

14.2 Movement in available-for-sale financial assets

	Equity instruments		Debt securities	Total
	At fair value	At cost		
1 January 2013	50,810	23,225	515,378	589,413
Recognition of new financial assets	299	10,763	134,984	146,046
Interest	0	0	(3,263)	(3,263)
Net exchange rate differences	(4)	0	224	220
Net revaluation through equity	46	0	(10,183)	(10,137)
Net impairment through profit or loss (Note 20.1)	(160)	(10,750)	0	(10,910)
Derecognition of financial assets upon disposal	(3,865)	0	(40,999)	(44,864)
Derecognition of financial assets at maturity	0	0	(3,212)	(3,212)
Net gains/(losses) on sale	33	0	(5)	28
31 March 2013	47,159	23,238	592,924	663,321

	Equity instruments		Debt securities	Total
	At fair value	At cost		
1 January 2012	67,752	21,429	610,422	699,603
Recognition of new financial assets	234	4,596	124,141	128,971
Interest	0	0	(2,952)	(2,952)
Net exchange rate differences	(6)	0	(295)	(301)
Net revaluation through equity	5,544	0	24,160	29,704
Net impairment through profit or loss	(11,588)	(1,740)	1	(13,327)
Derecognition of financial assets upon disposal	(11,652)	(1,060)	(8,486)	(21,198)
Derecognition of financial assets at maturity	0	0	(230,434)	(230,434)
Net gains/(losses) on sale	526	0	(1,179)	(653)
31 December 2012	50,810	23,225	515,378	589,413

15 Loans and advances to banks

	31.03.2013	31.12.2012
Sight deposits	24,797	32,033
Current loans	86,741	102,067
Impairment of current loans	(2,605)	(2,585)
Non-current loans	30,645	31,186
Impairment of non-current loans	(288)	(293)
Total – net amount	139,290	162,408
Impairment	2,893	2,878
Total – gross amount	142,183	165,286



16 Loans and advances to customers

	31.03.2013	31.12.2012
Current loans	860,505	877,873
Impairment of current loans	(184,135)	(178,699)
Non-current loans	3,097,272	3,138,356
Impairment of non-current loans	(463,245)	(450,718)
Claims under guarantees	23,471	23,029
Impairment of claims under guarantees	(12,141)	(11,941)
Total – net amount	3,321,727	3,397,900
Impairment	659,521	641,358
Total – gross amount	3,981,248	4,039,258

16.1 Movement in impairment of loans and advances to customers

	Q1 2013	2012
1 January	641,358	443,321
Net impairment of principal	18,044	222,630
– additional impairment	47,637	362,044
– reversal of impairment	(29,593)	(139,414)
Additional impairment of interest	3,733	21,817
Additional impairment/reversal of impairment of fees	(14)	59
Write-offs of loans and advances to customers	(3,777)	(45,332)
Exchange rate differences	67	(298)
Other	110	(839)
31 March/31 December	659,521	641,358

17 Other financial assets

	31.03.2013	31.12.2012
Cheques	107	136
Claims for fees and commissions	2,124	2,210
Claims for advance payments	21	7
Accounts receivables	1,651	948
Surplus of financial assets arising from authorised transactions for customers	78	0
Other financial assets	66,272	69,651
Total – net amount	70,253	72,952
Impairment	4,031	10,053
Total – gross amount	74,284	83,005



17.1 Movement in impairment of other financial assets

	Q1 2013	2012
1 January	10,053	2,789
Net impairment of principal	(6,032)	7,530
– additional impairment	398	8,314
– reversal of impairment	(6,430)	(784)
Additional impairment of interest	3	18
Additional impairment of fees	18	242
Write-offs of other financial assets	(36)	(446)
Exchange rate differences	25	(80)
31 March/31 December	4,031	0,053

18 Held-to-maturity financial assets

	31.03.2013	31.12.2012
Debt securities	491,529	500,108
– current securities issued by the state and the central bank	26,788	37,787
– non-current securities issued by the state and the central bank	401,481	399,951
– non-current securities issued by banks and savings banks	50,396	50,172
– current securities issued by other issuers	4,133	3,566
– non-current securities issued by other issuers	8,731	8,632
Total	491,529	500,108
Quoted	487,396	496,543
Unquoted	4,133	3,565
Total	491,529	500,108

18.1 Movement in held-to-maturity financial assets

	Q1 2013	2012
1 January	500,108	449,605
Increase during the year	17,135	145,703
– acquisition	12,287	126,005
– gains	225	916
– reversal of impairment	0	52
– exchange rate differences	63	0
– other (deferred interest)	4,560	18,730
Decrease during the year	25,714	95,200
– redemption	22,991	83,226
– losses	302	974
– impairment	13	31
– other (interest received)	2,408	10,969
31 March/31 December	491,529	500,108



19 Financial liabilities measured at amortised cost

	31.03.2013	31.12.2012
Deposits	3,708,162	3,719,283
Loans	573,478	582,476
Debt securities	72,178	88,592
Subordinated liabilities	200,884	98,069
Other financial liabilities	52,777	40,097
Total	4,607,479	4,528,517

19.1 Deposits by type of customers and maturity

	31.03.2013	31.12.2012
Deposits from banks	96,178	107,077
– sight deposits	6,226	5,691
– current deposits	87,362	97,245
– non-current deposits	2,590	4,141
Deposits from customers	3,611,984	3,612,206
– sight deposits	1,315,512	1,330,981
– current deposits	898,109	827,365
– non-current deposits	1,398,363	1,453,860
Total	3,708,162	3,719,283

19.2 Loans by type of customers and maturity

	31.03.2013	31.12.2012
Loans from banks	567,005	576,004
– current loans	11,243	13,846
– non-current loans	555,762	562,158
Loans from customers	6,473	6,472
– non-current loans	6,473	6,472
Total	573,478	582,476



19.3 Subordinated liabilities

ISIN code	Currency	Date of maturity	Interest rate	31.03.2013	31.12.2012
Subordinated debt					
Adria Bank AG	EUR	perpetual; call option on each 28.12.	variable	1,330	1,250
Hybrid instruments as a component of additional own funds					
Pošta Slovenije d.o.o.: contributions 1 to 4	EUR	perpetual	6M EURIBOR + 2.70%	6,706	6,740
Pošta Slovenije d.o.o.: 5th contribution	EUR	perpetual	6M EURIBOR + 3.50%	2,006	1,988
ISIN: XS0270427163	EUR	perpetual; call option after 05.10.2016	3M EURIBOR + 1.60%	50,446	50,222
ISIN: XS0325446903	EUR	perpetual; call option booked as executable on 31.12.2030	3M EURIBOR + 4.00%	12,044	11,920
Hybrid instruments as a component of original own funds					
ISIN: SI0022103046	EUR	perpetual; call option after 29.12.2014	8.70%	25,935	25,949
Hybrid loan facility - CoCo	EUR	perpetual; the first possible repayment date is 30.06.2013; if either the Group's basic equity capital ratio falls to below 5.125% or if its Core Tier I capital ratio falls to below 7%, the hybrid loan facility shall be converted into KBMR shares	10.00%	102,417	0
Total				200,884	98,069

Subordinated liabilities are included in the calculation of capital adequacy. Capital risk is disclosed in Note 27.

