

Unaudited financial results of the Nova KBM Group and Nova KBM d.d. for the year 2009

Structure of the Nova KBM Group

The Nova KBM Group, which consists of 13 companies, offers a full range of financial services. In addition to providing mainstream banking products, the Group undertakes insurance activities, stock brokerage, investment in mutual funds, leasing services and real estate investment management, amongst others. The Nova KBM Group is the second-largest financial corporation in Slovenia.

The Nova KBM Group is composed of the following members:

| Company | Position in the Group | Shareholding of Nova KBM d.d. (%) |
|----------------------------------|-----------------------|-----------------------------------|
| Nova Kreditna banka Maribor d.d. | | parent bank |
| Poštna banka Slovenije d.d. | subsidiary bank | 55.00 |
| Adria Bank AG | subsidiary bank | 50.54 |
| KBM Fineko d.o.o. | subsidiary company | 100.00 |
| KBM Infond d.o.o. | subsidiary company | 72.00 |
| KBM Leasing d.o.o. | subsidiary company | 100.00 |
| KBM Invest d.o.o. | subsidiary company | 100.00 |
| Gorica Leasing d.o.o. | subsidiary company | 100.00 |
| M-Pay d.o.o. | subsidiary company | 50.00 |
| Multiconsult d.o.o. ¹ | subsidiary company | 76.00 |
| Multiconsult Leasing d.o.o. | subsidiary company | 100.00 ² |
| Zavarovalnica Maribor d.d. | associated company | 49.96 |
| Moja naložba d.d. | associated company | 45.00 |

¹ The company Multiconsult d.o.o. changed its name to KBM Projekt d.o.o. on 7 January 2010.

² In June 2009, Nova KBM d.d. acquired from Multiconsult d.o.o. the indirect stake in Multiconsult Leasing d.o.o., thus becoming a 100 per cent owner of Multiconsult Leasing d.o.o. (90 per cent directly, 10 per cent indirectly through KBM Leasing d.o.o.)

Review of operations

The Nova KBM Group (hereafter referred to as the 'Group') delivered a pre-tax profit from continuing operations of €17.4 million in 2009. The result achieved exceeds the projected 2009 gross profit by 8.6 per cent. Nova KBM d.d. (hereafter also referred to as the 'Bank') posted a pre-tax profit from continuing operations of €15.1 million, or €12.1 million after tax, which is 3.9 per cent above the projected net profit for the year.

The Group's profit before provisions and impairment charges was €94.8 million, up 28.2 per cent from 2008. The increase was due to higher net fee and commission income, and interest income. The Bank's profit before provisions and impairment charges reached €70.8 million, an increase of 28.6 per cent over 2008. The Group's interest margin was 2.42 per cent, and the Bank's was 2.23 per cent, which was 0.37 percentage points above the Slovene banking system average. The Group posted a profit of €5.7 million from trading in securities and foreign exchange: a successful turnaround from 2008, which saw a loss of €13.3 million from these activities.

During 2009, the Group improved its cost efficiency:

- Administration costs were lower than planned and, despite an increase in business volumes, remained below the 2008 level. The Group's ratio of operating costs to average total assets went down by 0.16 percentage points to 2.01 per cent. As for the Bank, the same ratio declined by 0.18 percentage points to 1.81 per cent.
- The cost-to-income ratio of the Group went down from 60.84 per cent at the end of 2008 to 54.84 per cent at the end of 2009. In the same period, the cost-to-income ratio of Nova KBM d.d. fell from 61.32 per cent to 54.85 per cent.

Last year's profitability was strongly affected by the decline in quality of the loan portfolio as a result of recession and aggravated economic conditions. For 2009, net provisions and impairment charges of the Group reached €77.4 million, and of Nova KBM d.d. €55.7 million.

Zavarovalnica Maribor d.d., the Group's associated insurance company, succeeded in reducing the loss of €20.2 million from the first half of the year to €0.6 million at year-end, of which €0.3 million is charged to the Group's income statement. Profitable performance of the insurance company in the second half of 2009 is mainly the result of the reduction of the half-year loss in the non-life insurance segment by €12.6 million. The volume of damages in the second half of the year remained below anticipated levels, and indemnities paid out for hailstorm damage were lower than initially planned. In addition, a decrease in unearned premiums, lower costs and successful selling of life insurance policies contributed to the improved result.

The comprehensive income of the Group amounted to €44.4 million in 2009. The comprehensive income of Nova KBM d.d., the full amount of which is included in its equity, was €39.3 million in 2009. In addition to net profit, valuation gains taken to equity are also included in comprehensive income.

