

**OFFERING MEMORANDUM SUMMARY RELATING TO THE ADMISSION OF NOTES KBM9  
ISSUED BY NOVA KREDITNA BANKA MARIBOR TO TRADING ON THE REGULATED MARKET**



# **Nova Kreditna banka Maribor d.d.**

*(incorporated in the Republic of Slovenia as a joint stock company)*

## **OFFERING MEMORANDUM SUMMARY RELATING TO THE ADMISSION OF NOTES KBM9 TO TRADING ON THE REGULATED MARKET**

This offering memorandum summary (the offering memorandum is hereafter referred to as the **»Offering Memorandum«**) relates to the Nova Kreditna banka Maribor d.d.'s (hereafter: **»Nova KBM«** or the **»Bank«**) issue of notes with the characteristics of innovative instruments, issued with the purpose of increasing the Bank's core capital.

Nova Kreditna banka Maribor d.d. (hereafter **»Nova KBM«** or the **»Issuer«**) concluded on 29 December 2009 the sale of the Notes with the characteristics of innovative instruments in the aggregate nominal amount of €26,030,000.00, with a fixed interest rate of 8.7 per cent per annum, and without explicit, implicit or expected maturity. The Notes were credited to the holders' accounts maintained by KDD d.d. on 30 December 2009; the ISIN code of the Notes is: SI0022103046. The Notes were issued on the basis of the resolution of the Bank's Management Board and Supervisory Board dated 4 November 2009 and 23 November 2009 respectively, and are subordinated dematerialized registered Notes in the nominal amount of €1,000.00 each, issued with the purpose of being included in the core capital of Nova KBM in accordance with the Regulation on the Calculation of Own Funds of Banks and Savings Banks and the Bank of Slovenia's Decision on the Notes being eligible for the inclusion in the Bank's core capital.

The Securities Market Agency as competent authority under Directive 2003/71/EC (together with any applicable implementing measures in all other member states of the EEA, the **»Prospectus Directive«**) in the Republic of Slovenia has approved the prospectus, written in Slovene language and prepared pursuant to the Prospective Directive. Application will be made to the Ljubljana Stock Exchange for the Notes to be admitted to the Bond Market. The Notes of the Bank will not be traded on any other regulated market. It is estimated that the trading of the Offered Notes on the Ljubljana Stock Exchange will commence no later than 31 March 2010.

Nova KBM delivered Notes KBM9 to the central registry of KDD d.d. (Central Securities Clearing Corporation) on 30 December 2009.

The date of the Offering Memorandum is 3 March 2010.

The Offering Memorandum is issued with the purpose of enabling potential investors reaching a decision with regard to trading in the Offered Notes. Information included in the Offering Memorandum was furnished by Nova KBM. The Offering Memorandum can be used solely for the purpose for which it was issued. It is not allowed to reproduce or distribute the Offering Memorandum, in whole or in part, and it is also not allowed to disclose any of the contents of the Offering Memorandum or use any information herein.

No person is authorised to give any information or to make any representation in connection with the Offered Notes other than as contained in the Offering Memorandum. If any such information is given or made, it must not be relied upon as having been authorised by Nova KBM or any of its affiliates. Neither the delivery of the Offering Memorandum nor any sale made hereunder shall under any circumstances imply that there has been no change in affairs of Nova KBM and its subsidiaries and associated companies or that the information set forth in the Offering Memorandum is correct as of any date subsequent to the date of the Offering Memorandum.

Operations, results of operations, the financial position and prospects of Nova KBM may change after the date of the Offering Memorandum.

In making an investment decision with regard to Notes KBM9, prospective investors must rely upon their own examination of the Nova KBM Group and the terms of the Offering Memorandum, including the risks involved.

The distribution of the Offering Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. Nova KBM requires persons into whose possession the Offering Memorandum comes to inform themselves about and to observe any such restrictions. The Offering Memorandum does not constitute an offer of, or an invitation to purchase, any of the Notes in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering to occur in any jurisdiction except the Republic of Slovenia.

No prospective investor should consider any information in the Offering Memorandum to be investment, legal, tax or other advice. Each prospective investor should consult its own counsel, accountant and other advisers for such advice. Nova KBM does not make any representation to any investor in the Notes regarding the legality of an investment in such Notes by such investor.

