

BALANCE SHEET

Name of the company: Bulgarian Real Estate Fund Inc.

Period: 1.01.2010 - 30.09.2010

ASSETS	BGN '000	EQUITY AND LIABILITIES	BGN '000
a	I	a	I
A. Long-term ASSETS		A. EQUITY	
I. Properties, machinery, equipment		I. Share capital	
1. Land		Authorised capital, incl.:	60,450
2. Buildings and constructions		Ordinary shares	60,450
3. Machinery		Preference shares	
4. Equipment	5	Own ordinary shares repurchased	
5. Vehicles		Own preference shares repurchased	
6. Fixture and fittings	26	Share capital receivable	
7. Cost for acquisition and disposal of fixed assets		Group I total:	60,450
8. Other		II. Reserves	
Group I total:	31	1. Reserves from issues of shares	9,810
II. Investment properties	63,211	2. Reserves from revaluations of assets and liabilities	
III. Plants		3. Reserves for special purposes, incl.:	
IV. Intangible non-current assets		general reserves	
1. Patents, licenses and ownership rights		special reserves	
2. Software products		other reserves	
3. Products from research and development		Group II total:	9,810
4. Other intangible fixed assets	6	III. Financial result	
Group IV total:	6	1. Profit/loss from previous years, incl.:	5,500
		undistributed profit	5,500
		uncovered loss	
V. Goodwill		2. Current profit	1,842
1. Positive goodwill		3. Current loss	
2. Negative goodwill		Group III total:	7,342
Group V total:	-	SECTION A TOTAL (I+II+III):	77,602
VI. Long term financial assets			
1. Participations, incl.:			
control participations			
majority participations			
minority participations			
other			
2. Bonds			
State bonds			
Bonds, incl.:			
municipality bonds			
other bonds			
3. Other			
Group VI total:	-	C. LONG TERM LIABILITIES	
VII. Long term receivables		I. Long term payables	
1. Receivables from related parties		1. Payables to related parties	
2. Receivables from trade loans		2. Payables to financial institutions	16,816
3. Receivables from financial leasing		3. Payables on LABD	
4. Other long term receivables		4. Trade loan payables	
Group VII total:	-	5. Payables on debentures	
		6. Other long term payables	870
		Group I total:	17,686
VIII. Deferred expenses	474	II. Other long term liabilities	
IX. Postponed taxes		III. Deferred income	
SECTION A TOTAL (I+II+III+IV+V+VI+VII+VIII+IX):	63,722	IV. Liabilities on postponed taxes	
B. CURRENT ASSETS		V. Financing	
I. Inventories		SECTION C TOTAL (I+II+III+IV+V):	17,686
1. Materials		D. SHORT TERM LIABILITIES	
2. Finished product stock		I. Short term payables	
3. Merchandise		1. Payables to financial institutions	28
4. Work in progress		2. Long term liabilities due within one year	2,236
5. Plants		3. Current liabilities , incl.:	1,555
6. Other	33,086	Related parties payables	589
Group I total:	33,086	Trade loan payables	
		Payables to suppliers	918
		Advances from clients	
II. Short term receivables		Payables to the personnel	5
1. Receivables from related parties		Payables to social insurance companies	2
2. Receivables from clients	1,594	Tax payables	41
3. Advances to suppliers		4. Other short term payables	2
4. Trade loan receivables		5. Provisions	2,375
5. Court and court awarded receivables	4	Group I total:	6,196
6. Tax receivables		II. Other short term liabilities	
7. Receivables from personnel		III. Deferred income	
8. Other short term receivables		IV. Financing	
Group II total:	1,598		
III. Short term financial assets			
1. Financial assets for speculation, incl.:			
debt securities			
derivatives			
other			
2. Financial assets for sale			
3. Other			
Group III total:	-	SECTION D TOTAL (I+II+III+IV):	6,196
IV. Cash			
1. Cash in hand	5		
2. Cash at bank	2,886		
3. Blocked cash	8		
4. Cash equivalents			
Group IV total:	2,899		
V. Short term deferred expenses	179		
SECTION B TOTAL (I+II+III+IV+V):	37,762		
TOTAL ASSETS (A+B):	101,484	EQUITY AND LIABILITIES (A+B+C+D):	101,484

Date : 27.10.2010

Executive manager: Nikolai Skarlatov

INCOME STATEMENT

Name of the company: Bulgarian Real Estate Fund Inc.

