



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

BANKING SYSTEM INDICATORS

AS OF 31.12.2007

May, 2008

1. Balance sheet

in million of Denars

ASSETS	Large banks	%	Medium banks	%	Small banks	%	Total	%
CASH AND BALANCE WITH NBRM	10,171	6.8%	4,320	7.0%	844	7.1%	15,335	6.9%
Denar cash	8,189	80.5%	3,599	83.3%	743	88.0%	12,532	81.7%
Foreign currency cash	1,982	19.5%	719	16.7%	100	11.9%	2,801	18.3%
Precious metals and other kind of cash	0	0.0%	2	0.0%	1	0.1%	3	0.0%
SECURITIES REDISCOUNTED BY NBRM	14,151	9.4%	5,031	8.2%	1,817	15.2%	20,999	9.4%
DEBT SECURITIES	9,542	6.4%	2,896	4.7%	645	5.4%	13,082	5.8%
Checks and bills of exchange	42	0.4%	27	1.0%	4	0.6%	73	0.6%
Government securities denar nominated	5,390	56.5%	1	0.0%	19	3.0%	5,410	41.4%
Other debt securities	4,110	43.1%	2,867	99.0%	622	96.4%	7,599	58.1%
PLACEMENTS TO OTHER BANKS	29,524	19.7%	12,349	20.1%	4,969	41.5%	46,842	20.9%
Accounts with domestic banks	5,239	17.7%	2,093	16.9%	250	5.0%	7,582	16.2%
Accounts with foreign banks	23,309	80.0%	9,518	77.1%	2,256	45.4%	35,083	74.9%
Short-term loans and other claims on domestic banks and other financial institutions	69	0.2%	186	1.5%	209	4.2%	465	1.0%
Short-term loans and other claims on foreign and domestic banks in foreign currency	215	0.7%	530	4.3%	187	3.8%	932	2.0%
Long-term loans and other claims on domestic banks and other financial institutions	616	2.1%	1	0.0%	928	18.7%	1,545	3.3%
Long-term loans and other claims on foreign banks and other financial institutions	0	0.0%	0	0.0%	1,015	20.4%	1,016	2.2%
Non-performing loans to banks	76	0.3%	21	0.2%	124	2.5%	221	0.5%
LOANS TO CLIENTS	79,186	52.7%	32,575	52.9%	2,146	17.9%	113,907	50.9%
Enterprises	49,111	62.0%	18,751	57.5%	1,020	47.5%	68,881	60.5%
Other customers	436	0.5%	19	0.1%	5	0.3%	460	0.4%
Households	30,710	38.8%	14,192	43.6%	1,263	58.8%	46,165	40.5%
Non-performing loans to clients	7,517	9.5%	1,121	3.4%	760	35.4%	9,398	8.3%
Reserves for potential loan losses	-8,588	-10.8%	-1,507	-4.6%	-902	-42.0%	-10,997	-9.7%
ACCRUED INTEREST AND OTHER ASSETS	3,098	2.1%	1,581	2.6%	234	2.0%	4,913	2.2%
Accrued interest	646	20.9%	341	21.6%	41	17.7%	1,029	20.9%
Non-accrual interest and other claims	3,422	110.5%	206	13.0%	198	84.6%	3,826	77.9%
Reserves for potential losses for interest	-3,446	-111.3%	-221	-14.0%	-200	-85.2%	-3,867	-78.7%
Other claims	762	24.6%	520	32.9%	7	3.0%	1,289	26.2%
Foreclosures	1,665	53.7%	620	39.2%	427	181.9%	2,712	55.2%
Net commission relations	-41	-1.3%	-4	-0.2%	-265	-113.2%	-310	-6.3%
Other assets	89	2.9%	118	7.5%	26	11.2%	234	4.8%
SECURITIES INVESTMENTS	747	0.5%	311	0.5%	358	3.0%	1,415	0.6%
Securities in foreign currency available for sale	183	24.5%	2	0.6%	64	17.8%	249	17.6%
Equity investments in domestic currency	563	75.5%	309	99.4%	294	82.2%	1,167	82.4%
Reserves for purchased owned shares	0	0.0%	0	0.0%	0	0.0%	0	0.0%
FIXED ASSETS	3,704	2.5%	2,510	4.1%	952	8.0%	7,166	3.2%
Buildings	3,232	87.3%	1,694	67.5%	890	93.5%	5,817	81.2%
Equipment	2,746	74.1%	1,225	48.8%	353	37.0%	4,323	60.3%
Intangible investments	225	6.1%	221	8.8%	37	4.0%	483	6.7%
Other means of operation	150	4.0%	22	0.9%	5	0.5%	177	2.5%
Means of operation in preparation	163	4.4%	229	9.1%	5	0.5%	397	5.5%
Correction of value of fixed assets	-2,812	-75.9%	-880	-35.1%	-338	-35.5%	-4,031	-56.2%
Non-allocated reserves for potential losses	0	0.0%	-1	0.0%	0	0.0%	-1	0.0%
TOTAL ASSETS	150,122	100.0%	61,571	100.0%	11,966	100.0%	223,659	100.0%