## **SUMMARY**

*This summary must be read as an introduction to the Offering Memorandum and any decision to invest in the Offered Notes should be based on a consideration of the Offering Memorandum as a whole. Where a claim relating to the information contained in the Offering Memorandum is brought before a court in a member state of the EEA, the plaintiff may, under the national legislation of the member state where the claim is brought, be required to bear the costs of translating the Offering Memorandum before the legal proceedings are initiated. Civil liability will attach to Nova Kreditna banka Maribor d.d. in connection with the contents of this summary only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Offering Memorandum.*

*The following information and data has been derived from the information appearing in the Offering Memorandum. The summary does not contain all information which potential investors might consider important. Potential investors are encouraged to read the entire Offering Memorandum, including in particular, the risk factors, detailed financial information and other information, before making any investment decision with regard to the Notes.*

## **ISSUER**

### *Overview*

The issuer of Notes KBM9 is Nova Kreditna banka Maribor d.d. with its headquarters at Ulica Vita Kraigherja 4, 2000 Maribor, entered in the court register of the Maribor District Court under the no. 062/10924200, registration number 5860580, tax ID number 94314527, telephone number (switchboard): +386 2 229 2290, telefax number: +386 2 252 43 33.

Nova KBM is a joint stock company, incorporated and existing under the Slovene legislation, entered in the court register of the Maribor District Court on 27 July 1994. It is incorporated for an indefinite period of time.

### *Share capital*

As of the date of the Offering Memorandum the share capital of Nova KBM amounts to €27,209,542.43. It is split into 26,081,979 ordinary registered no-par value shares with voting rights.

The shareholders of Nova KBM as at 31 December 2009 are as follows: Republic of Slovenia (41.50%), Slovenska odškodninska družba d.d. (4.79%), Kapitalska družba d.d. (4.79%), Pom-Invest d.d. (2.11%), KD Galileo Mutual Fund (1.86%), East Capital Balkan Fund (1.53%), Triglav Steber Equity Mutual Fund (1.23%), NFD Delniški investicijski sklad d.d. (1.05%) and others, i.e. 102,625 shareholders, each with a stake below 1%, totalling 41.14% (together the existing shareholders).

### *Overview of operations*

The Nova KBM Group is the second largest banking group operating in Slovenia, as measured by total assets, loans and deposits according to the Bank of Slovenia as of 30 September 2009. The Nova KBM Group

offers a comprehensive range of retail and corporate banking services, as well as certain complementary financial services, including leasing, mutual and pension fund management and brokerage services. In addition, through Zavarovalnica Maribor d.d., its associated company in which it holds a 49.96% shareholding, it offers a limited range of life and non-life insurance products.

The Nova Group operates through one of the largest distribution networks in Slovenia that, as of 30 September 2009, comprised 95 branch offices, 275 ATMs and 4,949 POS terminals. Its distribution network is further enhanced by access to over 550 post office locations through its 55% owned subsidiary, Poštna banka Slovenije d.d. Additional access to targeted international markets is available through Nova KBM's 50.54% owned subsidiary, Adria Bank AG, based in Vienna.

The Nova KBM Group has three principal areas of business:

*Retail Banking*, which provides financial services, including current/demand accounts, short-term and long-term savings accounts, lending and certain ancillary services, including debit and charge cards, to individuals and sole proprietors;

*Corporate Banking*, which provides a broad range of products and services such as loans, deposits, guarantees, factoring and payment instruments such as debit and charge cards, as well as financial advisory services to small- and medium-sized companies and corporations; and

*Financial Markets*, which is primarily comprised of its treasury operations, its financial institutions department and its brokerage services.

The Nova KBM Group had consolidated profit before tax of €21.8 million for the year ended 31 December 2008, a decrease of 70% as compared to €71.5 million for the year ended 31 December 2007. As of 31 December 2008, it had total assets of €5,489.9 million, total deposits (including interbank deposits) of €3,320.2 million and total net loans (including interbank loans) of €3,990.6 million. The Nova KBM Group had consolidated profit before tax of €16.2 million for the nine-month period ended 30 September 2009, a decrease of 64.2% from the same period of 2008. As of 30 September 2009, it had total assets of €5,826.8 million, total deposits (including interbank deposits) of €3,827.5 million, total net loans (including interbank loans) of €4,101.9 million and 2,763 employees.