19.4 Other financial liabilities

	31.03.2013	31.12.2012
Liabilities for fees and commissions	44	70
Liabilities for gross salaries of employees	3,373	3,462
Liabilities to suppliers	2,291	5,733
Liabilities related to card transactions	6,961	5,420
Liabilities related to ATM transactions	1,985	2,036
Liabilities related to funds of customers provided for payments abroad	7,142	4,733
Liabilities related to cash transactions	13,784	665
Liabilities from participation in profits – dividends	75	75
Accruals and deferred income	6,974	7,129
Surplus arising from authorised transactions for customers	3	73
Other financial liabilities	10,145	10,701
Total other financial liabilities	52,777	40,097



20 Provisions

	Provisions for tax claims and other pending legal issues	Provisions for pensions and similar benefits	Provisions for off-balance sheet liabilities	Other provisions	Total
1 January 2013	4,400	7,598	34,143	489	46,630
Net provisions made during the year	(219)	116	(2,636)	0	(2,739)
– provisions made during the year	0	125	3,936	0	4,061
– provisions reversed during the year	(219)	(9)	(6,572)	0	(6,800)
Provisions used during the year	0	(39)	0	0	(39)
Exchange rate differences	(9)	(17)	3	0	(23)
31 March 2013	4,172	7,658	31,511	489	43,829

	Provisions for tax claims and other pending legal issues	Provisions for pensions and similar benefits	Provisions for off-balance sheet liabilities	Other provisions	Total
1 January 2012	3,551	7,737	26,456	508	38,252
Net provisions made during the year	874	566	7,650	(18)	9,072
– provisions made during the year	968	957	33,308	5	35,238
– provisions reversed during the year	(94)	(391)	(25,658)	(23)	(26,166)
Provisions used during the year	0	(608)	0	(1)	(609)
Exchange rate differences	(25)	(97)	37	0	(85)
31 December 2012	4,400	7,598	34,143	489	46,630

21 Revaluation reserves

	31.03.2013	31.12.2012
Revaluation reserves in respect of available-for-sale financial assets	(7,134)	(1,149)
– revaluation	(8,473)	(1,322)
– deferred taxes	1,339	173
Total	(7,134)	(1,149)

21.1 Movement in revaluation reserves

	Q1 2013	2012
1 January	(1,149)	(25,096)
Net change in valuation of available-for-sale financial assets	(7,150)	29,804
– gains/(losses) recognised in revaluation reserves	(7,144)	19,050
– losses transferred from revaluation reserves to profit or loss	(6)	10,754
Exchange rate differences	(1)	(1)
Net change in deferred taxes	1,166	(5,856)
31 March/31 December	(7,134)	(1,149)



22 Reserves from profit

	31.03.2013	31.12.2012
Regulatory reserves	13,616	13,616
Reserves for treasury shares	1,412	1,412
Statutory reserves	174,184	174,184
Other reserves from profit	100,529	100,529
Total	289,741	289,741

Other notes

23 Commitments and contingent liabilities by type

	31.03.2013		
	Current	Non-current	Total
Financial guarantees	50,519	47,870	98,389
Service guarantees	98,228	92,492	190,720
Total guarantees	148,747	140,362	289,109
Unsecured letters of credit	0	0	0
Approved and undrawn loans	92,670	6,634	99,304
Approved and undrawn overdrafts	181,769	1,028	182,797
Approved credit lines	8,391	0	8,391
Other	8,785	0	8,785
Total commitments and contingent liabilities	291,615	7,662	299,277
Derivatives	194,114	5,674	199,788
Total	634,476	153,698	788,174

	31.12.2012		
	Current	Non-current	Total
Financial guarantees	52,100	46,240	98,340
Service guarantees	104,381	92,290	196,671
Total guarantees	156,481	138,530	295,011
Unsecured letters of credit	21	0	21
Approved and undrawn loans	93,004	1,383	94,387
Approved and undrawn overdrafts	182,164	560	182,724
Approved credit lines	8,557	0	8,557
Other	6,989	0	6,989
Total commitments and contingent liabilities	290,714	1,943	292,657
Derivatives	196,132	5,636	201,768
Total	643,348	146,109	789,457



24 Related party transactions

24.1 Statement of financial position and off-balance sheet items

	Associates	
	31.03.2013	31.12.2012
Assets		
Loans and advances given (gross amount)	1	3
– loans and advances to customers	1	2
– other financial assets	0	1
Investments in securities	2,237	2,237
– equity instruments	2,237	2,237
Liabilities		
Deposits and loans received	1,743	1,696
– deposits and loans from customers	1,732	1,686
– other financial liabilities	11	10
Subordinated liabilities	12	27
Off-balance sheet items	4	1,686

	Key management personnel		Other related persons	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Assets				
Loans and advances given (gross amount)	391	323	39,021	13,292
– loans and advances to banks	0	0	182	0
– loans and advances to customers	391	322	38,488	13,289
– other financial assets	0	1	351	3
Investments in securities	0	0	0	382
– equity instruments	0	0	0	382
Liabilities				
Deposits and loans received	817	684	2,676	3,459
– deposits and loans from banks	0	0		0
– deposits and loans from customers	817	677	2,675	3,370
– other financial liabilities	0	7	1	89
Other liabilities	0	3	0	0
Off-balance sheet items	90	90	631	939

Transactions with related persons are conducted on an arm's length basis.

24.2 Statement of income

	Associates	
	Q1 2013	Q1 2012
Net interest income	(22)	(348)
Dividend income	0	0
Net fee and commission income	2	191
Cost of services	(8)	(156)
Individual impairments	0	0
Impairment of investments	0	0
Write-offs	0	0
Total	(28)	(313)



	Key management personnel		Other related persons	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012
Net interest income	(4)	0	464	116
Net fee and commission income	0	0	(122)	16
Cost of services	(67)	(46)	(500)	(228)
Individual impairments	0	0	(130)	0
Write-offs	0	0	0	0
Total (71)		(46)	(288)	(96)

24.3 Loans and guarantees given

	Management Board members		Supervisory Board members		Other Group employees on individual contract	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Loans	14	7	55	58	2,776	2,807
Average interest rate on loans (%)	8.34	8.59	3.69	4.18	3.38	3.67
Repayments	1	0	3	10	155	682

25 Exposure to the Bank of Slovenia, Republic of Slovenia and state-owned institutions

Exposure to:	31.03.2013	31.12.2012
Bank of Slovenia	230,892	140,764
Republic of Slovenia	806,388	721,036
State-owned institutions	584,888	578,126
Total exposure to the Bank of Slovenia, Republic of Slovenia and state-owned institutions	1,622,168	1,439,926
Share in total assets (%)	30.11	27.06
Off-balance sheet items covered by collateral provided by the Bank of Slovenia or the Republic of Slovenia	12,231	11,664
Total assets	5,387,779	5,321,810



26 Credit risk management

Analysis of exposure to credit risk

	Loans to customers		Loans to banks	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Net disbursed loans	3,321,727	3,397,900	139,290	162,408
Individual impairment				
Gross amount	1,352,857	1,326,563	32,526	37,781
Impairment	(563,905)	(547,759)	(2,893)	(2,878)
Net amount	788,952	778,804	29,633	34,903
Collective impairment				
Credit rating A	1,254,555	1,313,927	0	0
Credit rating B	845,629	890,162	0	0
Credit rating C	384,573	370,368	0	0
Credit rating D	22,833	20,319	0	0
Credit rating E	46,517	41,297	0	0
Gross amount	2,554,107	2,636,073	0	0
Impairment	(95,616)	(93,599)	0	0
Net amount	2,458,491	2,542,474	0	0
Net non-impaired loans	74,284	76,622	109,657	127,505
Total net loans	3,321,727	3,397,900	139,290	162,408

Past due and unpaid claims

	31.03.2013				
	Up to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Banks	0	0	0	2,619	2,619
State	5	5	0	3	13
Legal entities	34,901	34,860	40,108	864,163	974,032
Households	4,420	5,699	1,397	54,263	65,779
Total 39,326		40,564	41,505	921,048	1,042,443

	31.12.2012				
	Up to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Banks	0	0	0	2,585	2,585
State	149	1	0	2	152
Legal entities	51,010	21,044	13,605	797,255	882,914
Households	4,801	2,909	923	42,477	51,110
Total 55,960		23,954	14,528	842,319	936,761



NPLs in the Group's total loan portfolio

	31.03.2013	31.12.2012
Gross NPLs (D, E)*	1,060,914	933,694
Impairment losses for NPLs (D, E)	530,111	476,458
Net NPLs (D, E)	530,803	457,236
Total gross loan portfolio	4,123,431	4,204,544
Total net loan portfolio	3,461,017	3,560,308
Gross NPLs/Total gross loan portfolio (%)	25.73	22.21
Net NPLs/Total net loan portfolio (%)	15.34	12.84

*Gross NPLs (D, E) include collectively impaired loans, which are classified in credit rating categories D and E and for which prime collateral has not been provided, and individually impaired loans, the basic credit rating of which is D or E.