The Group's total assets amounted to €5,786.8 million at the end of 2009, an increase of 5.4 per cent over the 2008 year-end. The Bank's total assets at the end of 2009 were €4,789.4 million, up 4.9 per cent from the previous year-end, reflecting an increase in deposits from the non-banking sector, which include the

deposit of €325 million placed by the government in April. Nova KBM d.d. registered an increase in non-banking deposits of 10.6 per cent in 2009. On the assets side, available-for-sale securities and an increase in loans to the non-banking sector contributed most to the business growth. The market share of Nova KBM d.d. in terms of total assets went down by 0.3 percentage points to 9.3 per cent as of 31 December 2009.

Loans to the non-banking sector at the Group level went up by 1.2 per cent in 2009. Nova KBM d.d. increased its portfolio of loans to the non-banking sector by 1.6 per cent. The most significant increase was recorded in loans to households which went up by 6.2 per cent. Nova KBM d.d. was able to maintain its 9.9 per cent market share in the area of loans to the non-banking sector.

The Group's ratio of net loans to deposits of non-bank customers was 109.6 per cent at the end of 2009, thus falling below the level of the 2008 year-end (119.3 per cent). Net loans as a percentage of deposits of non-bank customers of Nova KBM d.d. were 113.2 per cent at the end of 2009, compared to 123.2 per cent the year before.

The Group's shareholders' equity, excluding minority interests, was €392.2 million at the end of 2009, an increase of €34.3 million from 2008. The shareholders' equity of Nova KBM d.d. amounted to €367.9 million at the end of 2009, an increase of €34.0 million from 2008. Net profit for the financial year 2009 and the growth in the price of securities which are valued through equity contributed to the increase in the shareholders' equity. The capital adequacy ratio of Nova KBM d.d. as of 31 December 2009 was 10.60 per cent (total shareholders' equity) and 7.86 per cent (original own funds). As a result of issuing innovative debt securities at the end of the year, the share capital rose by €26 million.

The Group and the Bank maintain a favourable funding structure, since the most significant source of funding is customer deposits, which accounted for 61.5 per cent of the total assets of Nova KBM d.d. as of 31 December 2009 (for the Slovene banking system as a whole this ratio equals 45.7 per cent). Debts due to banks accounted for 24.7 per cent of the total assets of Nova KBM d.d. at the end of December, which is 10.1 percentage points less than the Slovene banking system average.

Key performance indicators of the Nova KBM Group

| | 2009 | 2008 | Index |
|--|--------------------------------------|--------------------------------------|-------|
| Statement of financial position (€000) | 31 December | 31 December | |
| Total assets | 5,786,792 | 5,489,947 | 105 |
| Total deposits from the non-banking sector | 3,507,626 | 3,185,216 | 110 |
| Total loans to the non-banking sector | 3,842,856 | 3,799,091 | 101 |
| Total shareholders' equity | 431,891 | 394,344 | 110 |
| Income statement (€000) | From 1 January to 31 December | From 1 January to 31 December | |
| Net interest income | 136,489 | 134,962 | 101 |
| Net fee and commission income | 59,177 | 54,704 | 108 |
| Net gains/losses from trading in securities and foreign exchange | 5,732 | (13,319) | |
| Other income/expenses | 6,967 | 12,549 | 56 |
| Operating costs | (113,521) | (114,925) | 99 |
| Impairment charges and provisions | (77,436) | (52,194) | 148 |
| Profit from continuing operations | 17,408 | 21,777 | 80 |
| Net profit for the period | 12,767 | 17,418 | 73 |
| Ratios | 31 December | 31 December | |
| Net profit per share ³ (€) | 0.36 | 0.57 | |
| Share price (€) | 11.44 | 9.43 | |
| Share book value ⁴ (€) | 15.03 | 13.72 | |
| ROAA before tax (%) | 0.31 | 0.41 | |
| ROAE before tax (%) | 4.21 | 5.69 | |
| Operating costs/Average total assets | 2.01 | 2.17 | |
| Costs/Income | 54.48 | 60.84 | |

³ Net profit per share is calculated as the ratio between net profit of equity holders of the Bank and the number of shares of the Bank on the last day of the reporting period.

⁴ Share book value on the last day of the reporting period is calculated as the ratio between the equity of equity holders of the Bank and the number of shares of the Bank on the last day of the reporting period.