The Nova KBM Group believes that its business is characterised by the following competitive strengths:

- leading market position in Slovenia,
- extensive national distribution network,
- attractive funding structure,
- sizeable retail customer deposit base providing significant cross-selling potential,
- strong corporate banking franchise,
- extensive and innovative product range,
- focused international diversification,
- strong shareholder support, and
- stable and experienced senior management team.

The Nova KBM Group's strategy is to seek to:

- strengthen its position in the Slovenian banking and financial market,
- extend its operations to the markets outside Slovenia,
- optimise the management and the governance of the Group, and
- develop modern distribution and selling channels.

#### *Reasons for the offering and the use of proceeds*

The Bank intends to use the proceeds of the offering for general corporate purposes and for implementing the Bank's strategic objectives. The Bank is actively seeking opportunities for investments in the banking sector of the South East Europe, but has not concluded any agreements in connection with such potential future takeovers. The amount of net proceeds used for the above mentioned purposes has not been determined in detail. Therefore, the net proceeds of this offering will be used in accordance with the decisions of the management.

### *Management bodies*

Nova KBM is governed by two management bodies, the Supervisory Board and the Management Board. The Supervisory Board of Nova KBM is currently comprised of: mag. Danilo Toplek, mag. Alenka Bratušek, dr. Dušan Jovanovič, Andrej Svetina, Anton Guzej, Ivan Vizjak, mag. Franci Škufca and mag. Janez Košak. Mag. Danilo Toplek, mag. Alenka Bratušek, dr. Dušan Jovanovič, Marko Jazbec and mag. Janez Košak were appointed instead of mag. Daniel Blejc, dr. Anton Jurgetz, Boštjan Kramberger, dr. Aljoša Valentinčič and dr. Egon Žižmond at the Bank's shareholders' meeting dated 8 July 2009. Marko Jazbec resigned from the Supervisory Board on 4 November 2009. Therefore, as of the moment of elaborating the Offering Memorandum, the Supervisory Board has eight members. The Nova KBM's Management Board is currently comprised of three members: Manja Skernišak and Matjaž Kovačič were appointed to the Management Board in May 2005 and mag. Andrej Plos was appointed in October 2009.

### *Related party transactions*

In the ordinary course of its business, the Nova KBM Group regularly enters into transactions with the Bank of Slovenia, the Republic of Slovenia and its affiliated entities, Nova KBM Supervisory Board members, Management Board members and its employees as well as with members of the Supervisory and Management Boards and employees of Nova KBM Group subsidiaries. Transactions involving related parties arising in the normal course of business are conducted at arm's length, at normal commercial rates on the same terms and conditions as third-party transactions using valuations models, as appropriate. The Nova KBM Group believes that these transactions will continue in the foreseeable future. For details of its transactions and balances with related parties, see notes 50 and 51 to its Financial Statements for the years ended 31 December 2007 and 2008 and its Financial Statements for the nine-month period ended 30 September 2009 included in the Offering Memorandum.

### *Recent developments*

#### *Capital injection into Zavarovalnica Maribor d.d. and Nova KBM's relationship with Zavarovalnica Maribor d.d.*

The resolution of Zavarovalnica Maribor d.d.'s shareholders' meeting dated 11 August 2009 authorises the company's management board to increase within five years from the date of entry of the amendments to the Articles of Association adopted at the 34<sup>th</sup> shareholders' meeting in the court register, with the consent of the supervisory board and without any additional resolution of the shareholders' meeting, one or several times the share capital of the company through issue of new shares for cash consideration, so that the share capital of the company after capital raising is to amount to maximum €42,626,180.94 (forty-two-million-six-hundred-twenty-six-thousand-one-hundred-and-eighty euro 94/100). The management and the supervisory board adopted relevant resolutions on the increasing of share capital through the issue of 3,402,888 new regular no-par value shares at the price of €4.1729 per share, in the aggregate amount of €14,199,911.34. The capital raising was carried out in two rounds until 6 November 2009, and Nova KBM subscribed and paid for 1,700,123 shares in the aggregate amount of €7,094,443.27, thus preserving its existing shareholding of 49.96 per cent in Zavarovalnica Maribor d.d.

In order to obtain the approval for increasing its shareholding in Zavarovalnica Maribor d.d., the Bank has already submitted the application to the Insurance Supervision Agency.

#### *Capital injection into KBM Invest d.o.o.*

The Nova KBM's Supervisory Board gave at its 14<sup>th</sup> meeting dated 28 September 2009 the consent to the Management Board with regard to the capital injection of €3 million into KBM Invest d.o.o., which was completed on 5 October 2009.