Period: 1.01.2010 - 30.09.2010

EXPENSES	BGN '000	INCOME	BGN '000
a	1	a	1
A. OPERATIONAL EXPENSES		A. Income from ordinary activities	
I. Expenses according to economical elements		I. Net revenues from sales:	
1. Expenses for materials	175	1. Production	
2. Expenses for hired services	1540	2. Merchandise	1870
3. Depreciation expenses	8	3. Services	4518
4. Salaries	46	4. Other	36
5. Social securities	6	Group I total:	6424
6. Book value of assets sold (without the production)	1761		
7. Change in finished products, WIP and deferred expense Change in finished products, WIP and deferred expense		II. Income from financing	
8. Other expenses, incl.: impairment of assets provisions	84	incl. government grants	
Group I total:	3,620	III. Financial income	
II. Financial expenses		1. Income from interest	155
1. Interest expenses	961	2. Income from participations (incl. dividends)	
2. Negative differences from operations with financial assets and securities	137	3. Positive differences from operations with financial assets and securities	
3. Currency exchange losses		4. Currency exchange gains	
4. Other financial expenses	19	5. Other financial income	
Group II total:	1,117	Group III total:	155
B. Total operational expenses (I + II)	4,737	B. Total income from ordinary activities (I+II+III):	6579
C. Profit from ordinary activities	1,842	C. Loss from ordinary activities	
III. Shared profit from participations		IV. Shared loss from participations	
IV. Extraordinary expenses		V. Extraordinary income	
D. Total expenses (B+ III +IV)	4,737	D. Total income (B + IV + V)	6,579
E. Profit before taxes	1,842	E. Loss before taxes	0
V. Taxes			
1. Income taxes			
2. Expenses (Savings) for postpone income taxes			
3. Other taxes			
F. Profit after taxes (E - V)	1,842	F. Loss after taxes (E + V)	0
G. Net profit		G. Loss for the period	
TOTAL (D+ V + F):	6,579	TOTAL(D + F):	6,579

Date : 27.10.2010

CASH FLOW STATEMENT

Name of the company: **Bulgarian Real Estate Fund Inc.**

Period: **1.01.2010 - 30.09.2010**

CASH FLOWS	BGN '000
<i>A. CASH FLOW FROM OPERATING ACTIVITIES</i>	
1. Receipts from customers	6,000
2. Payments to suppliers	(3,344)
3. Cash flow from financial assets for speculation purposes	
4. Salaries paid	(48)
5. Paid / Returned taxes (without income taxes)	(940)
6. Paid income taxes	
7. Interest received	12
8. Interest repaid and other expenses on short-term loans	(2)
9. Foreign exchange gains/losses	
10. Other cash flows from operating activities	30
Net cash flow from operating activities (A):	1,708
<i>B. CASH FLOWS FROM INVESTING ACTIVITIES</i>	
1. Purchase of fixed assets	(9)
2. Sales of fixed assets	
3. Alloted loans	
4. Loans received, incl. financial leases	
5. Interest received	
6. Purchase of investments	
7. Sales of investments	1,844
8. Dividends received	
9. Foreign exchange gains/losses	
10. Other cash flows from investing activities	
Net cash flow from investing activities (B):	1,835
<i>B. CASH FLOWS FROM FINANCIAL ACTIVITIES</i>	
1. Issue of share capital	
2. Payment for redemption of securities	
3. Loans received	
4. Loans repaid	(1,585)
5. Financial leases payments	
6. Paid interests and fees on long term loans	(768)
7. Paid dividends	
8. Other cash flows from financial activities	(293)
Net cash flow from financial activities (C):	(2,646)
Г. NET CASH FLOWS FOR THE PERIOD (A+B+C):	897
<i>Д. Cash at the beginning of the period</i>	2,002
<i>Е. Cash at the end of the period, incl.:</i>	2,899
including cash at bank and on hand	2,891
blocked cash	8

Date : **27.10.2010**

Compiler: **Alexander Georgiev**

Executive manager: **Nikolai Skarlatov**