Key performance indicators of Nova KBM d.d.

| | 2009 | 2008 | Index |
|--|--------------------------------------|--------------------------------------|-------|
| Statement of financial position (€000) | 31 December | 31 December | |
| Total assets | 4,789,377 | 4,564,756 | 105 |
| Total deposits from the non-banking sector | 2,946,371 | 2,663,107 | 111 |
| Total loans to the non-banking sector | 3,335,635 | 3,281,744 | 102 |
| Total shareholders' equity | 367,886 | 333,846 | 110 |
| Total impairment charges and provisions | 224,979 | 183,290 | 123 |
| Income statement (€000) | From 1 January to 31 December | From 1 January to 31 December | |
| Net interest income | 106,012 | 109,313 | 97 |
| Net fee and commission income | 45,550 | 39,313 | 116 |
| Net gains/losses from trading in securities and foreign exchange | 3,906 | (12,483) | |
| Other income | 1,219 | 6,246 | 20 |
| Operating costs | (86,060) | (87,311) | 99 |
| Impairment charges and provisions | (55,689) | (35,694) | 156 |
| Profit from continuing operations | 15,149 | 19,384 | 78 |
| Net profit for the period | 12,147 | 16,250 | 75 |
| Ratios | 31 December | 31 December | |
| Net profit per share ⁵ (€) | 0.47 | 0.68 | |
| Share price (€) | 11.44 | 9.43 | |
| Share book value ⁶ (€) | 14.10 | 12.80 | |
| Capital adequacy (total equity) (%) | 10.60 | 11.26 | |
| Capital adequacy (original own funds) (%) | 7.86 | 7.71 | |
| ROAA before tax (%) | 0.32 | 0.44 | |
| ROAE before tax (%) | 4.31 | 6.27 | |
| Operating costs/Average total assets | 1.81 | 1.99 | |
| Costs/Income | 54.85 | 61.32 | |
| Rating (long-term) | 31 December | 31 December | |
| | A2 (Moody's) | A1 (Moody's) | |
| | A- (Fitch) | A- (Fitch) | |

⁵ Net profit per share is calculated as the ratio between net profit and the number of shares of the Bank on the last day of the reporting period.

⁶ Share book value on the last day of the reporting period is calculated as the ratio between the total shareholders' equity of the Bank and the number of shares of the Bank on the last day of the reporting period.

Financial statements of the Nova KBM Group

INCOME STATEMENT – NOVA KBM GROUP

€000

| ITEM DESCRIPTION | 1 Jan - 31 Dec 2009 | 1 Jan - 31 Dec 2008 |
|--|------------------------|------------------------|
| Interest income and similar income | 262,314 | 314,081 |
| Interest expenses and similar expenses | (125,825) | (179,119) |
| Net interest income | 136,489 | 134,962 |
| Dividend income | 103 | 4,886 |
| Fee and commission income | 99,020 | 66,224 |
| Fee and commission expenses | (39,843) | (11,520) |
| Net fee and commission income | 59,177 | 54,704 |
| Realised gains on financial assets and liabilities not measured at fair value through profit or loss | 1,723 | 6,443 |
| Net gains/losses on financial assets and liabilities held for trading | 3,509 | (26,496) |
| Gains/losses from financial assets and liabilities designated at fair value through profit or loss | (284) | 0 |
| Fair value adjustments in hedge accounting | (207) | 0 |
| Net gains from exchange differences | 991 | 6,734 |
| Net gains/losses on derecognition of assets excluding non-current assets held for sale | (1,138) | 621 |
| Other operating net income | 7,766 | 5,640 |
| Administration costs | (99,441) | (100,958) |
| Depreciation and amortisation | (14,080) | (13,967) |
| Provisions | 1,444 | 6,096 |
| Impairment charges | 78,880 | 58,290 |
| Share of profit/loss of associates and joint ventures accounted for using the equity method | 25 | 1,402 |
| Total profit from non-current assets and disposal groups classified as held for sale | 211 | 0 |
| PROFIT FROM CONTINUING OPERATIONS | 17,408 | 21,777 |
| Tax expense related to profit from continuing operations | (4,641) | (4,359) |
| NET PROFIT FROM CONTINUING OPERATIONS | 12,767 | 17,418 |
| NET PROFIT FOR THE FINANCIAL YEAR | 12,767 | 17,418 |
| a) Attributable to equity holders of the parent | 9,468 | 13,614 |
| b) Attributable to minority interests | 3,299 | 3,804 |
| Basic earnings per share (€) | 0.36 | 0.57 |
| Diluted earnings per share (€) | 0.36 | 0.57 |