in millions of Denars

LIABILITIES	Large banks	%	Medium banks	%	Small banks	%	Total	%
DEPOSITS OF BANKS	5,851	3.9%	3,685	6.0%	946	7.9%	10,482	4.7%
Denar sight deposits	151	2.6%	9	0.2%	11	1.1%	171	1.6%
Foreign currency sight deposits of domestic banks	241	4.1%	214	5.8%	0	0.0%	456	4.3%
Foreign currency sight deposits of foreign banks	216	3.7%	309	8.4%	590	62.4%	1,115	10.6%
Short-term denar deposits	1,285	22.0%	1,155	31.3%	202	21.4%	2,642	25.2%
Short-term foreign currency deposits	260	4.4%	855	23.2%	0	0.0%	1,115	10.6%
Short-term foreign currency deposits of foreign banks	3,698	63.2%	1,142	31.0%	0	0.0%	4,840	46.2%
Long-term denar deposits	0	0.0%	1	0.0%	143	15.1%	144	1.4%
SIGHT DEPOSITS	51,187	34.1%	16,220	26.3%	2,447	20.4%	69,853	31.2%
Denar sight deposits of enterprises	14,556	28.4%	4,552	28.1%	703	28.7%	19,812	28.3%
Denar sight deposits of public sector	561	1.1%	116	0.7%	79	3.2%	756	1.1%
Denar sight deposits of other customers	1,774	3.5%	540	3.3%	208	8.5%	2,522	3.6%
Denar sight deposits of citizens	10,144	19.8%	3,544	21.9%	483	19.8%	14,172	20.3%
Restricted denar deposits	398	0.8%	356	2.2%	2	0.1%	755	1.1%
Foreign currency sight deposits of enterprises	6,786	13.3%	1,999	12.4%	411	16.8%	9,196	13.2%
Foreign currency sight deposits of citizens	16,553	32.3%	4,880	30.1%	555	22.7%	21,988	31.5%
Restricted foreign currency deposits	416	0.8%	232	1.3%	4	0.2%	653	0.9%
SHORT TERM DEPOSITS UP TO 1 YEAR	61,158	40.7%	19,624	31.9%	1,056	8.8%	81,839	36.6%
Denar short term deposits of enterprises	12,078	19.7%	6,379	32.5%	120	11.5%	18,577	22.7%
Denar short term deposits of public sector	386	0.6%	5	0.0%	16	1.5%	408	0.6%
Denar short term deposits of other customers	1,358	2.2%	106	0.5%	26	2.4%	1,490	1.8%
Denar short term deposits of citizens	19,490	30.0%	5,516	28.1%	683	64.6%	25,689	31.4%
Foreign currency short term deposits of enterprises	6,944	11.5%	2,484	12.7%	4	0.4%	9,432	11.5%
Foreign currency short term deposits of other customers	80	0.1%	273	1.4%	18	1.7%	371	0.5%
Foreign currency short term deposits of citizens	20,821	34.0%	4,861	24.8%	189	17.9%	25,871	31.6%
SHORT TERM BORROWINGS UP TO 1 YEAR AND ISSUED DEBT SECURITIES	2,624	1.7%	182	0.3%	2	0.0%	2,808	1.3%
Short-term denar borrowings of domestic banks	0	0.0%	182	100.0%	2	100.0%	184	6.6%
Short-term borrowings of foreign banks	2,615	99.7%	0	0.0%	0	0.0%	2,615	93.1%
Short-term denar borrowings of other customers	9	0.3%	0	0.0%	0	0.0%	9	0.3%