### *Acquisitions and disposals*

On 21 May 2009, Nova KBM entered into the agreement with Multiconsult d.o.o. on the purchase of a business stake in the company Multiconsult Leasing d.o.o., Zagreb. Nova KBM thus became a 90 per cent owner of Multiconsult Leasing d.o.o. Indirectly, Nova KBM holds also the remaining 10 per cent shareholding in Multiconsult Leasing d.o.o. through the company KBM Leasing d.o.o.

## **RISK FACTORS**

An investment in the Offered Notes involves a certain degree of risk. Risks are related to the operations of the Nova KBM Group, to the markets in which it operates, and to the Offered Notes. These risks, among others, include:

### *Risks Relating to the Nova KBM Group operations*

- The Nova KBM Group's failure to manage growth effectively may adversely impact its business.
- Nova KBM faces challenges associated with recently acquired entities and might not be capable of utilising expected benefits related to possible future takeovers.
- The growth of the Nova KBM Group's loan portfolio has increased its credit exposure which will therefore require additional control by the Bank's management.
- The Slovenian financial services sector is very competitive, and the Nova KBM Group's growth strategy depends on its ability to compete effectively.
- The shareholding of the Republic of Slovenia in Nova KBM falling below 50.1% could have a material negative effect on the Bank's ability to provide for long-term interbank funding.
- The Nova KBM Group's banking business is vulnerable to interest rate risk.
- Nova KBM faces maturity mismatches between assets and liabilities. If it fails to attract and retain deposits, its business may be adversely affected.
- Any increase in the Nova KBM Group's portfolio of NPLs may adversely affect its business.
- Nova KBM faces challenges associated with the lack of reliable information on potential borrowers in Slovenia.
- The Nova KBM Group is presently limited in its ability to monitor and control the implementation of risk management procedures as well as assess actual losses daily on a group-wide basis.
- The inability of Nova KBM and its banking subsidiaries to foreclose on collateral in the event of a default may result in a failure to recover the expected value of the collateral.
- A decline in the value or the liquidity of the collateral securing the Nova KBM Group's loans to customers may adversely affect its loan portfolio.
- The Nova KBM Group is exposed to various industry sectors. Deterioration in the performance of any of these industry sectors to which it has significant credit exposure may adversely impact its business.
- System failures or an inability to adapt to technological changes could adversely impact the Nova KBM Group's business.
- Significant security breaches, fraud and theft could adversely impact the Nova KBM Group's business.
- The Nova KBM Group may be unable to meet its regulatory requirements relating to capital adequacy.
- Nova KBM may not continue to pay dividends in the future.
- The Nova KBM Group's competitive position and future prospects depend on its senior management team and other key personnel.
- The Nova KBM Group has significant off-balance sheet credit related commitments that may lead to potential losses.
- The Nova KBM Group may not be successful in implementing new business strategies.

### *Risks relating to Slovenia*

- A slowdown or a negative trend of economic growth in Slovenia, other EU member states or neighbouring regions could adversely affect Nova KBM Group's business.
- Changes in the Slovene and European regulatory framework could adversely affect the Nova KBM Group's business.

### *Risks relating to the Offered Notes*

- The Notes shall, in the amount of total Issuer's obligation thereunder and in the amounts of total claims of a holder thereunder, respectively, be available for covering losses of the Issuer during ordinary operations of the Issuer.
- All obligations and claims, respectively, under the Notes are subordinated, which means that in case of Issuer's bankruptcy the Notes will be payable only before non-cumulative preferential shares and ordinary shares of the Issuer.

- The issuer has the option not to pay the distributions (but not the principal) in a financial year following the year for which in the audited and non-consolidated financial statements no balance sheet profit was recorded.

## **SUMMARY OF TERMS AND CONDITIONS OF THE NOTES**

### **Type and class of the Notes**

The Notes of Nova Kreditna banka Maribor d.d. with characteristics of the innovative instruments in the aggregate nominal amount of €26,030,000.00, with a fixed interest rate of 8.7 per cent per annum, without explicit, implicit or expected maturity and issued on the basis of a resolution of the Bank's Management Board and Supervisory Board dated 4 November 2009 and 23 November 2009 respectively, are subordinated dematerialized registered Notes, each in the nominal amount of €1,000.00, issued with the purpose of being included in the core capital of Nova KBM in accordance with the Regulation on the Calculation of Own Funds of Banks and Savings Banks. The Notes are designated as KBM9 and have the rights set out in Section 7 of the Offering Memorandum.