STATEMENT OF COMPREHENSIVE INCOME – NOVA KBM GROUP

€000

| ITEM DESCRIPTION | 1 Jan - 31 Dec 2009 | 1 Jan - 31 Dec 2008 |
|---|------------------------|------------------------|
| NET PROFIT FOR THE PERIOD AFTER TAX | 12,767 | 17,418 |
| OTHER COMPREHENSIVE INCOME AFTER TAX | 31,590 | (41,757) |
| Foreign currency translation differences arising from consolidation | 1,153 | (28) |
| Translation gains (losses) taken to equity | 1,153 | (28) |
| Available-for-sale financial assets | 38,238 | (40,919) |
| Valuation gains (losses) taken to equity | 38,238 | (57,718) |
| Transferred to profit or loss | 0 | 16,799 |
| Share of other recognised comprehensive income of entities accounted for using the equity method | 129 | (8,436) |
| Income tax relating to components of other comprehensive income | (7,931) | 7,626 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAX | 44,357 | (24,339) |
| a) Attributable to equity holders of the parent | 39,964 | (26,473) |
| b) Attributable to minority interests | 4,393 | 2,134 |

STATEMENT OF FINANCIAL POSITION – NOVA KBM GROUP

€000

| ITEM DESCRIPTION | 31 Dec 2009 | 31 Dec 2008 |
|--|------------------|------------------|
| Cash and cash balances with central banks | 180,085 | 192,964 |
| Financial assets held for trading | 17,308 | 52,271 |
| Financial assets designated at fair value through profit or loss | 24,736 | 0 |
| Available-for-sale financial assets | 1,046,166 | 938,924 |
| Loans and receivables | 4,054,620 | 3,990,621 |
| - loans and receivables to banks | 211,764 | 191,530 |
| - loans and receivables to non-bank customers | 3,842,856 | 3,799,091 |
| Held-to-maturity financial assets | 145,797 | 75,503 |
| Non-current assets and disposal groups classified as held for sale and discontinued operations | 7,687 | 570 |
| Property, plant and equipment | 71,223 | 90,300 |
| Investment property | 28,168 | 9,678 |
| Intangible assets | 27,740 | 27,058 |
| Investments in associates and joint ventures | 36,081 | 29,252 |
| Tax assets | 17,546 | 20,591 |
| - current tax assets | 5,005 | 2,615 |
| - deferred tax assets | 12,541 | 17,976 |
| Other assets | 129,635 | 62,215 |
| TOTAL ASSETS | 5,786,792 | 5,489,947 |
| Deposits from central banks | 190,419 | 140,381 |
| Financial liabilities held for trading | 1,442 | 5,688 |
| Financial liabilities measured at amortised cost | 5,086,096 | 4,877,608 |
| - deposits from banks | 157,113 | 135,657 |
| - deposits from non-bank customers | 3,507,536 | 3,184,572 |
| - loans and advances from banks | 1,138,711 | 1,237,657 |
| - loans and advances from non-bank customers | 90 | 644 |
| - debt securities | 90,437 | 102,226 |
| - subordinated liabilities | 192,209 | 216,852 |
| Financial liabilities associated to transferred assets | 4,658 | 0 |
| Provisions | 23,274 | 26,651 |
| Tax liabilities | 7,252 | 3,931 |
| - current tax liabilities | 2,456 | 794 |
| - deferred tax liabilities | 4,796 | 3,137 |
| Other liabilities | 41,760 | 41,344 |
| TOTAL LIABILITIES | 5,354,901 | 5,095,603 |
| Share capital | 27,210 | 27,208 |
| Share premium account | 78,314 | 78,314 |
| Fair value reserves | (2,365) | (32,861) |
| Reserves from profit | 278,253 | 270,717 |
| Treasury shares | 0 | (27) |
| Retained earnings (including net profit for the financial year) | 10,811 | 14,616 |
| SHAREHOLDERS' EQUITY EXCLUDING MINORITY INTERESTS | 392,223 | 357,967 |
| Minority interests | 39,668 | 36,377 |
| TOTAL SHAREHOLDERS' EQUITY | 431,891 | 394,344 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 5,786,792 | 5,489,947 |

Financial statements of Nova KBM d.d.

INCOME STATEMENT – NOVA KBM D.D.