OTHER LIABILITIES	2,038	1.4%	1,047	1.7%	110	0.9%	3,194	1.4%
Payable interest	457	22.4%	278	26.6%	35	31.8%	771	24.1%
Other liabilities in denars	690	33.9%	399	38.1%	50	45.9%	1,139	35.7%
Other liabilities in FX	427	20.9%	146	14.0%	10	9.4%	583	18.3%
Temporary accounts	464	22.8%	223	21.3%	14	12.9%	702	21.9%
LONG TERM DEPOSITS OVER 1 YEAR	3,454	2.3%	4,594	7.5%	642	5.4%	8,690	3.9%
Denar long term deposits of enterprises	399	11.5%	432	9.4%	0	0.0%	830	9.6%
Denar long term deposits of public sector	0	0.0%	113	2.5%	0	0.0%	113	1.3%
Denar long term deposits of other customers	363	10.5%	325	7.1%	261	40.6%	949	10.9%
Denar long term deposits of citizens	1,320	38.2%	1,385	30.2%	302	47.0%	3,007	34.6%
Foreign currency long term deposits of legal entities	0	0.0%	43	0.9%	0	0.0%	44	0.5%
Foreign currency long term deposits of other customers	248	7.2%	38	0.8%	1	0.2%	288	3.3%
Foreign currency long term deposits of citizens	1,124	32.6%	2,257	49.1%	78	12.2%	3,460	39.8%
LONG TERM BORROWINGS OVER 1 YEAR	8,440	5.6%	6,824	11.1%	1,406	11.8%	16,671	7.5%
Long term borrowings of NBRM	916	11.0%	638	9.4%	5	0.4%	1,560	9.4%
Long term denar borrowings of domestic banks	589	7.0%	584	8.6%	5	0.3%	1,179	7.1%
Long term foreign currency borrowings of domestic banks	752	8.9%	1,687	24.7%	0	0.0%	2,440	14.6%
Long term borrowings of foreign banks	3,801	45.0%	2,273	33.3%	1,344	95.6%	7,418	44.5%
Long term borrowings of other customers	374	4.4%	546	8.0%	51	3.7%	971	5.8%
Long term foreign currency borrowings of other customers	0	0.0%	490	7.1%	0	0.0%	490	2.9%
Long term borrowings of enterprises	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Long term issued securities, subordinated deposits and hybrid capital instruments	2,007	23.7%	606	8.9%	0	0.0%	2,613	15.7%
PROVISIONS FOR OFF BALANCE SHEET ITEMS	769	0.5%	87	0.1%	15	0.1%	872	0.4%
EQUITY AND RESERVES	11,931	7.9%	8,343	13.6%	5,191	43.4%	25,465	11.4%
Equity capital	8,452	70.8%	7,142	85.6%	4,798	92.4%	20,393	80.1%
Reserve fund	2,604	21.8%	1,126	13.5%	273	5.3%	4,004	15.7%
Revaluation reserves	121	1.0%	0	0.0%	0	0.0%	121	0.5%
Unallocated profit from previous years	752	6.4%	566	6.8%	32	0.6%	1,350	5.3%
Other funds	1	0.0%	0	0.0%	410	7.9%	411	1.6%
Loss	0	0.0%	-491	-5.9%	-185	-3.6%	-677	-2.7%
Current loss*	0	0.0%	0	0.0%	-137	-2.6%	-137	-0.5%
Current profit after taxes**	2,672	1.8%	963	1.6%	152	1.3%	3,787	1.7%
TOTAL LIABILITIES, EQUITY AND RESERVES	150,122	100.0%	61,571	100.0%	11,966	100.0%	223,659	100.0%

