

Annual Report
Godišnji izvještaj
2008



Detalj sa svečanog otvorenja BBI Centra
Detail from the official opening of the BBI Center



BBI Centar

Početkom druge polovine 70-ih godina prošlog stoljeća na središnjem sarajevskom trgu izgrađena je robna kuća „Unima“. Bilo je to vrijeme kada se mislilo da će izgradnjom velikih robnih kuća gradovi dobiti obilježja metropola, pa je uskoro svaki veći grad u bivšoj državi imao svoju robnu kuću. Legenda kaže da su se djeca ljeti na moru svadala oko toga čiji grad ima ljepšu i veću robnu kuću, pa su one, bez obzira koje ih je preduzeće izgradilo i otvorilo, počela imena dobijati po gradovima u kojima su napravljene. Tako je „Unima“ promjenila ime u „Sarajka“, ali je skoro niko od Sarajlija nije zvao tim imenom. Robna kuća u kojoj se, kako se tada govorilo, moglo kupiti sve „od igle do lokomotive“ iz rata 1992-1995 izšla je kao i većina drugih građevina: opustošena i razrušena.

Takva je stajala dugo nakon rata, sve dok se osnivači i dioničari Bosna Bank International (Islamska banka za razvoj, Abu Dhabi Islamic Bank i Dubai Islamic Bank) Gradu nisu ponudili da na tom mjestu izgrade moderan poslovno-prodajni objekat, po uzoru na velike šoping - centre u svijetu.

I tako je i bilo: 2006. godine započelo se sa rušenjem onog što je ostalo od „Unime“, odnosno „Sarajke“ i izgradnjom BBI Centra. Tačno tri godine poslije, 6. aprila 2009., na Dan grada Sarajeva, BBI Centar svećano je otvoren.

Vrijedan više od 70 miliona KM, BBI Centar trenutno je najmoderniji i najveći prodajno-poslovni objekat u državi. Prostire se na 43.000 kvadratnih metara, od čega 19.000 kvadrata otpada na šoping-zonu u kojoj su svoje mjesto našle svjetski poznate robe marke, neke i prvi put zastupljene u BiH. Kuriozitet ovog centra su i 464 parking-mjesta raspoređena na tri etaže, što je umnogome riješilo jedan od najvećih komunalnih problema glavnoga grada.

BBI Centar su svećano otvorili i ustupili građanima na upotrebu dr. Muhammed Ali, predsjednik Islamske banke za razvoj i predsjedavajući Skupštine BBI i dr. Haris Silajdžić, član Predsjedništva BiH.

I već je zabilježeno da je BBI Centar samo u prvim danima rada posjetilo više od 200.000 ljudi, te da je u vremenu kojim dominira globalna ekonomska kriza taj centar otvorio oko hiljadu novih radnih mjesto.



OFFICIAL CUTTING OF THE TAPE Dr. Haris Silajdžić, Member of the Presidency of B&H and Dr. Ahmad Mohamed Ali, President of the Islamic Development Bank

SVEĆANO PRESIJEĆANJE VRPCE dr. Haris Silajdžić, član Predsjedništva BiH i dr. Ahmad Mohamed Ali, predsjednik Islamske banke za razvoj

BBI Center

At the beginning of the late seventies of the last century a department store "Unima" was built in the Sarajevo square in the core of the city. That was a time when people thought that by building large department stores cities would be marked as metropolis, so every large town in the former state had a department store. The legend says that during summer, the children on vacation in the seaside argued whose town had a better and larger department store. The department stores started getting names of the towns where they had been located disregarding the companies that had built them. So, "Unima" changed name to "Sarajka" but almost none of the citizens of Sarajevo called it by that name. The department store where it was possible to buy "practically everything", after the 1992-1995 war came out, like the majority buildings: devastated and destroyed.

It stood like that long after the war until the Founders and the Shareholders of Bosna Bank International (Islamic Development Bank, Abu Dhabi Islamic Bank and Dubai Islamic Bank) offered to the City to construct a modern business-commercial building on that location taking modern world business-shopping centers as models.

That is what happened: in 2006 commencement of demolition of the remains of the former "Unima" or "Sarajka" began and construction of the BBI Center started. Exactly three years later, on April 6, 2009 on the Day of the City of Sarajevo the BBI Center was officially opened.

Valued over KM 70 million, the BBI Center is the most modern and the largest commercial-business building in the State. It spreads over 43,000 square meters of which 19,000 is a shopping zone occupied by world famous goods trade marks, some for the first time in B&H. The curiosity of the Center is also the 464 parking lots on three floors which alleviated very much one of the largest utility problems of the capital City.

Dr. Mohamad Ali, President of the Islamic Development Bank and Dr. Haris Silajdžić, Member of the Presidency of B&H have officially opened the BBI Center and gave it to the citizens to use it.

It has been recorded that in the first days of the operation, over 200,000 people visited the BBI Center. In the time of prevailing global economic crisis, the Center opened about one thousand new working positions.



Microcosm

- in the Center of Sarajevo

Svijet u malom

- u centru Sarajeva



POKLON ZA DAN GRADA Spektakularno otvorene BBI
Centra upriličeno je 6. aprila 2009. na Dan Sarajeva

A GIFT FOR THE DAY OF THE CITY Spectacular opening
of the BBI Center was held on April 6, 2009 on the Day
the City of Sarajevo

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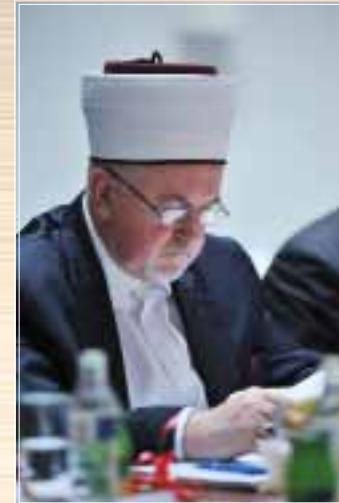
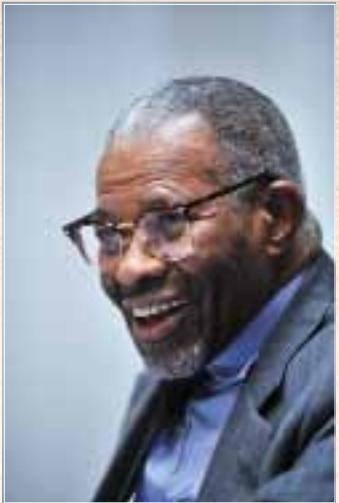
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Sjednica Skupštine Bosna Bank International
Sarajevo, 6. april 2009.