Analysis of loans and the percentage of NPLs by industry sectors

Industry sector	31.03.2013			31.12.2012		
	Total loans	NPLs	Share of NPLs (%)	Total loans	NPLs	Share of NPLs (%)
Households	1,000,064	37,245	3.72	1,016,742	31,257	3.07
Agriculture and hunting, forestry, fishing	41,497	8,699	20.96	42,582	8,637	20.28
Mining	4,641	3,850	82.96	4,712	3,726	79.07
Manufacturing industry	828,999	228,071	27.51	841,441	217,135	25.81
Electricity, gas and steam supply	105,691	0	0.00	106,380	0	0.00
Water supply, waste and sewage management, rehabilitation of the environment	15,218	2,868	18.85	15,071	3,003	19.93
Construction	455,196	303,040	66.57	457,956	259,989	56.77
Trade, maintenance and repair of motor vehicles	444,222	113,934	25.65	446,943	85,496	19.13
Transportation and storage	77,409	11,228	14.50	83,561	13,648	16.33
Accommodation and food service activities	152,735	43,180	28.27	157,061	40,573	25.83
Information and communication activities	88,706	40,727	45.91	89,806	40,354	44.93
Financial intermediation	423,348	101,531	23.98	458,520	101,997	22.24
Real estate activities	140,803	84,968	60.35	140,527	62,619	44.56
Professional, scientific and technical activities	180,534	63,231	35.02	182,742	52,162	28.54
Other various business activities	16,703	6,205	37.15	17,561	6,277	35.74
Public administration and defence services, compulsory social security activities	19,838	0	0.00	19,938	221	1.11
Education	5,075	419	8.26	5,192	412	7.94
Health and welfare security	34,483	96	0.28	33,871	113	0.33
Arts, entertainment and recreation	65,209	3,505	5.38	68,913	3,580	5.19
Other activities	23,060	8,117	35.20	15,025	2,495	16.61
Total gross loans	4,123,431	1,060,914	25.73	4,204,544	933,694	22.21



27 Composition of regulatory capital and capital requirements

	31.03.2013	31.12.2012
Original own funds		
Paid-up share capital	40,815	40,814
(-) Treasury shares	(1,348)	(1,301)
Share premium	165,775	165,775
Reserves and retained earnings or loss	10,435	216,105
(-) Interim result used in the calculation (unaudited)	(4,928)	(203,773)
Revaluation excesses (PP) – prudential filters	(5,597)	(5,688)
Non-controlling interest	38,985	43,037
Hybrid instruments as a component of original own funds	125,930	125,930
(-) Intangible long-term assets	(35,867)	(37,485)
(-) Other country specific deductions	11,345	11,360
Total	345,545	354,774
Additional own funds I		
Hybrid instruments and preferential cumulative shares	38,254	38,254
Subordinated debt I	1,000	1,000
Other	5,390	5,446
Total	44,644	44,700
(-) Deductions from original own funds and additional own funds I		
(-) Deductions from original own funds	(1,558)	(1,545)
(-) Deductions from additional own funds I	(1,558)	(1,545)
Total	(3,116)	(3,090)
Total equity (for solvency purposes)	387,073	396,384
Capital requirements		
Capital requirements for credit risk	307,396	313,058
Central governments and central banks	0	0
Regional governments and local authorities	341	327
Administrative bodies	420	378
Institutions	16,249	15,674
Corporates	118,668	125,971
Retail banking	72,308	72,871
Secured by real estate	4,209	4,324
Past due items	14,904	19,942
Items belonging to regulatory high-risk categories	47,560	41,215
Collective investment undertakings	1,501	1,812
Other items	31,236	30,544
Total capital requirements for market risks	3,160	3,063
Debt securities	407	578
Equity instruments	666	532
Foreign exchange	2,087	1,953
Capital requirement for operational risk	27,791	29,796
Total	338,347	345,917
Total capital adequacy ratio	9.15%	9.17%
Tier I capital ratio	8.13%	8.17%
Core Tier I capital ratio	5.16%	5.26%
Core Tier I capital ratio (EBA methodology)	7.52%	7.57%



28 Fair value of financial assets and financial liabilities

	31.03.2013		31.12.2012	
	Book value	Fair value	Book value	Fair value
Financial assets				
Cash and balances with the central bank	323,567	323,567	223,882	223,882
Financial assets held for trading	3,034	3,034	1,572	1,572
Financial assets designated at fair value through profit or loss	32,532	32,532	34,563	34,563
Available-for-sale financial assets	663,321	663,321	589,413	589,413
Loans and advances to banks	139,290	139,140	162,408	162,259
Loans and advances to customers	3,321,727	3,331,294	3,397,900	3,408,314
Other financial assets	70,253	70,253	72,952	72,952
Held-to-maturity financial assets	491,529	489,782	500,108	501,743
Financial liabilities				
Financial liabilities due to the central bank	480,037	480,943	485,149	486,931
Financial liabilities held for trading	1,476	1,476	1,658	1,658
Deposits from banks	96,178	96,463	107,077	107,563
Deposits from customers	3,611,984	3,632,487	3,612,206	3,636,160
Loans from banks	567,005	567,866	576,004	578,304
Loans from customers	6,473	6,476	6,472	6,479
Debt securities	72,178	79,321	88,592	95,790
Subordinated liabilities	200,884	202,537	98,069	99,729
Other financial liabilities	52,777	52,777	40,097	40,097



29 Reporting by operating segments

Analysis by operating segments as of 31.03.2013

	Banking	Leasing	Fund management	Real estate activity	Other	Total	Inter-segment relationship	Relationship to third parties
A. Net income/expense	35,078	102	1,409	956		36,690	(129)	36,819
Interest and similar income	53,730	1,458	0	172	2	55,362	3,621	51,741
Interest and similar expense	(29,823)	(2,523)	(20)	(576)	0	(32,942)	(3,621)	(29,321)
Net interest income	23,907	(1,065)	(20)	(404)	2	22,420	0	22,420
Dividend income	7	0	0	0	0	7	0	7
Fee and commission income	20,749	29	1,577	3	0	22,358	285	22,073
Fee and commission expense	(7,873)	(57)	(195)	(5)	0	(8,130)	(236)	(7,894)
Net fee and commission income	12,876	(28)	1,382	(2)	0	14,228	49	14,179
Realised gains on financial assets and liabilities not measured at fair value through profit or loss	141	1	42	324	0	508	0	508
Net gains on financial assets and liabilities held for trading	1,183	0	0	0	0	1,183	(223)	1,406
Net gains/(losses) on financial assets (and liabilities) designated at fair value through profit or loss	(1,511)	0	8	0	0	(1,503)	0	(1,503)
Net exchange rate differences	(786)	(146)	0	0	0	(932)	0	(932)
Net gains/(losses) on derecognition of assets excluding non-current assets held for sale	34	(2)	0	0	0	32	0	32
Other net operating income/(loss)	(773)	1,342	(3)	177	4	747	45	702
B. Other items by segments	(46,892)	(1,006)	(792)	(357)	(1)	(49,048)	(896)	(48,152)
Administration costs	(22,869)	(630)	(534)	(343)	(1)	(24,377)	(96)	(24,281)
Depreciation and amortisation	(3,506)	(249)	(258)	(13)	0	(4,026)	0	(4,026)
Provisions	2,346	0	0	0	0	2,346	(393)	2,739
Impairment losses	(22,945)	(127)	0	(1)	0	(23,073)	(352)	(22,721)
Share of profits of associates and joint ventures accounted for using the equity method	0	0	0	0	0	0	(55)	55
Net gains from non-current assets held for sale and liabilities associated therewith	82	0	0	0	0	82	0	82
C. Profit or loss								
Profit/(loss) from continuing operations	(11,814)	(904)	617	(262)	5	(12,358)	(1,025)	(11,333)
Income tax related to profit or loss from continuing operations	3,084	20	0	(54)	(1)	3,049	184	2,865
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(8,730)	(884)	617	(316)	4	(9,309)	(841)	(8,468)
D. Segment assets and liabilities								
Total assets	5,541,468	210,372	15,623	63,832	202	5,831,497	443,718	5,387,779
- non-current assets held for sale and discontinued operations	282	1,970	0	0	0	2,252	0	2,252
- investments in associates and joint ventures accounted for using the equity method	55,980	33	0	0	0	56,013	52,897	3,116
Liabilities (excluding equity) by segments	5,261,542	254,831	1,817	79,028	1	5,597,219	446,164	5,151,055
Total equity	279,926	(44,459)	13,806	(15,196)	201	234,278	(2,446)	236,724
Increase in property, plant and equipment and intangible assets	1,460	35	15	4	0	1,514	0	1,514



Interim Statement of Income – Nova KBM d.d. (by quarter)