### **Status of the Notes**

The Notes constitute direct, unsecured and subordinated obligations of the Issuer and direct, unsecured and subordinated claims of the noteholder towards the issuer, respectively, which

- a) are subordinated to all senior claims of senior creditors from time to time and to all subordinated claims,
- b) rank, with respect to the order of payments as well as any other rights under the Notes, *pari passu* and without any preference among themselves and with any other existing or future obligations of the Issuer or claims against the Issuer equivalent to such obligations, which are or are expressed to rank equally with the Notes and the claims thereunder.

The Notes are issued for the purpose of increasing the capital adequacy of the Nova KBM, by including the Notes as innovative instruments in the calculation of the core capital of the Issuer in accordance with the Regulation on the Calculation of Own Funds of Banks and Savings Banks. The Notes have the characteristics within the meaning of the fourth paragraph of Article 11 of the Regulation on the Calculation of Own Funds of Banks and Savings Banks.

### **The aggregate nominal amount of the issue**

The aggregate nominal amount of the issue is €26,030,000.00.

### **Denomination**

The Notes are issued in the nominal amount of €1,000.00 each and with the purpose of being included in the core capital of Nova KBM d.d. in accordance with the Regulation on the Calculation of Own Funds of Banks and Savings Banks.

### **Selling price of the Notes**

The selling price of the Notes equals 100 per cent of their nominal amount. In the issue process, the Notes were selling at the selling price of €1,000.00 per Note.

### **Date of issue**

The Notes were issued by crediting holders' accounts in the central registry maintained by KDD on 30 December 2009.

### **Maturity of the Notes**

The Notes represent a non-dated obligation of the Issuer and are of permanent nature, without an explicit or implicit maturity.

### **Principal redemption, call and/or purchase**

The Issuer may, subject to prior approval by the Bank of Slovenia within the meaning of the fourth (h) paragraph of Article 11 of the Regulation on the Calculation of Own Funds of Banks and Savings Banks on any interest payment date which shall fall on or after 29 December 2014 or later, but for the first time on 29 December 2014, redeem, purchase or accelerate all, but not some only, of the Notes. The Issuer shall redeem or purchase the Notes at their nominal amount of €1,000.00 per Note. The Issuer may decide to redeem or purchase the Notes, provided that it replaces the innovative financial instruments with another capital, generally of higher quality.

At least 30 and not more than 60 days' prior notice to the noteholders shall be required for any such action of the Issuer.

The Notes for which a notification for the redemption, purchase or acceleration has been made in accordance with terms and conditions of the Notes, shall be redeemed or paid, respectively, on a date set forth in such notification and in accordance with these terms and conditions at 100 per cent of the nominal value of the Notes, i.e. €1,000.00 per Note.

#### **Interest rate and the calculation of interest**

The Notes have a fixed interest rate of 8.7 per cent per annum during the entire period until the redemption, call and/or purchase of principal.

The Notes bear interest from the issue date at the interest rate of the Notes, and are payable in arrear on 29 December in each year commencing 29 December 2010. Each Note will cease to bear interest from the due of redemption, call and/or purchase of the principal.

The amount of interest due in respect of any Notes will be calculated by reference to the aggregate principal amount of Notes held by the relevant holder and the amount of such payment shall be rounded upwards to the nearest €0.01.

Interest period means the period from and including the issue date to but excluding the first interest payment date and each period from and including an interest payment date to but excluding the next interest payment date.

Interest is calculated on a straight-line basis by considering the actual number of days elapsed and a year of 360 days.

#### **Payments**

Payments of principal and interest will be made in euro by transfer to the euro accounts of the beneficiaries of such payments. Each payment so made will be considered due fulfilment of the relevant monetary obligation and will discharge the Nova KBM's obligation in respect thereof.

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations.

If the due date for payment of any amount in respect of any Note is not a business day, the beneficiary shall not be entitled to payment of the amount due until the next succeeding business day and shall not be entitled to any further interest or other payment in respect of any such delay.

#### **Taxation**

Explanation regarding the taxation of income from the Notes in the Republic of Slovenia is set out in section 7.15 of the Offering Memorandum.