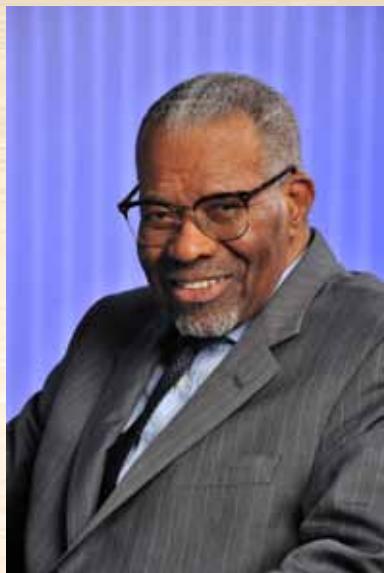
Session of the General Assembly of Bosna Bank International
Sarajevo, April 6, 2009



Članovi Skupštine BBI / Members of the General Assembly of BBI

(gore slijeva nadesno / up from left to right) dr. Hasan Demirhan, dr. Murad Hofmann, Abdulla Al Shahi, dr. Šukrija Ramić, Badarruzaman Ahmed, Junaid Ahmed, mr. Harun Kapetanović
(dole slijeva nadesno / down from left to right) Khaled M. N. Aboodi, Adil Bushnak, dr. Mustafa ef. Cerić, dr. Ahmad Mohamed Ali, Abdul Aziz Al Muhairi, mr. Amer Bukvić

Statement by the Chairman of the General Assembly of the Bank



Chairman of the General Assembly of
BBI and President of Islamic
Development Bank

Predsjednik Skupštine BBI i predsjed-
nik Islamske banke za razvoj

It gives me personal pleasure to present these financial statements to all Shareholders of Bosna Bank International d.d. (BBI) in Bosnia Herzegovina and abroad. The financial year 2008, was another year of developing of the operations and further expansion of Bosna Bank International d.d. Sarajevo.

Bosna Bank International is the first Bank in Bosnia and Herzegovina and the Region that is operating based on Islamic banking principles. Since the beginning of its operations Bosna Bank International has started with and upheld its vision of introduction and expansion of non-interest banking in South East Europe along with providing support to growing economy of Bosnia and Herzegovina. BBI's fully local Management team and all staff have been striving to achieve positive business results in a very competitive banking industry and in an environment of post-war and transitional economy in which non-interest banking has not been traditionally present.

Since its inception, Bosna Bank International has made significant progress in developing a number of products, instruments and schemes, establishing its branches, as well as in responding to the challenges emanating from the environment. As a result of its vision, determination of the Management and contribution of all its employees, the Bank has established itself firmly in the local market and developed an image of a bank of confidence.

It is equally important to highlight that Bosna Bank International is aware of the importance of investing in education and science; thus in 2008 like every previous year, it awarded scholarships to students of final year of university studies and postgraduate studies in B&H.

BBI's Shareholders i.e. Islamic Development Bank, Dubai Islamic Bank and Abu Dhabi Islamic Bank, representing some of the oldest and leading Islamic financial institutions in the world with their vast network of shareholders and clients are determined to extend full support to growing market of B&H and the region thereby meeting the objectives of bridging the markets of South East Europe and all 56 Organization of Islamic Conference (OIC) countries-owners of Islamic Development Bank and the Middle East in particular.

The Shareholders of the Bank are pleased to convey their appreciation for the accomplished results. We hope that, with the support of all Shareholders, Bosna Bank International will represent a nucleus for further growth as an effective developmental partner for Bosnia and Herzegovina and the Region.

The Shareholders will persist in rendering full support and assistance to the Bank and its employees in their further strengthening the overall development of the Bank and Bosnia and Herzegovina.

A handwritten signature in blue ink, appearing to read "AMALI".

Dr. Ahmad Mohamad Ali

Poruka predsjedavajućeg Skupštine Banke

Osobno mi je zadovoljstvo predstaviti slijedeće finansijske izvještaje dioničarima Bosna Bank International u Bosni i Hercegovini i inostranstvu. Finansijska 2008. godina je još jedna godina koja predstavlja nastavak dalnjeg razvoja i ekspanzije Bosna Bank International d.d. Sarajevo.

Bosna Bank International je prva banka u zemlji i široj regiji koja posluje po islamskim bankarskim principima. Od početka svog poslovanja Bosna Bank International uspješno vodi svoju misiju uvođenja i daljnog jačanja beskamatnog bankarstva u Jugoistočnoj Evropi, ujedno pružajući podršku privredi Bosne i Hercegovine koja je u razvoju. Bosna Bank International. Uprava Banke potpuno lokalnog sastava i zaposlenici teže postizanju pozitivnih poslovnih rezultata u veoma oštroj konkurenciji koja vlada u bankarskom sektoru i post-ratnom okruženju, privrede u tranziciji, a u kojima bankarstvo po principu beskamatnog poslovanja nema prisutnu tradiciju.

Od svog osnivanja, Bosna Bank International je postigla značajan napredak u domenu razvoja proizvoda, instrumenata, planova, osnivanja filijala, kao i reagiranja na izazove sa kojima se suočava u svom okruženju. Kao rezultat vlastite vizije, odlučnosti Uprave, te doprinosa zaposlenika, Banka je zauzela čvrstu poziciju na lokalnom tržištu i stvorila imidž banke od povjerenja.