*The current loss reflects only banks that are operating with loss.

**The current profit reflects only banks that are operating with profit.

2. Income statement

in millions of Denars

INCOME STATEMENT	Large banks	%	Medium banks	%	Small banks	%	Total	%
INTEREST INCOME	8,363	100.0%	3,793	100.0%	532	100.0%	12,688	100.0%
Banks	665	8.0%	550	14.5%	172	32.2%	1,386	10.9%
Enterprises	3,397	40.6%	1,605	42.3%	108	20.4%	5,110	40.3%
Citizens	2,754	32.9%	1,437	37.9%	166	31.2%	4,356	34.3%
Other	1,708	20.4%	335	8.8%	134	25.2%	2,177	17.2%
Reversed interest	-160	-1.9%	-134	-3.5%	-48	-9.0%	-342	-2.7%
INTEREST EXPENSE	-3,461	100.0%	-1,504	100.0%	-159	100.0%	-5,125	100.0%
Banks	-772	22.3%	-236	15.7%	-10	6.4%	-1,018	19.8%
Enterprises	-835	24.1%	-374	24.8%	-10	6.5%	-1,219	23.8%
Citizens	-1,720	49.7%	-636	42.3%	-78	48.7%	-2,433	47.5%
Other	-135	3.9%	-259	17.2%	-61	38.4%	-455	8.9%
NET INTEREST INCOME	4,902	100.0%	2,288	100.0%	373	100.0%	7,563	100.0%
NET PROVISIONS	-1,528	100.0%	-428	100.0%	-234	100.0%	-2,190	100.0%
Provisions	-2,145	140.4%	-579	135.1%	-301	128.8%	-3,024	138.2%
Recovery, regarding provisions	617	-40.4%	151	-35.3%	67	-28.8%	836	-38.2%
Nonallocated provisions for potential losses	0	0.0%	-1	0.2%	0	0.0%	-1	0.0%
NET INTEREST INCOME AFTER PROVISIONS	3,374	100.0%	1,860	100.0%	139	100.0%	5,374	100.0%
NET FEES AND COMMISSION INCOME	2,461	100.0%	899	100.0%	208	100.0%	3,568	100.0%
Fees and commission income	2,768	112.5%	1,107	123.2%	294	141.6%	4,170	116.9%
Fees and commission expenses	-307	-12.5%	-208	-23.2%	-86	-41.6%	-602	-16.9%
DIVIDENDS	18	100.0%	32	100.0%	7	100.0%	57	100.0%
NET INCOME, REGARDING THE SECURITIES	108	100.0%	0	100.0%	0	100.0%	108	100.0%
NET CAPITAL INCOME	22	100.0%	319	100.0%	-13	100.0%	328	100.0%
NET FX INCOME	362	100.0%	175	100.0%	4	100.0%	541	100.0%
OTHER INCOME	713	100.0%	410	100.0%	260	100.0%	1,383	100.0%
Other income	220	30.8%	111	27.2%	166	63.8%	497	35.9%
Extraordinary income	493	69.2%	298	72.8%	94	36.2%	886	64.1%
OPERATING EXPENSES	-3,946	100.0%	-2,360	100.0%	-530	100.0%	-6,837	100.0%
Salary	-1,794	45.5%	-1,028	43.6%	-252	47.5%	-3,074	45.0%
Depreciation	-503	12.7%	-239	10.1%	-46	8.7%	-788	11.5%
Material expenses	-254	6.4%	-153	6.5%	-55	10.3%	-462	6.8%
Services	-714	18.1%	-620	26.3%	-130	24.4%	-1,464	21.4%
Business trip expenses	-37	0.9%	-26	1.1%	-7	1.3%	-70	1.0%
Representation expenses	-231	5.8%	-166	7.0%	-26	4.9%	-422	6.2%
Deposit insurance premiums	-414	10.6%	-127	5.4%	-15	2.9%	-556	8.1%
OTHER EXPENSES	-297	100.0%	-254	100.0%	-37	100.0%	-588	100.0%
Other expenses	-289	97.3%	-252	99.0%	-23	61.7%	-563	95.8%
Extraordinary expenses	-8	2.7%	-2	1.0%	-14	38.3%	-25	4.2%
GROSS INCOME / LOSS	2,815	100.0%	1,081	100.0%	38	100.0%	3,934	100.0%
TAXES	143	100.0%	118	100.0%	23	100.0%	284	100.0%
NET INCOME AFTER TAXES	2,672	73.2%	963	26.4%	15	0.4%	3,650	100.0%

3. Basic Indicators

in millions of Denars

Group	Assets	%	Total balance and off-balance sheet asset	%	Capital and reserves	%	Deposits	%	Net Loans	%	Financial result	%	Share of foreign capital in total capital
Large banks	150,122	67.1%	181,791	69.0%	11,931	46.9%	115,799	72.2%	79,186	69.5%	2,672	73.2%	82.8%
Medium banks	61,571	27.5%	68,496	26.0%	8,343	32.8%	40,438	25.2%	32,575	28.6%	963	26.4%	60.2%
Small banks	11,966	5.3%	13,166	5.0%	5,191	20.4%	4,145	2.6%	2,146	1.9%	15	0.4%	61.5%
Total	223,659	100.0%	263,453	100.0%	25,465	100.0%	160,382	100.0%	113,907	100.0%	3,650	100.0%	69.1%