€000

ITEM DESCRIPTION	2013	2012			
	Q1	Q4	Q3	Q2	Q1
Interest income	41,456	40,050	41,888	45,378	49,710
Interest expense	(24,886)	(24,734)	(26,707)	(26,596)	(27,253)
Net interest income	16,570	15,316	15,181	18,782	22,457
Dividend income	0	(2,028)	3,331	2,061	0
Fee and commission income	10,541	11,983	11,257	11,491	11,634
Fee and commission expense	(670)	(1,488)	(1,150)	(1,141)	(851)
Net fee and commission income	9,871	10,495	10,107	10,350	10,783
Realised gains on financial assets and liabilities not measured at fair value through profit or loss	148	23,910	133	217	290
Net gains/(losses) on financial assets and liabilities held for trading	1,082	(2,796)	179	(2,735)	(3,278)
Net gains/(losses) on financial assets and liabilities designated at fair value through profit or loss	(1,511)	1,226	859	(2,263)	2,811
Net exchange rate differences	(871)	127	(561)	172	978
Net gains/(losses) on derecognition of assets excluding non-current assets held for sale	33	(4)	(2)	1	(21)
Other net operating (loss)	(591)	(645)	(159)	(113)	(150)
Administration costs	(15,962)	(19,351)	(17,787)	(16,515)	(16,504)
Depreciation and amortisation	(2,878)	(3,042)	(3,030)	(3,012)	(2,902)
Provisions	2,296	(7,326)	2,512	(4,774)	(359)
Impairment losses	(14,454)	(166,129)	(72,643)	(42,911)	(13,355)
Net gains from non-current assets held for sale and liabilities associated therewith	82	10	276	84	27
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(6,185)	(150,237)	(61,604)	(40,656)	777
Income tax related to profit or loss from continuing operations	1,592	9,851	(26)	1,496	(241)
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(4,593)	(140,386)	(61,630)	(39,160)	536
Total profit after tax from discontinued operations	0	37,385	0	0	0
NET PROFIT/(LOSS) FOR THE PERIOD	(4,593)	(103,001)	(61,630)	(39,160)	536
Basic earnings/(loss) per share (€)	(0.12)	(2.63)	(1.58)	(1.00)	0.01
Diluted earnings/(loss) per share (€)	(0.12)	(2.63)	(1.58)	(1.00)	0.01

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



Interim Statement of Other Comprehensive Income – Nova KBM d.d.

€000

ITEM DESCRIPTION	Three months ended 31.03.2013	Three months ended 31.03.2012
NET PROFIT/(LOSS) FOR THE PERIOD AFTER TAX	(4,593)	536
OTHER COMPREHENSIVE INCOME/(LOSS) AFTER TAX	(2,961)	15,066
Available-for-sale financial assets	(3,483)	18,832
Valuation gains/(losses) taken to equity	(3,483)	18,832
Income tax related to components of other comprehensive income	522	(3,766)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD AFTER TAX	(7,554)	15,602

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



Interim Statement of Other Comprehensive Income – Nova KBM d.d. (by quarter)

€000

ITEM DESCRIPTION	2013	2012			
	Q1	Q4	Q3	Q2	Q1
NET PROFIT/(LOSS) FOR THE PERIOD AFTER TAX	(4,593)	(103,001)	(61,630)	(39,160)	536
OTHER COMPREHENSIVE INCOME/(LOSS) AFTER TAX	(2,961)	12,016	1,043	(6,036)	15,066
Available-for-sale financial assets	(3,483)	14,537	1,257	(6,861)	18,832
Valuation gains/(losses) taken to equity	(3,483)	4,081	1,009	(6,861)	18,832
Transferred to profit or loss	0	10,456	248	0	0
Income tax related to components of other comprehensive income	522	(2,521)	(214)	825	(3,766)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD AFTER TAX	(7,554)	(90,985)	(60,587)	(45,196)	15,602

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



Interim Statement of Financial Position – Nova KBM d.d.

€000

ITEM DESCRIPTION	Notes	31.03.2013	31.12.2012
Cash and balances with the central bank	10	236,310	151,124
Financial assets held for trading	11	2,004	1,178
Financial assets designated at fair value through profit or loss	12	32,532	34,043
Available-for-sale financial assets	13	467,755	417,102
Loans and advances	-	3,061,927	3,127,450
– loans and advances to banks	14	167,186	169,382
– loans and advances to customers	15	2,832,938	2,891,136
– other financial assets	16	61,803	66,932
Held-to-maturity financial assets	17	378,718	397,130
Non-current assets and disposal groups classified as held for sale and discontinued operations	-	282	310
Property, plant and equipment	-	61,434	62,004
Investment property	-	1,660	1,660
Intangible assets	-	21,891	23,381
Investments in the equity of subsidiaries, associates and joint ventures accounted for using the equity method	-	55,980	55,980
Tax assets	-	37,212	35,100
– current tax assets	-	2	4
– deferred tax assets	-	37,210	35,096
Other assets	-	32,636	32,106
TOTAL ASSETS		- 4,390,341	4,338,568
Financial liabilities due to the central bank	-	424,433	423,646
Financial liabilities held for trading	-	3,477	3,412
Financial liabilities measured at amortised cost	18	3,724,823	3,674,360
– deposits from banks	18	49,866	53,880
– deposits from customers	18	2,872,995	2,910,847
– loans from banks	18	497,774	501,368
– loans from customers	18	6,471	6,470
– debt securities	-	79,815	88,591
– subordinated liabilities	18	190,937	88,190
– other financial liabilities	18	26,965	25,014
Financial liabilities associated to transferred assets	-	9,813	0
Provisions	19	38,720	41,033
Other liabilities	-	4,059	3,548
TOTAL LIABILITIES		- 4,205,325	4,145,999
Share capital	-	40,815	40,814
Share premium	-	165,775	165,775
Revaluation reserves	20	(5,053)	(2,092)
Reserves from profit	21	275,044	275,044
Retained loss (including net loss for the financial year)	-	(291,565)	(286,972)
TOTAL SHAREHOLDERS' EQUITY		- 185,016	192,569
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		- 4,390,341	4,338,568

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



Interim Statement of Cash Flows – Nova KBM d.d.

€000

Designation	ITEM DESCRIPTION	Three months ended 31.03.2013	Three months ended 31.03.2012
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
a)	Net profit/(loss) before tax	(6,185)	777
	Depreciation and amortisation	2,878	2,902
	Net (gains)/losses from exchange rate differences	871	(978)
	Net (gains)/losses from held-to-maturity financial assets	77	(146)
	Net (gains)/losses from the sale of tangible assets and investment properties	(33)	21
	Other (gains) from investing activities	(3,481)	(3,438)
	Other losses from financing activities	2,764	2,719
	Net unrealised (gains) from non-current assets held for sale and discontinued operations and liabilities associated therewith	(82)	(27)
	Other adjustments to total profit or loss before tax	12,158	13,714
	Cash flow from operating activities before changes in operating assets and liabilities	8,967	15,544
b)	(Increase)/decrease in operating assets (excluding cash equivalents)	(952)	140,452
	Net (increase)/decrease in financial assets held for trading	(826)	2,825
	Net decrease in financial assets designated at fair value through profit or loss	1,511	590
	Net (increase)/decrease in available-for-sale financial assets	(65,064)	114,583
	Net decrease in loans and advances	63,683	22,770
	Net decrease in non-current assets held for sale	274	37
	Net (increase) in other assets	(530)	(353)
	(Decrease) in operating liabilities	(41,722)	(48,764)
	Net increase in financial liabilities to the central bank	787	50,480
	Net increase in financial liabilities held for trading	65	1,597
	Net (decrease) in deposits and loans measured at amortised cost	(44,105)	(118,756)
	Net increase/(decrease) in debt securities in issue measured at amortised cost	(8,776)	19,785
	Net increase/(decrease) in other liabilities	10,307	(1,870)
d)	Cash flow from operating activities (a+b+c)	(33,707)	107,232
f)	Net cash flow from operating activities (d+e)	(33,707)	107,232



€000

Designation	ITEM DESCRIPTION	Three months ended 31.03.2013	Three months ended 31.03.2012
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
a)	Receipts from investing activities	23,188	2,380
	Receipts from the sale of tangible assets and investment properties	126	19
	Receipts from non-current assets or liabilities held for sale	246	32
	Receipts from the sale of held-to-maturity financial assets	21,816	2,329
	Other receipts from investing activities	1,000	0
b)	Cash payments on investing activities	(2,672)	(70,293)
	(Cash payments to acquire tangible assets and investment properties)	(2,028)	(1,262)
	(Cash payments to acquire intangible assets)	(644)	(906)
	(Cash payments to acquire held-to-maturity financial assets)	0	(68,125)
c)	Net cash flow from investing activities (a+b)	20,516	(67,913)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
a)	Cash proceeds from financing activities	100,000	0
	Cash proceeds from subordinated liabilities issued	100,000	0
b)	Cash payments on financing activities	0	(405)
	(Dividends paid)	0	(2)
	(Repayment of subordinated liabilities)	0	(403)
c)	Net cash flow from financing activities (a+b)	100,000	(405)
D.	Effects of change in exchange rates on cash and cash equivalents	1,101	(1,215)
E.	Net increase in cash and cash equivalents (Af+Bc+Cc)	86,809	38,914
F.	Opening balance of cash and cash equivalents	220,530	200,933
G.	Closing balance of cash and cash equivalents (D+E+F)	308,440	238,632

Reconciliation of cash and cash equivalents with the statement of financial position items as of 31 March 2013 is presented in Note 10.