Jednako važno je naglasiti kako je Bosna Bank International svjesna značaja ulaganja u edukaciju i nauku: u 2008., kao i prethodnih godina, Banka je dodijelila stipendije studentima zadnjih godina studija i post-diplomcima u BiH.

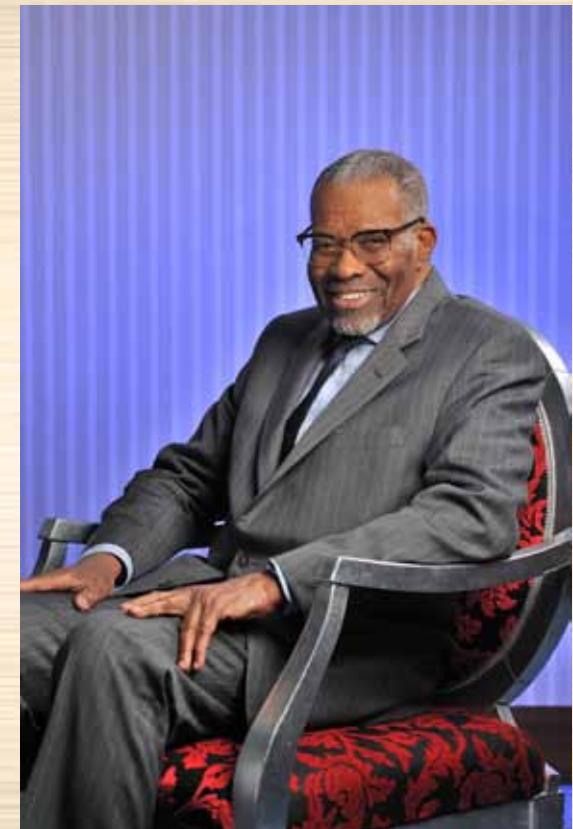
Dioničari BBI, tj. Islamskabankazarazvoj, IslamskabankaDubai i Islamska banka Abu Dhabi, koje predstavljaju neke od najstarijih i glavnih islamskih finansijskih institucija u svijetu, sa огромnom mrežom dioničara i kljenata, odlučne su da pruže punu podršku razvoju tržišta BiH i regije, a time i ispunjenju ciljeva povezivanja tržišta Jugoistočne Europe sa svih 56 država članica Organizacije islamske Konferencije (OIC)- vlasnicima Islamske banke za razvoj, a posebno Srednjeg Istoka.

Dioničari Banke izražavaju svoje zadovoljstvo sa postignutim rezultatima. Nadamo se da će Banka, uz podršku svih dioničara, predstavljati nukleus budućeg razvoja i djelotvornog razvojnog partnera u BiH i regiji.

Dioničari će i dalje pružati punu podršku i pomoći Banci i njenim uposlenicima u daljem jačanju ukupnog razvoja BBI-a i Bosne i Hercegovine.



Dr. Ahmad Mohamad Ali



Statement by the Chairman of the Supervisory Board of the Bank



Chairman of
the Supervisory Board of BBI

Predsjednik
Nadzornog odbora BBI

On behalf of the Supervisory Board of Bosna Bank International d.d. Sarajevo, it is my pleasure to present the Annual Report on business results for the year ending 31st December 2008.

The local Management steered the Bank through very challenging environment while at the same time enhancing internal structures, operations and products. The decisions made by the Management and outcomes of various restructurings have bore fruits. The Bank has closed its financial year with positive results. Although profit figures are nominal, they reflect good restructuring of BBI and confirm that the direction for future growth is set.

The Management of the Bank has recognized market challenges and has managed to turn some of them to its advantages and position the Bank in the market accordingly. BBI has acquired an image of a bank that enjoys confidence. In line with the Bank's vision of offering Islamic banking alternative to wide customer base, both retail and corporate, the Bank has improved all its products and services and has successfully appealed to all its clients.

The Bank has also established business cooperation with a number of prestigious and export-oriented companies in Bosnia and Herzegovina, as well as with numerous prominent corporate and financial institutions abroad, particularly in OIC member countries. The objective of that is to build strong, profitable and mutually beneficial relationships.

Together with its founders, Bosna Bank International incorporated BBI Leasing & Real Estate d.o.o. Sarajevo Co., which is the Investor of the construction of the BBI Business Center in Sarajevo, one of the largest foreign investments in B&H.

The Supervisory Board conveys its appreciation to the Management, all employees of the Bank and the citizens of B&H for the efforts made in the development and expansion of the operations of the Bank and the achieved business results.

We are looking forward to another year of further growth and profitability and we sincerely wish that 2009 will bring new opportunities and success to the Bank and Bosnia and Herzegovina on the whole. The financial results and business of the Bank in 2008 reflects dynamism and enthusiasm of the Bank's personnel which, coupled with Islamic banking models, has resulted in the achievement of Shareholders' objectives, increased depositors' confidence and fostered growth in client relationships locally as well as internationally.

A handwritten signature in blue ink, appearing to read "Abdul Aziz Ahmed Al Muhairi".

Abdul Aziz Ahmed Al Muhairi

Izvještaj predsjednika Nadzornog odbora Banke

U ime Nadzornog odbora Bosna Bank International, zadovoljstvo mi je predstaviti Godišnji izvještaj poslovnih rezultata koji završavaju na dan 31. decembra 2008. godine.

Uprava potpuno lokalnog sastava upravlja Bankom u okruženju punom izazova i, istovremeno, radi na jačanju unutrašnje strukture, operacija i proizvoda. Odluke koje je donosila Uprava, kao i brojne aktivnosti koje je poduzela na restrukturiranju, urodili su plodom. Banka je završila poslovnu godinu pozitivnim rezultatom. Mada je ostvarena dobit minorna, ona odražava dobro restrukturiranje BBI banke i potvrđuje da je odabran ispravan pravac budućeg razvoja.