4. Credit portfolio indicators

in millions of Denars

Group	Total exposure to credit risk	Total exposure to credit risk in risk categories C,D,E	Total exposure to credit risk in risk category E	Loan Loss Provisions	Total exposure to credit risk in risk categories C,D,E/ Total exposure to credit risk	Total exposure to credit risk in risk category E/ Total exposure to credit risk	Loan Loss Provisions/ Total exposure to credit risk	Total exposure to credit risk in risk category C,D,E/ Own Funds	Net exposure to credit risk in categories C,D,E	Net exposure to credit risk in risk categories C,D,E / Own Funds
Large banks	167,547	10,414	4,371	9,782	6.2%	2.6%	5.8%	71.1%	3,855	26.3%
Medium banks	58,819	2,089	711	1,916	3.6%	1.2%	3.3%	24.6%	944	11.1%
Small banks	11,290	1,052	785	992	9.3%	7.0%	8.8%	22.9%	162	3.5%
Total	237,656	13,555	5,867	12,690	5.7%	2.5%	5.3%	48.9%	4,961	17.9%

5. Capital adequacy indicators

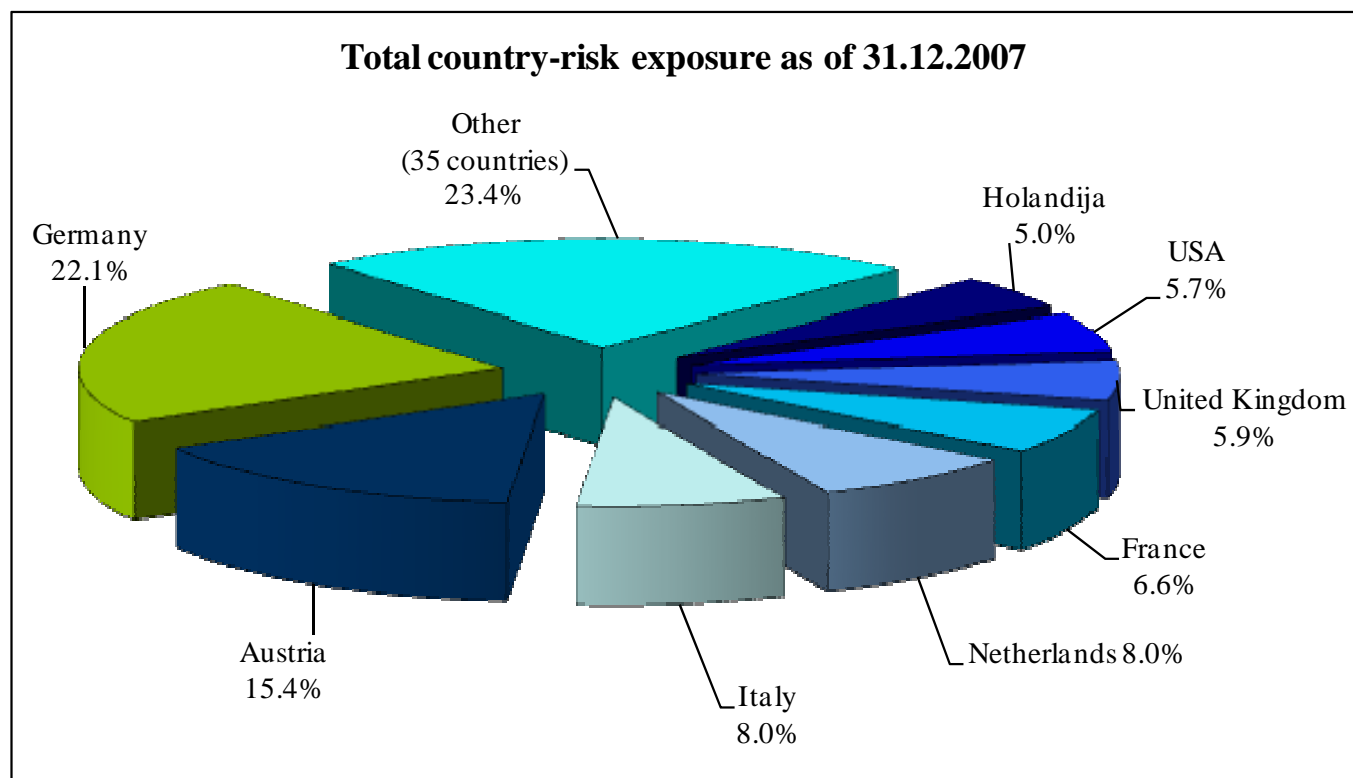
in millions of Denars

Group	Own funds	Risk weighted assets	Credit risk weighted assets	Currency risk weighted assets	Capital Adequacy Ratio
1	2	3=4+5	4	5	6=2/3
Large banks	14,656	115,541	106,864	8,676	12.7%
Medium banks	8,480	40,665	39,157	1,508	20.9%
Small banks	4,586	6,864	6,353	511	66.8%
Total	27,721	163,069	152,375	10,695	17.0%