The balance of cash and cash equivalents as of 31 March 2012 amounted to €238,632,000 and was made up of cash and balances with the central bank, in the amount of €86,053,000, and loans and advances to banks with original maturity of up to three months, in the amount of €152,579,000.

Cash flows from interest, dividends and participation in profits

€000

	Three months ended 31.03.2013	Three months ended 31.03.2012
Interest paid	(29,120)	(19,223)
Interest received	35,181	53,783
Dividends paid	0	(2)

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



Interim Statement of Changes in Equity – Nova KBM d.d.

Interim Statement of Changes in Equity for three months ended 31.03.2013

€000

ITEM DESCRIPTION	Share capital	Share premium	Revaluation reserves	Reserves from profit	Retained (loss) (including net loss for the period)	Total shareholders' equity
OPENING BALANCE FOR THE REPORTING PERIOD	40,814	165,775	(2,092)	275,044	(286,972)	192,569
Total comprehensive income for the period after tax	0	0	(2,961)	0	(4,593)	(7,554)
Other	1	0	0	0	0	1
CLOSING BALANCE FOR THE REPORTING PERIOD	40,815	165,775	(5,053)	275,044	(291,565)	185,016

The figure in line 'Other' derives from rounding to thousands of euros.

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

Interim Statement of Changes in Equity for three months ended 31.03.2012

€000

ITEM DESCRIPTION	Share capital	Share premium	Revaluation reserves	Reserves from profit	Retained (loss) (including net profit for the period)	Total shareholders' equity
OPENING BALANCE FOR THE REPORTING PERIOD	40,815	165,775	(24,181)	275,044	(83,717)	373,736
Total comprehensive income for the period after tax	0	0	15,066	0	536	15,602
CLOSING BALANCE FOR THE REPORTING PERIOD	40,815	165,775	(9,115)	275,044	(83,181)	389,338

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



Notes to the financial statements of Nova KBM d.d.

The financial statements of Nova KBM d.d. for the three-month period ended 31 March 2013 were authorised for issue on 25 April 2013 by the Management Board of Nova KBM d.d.

Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union.

The interim financial report is prepared in a condensed form and includes selected explanatory notes as requested in accordance with IFRSs.

The interim financial statements are unaudited.

Presentation and functional currency

Items included in the financial statements are presented in euro, which is the functional and presentation currency of the Bank.

All amounts in the financial statements and in notes to the financial statements are expressed in thousands of euros except where stated otherwise. Slight discrepancies in totals may occur due to rounding off of figures.

Significant accounting policies

Adopted accounting policies have been consistently applied in both reporting periods presented in these financial statements.

The accounting policies applied are presented in detail in the 2012 Annual Report of Nova KBM d.d.



Notes to the statement of income items

1 Interest income and expense

1.1 Analysis of interest by market segments

	Q1 2013		Q1 2012	
	Income	Expense	Income	Expense
Non-financial companies	19,109	1,049	23,059	828
State	5,052	6,034	4,881	5,332
Banks	1,893	4,956	2,623	8,638
Other financial organisations	2,671	1,936	2,877	1,843
Households	10,875	10,573	14,075	10,336
Foreign persons	1,814	263	2,128	214
Non-profit household service providers	42	75	67	62
Total 41,456		24,886	49,710	27,253
Net interest income		16,570	22,457	

1.2 Analysis of interest income and expense by type of assets and liabilities

	Q1 2013		Q1 2012	
	Current	Non-current	Current	Non-current
Interest income				
Balances with the central bank (measured at amortised cost)	47	0	95	0
Financial assets held for trading	43	0	3	0
Financial assets designated at fair value through profit or loss	0	0	0	30
Available-for-sale financial assets	2,690	0	3,153	0
Loans and advances (including finance leases and other financial assets)	8,163	27,020	9,420	33,560
Held-to-maturity financial assets	86	3,395	117	3,321
Other assets	12	0	11	0
Total by maturity	11,041	30,415	12,799	36,911
Total 41,456			49,710	
Interest expense				
Financial liabilities due to the central bank (measured at amortised cost)	0	788	117	862
Financial liabilities held for trading	0	42	0	3
Financial liabilities measured at amortised cost	4,185	19,871	4,621	21,650
Total by maturity	4,185	20,701	4,738	22,515
Total		24,886		27,253
Net interest income		16,570		22,457



2 Fee and commission income and expense

	Q1 2013	Q1 2012
Fee and commission income	10,541	11,634
Guarantees	814	1,036
Services provided to banks in the Group	212	224
Services provided to other Group subsidiaries	69	72
Domestic payment transactions	4,198	4,662
Transactions under current accounts	2,088	1,945
Card operations	1,419	1,699
International payment transactions	385	169
Brokerage and agency services	85	62
Transactions in securities for customers	107	109
Lending operations	1,130	1,460
Other services	22	192
Safekeeping of objects and valuables	12	4
Fee and commission expense	670	851
Domestic banking services	167	189
Banking services abroad	344	418
Brokerage and agency services	15	22
Stock exchange transactions and other transactions in securities	48	53
Payment transactions	90	156
Services of banks in the Group	5	12
Other services	1	1
Net fee and commission income	9,871	10,783

3 Net gains/losses on financial assets and liabilities held for trading

	Q1 2013			Q1 2012		
	Gains	Losses	Net gains/(losses)	Gains	Losses	Net gains/(losses)
Trading in equity instruments	4	45	(41)	127	11	116
Trading in foreign exchange (purchase/sale)	231	150	81	365	290	75
Trading in derivatives	2,020	978	1,042	1,772	5,241	(3,469)
– futures/forwards	1,759	567	1,192	1,592	5,074	(3,482)
– options	0	148	(148)	0	0	0
– swaps	261	263	(2)	180	167	13
Total 2,255		1,173	1,082	2,264	5,542	(3,278)

4 Net gains/losses on financial assets and liabilities designated at fair value through profit or loss

	Q1 2013			Q1 2012		
	Gains	Losses	Net (losses)	Gains	Losses	Net gains
Financial assets designated at fair value through profit or loss	341	1,852	(1,511)	3,369	558	2,811
Total 341		1,852	(1,511)	3,369	558	2,811



5 Net exchange rate differences

	Q1 2013	Q1 2012
Foreign exchange gains	5,968	3,717
Foreign exchange losses	6,839	2,739
Net foreign exchange gain/(loss)	(871)	978

6 Administration costs

	Q1 2013	Q1 2012
Staff expenses	9,234	10,222
Gross salaries	7,209	7,750
Social security and pension insurance contribution	1,166	1,254
Pay for annual leave	249	538
Other staff costs	610	680
General and administrative expenses	6,728	6,282
Cost of material	595	633
Cost of services	4,480	3,762
Maintenance costs of fixed assets	1,074	1,142
Advertising costs	332	532
Other administrative costs	247	213
Total administration costs	15,962	16,504

7 Provisions

	Q1 2013	Q1 2012
Provisions for off-balance sheet liabilities	(2,287)	372
Other provisions	(9)	(13)
Total	(2,296)	359

8 Impairment losses

	Q1 2013	Q1 2012
Financial assets not measured at fair value through profit or loss	14,454	13,354
Other assets	0	1
Total impairment losses	14,454	13,355



8.1 Impairment of financial assets not measured at fair value through profit or loss

	Q1 2013	Q1 2012
Financial assets measured at cost	10,750	0
Available-for-sale financial assets designated at fair value	178	230
Loans and advances (including finance leases and other financial assets) measured at amortised cost	3,526	13,124
– loans and advances to banks	35	(67)
– loans and advances to customers	9,724	13,064
– other financial assets	(6,233)	127
Total impairment of financial assets not measured at fair value through profit or loss	14,454	13,354

The impairment of financial assets measured at cost relates to Merkur shares.