Uprava Banke je prepoznala izazove tržišta i uspjela je neke okrenuti u svoju korist te, shodno tome, pozicionirati Banku na bankarskom tržištu. BBI je postigla imidž banke od povjerenja. U pogledu vizije nuđenja islamskog bankarstva kao alternative širokoj masi komitenata, kako fizičkim tako i pravnim licima, Banka je unaprijedila sve svoje proizvode i usluge i uspješno privukla klijente.

Banka je uspostavila poslovne odnose sa velikim brojem prestižnih i izvozno orijentiranih kompanija u Bosni i Hercegovini, kao i sa nekim eminentnim investitorima i finansijskim institucijama iz inostranstva, posebno iz zemalja članica OIC-a sa ciljem građenja čvrstih, profitabilnih i obostrano korisnih veza i odnosa.

Bosna Bank International je sa svojim osnivačima osnovala kompaniju BBI Leasing&Real Estate d.o.o. Sarajevo, koja je investitor izgradnje novog BBI Centra u Sarajevu, trenutno jedne od najvećih stranih investicija u BiH.

Nadzorni odbor izražava svoju zahvalnost Upravi i svim uposlenicima Banke, kao i građanima BiH na učinjenim naporima u razvoju i ekspanziji poslovanja BBI-a i postignutim poslovnim rezultatima.

Na narednu godinu gledamo kao na godinu daljnog rasta poslovanja i profitabilnosti, i iskreno želimo da 2009. godina donese nove mogućnosti i uspjehe, kako Banci, tako i Bosni i Hercegovini u cjelini. Ostvareni finansijski rezultati za 2008. godinu reflektiraju dinamičnost i entuzijazam zaposlenika u skladu sa modelima islamskog bankarstva u ostvarenju ciljeva dioničara, povećanja povjerenja deponenata i porasta broja klijenata, kako na lokalnom, tako i na međunarodnom polju.



Members of the Supervisory Board of BBI
Članovi Nadzornog odbora BBI

Abdul Aziz Ahmed Al Muhammed

Statement by the Director General/CEO of the Bank



Director General/CEO of BBI

Direktor BBI

On behalf of the Management and the employees of Bosna Bank International, it gives me great pleasure to share with you our business results for the past year. That pleasure is even greater if we take into consideration that 2008 was marked by the global financial crisis and BBI ended that year with positive results and considerably higher balance sum.

In the past year, the Bank attained better position in the B&H market in which BBI is the only bank that operates based on Islamic principles. Moreover, the Bank achieved improvement of business processes, branch network expansion (at the end of 2008 the Bank had 11 branches throughout B&H), designing new products and services (Retail Banking Division designed and developed 6 new products) and strengthening contacts with the existing and new clients.

Business operation of BBI in 2008 was marked by the following:

- Increase of aggregate balance sum by 25 percent since 2007;
- Increase of net income from financing by 32 percent since 2007;
- Increase of deposits by 51 percent in time of stagnation of deposits in the B&H market;
- Increase of income from documentary operations by 43 percent compared to the previous year;
- Increase of income from payment operations by 35 percent since 2007;
- Increase of operating income by 24 percent compared to the previous year.

(In the last three years average growth of operating income of BBI was even 52%)

Besides regular activities, in 2008, BBI focused on promotion of Islamic banking and increasing awareness of the public about Islamic finance. Today, one can say that Bosna Bank International is a recognizable brand, not only in Bosnia and Herzegovina but in the Region as well. Large interest of the financial institutions and media in the neighbouring states in the activities of BBI demonstrates that the Bank succeeded in attaining the position of a successful financial institution and that it promoted Islamic banking values in an appropriate way.

Bosna Bank International has shown once more that it is a socially responsible institution. In 2008, in cooperation with other companies and institutions, the Bank mediated in the construction of nine kilometers of roads in the settlements of returnees in the Local Community of Sna-govo (Republika Srpska); realized the second tranche of non-interest long-term borrowings to the population of returnees in the Municipality Zvornik; in cooperation with the Finance House from Abu Dhabi, awarded 50 scholarships to graduates and postgraduates of the B&H Universities for the academic year 2008/2009; engaged through its VIP Business Club in connecting companies, its clients with the companies from the countries of the Organization of Islamic Conference...

BBI also made huge investment in internal education of its employees and founded BBI Academy where besides the basis of Islamic banking, English and Arabic language and other banking skills are also being studied. The Bank also organized seminars on Islamic banking and through the scholarships gave its support in opening of an Islamic Banking Postgraduate Studies Department in the School of Economics in Sarajevo, whereby it has contributed in creation of a new generation of bankers who will operate based on Islamic banking.

BBI Team succeeded in all that thanks to cordial assistance from its Founders and the Shareholders, the Supervisory, the Audit and the Shari'ah Boards and the General Assembly of BBI, as well as thanks to the understanding of its clients.

Bosna Bank International will persist in advancement of all its products and services and will continue working for the well-being of the society and all the citizens of Bosnia and Herzegovina.

L.B.

Amer Bukvić

Predgovor direktora Banke

U ime Uprave i uposlenika Bosna Bank International, veliko mi je zadovoljstvo s vama podijeliti naše poslovne rezultate iz protekle godine. To zadovoljstvo je još veće uzimajući u obzir da je 2008. obilježila globalna finansijska kriza, a BBI ju je okončala pozitivnim rezultatom i znatno većom bilansnom sumom.

U protekloj godini došlo je do jačeg pozicioniranja banke na bh. tržištu, a na kojem BBI djeluje kao jedina banka koja posluje po islamskim principima. Takođe je došlo do unapređenja poslovnih procesa, ekspanzije banke (završno sa 2008. BBI je imala 11 poslovnica širom zemlje), dizajniranja novih proizvoda i usluga (Sektor za rad sa stanovništвом prošle godine je dizajnirao i razvio 6 novih proizvoda), te jačanja poslovnih kontakata sa postojećim i novim klijentima.