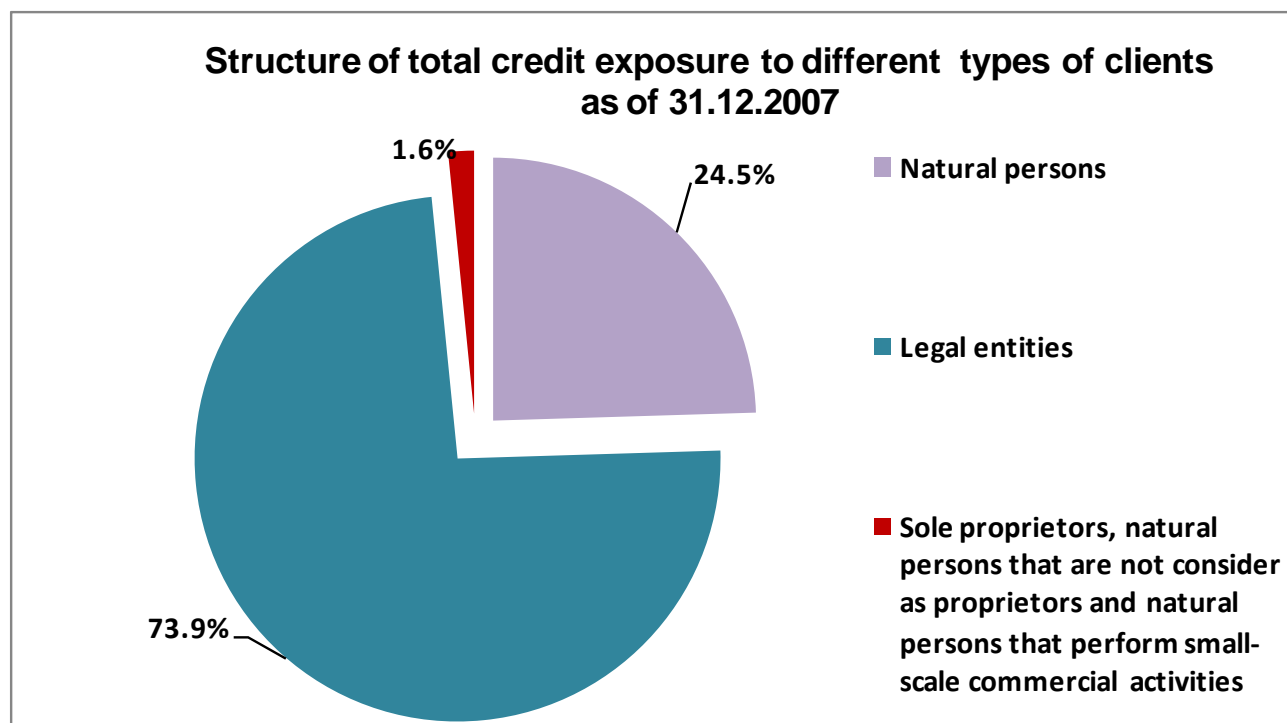
6. Profitability indicators

Group	ROAA	ROAE	Cost-to-income ratio	Loan loss Provisions/Net interest income	Net interest income/Average assets	Net interest income/Total regular income	Net interest income/Non-interest expenses	Financial result/Total regular income
Large banks	2,0%	24,5%	52,3%	31,2%	3,7%	58,4%	107,9%	31,8%
Medium banks	1,8%	12,1%	68,3%	18,7%	4,3%	56,7%	81,1%	23,9%
Small banks	0,1%	0,3%	74,3%	62,7%	3,3%	44,9%	58,3%	1,8%
Total	1,8%	15,2%	58,4%	29,0%	3,8%	57,0%	94,5%	27,5%