9 Income tax related to profit or loss from continuing operations

	Q1 2013	Q1 2012
Deferred tax related to continuing operations	(1,592)	241
Total	(1,592)	241

Notes to the statement of financial position items

10 Cash and balances with the central bank

	31.03.2013	31.12.2012
Cash in hand	36,105	39,490
Obligatory deposits with the central bank	194,682	107,758
Other deposits with the central bank	5,523	3,876
Total	236,310	151,124

Obligatory deposit funds are available to finance day-to-day operations and are therefore considered as cash equivalent.

10.1 Cash and cash equivalents

	31.03.2013	31.12.2012
Cash and balances with the central bank	236,310	151,124
Loans and advances to banks	72,130	69,406
Total	308,440	220,530



11 Financial assets held for trading

	31.03.2013	31.12.2012
Derivatives	1,860	1,178
Equity instruments	144	0
– of other issuers	144	0
Total	2,004	1,178
Quoted	144	0
Unquoted	1,860	1,178
Total	2,004	1,178

11.1 Movement in financial assets held for trading

	Q1 2013	2012
1 January	1,178	8,442
Increase during the year	2,118	12,689
– acquisition	1,432	12,402
– change in fair value (recovery and reversal of impairment)	682	0
– other (deferred interest, realised gains)	4	287
Decrease during the year	1,292	19,953
– disposal (sale and redemption)	1,247	12,474
– change in fair value (impairment and reversal of recovery)	0	7,264
– exchange rate differences	0	1
– other (deferred interest, realised losses)	45	214
31 March/31 December	2,004	1,178

12 Financial assets designated at fair value through profit or loss

	31.03.2013	31.12.2012
Equity instruments	32,532	34,043
Total	32,532	34,043
Quoted	22,855	24,366
Unquoted	9,677	9,677
Total	32,532	34,043

12.1 Movement in financial assets designated at fair value through profit or loss

	Q1 2013	2012
1 January	34,043	37,942
Increase during the year	341	7,033
– change in fair value (recovery and reversal of impairment)	341	6,871
– deferred interest	0	34
– exchange rate differences	0	1
– other	0	127
Decrease during the year	1,852	10,932
– disposal (sale and redemption)	0	6,431
– change in fair value (impairment and reversal of recovery)	1,852	4,151
– interest received	0	120
– exchange rate differences	0	16
– other	0	214
31 March/31 December	32,532	34,043



13 Available-for-sale financial assets

13.1 Analysis by type and market segments

	31.03.2013	31.12.2012
Equity instruments designated at fair value	42,020	45,425
Equity instruments measured at cost	23,094	23,081
Debt securities	402,641	348,596
– issued by the state and the central bank	254,196	182,824
– issued by banks	123,387	142,599
– issued by other issuers	25,058	23,173
Total	467,755	417,102
Quoted	428,772	374,939
Unquoted	38,983	42,163
Total	467,755	417,102

13.2 Movement in available-for-sale financial assets

	Equity instruments		Debt securities	Total
	At fair value	At cost		
1 January 2013	45,425	23,081	348,596	417,102
Recognition of new financial assets	299	10,763	99,224	110,286
Interest	0	0	(1,558)	(1,558)
Net revaluation through equity	133	0	(3,616)	(3,483)
Net impairment through profit or loss	(178)	(10,750)	0	(10,928)
Derecognition of financial assets at maturity	0	0	(40,000)	(40,000)
Derecognition of financial assets upon disposal	(3,650)	0	0	(3,650)
Net (losses) on sale	(9)	0	(5)	(14)
31 March 2013	42,020	23,094	402,641	467,755

	Equity instruments		Debt securities	Total
	At fair value	At cost		
1 January 2012	61,041	20,322	442,569	523,932
Recognition of new financial assets	234	3,600	70,352	74,186
Interest	0	0	(2,944)	(2,944)
Net revaluation through equity	5,462	0	22,303	27,765
Net impairment through profit or loss	(11,494)	(840)	0	(12,334)
Derecognition of financial assets at maturity	0	0	(174,019)	(174,019)
Derecognition of financial assets upon disposal	(10,110)	(1)	(8,486)	(18,597)
Net gains/(losses) on sale	292	0	(1,179)	(887)
31 December 2012	45,425	23,081	348,596	417,102



14 Loans and advances to banks

	31.03.2013	31.12.2012
Sight deposits	4,922	6,995
Current loans	97,604	97,783
Impairment of current loans	(192)	(172)
Non-current loans	64,985	64,893
Impairment of non-current loans	(133)	(117)
Total – net amount	167,186	169,382
Impairment	325	289
Total – gross amount	167,511	169,671

15 Loans and advances to customers

	31.03.2013	31.12.2012
Current loans	559,383	579,103
Impairment of current loans	(121,954)	(120,282)
Non-current loans	2,839,925	2,866,538
Impairment of non-current loans	(454,333)	(443,849)
Claims under guarantees	19,163	18,729
Impairment of claims under guarantees	(9,246)	(9,103)
Total – net amount	2,832,938	2,891,136
Impairment	585,533	573,234
Total – gross amount	3,418,471	3,464,370

15.1 Movement in impairment of loans and advances to customers

	Q1 2013	2012
1 January	573,234	335,073
Net impairment of principal	9,724	248,235
– additional impairment of principal	34,286	361,917
– reversal of impairment of principal	(24,562)	(113,682)
Additional impairment of interest	3,227	20,531
Additional impairment/reversal of impairment of fees	(14)	59
Write-offs of loans and advances to customers	(638)	(30,664)
31 March/31 December	585,533	573,234

16 Other financial assets

	31.03.2013	31.12.2012
Cheques	52	75
Claims for fees and commissions	1,300	1,673
Accounts receivables	209	245
Surplus of financial assets arising from authorised transactions for customers	76	0
Other financial assets	60,166	64,939
Total – net amount	61,803	66,932
Impairment	1,475	7,721
Total – gross amount	63,278	74,653



16.1 Movement in impairment of other financial assets

	Q1 2013	2012
1 January	7,721,918	
Net impairment of principal	(6,233)	6,825
– additional impairment of principal	189	7,475
– reversal of impairment of principal	(6,422)	(650)
Additional impairment of interest	3	18
Additional impairment of fees	18	242
Write-offs of other financial assets	(34)	(282)
31 March/31 December	1,475,721	

17 Held-to-maturity financial assets

	31.03.2013	31.12.2012
Debt securities		
– current securities issued by the state and the central bank	9,941	29,855
– non-current securities issued by the state and the central bank	331,359	330,194
– non-current securities issued by banks and savings banks	33,494	33,203
– non-current securities issued by other issuers	3,924	3,878
Total	378,718	397,130
Quoted	377,053	395,473
Unquoted	1,665	1,657
Total	378,718	397,130

17.1 Movement in held-to-maturity financial assets

	Q1 2013	2012
1 January	397,130	339,819
Increase during the year	3,706	123,821
– acquisition	0	108,257
– gains	225	916
– other (deferred interest)	3,481	14,648
Decrease during the year	22,118	66,510
– redemption	20,000	58,729
– losses	302	974
– other (interest received)	1,816	6,807
31 March/31 December	378,718	397,130

18 Financial liabilities measured at amortised cost

	31.03.2013	31.12.2012
Deposits	2,922,861	2,964,727
Loans	504,245	507,838
Debt securities	79,815	88,591
Subordinated liabilities	190,937	88,190
Other financial liabilities	26,965	25,014
Total	3,724,823	3,674,360



18.1 Deposits by type of customers and maturity

	31.03.2013	31.12.2012
Deposits from banks	49,866	53,880
– sight deposits	2,892	2,471
– current deposits	537	3,540
– non-current deposits	46,437	47,869
Deposits from customers	2,872,995	2,910,847
– sight deposits	953,442	971,591
– current deposits	670,376	616,703
– non-current deposits	1,249,177	1,322,553
Total	2,922,861	2,964,727

18.2 Loans by type of customers and maturity

	31.03.2013	31.12.2012
Loans from banks	497,774	501,368
– non-current loans	497,774	501,368
Loans from customers	6,471	6,470
– non-current loans	6,471	6,470
Total	504,245	507,838

18.3 Subordinated liabilities

ISIN code	Currency	Date of maturity	Interest rate	31.03.2013	31.12.2012
Hybrid instruments as a component of additional own funds					
ISIN: XS0270427163	EUR	perpetual; call option after 05.10.2016	3M EURIBOR + 1.60%	50,446	50,222
ISIN: XS0325446903	EUR	perpetual; call option booked as executable on 31.12.2030	3M EURIBOR + 4.00%	12,044	11,920
Hybrid instruments as a component of original own funds					
ISIN: SI0022103046	EUR	perpetual; call option after 29.12.2014	8.70%	26,030	26,048
Hybrid loan facility - CoCo	EUR	perpetual; the first possible repayment date is 30.06.2013; if either the Group's basic equity capital ratio falls to below 5.125% or if its Core Tier I capital ratio falls to below 7%, the hybrid loan facility shall be converted into KBMR shares	10.00%	102,417	0
Total				190,937	88,190

Subordinated liabilities are included in the calculation of capital adequacy. Capital risk is disclosed in Note 26.