Poslovanje BBI u 2008. godini obilježeno je:

- porastom bilansne sume od 25 posto u odnosu na kraj 2007. godine
- povećanjem neto-finansiranja za 32 posto u odnosu na kraj 2007. godine
- povećanjem depozita za 51 posto, u vrijeme stagnacije depozita na bh. bankarskom tržištu
- rastom prihoda od dokumentarnog poslovanja za 43% u odnosu na prethodnu godinu
- rastom prihoda iz osnova platnog prometu za 35%
- rastom operativnih prihoda za 24 posto u odnosu na prethodnu godinu
(u zadnje tri godine prosjek rasta operativnih prihoda BBI iznosio je izvanrednih 52 %)

U 2008. godini BBI se, osim na redovne aktivnosti, fokusirala i na promociju islamskog bankarstva i edukaciju javnosti o industriji islamskih finansija. Danas se može reći je Bosna Bank International prepoznatljiv brend, ne samo u Bosni i Hercegovini, nego i u regiji. Velik interes finansijskih institucija i medija iz susjednih država za rad BBI, garant su da se

ova banka uspjela pozicionirati kao uspješna finansijska institucija i da je na ispravan način promovirala vrijednosti islamskog bankarstva.

Bosna Bank International se još jednom pokazala kao društveno odgovorna institucija. Ona je u 2008. godini, u saradnji sa drugim kompanijama i institucijama, posredovala u izgradnji devet kilometara lokalnih puteva u povratničkim naseljima u Mjesnoj zajednici Snagovo (Republika Srpska); realizirala je drugu tranšu bezinteresnih dugoročnih pozajamica povratničkoj populaciji u Opštini Zvornik; u saradnji sa Finance House iz Abu Dabija za akademsku 2008/2009 godinu dodijelila je 50 stipendija dodiplomcima i postdiplomcima sa bh. univerziteta; putem svog VIP Business Cluba radila je na spajanju kompanija, njenih klijenata, sa kompanijama iz zemalja Organizacije Konferencije islamskih zemalja...

Takođe, BBI je uložila dosta truda u internu edukaciju svojih kadrova, pa je osnovala BBI Akademiju, na kojoj se, pored osnova islamskog bankarstva, engleskog i arapskog jezika, izučavaju ostale vještine bankarskog poslovanja. Takođe je organizirala seminare o islamskom bankarstvu i putem stipendija dala potporu uspostavljanja katedre za postdiplomski studij iz oblasti islamskog bankarstva ne Ekonomskom fakultetu u Sarajevu, čime je doprinijela stvaranju nove generacije bankara koji posluju po islamskim principima.

Sve ovo BBI Tim uspio je zahvaljujući svesrdnoj pomoći njenih osnivača i dioničara, Nadzornog, Šerijatskog i Odbora za reviziju, Skupštine BBI-a, ali i razumijevanju klijenata.

Bosna Bank International će nastojati još više unaprijediti svoje proizvode i usluge, te i dalje raditi na dobrobit klijenata i bh. društva u cjelini.




Amer Bukvić



CENTAR U CENTRU BBI Centar se prostire na 43.000 kvadratnih metara. Šoping-zona zauzima 19.000 kvadrata i u njoj su svoje mjesto našle svjetski poznate robne i ostale marke. Kuriozitet ovog centra su i 464 mesta za parkiranje raspoređena na tri etaže.

CENTER IN THE CENTER It spreads over 43,000 square meters of which 19,000 is a shopping zone occupied by world famous goods trade marks, some for the first time in B&H. The curiosity of the Center is also the 464 parking lots on three floors.

BBI Management/Uprava BBI

MISSION: To bring closer and to promote the Islamic banking principles and products in B&H and to become the leading bank in the Region for establishing and supporting business cooperation of BH businessmen and the representatives of the member countries of the OIC.

MISIJA: Pribiližiti islamske bankarske principe i promovirati njihove proizvode u BiH, te postati vodeća banka u regionu za uspostavljanje poslovne saradnje i podršku bh. privrednika i predstavnika zemalja članica OIC-a.



Amer Bukvić

Director General/CEO
Direktor Banke



Vildana Škaljić

Executive Director/
Izvršna direktorica



Mirza Spahić

Director of Legal Division
Direktor Sektora za pravne poslove



Enver Redžović

Director of Strategic Planning and Financial Control Division
Direktor Sektora finansijske kontrole i strateškog planiranja



Muhamed Prlja

Director of Retail Banking Division

Direktor Sektora za poslovanje sa stanovništvom



Semir Ibrahimović

Director of IT Division

Direktor sektora za IT



Salih Purišević

Secretary General of the Bank

Sekretar Banke



Emina Šišić

Director of Operations Division

Direktorica Sektora za operacije



Mirsada Čengić

Director of Treasury and FI Division

Direktorica Sektora za upravljanje kreditnim i tržišnim rizičima



Damir Katica

Director of HR and Administration Division

Direktor Sektora za HR i administraciju



Nusreta Pidro

Director of Credit and Market Risk Management Division

Direktorica Sektora za upravljanje kreditnim i tržišnim rizičima



Nedžad Tuce

Chief Internal Auditor

Glavni interni revizor



Sedika Vražalica

Director of Corporate Banking Division

Direktorica Sektora za poslovanje sa pravnim licima

Independent Auditors' report



To the shareholders of Bosna Bank International d.d.

We have audited the accompanying financial statements of Bosna Bank International d.d. (the "Bank"), set out on pages 3 to 40, which comprise of the balance sheet as at 31 December 2008, and the statement of income, statement of changes in shareholder's equity and cash flows statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as modified by the regulatory requirements of the Banking Agency of Federation of Bosnia and Herzegovina. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of Bosna Bank International d.d. Sarajevo as of 31 December 2008, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the regulatory requirements of the Banking Agency of Federation of Bosnia and Herzegovina.

Deloitte d.o.o.
Sarajevo, 23 February 2009

Dioničarima Bosna Bank International d.d.