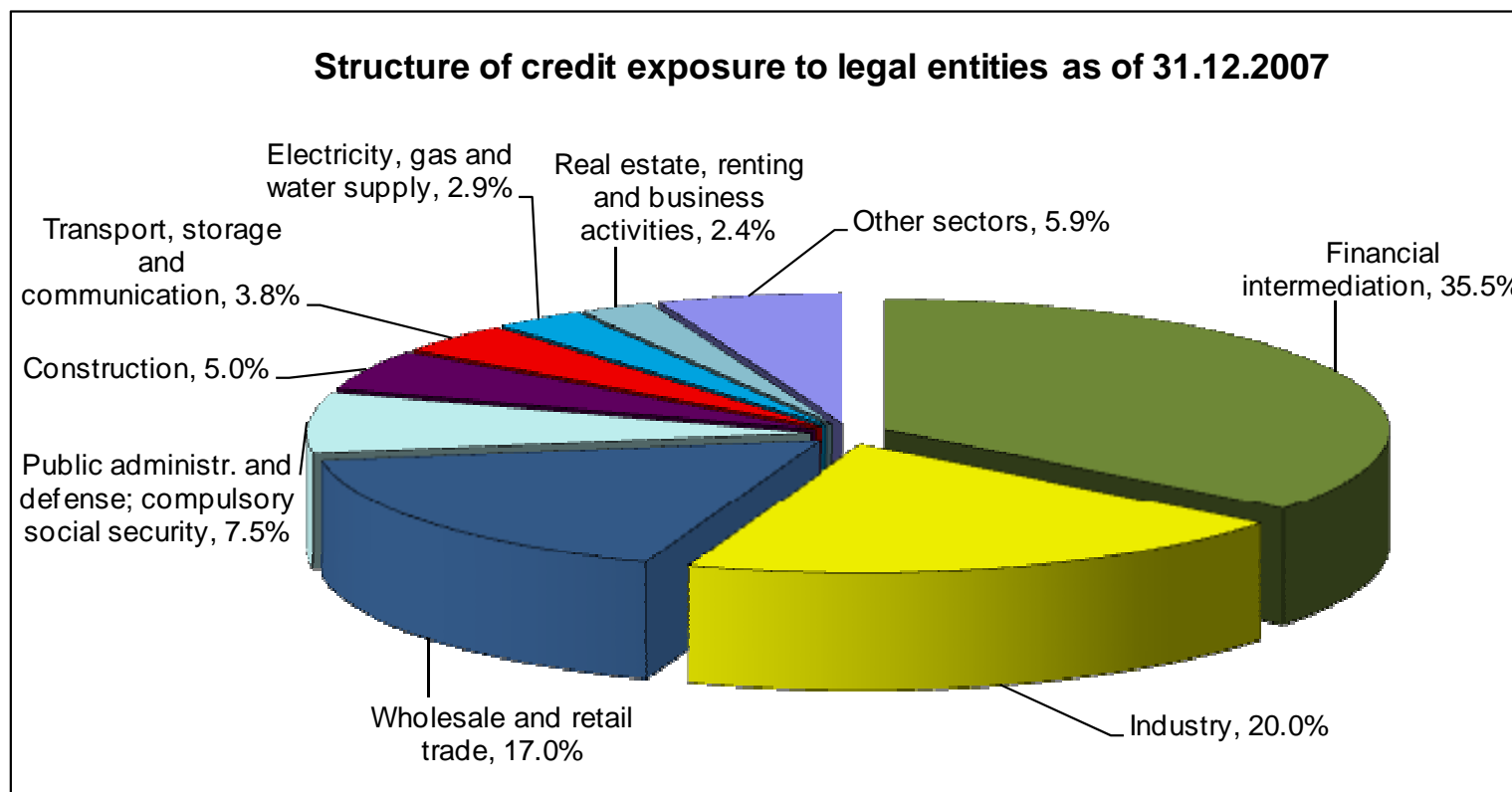
7. Country risk exposure



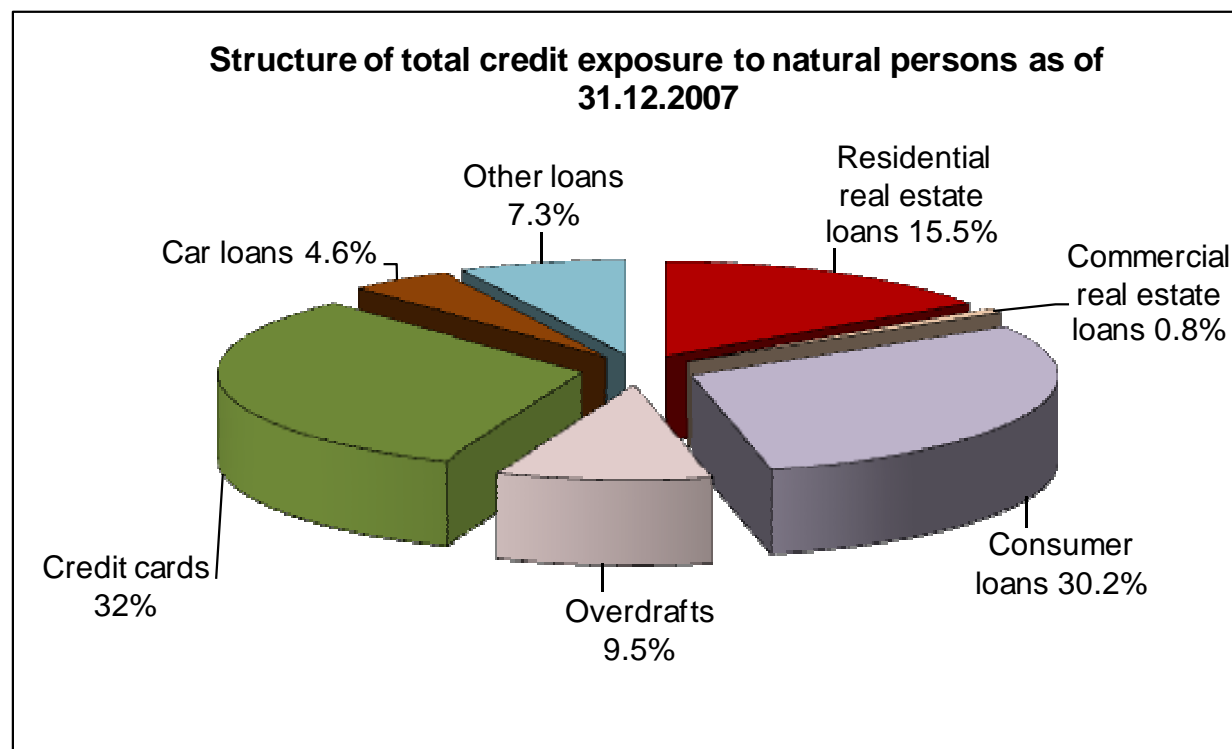
8. Total credit exposure to different types of clients



9. Total credit exposure to legal entities



10. Total credit exposure to natural persons



11. Groups of banks

Groups of banks as of 31.12.2007

	Large banks (asset over 15 billion denars)		Medium banks (asset between 4.5 - 15 billion denars)		Small banks (asset lower than 4.5 billion denars)
1	Komercijalna banka AD Skopje	1	Alfa banka AD Skopje	1	Eurostandard banka AD Skopje
2	NLB Tutunska banka AD Skopje	2	Investbanka AD Skopje	2	Kapital banka AD Skopje
3	Stopanska banka AD Skopje	3	Izvozna i kreditna banka AD Skopje	3	Komercijalno investiciona banka AD Kumanovo
		4	Ohridska banka AD Ohrid	4	Macedonian Bank for Development Promotion AD Skopje
		5	Prokredit banka AD Skopje	5	Postenska banka AD Skopje
		6	Stopanska banka AD Bitola	6	Sileks banka AD Skopje
		7	TTK banka AD Skopje	7	Ziraat bankasi AD Skopje
		8	UNI banka AD Skopje		

* Banks are in alphabetical order