18.4 Other financial liabilities

	31.03.2013	31.12.2012
Liabilities for fees and commissions	14	22
Liabilities for gross salaries of employees	2,468	2,472
Liabilities to suppliers	635	4,384
Liabilities related to card transactions	6,961	5,420
Liabilities related to ATM transactions	1,746	2,036
Liabilities related to funds of customers provided for payments abroad	7,106	4,733
Liabilities related to cash transactions	459	665
Liabilities from participation in profits – dividends	75	75
Accruals and deferred income	3,058	2,985
Surplus arising from authorised transactions for customers	0	72
Other financial liabilities	4,443	2,150
Total other financial liabilities	26,965	25,014

19 Provisions

	Provisions for tax claims and other pending legal issues	Provisions for pensions and similar benefits	Provisions for off-balance sheet liabilities	Other provisions	Total
1 January 2013	3,274	4,333	32,998	428	41,033
Net provisions made during the year	0	(9)	(2,287)	0	(2,296)
– provisions made during the year	0	0	4,108	0	4,108
– provisions reversed during the year	0	(9)	(6,395)	0	(6,404)
Provisions used during the year	0	(17)	0	0	(17)
31 March 2013	3,274	4,307	30,711	428	38,720

	Provisions for tax claims and other pending legal issues	Provisions for pensions and similar benefits	Provisions for off-balance sheet liabilities	Other provisions	Total
1 January 2012	2,532	4,529	23,773	434	31,268
Net provisions made during the year	742	(14)	9,225	(6)	9,947
– provisions made during the year	836	238	31,900	0	32,974
– provisions reversed during the year	(94)	(252)	(22,675)	(6)	(23,027)
Provisions used during the year	0	(182)	0	0	(182)
31 December 2012	3,274	4,333	32,998	428	41,033



20 Revaluation reserves

	31.03.2013	31.12.2012
Revaluation reserves in respect of available-for-sale financial assets	(5,053)	(2,092)
– revaluation	(5,945)	(2,461)
– deferred taxes	892	369
Total	(5,053)	(2,092)

20.1 Movement in revaluation reserves

	Q1 2013	2012
1 January	(2,092)	(24,181)
Net change in valuation of available-for-sale financial assets	(3,483)	27,765
– gains/(losses) recognised in revaluation reserves	(3,483)	17,061
– losses transferred from revaluation reserves to profit or loss	0	10,704
Net change in deferred taxes	522	(5,676)
31 March/31 December	(5,053)	(2,092)

21 Reserves from profit

	31.03.2013	31.12.2012
Regulatory reserves	12,145	12,145
Statutory reserves	172,158	172,158
Other reserves from profit	90,741	90,741
Total	275,044	275,044

Other notes

22 Commitments and contingent liabilities by type

	31.03.2013		Total
	Current	Non-current	
Financial guarantees	43,207	38,534	81,741
Service guarantees	89,114	80,989	170,103
Total guarantees	132,321	119,523	251,844
Unsecured letters of credit	93	80	173
Approved and undrawn loans	89,238	1,417	90,655
Approved and undrawn overdrafts	158,391	0	158,391
Other	1,844	0	1,844
Total commitments and contingent liabilities	249,473	1,417	250,890
Derivatives	182,614	5,674	188,288
Total	564,501	126,694	691,195



	31.12.2012		
	Current	Non-current	Total
Financial guarantees	43,060	38,036	81,096
Service guarantees	95,669	79,827	175,496
Total guarantees	138,729	117,863	256,592
Unsecured letters of credit	249	0	249
Approved and undrawn loans	89,671	1,124	90,795
Approved and undrawn overdrafts	160,906	180	161,086
Other	165	0	165
Total commitments and contingent liabilities	250,742	1,304	252,046
Derivatives	184,632	5,636	190,268
Total	574,352	124,803	699,155

23 Related party transactions

23.1 Statement of financial position and off-balance sheet items

	Subsidiaries		Associates	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Assets				
Loans and advances given (gross amount)	339,880	343,928	1	199
– loans and advances to banks	82,149	81,609	0	0
– loans and advances to customers	257,573	260,936	1	3
– other financial assets	158	1,383	0	196
Investments in securities	55,408	57,089	2,237	4,051
– equity instruments	53,743	55,432	2,237	2,237
– debt securities	1,665	1,657	0	1,814
Other claims	45	0	0	13
Liabilities				
Deposits and loans received	51,161	50,730	1,732	28,956
– deposits and loans from banks	47,567	47,418	0	0
– deposits and loans from customers	2,141	3,066	1,732	28,624
– other financial liabilities	1,453	246	0	332
Securities issued	7,636	0	0	0
– debt securities	7,636	0	0	0
Subordinated liabilities	100	100	0	13,549
Other liabilities	1	0	12	4
Off-balance sheet items	5,649	4,900	4	2,510

	Key management personnel		Other related persons	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Assets				
Loans and advances given (gross amount)	391	323	19,489	12,660
– loans and advances to customers	391	322	19,138	12,657
– other financial assets	0	1	351	3
Investments in securities	0	0	0	348
– equity instruments	0	0	0	348
Liabilities				
Deposits and loans received	817	684	821	898
– deposits and loans from customers	817	677	820	809
– other financial liabilities	0	7	1	89
Other liabilities	0	3	0	0
Off-balance sheet items	90	90	97	33

Transactions with related persons are conducted on an arm's length basis.



23.2 Statement of income

	Subsidiaries		Associates	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012
Net interest income	2,939	2,622	(22)	(299)
Dividend income	0	0	0	0
Net fee and commission income	249	264	2	107
Cost of services	(33)	(97)	0	(125)
Individual impairments	432	0	0	0
Impairment of investments	0	0	0	0
Write-offs	0	0	0	0
Total 3,587		2,789	(20)	(317)

	Key management personnel		Other related persons	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012
Net interest income	(4)	0	197	116
Dividend income	0	0	0	0
Net fee and commission income	0	0	10	16
Cost of services	(41)	(46)	(234)	(228)
Individual impairments	0	0	0	0
Write-offs	0	0	0	0
Total (45)		(46)	(27)	(96)

23.3 Loans and guarantees given

	Management Board members		Supervisory Board members		Other Bank employees on individual contract	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Loans	14	7	55	58	1,774	1,755
Average interest rate on loans (%)	8.34	8.59	3.69	4.18	2.91	3.30
Repayments	1	0	3	10	111	441

24 Exposure to the Bank of Slovenia, Republic of Slovenia and state-owned institutions

Exposure to:	31.03.2013	31.12.2012
Bank of Slovenia	200,205	111,634
Republic of Slovenia	578,918	524,953
State-owned institutions	717,238	718,163
Total exposure to the Bank of Slovenia, Republic of Slovenia and state-owned institutions	1,496,361	1,354,750
Share in total assets (%)	34.08	31.23
Off-balance sheet items covered by collateral provided by the Bank of Slovenia or the Republic of Slovenia	12,231	11,664
Total assets	4,390,341	4,338,568



25 Credit risk management

Exposure to credit risk

	Loans to customers		Loans to banks	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Net disbursed loans	2,832,938	2,891,136	167,186	169,382
Individual impairment				
Gross amount	1,215,795	1,191,874	62,550	62,062
Impairment	(511,769)	(502,173)	(325)	(289)
Net amount	704,026	689,701	62,225	61,773
Collective impairment				
Credit rating A	1,053,303	1,111,019	0	0
Credit rating B	645,371	687,393	0	0
Credit rating C	377,301	352,383	0	0
Credit rating D	18,134	15,546	0	0
Credit rating E	34,473	29,645	0	0
Gross amount	2,128,582	2,195,986	0	0
Impairment	(73,764)	(71,061)	0	0
Net amount	2,054,818	2,124,925	0	0
Net non-impaired loans	74,094	76,510	104,961	107,609
Total net loans	2,832,938	2,891,136	167,186	169,382