Obavili smo reviziju priloženih finansijskih izvještaja Bosna Bank International d.d. Sarajevo (u nastavku teksta ("Banka"), prikazanih na stranicama od 3 do 40, koji se sastoje od bilansa stanja na dan 31. decembra 2008. godine, i povezanih bilansa uspjeha, izvještaja o novčanim tokovima i izvještaja o promjenama na vlasničkoj glavnici za godinu koja je tada završila kao i sažetka značajnih računovodstvenih politika i ostalih napomena.

Odgovornost Uprave za finansijske izvještaje

Uprava je odgovorna za pripremu i fer prezentaciju ovih finansijskih izvještaja u skladu sa Međunarodnim standardima finansijskog izvještavanja modifikovanih u skladu sa regulativnim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine. Ta odgovornost uključuje: dizajniranje, implementaciju i održavanje sistema internih kontrola relevantnih za pripremanje i fer prezentaciju finansijskih izvještaja koji ne sadrže materijalno značajne pogreške, bilo zbog prevare ili grešaka; odabir i dosljednu primjenu odgovarajućih računovodstvenih politika; te давanje razboritih računovodstvenih procjena koje su opravdane u datim uvjetima.

Odgovornost revizora

Naša je odgovornost izraziti nezavisno mišljenje o priloženim finansijskim izvještajima na temelju naše revizije. Reviziju smo obavili u skladu sa Međunarodnim standardima revizije. Navedeni standardi zahtijevaju da se pridržavamo etičkih kodeksa i reviziju planiramo i obavimo kako bismo se u razumnoj mjeri uvjerili da finansijski izvještaji ne sadrže materijalno značajne pogreške.

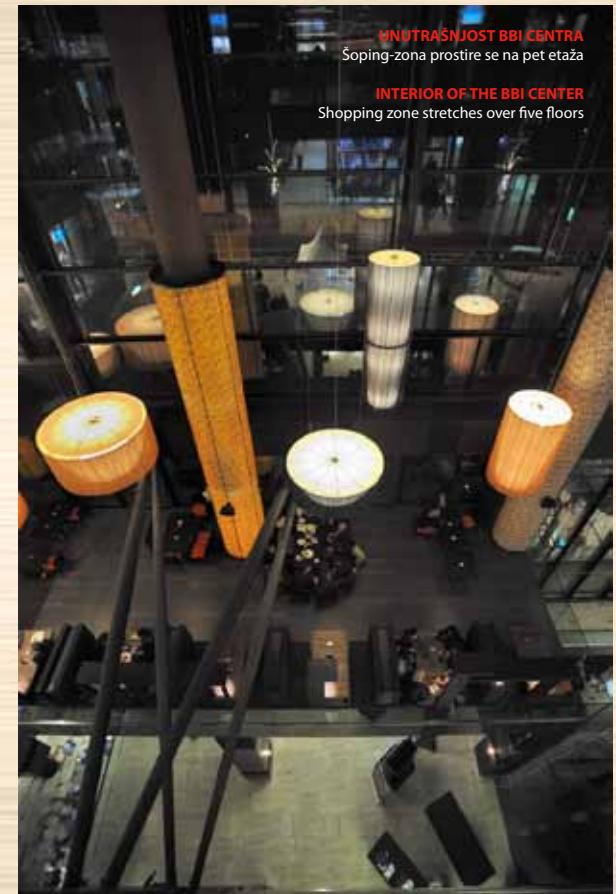
Revizija uključuje primjenu postupaka kojima se prikupljaju revizijski dokazi o iznosima i drugim podacima objavljenim u finansijskim izvještajima. Odabir postupaka zavisi od prosudbe revizora, uključujući i procjenu rizika materijalno značajnog pogrešnog prikaza finansijskih izvještaja, bilo kao posljedica prevare ili greške. U procjenjivanju rizika, revizor procjenjuje interne kontrole koje su relevantne za sastavljanje te objektivno prezentiranje finansijskih izvještaja, kako bi odredio revizionske postupke primjerene datim okolnostima, a ne kako bi izrazio mišljenje o učinkovitosti internih kontrola u Društvu. Revizija također uključuje i ocjenjivanje primjerenoosti primjenjenih računovodstvenih politika te značajnih procjena Uprave, kao i prikaza finansijskih izvještaja u cjelini.

Uvjereni smo da su revizijski dokazi koje smo prikupili dostatni i primjereni kao osnova za izražavanje našeg mišljenja.

Mišljenje

Po našem mišljenju, finansijski izvještaji prikazuju objektivno, u svim materijalno značajnim stavkama finansijski položaj Bosna Bank International d.d. Sarajevo na dan 31.decembra 2008. godine, te rezultate njenog poslovanja i promjene u novčanom toku, za godinu koja je tada završila, i sastavljeni su u skladu sa Međunarodnim standardima finansijskog izvještavanja modifikovanih u skladu sa regulativnim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine.

Deloitte d.o.o.
Sarajevo, 23. februar 2009. godine



Statement of Income for the year ended 31 December 2008.

Bilans uspjeha za godinu koja je završila 31. decembra 2008.

(all amounts are expressed in thousands of KM, unless otherwise stated/svi iznosi iskazani su u hiljadama KM, ako drugačije nije navedeno)