12. Financial Soundness Indicators (for the banking system)

No.	Financial Soundness Indicators	31.12.2005	31.12.2006	31.12.2007
Capital adequacy				
1	Capital adequacy ratio	21.3%	18.3%	17.0%
2	Tier I capital/RWA	21.6%	18.9%	15.7%
Asset quality				
3	Nonperforming loans/Total loans	15.0%	11.2%	7.5%
4	Nonperforming loans net of provisions/Own funds	2.0%	0.7%	-5.0%
5A	Total loans to residents/Total loans	98.4%	98.9%	99.1%
5B	Total loans to nonresidents/Total loans	1.6%	1.1%	0.9%
Profitability				
6	ROAA-Financial result/Average assets	1.2%	1.8%	1.8%
7	ROAE-Financial result/Average own funds	7.5%	12.3%	15.2%
8	Net interest income/Gross income	53.8%	57.1%	57.0%
9	Noninterest expenses/Gross income	68.1%	63.6%	60.3%
Liquidity risk				
10	Liquid assets/Total assets	37.6%	37.1%	34.2%
10A	Highly liquid assets/Total assets	14.9%	17.7%	20.6%
11	Liquid assets/Short-term liabilities	67.9%	53.5%	47.7%
11A	Highly liquid assets/Short-term liabilities	22.0%	25.6%	28.7%
Sensitivity to market risk				
12	Net open position in FX/Own funds	51.6%	47.1%	38.2%