#### **Subscription and payment procedure**

The subscription and payment of the Offered Notes by investors occurred between 21 December 2009 and 29 December 2009, both dates inclusive. The Offered Notes were subscribed for by completing and signing the subscription statement.

#### **Admission to trading**

It is estimated that the Bank's Notes will be admitted to trading on the Bond Market of the Ljubljana Stock Exchange in the first quarter of 2010.

## SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following information and data have been derived from the financial statements appearing in the Offering Memorandum. The financial statements for 2007 and 2008 included in the Offering Memorandum were audited by KPMG Slovenija d.o.o. The financial statements as of and for the nine months ended 30 September 2009 included in the Offering Memorandum are not audited.

The 2007 and 2008 audited financial statements of the Nova KBM Group and unaudited financial statements of the Nova KBM Group as of and for the nine months ended 30 September 2009 have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the EU.

Some figures in this section have been rounded, therefore minor differences between figures for the same items in different tables might appear. Figures which are quoted as the sum in certain tables are not necessarily the arithmetic sum of the numbers quoted before such sum.

### Selected income statement data

|  | 1 Jan – 31 Dec |              | 1 Jan – 30 Sep |              |
|--|----------------|--------------|----------------|--------------|
|  | 2007           | 2008         | 2008           | 2009         |
|  |                |              | €m             |              |
|  |                |              | (unaudited)    |              |
| Interest income and similar income   | 243.3          | 314.1        | 231.4          | 199.9        |
| Interest expense and similar expense   | 126.8          | 179.1        | 132.1          | 98.8         |
| <b>Net interest income</b> .....   | <b>116.4</b>   | <b>135.0</b> | <b>99.3</b>    | <b>101.2</b> |
| Net fee and commission income.....   | 50.7           | 54.7         | 40.6           | 43.5         |
| Other non-interest income  | 44.9           | (2.2)        | (0.5)          | 7.6          |
| <b>Operating income</b> .....  | <b>212.0</b>   | <b>187.5</b> | <b>139.4</b>   | <b>152.3</b> |
| Administration costs.....  | 100.2          | 101.0        | 70.9           | 71.5         |
| Other non-interest expense .....   | 42.8           | 66.2         | 23.3           | 64.4         |
| <b>Non-interest expense</b> .....  | <b>143.0</b>   | <b>167.2</b> | <b>94.2</b>    | <b>135.9</b> |
| Share of profit or loss of associates and joint ventures accounted for using the equity method | 2.4            | 1.4          | 0.1            | (0.3)        |
| <b>Profit from continuing operations..</b>   | <b>71.5</b>    | <b>21.8</b>  | <b>45.2</b>    | <b>16.2</b>  |
| <b>Net profit from continuing operations</b> .....   | <b>55.7</b>    | <b>17.4</b>  | <b>33.7</b>    | <b>11.5</b>  |



## Selected statement of financial position data

|   | 31 December    |                | 30 September       |
|---|----------------|----------------|--------------------|
|   | 2007           | 2008           | 2009               |
|   |                |                | €m                 |
|   |                |                | <b>(unaudited)</b> |
| Loans and advances <sup>(1)</sup> .....                 | 3,452.5        | 3,990.6        | 4,101.9            |
| Securities portfolio <sup>(2)</sup> .....               | 1,241.4        | 1,066.6        | 1,238.7            |
| Cash in hand and balances with central banks .....      | 113.5          | 193.0          | 159.6              |
| Other assets .....                                      | 290.7          | 239.7          | 326.6              |
| <b>Total assets</b> .....                               | <b>5,098.1</b> | <b>5,489.9</b> | <b>5,826.8</b>     |
| Deposits <sup>(3)</sup> .....                           | 3,139.8        | 3,320.3        | 3,827.5            |
| Loans (borrowed) .....                                  | 1,119.6        | 1,238.3        | 1,117.1            |
| Debt securities in issue .....                          | 116.3          | 102.2          | 77.4               |
| Subordinated liabilities .....                          | 242.8          | 216.9          | 221.4              |
| Other liabilities .....                                 | 109.1          | 217.9          | 149.9              |
| <b>Total liabilities</b> .....                          | <b>4,727.6</b> | <b>5,095.6</b> | <b>5,393.3</b>     |
| Paid-up capital .....                                   |                |                |                    |
| Other components of equity .....                        |                |                |                    |
| Minority interests .....                                | 33.2           | 36.4           | 39.0               |
| <b>Total shareholders' equity</b> .....                 | <b>370.4</b>   | <b>394.3</b>   | <b>433.5</b>       |
| <b>Total liabilities and shareholders' equity</b> ..... | <b>5,098.1</b> | <b>5,489.9</b> | <b>5,826.8</b>     |

### Notes:

- (1) Included are also loans and advances to banks.
- (2) Included are financial assets held for trading, available-for-sale financial assets and held-to-maturity financial assets.
- (3) Included are also deposits from banks.