| | Notes Napomene | 2008 | 2007 |
|---|--|-------------|----------------|
| Income from operations with banks (Murabaha, Wakala) and from financing retail and corporate sector (Musharaka) | Prihodi od poslovanja sa drugim Bankama (Murabaha, Wakala) i od finansiranja fizičkih i pravnih lica (Musharaka) | 11,151 | 9.199 |
| Expenses from financing retail and corporate sector (Musharaka) | Troškovi od obaveza prema klijentima i bankama (Musharaka) | (3,641) | (2.420) |
| Net income from financing and investments | Neto prihod od finansiranja ulaganja | 6 | 7,510 |
| Fee and commission income | Prihodi od naknda i provizija | 7 | 3,512 |
| Fee and commission expense | Troškovi naknda i provizija | | (574) |
| Net fee and commission income | Neto prihodi od naknada i provizija | | 2,938 |
| | | | 1.473 |
| Net financial income (loss) / gain | Neto dobit iz finansijskog poslovanja | 8 | (522) |
| Other operating income | Ostali operativni prihodi | | 924 |
| Operating income | Ostali prihodi iz redovnog poslovanja | | 402 |
| | | | 505 |
| General and administrative expense | Opšti i administrativni troškovi | 9 | (8,374) |
| Depreciation and amortization expense | Amortizacija | 16 | (816) |
| Operating expense | Rashodi iz redovnog poslovanja | | (9,190) |
| | | | (7.216) |
| PROFIT/LOSS BEFORE PROVISIONS AND INCOME TAX | DOBIT / GUBITAK PRIJE REZERVISANJA I POREZA NA DOBIT | | 1,661 |
| Impairment losses | Otpuštanje rezervisanja | 10 | (1,617) |
| Collected written off receivables | Naplaćena otpisana potraživanja | | 117 |
| PROFIT BEFORE INCOME TAXES | DOBIT PRIJE POREZA NA DOBIT | | 160 |
| Income tax | Porez na dobit | 11 | - |
| NET PROFIT FOR THE YEAR | NETO DOBIT ZA GODINU | | 160 |
| BASIC EARNINGS PER SHARE | OSNOVNA ZARADA PO DIONICI | 32 | 0.27 |
| | | | 1,19 |

The accompanying notes form an integral part of these financial statements. / Napomene u nastavku čine sastavni dio finansijskih izvještaja.

Balance sheet as at 31 December 2008. Bilans stanja na dan 31. decembra 2008. godine

(all amounts are expressed in thousands of KM, unless otherwise stated/svi iznosi iskazani su u hiljadama KM, ako drugačije nije navedeno)

| | | Notes | Napomene | 2008 | 2007 |
|---|---|--------------|-----------------|----------------|----------------|
| ASSETS | IMOVINA | | | | |
| Cash and balances with banks | Novac i sredstva kod banaka | 12 | 16,549 | 7,654 | |
| Obligatory reserves with the Central Bank | Obavezna rezerv za Centralnu banku | 13 | 18,619 | 15,010 | |
| Placements with banks | Plasmani kod drugih banaka | 14 | 44,407 | 43,007 | |
| Financing of customers | Finansiranje klijenata | 15 | 105,168 | 80,101 | |
| Property, plant and equipment | Nekretnine i oprema | 16 | 9,800 | 8,934 | |
| Fair value investments through profit and loss | Ulaganja po fer vrijednosti kroz bilans uspjeha | 17 | 525 | 779 | |
| Assets available for sale | Imovina raspoloživa za prodaju | 18 | 56 | 51 | |
| Other assets | Ostala imovina | 19 | 376 | 1,070 | |
| Total assets | Ukupno imovina | | | 195,500 | 156,606 |
| LIABILITIES | OBAVEZE | | | | |
| Due to customers | Obaveze prema klijentima | 20 | 111,929 | 74,274 | |
| Due to banks | Obaveze prema bankama | 21 | 30,208 | 29,454 | |
| Borrowings | Obaveze za primljene pozajmice | 22 | 134 | - | |
| Other liabilities | Ostale obaveze | 23 | 4,049 | 4,068 | |
| Provisions for contingent liabilities and commitments | Rezervisanja za potencijalne i preuzete obaveze | 25 | 980 | 770 | |
| Total liabilities | Ukupno obaveze | | | 147,254 | 108,566 |
| SHAREHOLDERS' EQUITY | VLASNIČKA GLAVNICA | | | | |
| Share capital | Dionički kapital | | | 50,059 | 50,059 |
| Reserves | Rezerve | | | 23 | 23 |
| Accumulated losses | Akumulirani gubitak | | | (1,882) | (2,042) |
| Total shareholders' equity | Ukupna vlasnička glavnica | | | 48,200 | 48,040 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | UKUPNO OBAVEZE I VLASNIČKA GLAVNICA | | | 195,500 | 156,606 |





OTVORENA GALERIJA BBI Centar je izgrađen po uzoru na najmodernije "otvorene" galerije u svijetu

OPENED GALLERY – BBI Center was constructed taking most contemporary "opened" galleries in the world as models.

Statements of cash flows for the year ended 31 December 2008.

Izvještaj o novčanim tokovima za godinu koja je završila 31. decembra 2008.

(all amounts are expressed in thousands of KM, unless otherwise stated/svi iznosi iskazani su u hiljadama KM, ako drugačije nije navedeno)

