual yield (%)	4.31	4.34	4.28	4.43	4.85	4.54	4.83	5.27	4.61

(continued)

10-year government securities

(continued)

Issue No.	BG2040008216[3]			
	First opening	**Second opening**	**Third opening**	**Total for the issue**
Auction date	14.01.2008	10.03.2008	19.05.2008	
Issue date	16.01.2008	16.01.2008	16.01.2008	16.01.2008
Maturity date	16.01.2018	16.01.2018	16.01.2018	16.01.2018
Nominal value of the offer (BGN'000)	30 000.00	35 000.00	40 000.00	105 000.00
Total nominal value of the bids received (BGN'000)	70 000.00	97 135.00	88 775.00	255 910.00
Total nominal value of the bids approved (BGN'000)	30 000.00	35 000.00	40 000.00	105 000.00
Average price of the bids approved per BGN 100 (%)	95.29	98.21	95.36	96.29
Interest rate	4.50	4.50	4.50	4.50
Bid-to-cover ratio	2.33	2.78	2.22	2.44
Average annual yield (%)	5.17	4.78	5.28	5.04

(continued)

15-year government securities

(continued)

Issue No.	BG2040403219[4]*				
	First opening	**Second opening**	**Third opening**	**Fourth opening**	**Total for the issue**
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

[1] The price indicated in the *Total for the issue* column is a result of the one auction organized for sale of this issue.
[2] The price indicated in the *Total for the issue* column is a result of the two auctions organized for sale of this issue.
[3] The price indicated in the *Total for the issue* column is a result of the three auctions organized for sale of this issue.
[4] The price indicated in the *Total for the issue* column is a result of the four auctions organized for sale of this issue.
[5] The price indicated in the *Total for the issue* column is a result of the five auctions organized for sale of this issue.
[6] The price indicated in the *Total for the issue* column is a result of the six auctions organized for sale of this issue.
[8] The price indicated in the *Total for the issue* column is a result of the eight 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 Loans 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 2040099223**
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 825.52	BGN 1144.65	BGN 4736.89	USD 108,779.30	BGN 508.25	EUR 91,883.96
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 2040099223 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 priveatisation 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 August 2008.

L I S T

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 April 2008 and 31 December 2008

No.	Financial institution	Reuters page of government securities quotations	Bloomberg page of government securities quotations	Website
1	DSK BANK 19 Moskovska Str., 1036 Sofia tel. (+359 2) 9391220	SSBG 01-03	DSKB	www.dskbank.bg
2	UNICREDIT BULBANK 7 Sveta Nedelya Sq., 1000 Sofia tel. (+359 2) 9232111	BGTB 01-03		www.bulbank.bg
3	EUROBANK EFG BULGARIA 14 Tsar Osvoboditel Blvd., 1048 Sofia tel. (+359 2) 8166000	BPBB 01-03		www.postbank.bg
4	PURAEUS BANK BULGARIA 3 Vitosha Blvd., 1000 Sofia tel. (+359 2) 9805654	EBSF 01-03		www.eurobank.bg
5	INVESTBANK 83A Bulgaria Blvd., 1404 Sofia tel. (+359 2) 8186119	OBBG 01-03		www.ibank.bg
6	CORPORATE COMMERCIAL BANK 10 Graf Ignatiev Str., 1000 Sofia tel. (+359 2) 9809362	BGIB 01-03		www.corpbank.bg
7	UNITED BULGARIAN BANK 5 Sveta Sofia Str., 1040 Sofia tel. (+359 2) 2811+extension	UBBB 01-03		www.ubb.bg
8	MUNICIPAL BANK 6 Vrabcha Str., 1000 Sofia tel. (+359 2) 9300111	SMBK 01-03		www.municipalbank.bg
9	FIRST INVESTMENT BANK 37 Dragan Tsankov Blvd., 1797 Sofia tel.: (+359 2) 8171100	BFIB 01-03		www.fibank.bg
10	RAIFFEISENBANK (BULGARIA) 18–20 Nikolay Gogol Str., 1504 Sofia tel. (+359 2) 91985101	RBBS 01-03		www.raiffeisen.bg
11	SOCIETE GENERALE EXPRESSBANK – Varna 92 Vladislav Varnenchik Blvd., 9000 Varna tel. (+359 52) 686100	EBVB 01-03		www.sgexpressbank.bg

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(continued)

No.	Financial institution	Reuters page of government securities quotations	Bloomberg page of government securities quotations	Website
12	ECONOMIC AND INVESTMENT BANK 2 Slavjanska Str., 1000 Sofia тел: (+359 2) 9399240	RIBB 01-03		www.eibank.bg
13	ALLIANZ BANK BULGARIA 79 Knyaginya Maria-Louisa Blvd., 1202 Sofia tel. (+359 2) 9215404	BGIN 01-03		www.bank.allianz.bg
14	CENTRAL COOPERATIVE BANK 103 Rakovski Str., 1000 Sofia tel. (+359 2) 9266107	SCCB 01-03		www.ccbank.bg

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	
	A3	A-	A-	A-	15 Aug. 2008
Investment grade	Baa1	BBB+	BBB+	BBB+	5 June 2008
	Baa2	BBB	BBB	BBB	23 Feb. 2007
	Baa3	BBB-	BBB-	BBB-	7 Aug. 2008
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