Past due and unpaid claims

	31.03.2013				
	Up to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Banks	0	0	0	2	2
State	1	0	0	0	1
Legal entities	9,412	21,632	27,184	690,019	748,247
Households	2,936	797	660	30,634	35,027
Total 12,349		22,429	27,844	720,655	783,277

	31.12.2012				
	Up to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Banks	0	0	0	29	29
State	144	0	0	0	144
Legal entities	37,480	14,678	2,604	613,901	668,663
Households	3,780	1,103	538	27,144	32,565
Total 41,404		15,781	3,142	641,074	701,401



NPLs in the Bank's total loan portfolio

	31.03.2013	31.12.2012
Gross NPLs (D, E)*	828,406	712,671
Impairment losses for NPLs (D, E)	415,703	362,486
Net NPLs (D, E)	412,703	350,185
Total gross loan portfolio	3,585,982	3,634,041
Total net loan portfolio	3,000,124	3,060,518
Gross NPLs/Total gross loan portfolio (%)	23.10	19.61
Net NPLs/Total net loan portfolio (%)	13.76	11.44

*Gross NPLs (D, E) include collectively impaired loans, which are classified in credit rating categories D and E and for which prime collateral has not been provided, and individually impaired loans, the basic credit rating of which is D or E.

Analysis of loans and the percentage of NPLs by industry sectors

Industry sector	31.03.2013			31.12.2012		
	Total loans	NPLs	Share of NPLs (%)	Total loans	NPLs	Share of NPLs (%)
Households	883,538	26,481	3.00	898,235	23,722	2.64
Agriculture and hunting, forestry, fishing	27,332	4,075	14.91	27,644	4,020	14.54
Mining	2,097	1,809	86.27	2,131	1,798	84.37
Manufacturing industry	649,554	180,480	27.79	659,623	172,150	26.10
Electricity, gas and steam supply	93,596	0	0.00	92,266	0	0.00
Water supply, waste and sewage management, rehabilitation of the environment	7,417	2,326	31.36	7,247	2,276	31.41
Construction	339,863	237,178	69.79	337,679	196,414	58.17
Trade, maintenance and repair of motor vehicles	319,534	85,557	26.78	320,881	55,631	17.34
Transportation and storage	68,463	8,769	12.81	70,962	8,402	11.84
Accommodation and food service activities	126,098	26,693	21.17	131,166	31,419	23.95
Information and communication activities	66,293	36,380	54.88	66,581	36,007	54.08
Financial intermediation	572,022	91,228	15.95	588,752	91,770	15.59
Real estate activities	164,074	75,491	46.01	166,951	53,764	32.20
Professional, scientific and technical activities	145,039	0	0.00	145,397	29,229	20.10
Other various business activities	10,358	40,747	393.39	10,789	3,093	28.67
Public administration and defence services, compulsory social security activities	12,322	3,129	25.39	12,419	0	0.00
Education	4,850	351	7.24	4,902	348	7.10
Health and welfare security	26,859	86	0.32	26,250	104	0.40
Arts, entertainment and recreation	56,651	1,945	3.43	59,193	1,991	3.36
Other activities	10,022	5,681	56.69	4,973	533	10.72
Total gross loans	3,585,982	828,406	23.10	3,634,041	712,671	19.61



26 Composition of regulatory capital and capital requirements

	31.03.2013	31.12.2012
Original own funds		
Paid-up share capital	40,815	40,814
(-) Treasury shares	(64)	(111)
Share premium	165,775	165,775
Reserves and retained earnings or loss	(11,899)	191,356
(-) Interim result used in the calculation (unaudited)	(4,564)	(203,226)
Revaluation excesses (PP) – prudential filters	(681)	(794)
Hybrid instruments as a component of original own funds	126,030	126,030
(-) Intangible long-term assets	(21,891)	(23,381)
(-) Other country specific deductions	11,344	11,356
Total	304,865	307,819
Additional own funds I		
Hybrid instruments and preferential cumulative shares	29,908	29,908
Other	2,380	2,380
Total	32,288	32,288
(-) Deductions from original own funds and additional own funds I		
(-) Deductions from original own funds	(1,119)	(1,119)
(-) Deductions from additional own funds I	(1,119)	(1,119)
Total	(2,238)	(2,238)
Total equity (for solvency purposes)	334,915	337,869
Capital requirements		
Capital requirements for credit risk	264,916	269,546
Central governments and central banks	0	0
Regional governments and local authorities	176	182
Administrative bodies	32	24
Institutions	15,094	14,558
Corporates	106,886	113,339
Retail banking	58,942	59,361
Secured by real estate	4,209	4,324
Past due items	7,960	11,782
Items belonging to regulatory high-risk categories	39,041	33,651
Collective investment undertakings	1,126	1,381
Other items	31,450	30,944
Total capital requirements for market risks	1,703	1,805
Debt securities	407	577
Equity instruments	504	483
Foreign exchange	792	745
Capital requirement for operational risk	20,897	23,237
Total	287,516	294,588
Total capital adequacy ratio	9.32%	9.18%
Tier I capital ratio	8.45%	8.33%
Core Tier I capital ratio	4.94%	4.91%
Core Tier I capital ratio (EBA methodology)	7.73%	7.62%



27 Fair value of financial assets and financial liabilities

	31.03.2013		31.12.2012	
	Book value	Fair value	Book value	Fair value
Financial assets				
Cash and balances with the central bank	236,310	236,310	151,124	151,124
Financial assets held for trading	2,004	2,004	1,178	1,178
Financial assets designated at fair value through profit or loss	32,532	32,532	34,043	34,043
Available-for-sale financial assets	467,755	467,755	417,102	417,102
Loans and advances to banks	167,186	167,036	169,382	169,233
Loans and advances to customers	2,832,938	2,842,701	2,891,136	2,901,689
Other financial assets	61,803	61,803	66,932	66,932
Held-to-maturity financial assets	378,718	377,819	397,130	399,072
Financial liabilities				
Financial liabilities due to the central bank	424,433	425,339	423,646	425,428
Financial liabilities held for trading	3,477	3,477	3,412	3,412
Deposits from banks	49,866	50,151	53,880	54,354
Deposits from customers	2,872,995	2,893,515	2,910,847	2,924,576
Loans from banks	497,774	498,635	501,368	501,368
Loans from customers	6,471	6,474	6,470	6,470
Debt securities	79,815	86,958	88,591	95,602
Subordinated liabilities	190,937	192,590	88,190	90,965
Other financial liabilities	26,965	26,965	25,014	25,014

28 Events after the statement of financial position date

On 18 April 2013, the share capital of Nova KBM was increased by an in-kind contribution of €100,000,000 via the issuance of new shares into which a state-provided hybrid loan facility was converted. Following the conversion, the share capital of Nova KBM now amounts to €140,814,000 and is split into 137,645,135 ordinary freely transferable registered no-par value shares with voting rights. New and existing shares are equal in all respects and are of the same class.

On 25 April 2013, Nova KBM received the remaining proceeds from the sale of its equity stake in Zavarovalnica Maribor, totalling €50,034,000.



Financial calendar of Nova KBM d.d. for the rest of 2013

All notices and announcements will be available in the electronic dissemination system of the Ljubljana Stock Exchange, SEOnet (www.ljse.si), through the ESPI system of the Warsaw Stock Exchange (www.gpw.pl), and on the Bank's website (www.nkbm.si).

Type of announcement or event	Anticipated date of announcement or event
The 24th regular Shareholders' Meeting of Nova KBM d.d.	Monday, 10 June 2013
Decisions adopted at the 24th regular Shareholders' Meeting of Nova KBM d.d.	Tuesday, 11 June 2013
Preliminary information on results for the period January – June 2013	Wednesday, 31 July 2013
Report on operations and unaudited financial statements of Nova KBM d.d. and the Nova KBM Group for the period January – June 2013	Thursday, 29 August 2013
Preliminary information on results for the period January – September 2013	Wednesday, 30 October 2013
Report on operations and unaudited financial statements of Nova KBM d.d. and the Nova KBM Group for the period January – September 2013	Thursday, 28 November 2013
The 2014 Business Plan of Nova KBM d.d. and the Nova KBM Group	Thursday, 19 December 2013

The above stated dates are provisional and are subject to change. Any changes in release dates will be published on the website of Nova KBM d.d.