€000

| ITEM DESCRIPTION | 1 Jan - 31 Dec 2009 | 1 Jan - 31 Dec 2008 |
|--|------------------------|------------------------|
| Interest income and similar income | 215,240 | 262,889 |
| Interest expenses and similar expenses | (109,228) | (153,576) |
| Net interest income | 106,012 | 109,313 |
| Dividend income | 1,860 | 6,712 |
| Fee and commission income | 49,535 | 45,765 |
| Fee and commission expenses | (3,985) | (6,452) |
| Net fee and commission income | 45,550 | 39,313 |
| Realised gains on financial assets and liabilities not measured at fair value through profit or loss | 259 | 6,079 |
| Net gains/losses on financial assets and liabilities held for trading | 3,367 | (25,610) |
| Gains/losses from financial assets and liabilities designated at fair value through profit or loss | (284) | 0 |
| Net gains from exchange differences | 564 | 7,048 |
| Net losses on derecognition of assets excluding non-current assets held for sale | (1,259) | (123) |
| Other operating net income/loss | 618 | (343) |
| Administration costs | (75,247) | (76,364) |
| Depreciation and amortisation | (10,813) | (10,947) |
| Provisions | 2,344 | 6,894 |
| Impairment charges | (58,033) | (42,588) |
| Total profit from non-current assets and disposal groups classified as held for sale | 211 | 0 |
| PROFIT FROM CONTINUING OPERATIONS | 15,149 | 19,384 |
| Tax expense related to profit from continuing operations | (3,002) | (3,134) |
| NET PROFIT FROM CONTINUING OPERATIONS | 12,147 | 16,250 |
| NET PROFIT FOR THE FINANCIAL YEAR | 12,147 | 16,250 |
| Basic earnings per share (€) | 0.47 | 0.68 |
| Diluted earnings per share (€) | 0.47 | 0.68 |

STATEMENT OF COMPREHENSIVE INCOME – NOVA KBM D.D.

€000

| ITEM DESCRIPTION | 1 Jan - 31 Dec 2009 | 1 Jan - 31 Dec 2008 |
|--|--------------------------------|--------------------------------|
| NET PROFIT FOR THE PERIOD AFTER TAX | 12,147 | 16,250 |
| OTHER COMPREHENSIVE INCOME AFTER TAX | 27,107 | (25,934) |
| Available-for-sale financial assets | 34,419 | (32,699) |
| Valuation gains (losses) taken to equity | 34,419 | (49,498) |
| Transferred to profit or loss | 0 | 16,799 |
| Income tax relating to components of other comprehensive income | (7,312) | 6,765 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAX | 39,254 | (9,684) |

STATEMENT OF FINANCIAL POSITION – NOVA KBM D.D.

€000

| ITEM DESCRIPTION | 31 Dec 2009 | 31 Dec 2008 |
|--|------------------|------------------|
| Cash and cash balances with central banks | 115,187 | 119,937 |
| Financial assets held for trading | 16,754 | 52,004 |
| Financial assets designated at fair value through profit or loss | 24,736 | 0 |
| Available-for-sale financial assets | 833,407 | 727,360 |
| Loans and receivables | 3,562,808 | 3,489,581 |
| - loans and receivables to banks | 227,173 | 207,837 |
| - loans and receivables to non-bank customers | 3,335,635 | 3,281,744 |
| Held-to-maturity financial assets | 43,043 | 9,017 |
| Non-current assets and disposal groups classified as held for sale and discontinued operations | 625 | 536 |
| Property, plant and equipment | 55,701 | 58,143 |
| Investment property | 933 | 512 |
| Intangible assets | 25,555 | 25,128 |
| Investments in subsidiaries, associates and joint ventures | 74,936 | 56,378 |
| Tax assets | 13,780 | 17,281 |
| - current tax assets | 4,930 | 2,312 |
| - deferred tax assets | 8,850 | 14,969 |
| Other assets | 21,912 | 8,879 |
| TOTAL ASSETS | 4,789,377 | 4,564,756 |
| Deposits from central banks | 150,306 | 140,381 |
| Financial liabilities held for trading | 1,163 | 5,688 |
| Financial liabilities measured at amortised cost | 4,220,772 | 4,035,951 |
| - deposits from banks | 27,731 | 5,560 |
| - deposits from non-bank customers | 2,946,288 | 2,662,470 |
| - loans and advances from banks | 999,155 | 1,079,175 |
| - loans and advances from non-bank customers | 83 | 637 |
| - debt securities | 69,544 | 85,556 |
| - subordinated liabilities | 177,971 | 202,553 |
| Financial liabilities associated to transferred assets | 4,658 | 0 |
| Provisions | 17,831 | 21,130 |
| Tax liabilities | 1,579 | 602 |
| - deferred tax liabilities | 1,579 | 602 |
| Other liabilities | 25,182 | 27,158 |
| TOTAL LIABILITIES | 4,421,491 | 4,230,910 |
| Share capital | 27,210 | 27,208 |
| Share premium account | 78,314 | 78,314 |
| Fair value reserves | (6,703) | (33,810) |
| Reserves from profit | 263,295 | 256,918 |
| Retained earnings (including net profit for the financial year) | 5,770 | 5,216 |
| TOTAL SHAREHOLDERS' EQUITY | 367,886 | 333,846 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 4,789,377 | 4,564,756 |