## Selected financial indicators

|  | 31 December |       | 30 September       |
|--|-------------|-------|--------------------|
|  | 2007        | 2008  | 2009               |
|  |             |       | %                  |
|  |             |       | <b>(unaudited)</b> |
| <b>Profitability indicators</b>  |             |       |                    |
| Interest margin <sup>(1)(2)</sup> .....                                    | 2.5         | 2.6   | 2.4                |
| Loan to deposit ratio <sup>(3)</sup> .....                                 | 106.0       | 119.3 | 106.4              |
| Cost to income ratio <sup>(4)</sup> .....                                  | 52.2        | 60.8  | 54.1               |
| ROAE <sup>(2)(5)</sup> .....   | 16.1        | 4.6   | 3.7                |
| ROAA <sup>(2)(5)</sup> .....   | 1.2         | 0.3   | 0.3                |
| <b>Asset quality</b>   |             |       |                    |
| Gross NPLs <sup>(6)</sup> /Gross total loan portfolio <sup>(7)</sup> ..... | 4.4         | 3.5   | 6.3                |
| Total impairment of loans/Gross NPLs (%) .....                             | 155.9       | 158.0 | 101.0              |
| <b>Group's capital adequacy indicators</b> <sup>(8)</sup>                  |             |       |                    |
| Tier I capital adequacy ratio .....  | 5.5         | 8.1   | 8.1                |
| Total capital ratio .....  | 10.0        | 11.7  | 11.8               |

### Notes:

- (1) Represents the ratio of net interest income to average total assets.
- (2) Data for the nine-month period ended 30 September 2009 are presented on an annualised basis.
- (3) Net loans and advances to customers divided by total deposits from customers.
- (4) Represents the ratio of administration costs and depreciation and amortisation to net interest and non-interest income.
- (5) Represents the ratio of net profit to average total shareholders' equity (including minority interests) or average total assets.

- (6) As for Group banks, NPLs include all loans classified as D and E, without considering prime or adequate collateral. As for other (non-bank) Group subsidiaries, NPLs include loans classified as D and E except those which are classified as P and for which impairment charges of less than 40 per cent have been made. See section 28 of the Offering Memorandum (»Risk Management – Credit Risk – Bad and doubtful claims«).
- (7) Included are loans to the banking and non-banking sector.
- (8) Stated in accordance with Bank of Slovenia regulations.

#### **AVAILABILITY OF OFFERING MEMORANDUM**

The Offering Memorandum is available in electronic form on the Bank's website ([www.nkbm.si](http://www.nkbm.si)).

## RESPONSIBLE PERSONS

Nova Kreditna banka Maribor d.d., Ulica Vita Kraigherja 4, Maribor, accepts responsibility for the information contained in the Offering Memorandum. Nova KBM declares that, after having taken all reasonable care to ensure that such is the case, the information in the Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

mag. Andrej Plos  
Management Board Member

Manja Skernišak,  
Management Board Member

Matjaž Kovačič,  
President of the Management Board



## Members of the Supervisory Board of Nova KBM d.d.

mag. Danilo Toplek, Chairman of the Supervisory Board

mag. Franc Škufca, Deputy Chairman of the Supervisory Board

mag. Alenka Bratušek, Supervisory Board Member

Anton Guzej, Supervisory Board Member

dr. Dušan Jovanovič, Supervisory Board Member

Andrej Svetina, Supervisory Board Member

mag. Janez Košak, Supervisory Board Member

Ivan Vizjak, Supervisory Board Member

## STATUTORY AUDITORS

The consolidated and non-consolidated financial statements and related notes to the financial statements for 2007 and 2008 were audited by the independent auditor KPMG Slovenija d.o.o. The consolidated and non-consolidated financial statements and related notes to the financial statements for the first nine months of 2009 have not been audited.