| | 2008 | 2007 |
|---|----------------|----------------|
| Operating Activities | | |
| Net profit | | |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 160 | 704 |
| Decrease of provisions for possible losses for placements | | |
| Net loss on disposal of property, plant and equipment | | |
| Fair value adjustment | | |
| Changes in operating assets and liabilities: | | |
| Net increase in due from Central Bank | | |
| Net (increase)/decrease in placements with other banks, before provisions | | |
| Net increase in financing of customers, before impairment losses | | |
| Net (increase)/decrease in other assets, before impairment losses | | |
| Net (decrease)/increase in due to banks | | |
| Net increase in borrowings | | |
| Net increase in due to customers | | |
| Net increase in other liabilities | | |
| NET CASH PROVIDED / (USED IN) BY OPERATING ACTIVITIES | 11,048 | 1,182 |
| Investing Activities | | |
| Net increase in assets available for sale | | |
| Net purchase of property and equipment | | |
| Proceeds from disposals of property, plant and equipment | | |
| Net increase in securities at fair value through profit and loss | | |
| NET CASH USED IN INVESTING ACTIVITIES | (2,153) | (2,305) |
| Financing Activities | | |
| Paid-in equity | | |
| NET CASH FROM FINANCING ACTIVITIES | - | - |
| NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS | 8,895 | (1,123) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 7,654 | 8,777 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 16,549 | 7,654 |
| Poslovne aktivnosti | | |
| Neto dobit | 160 | 704 |
| Usklađenje na neto novčana sredstva ostvarena poslovnim aktivnostima | | |
| Amortizacija | 816 | 666 |
| Umanjenje rezervisanja za moguće gubitke | 1,617 | 948 |
| Gubitak od prodaje stalnih sredstava | 16 | - |
| Usklađenje vrijednosti ulaganja po fer vrijednosti kroz bilans uspjeha | 704 | 10 |
| Promjene u operativnoj imovini i obvezama: | | |
| Neto povećanje obavezne rezerve kod Centralne Banke | (3,609) | (409) |
| Neto (povećanje)/smanjenje plasmana bankama, prije rezervisanja | (1,478) | 21,194 |
| Neto povećanje finansiranja klijenata, prije rezervisanja | (26,379) | (32,815) |
| Neto (povećanje)/smanjenje ostale aktive, prije rezervisanja | 677 | (513) |
| Neto (smanjenje)/povećanje depozita od banaka | 754 | (232) |
| Neto povećanje posudbi | 134 | (9,794) |
| Neto povećanje obaveza prema klijentima | 37,655 | 19,108 |
| Neto povećanje ostalih obaveza | (19) | 2,315 |
| NETO NOVAC OSTVAREN U POSLOVNIM AKTIVNOSTIMA | 11,048 | 1,182 |
| Ulagачke aktivnosti | | |
| Neto povećanje imovine raspoložive za prodaju | (5) | (6) |
| Neto nabavka nekretnina i opreme | (1,703) | (1,803) |
| Prihodi od prodaje nekretnina, postrojenja i opreme | 5 | - |
| Neto povećanje vrijednosnica po fer vrijednosti kroz bilans uspjeha | (450) | (496) |
| NETO NOVAC KORIŠTEN U ULAGAČKIM AKTIVNOSTIMA | (2,153) | (2,305) |
| Finansijske aktivnosti | | |
| Uplaćeni kapital | - | - |
| NETO NOVAC IZ FINANSIJSKIH AKTIVNOSTI | - | - |
| NETO (SMANJENJE)/POVEĆANJE NOVCA I NOVČANIH EKVIVALENTA | 8,895 | (1,123) |
| NOVAC I NOVČANI EKVIVALENTI NA POČETKU PERIODA | 7,654 | 8,777 |
| NOVAC I NOVČANI EKVIVALENTI NA KRAJU PERIODA | 16,549 | 7,654 |

The accompanying notes form an integral part of these financial statements. / Napomene u nastavku čine sastavni dio finansijskih izvještaja.

Statements of changes in shareholders' equity for the year ended 31 December 2008. Izvještaj o promjenama na vlasničkoj glavnici za godinu koja je završila 31. decembra 2008.

(all amounts are expressed in thousands of KM, unless otherwise stated/svi iznosi iskazani su u hiljadama KM, ako drugačije nije navedeno)

| | | Share capital Dionički kapital | Reserves Rezerve | Accumulated loss Akumulirani gubitak | Total Ukupno |
|---------------------------------------|---|-----------------------------------|---------------------|---|-----------------|
| Balance as at 31 December 2006 | Stanje na dan 31. decembar 2006. | 50.059 | 23 | (2.746) | 47.336 |
| Profit for the year | Dobitak za godinu | - | - | 704 | 704 |
| Balance as at 31 December 2007 | Stanje na dan 31. decembar 2007. | 50.059 | 23 | (2.042) | 48.040 |
| Profit for the year | Dobitak za godinu | - | - | 160 | 160 |
| Balance as at 31 December 2008 | Stanje na dan 31. decembar 2008. | 50,059 | 23 | (1.882) | 48.200 |

The accompanying notes form an integral part of these financial statements. / Napomene u nastavku čine sastavni dio finansijskih izvještaja.

Notes to the financial statements as of 31 December 2008.

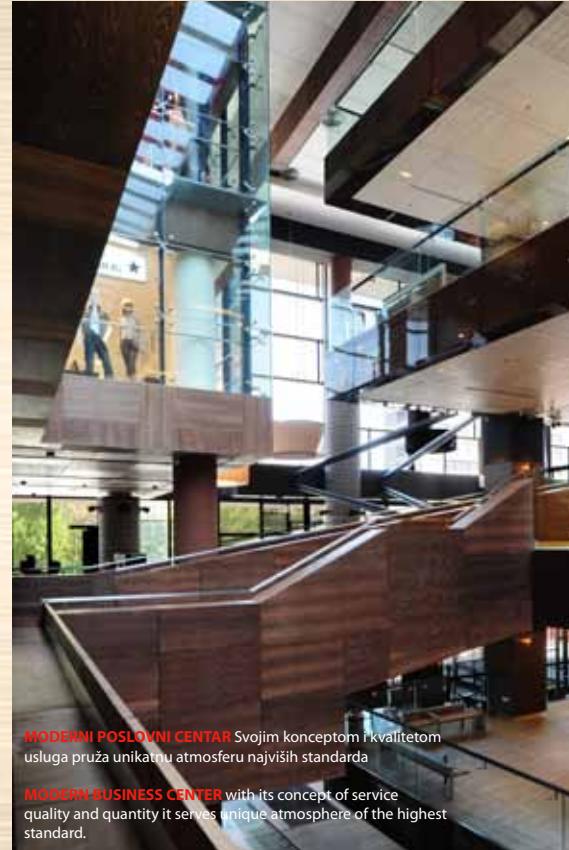
1.GENERAL

1.1 Activities

Bosna Bank International d.d., Sarajevo, Trg djece Sarajeva bb, 71000 Sarajevo (the "Bank") was registered in 2000 and made its first transactions in early 2001.

The main activities of the Bank include the following banking services: financing of enterprises and citizens, collection of deposits, money market activities, foreign currency exchange and other banking-related activities.

The Bank was founded and operates under Islamic banking principles that, in their essence, prohibit interest rate income as legitimate result of its operations.



Management Board:

Amer Bukvić
Vildana Škaljić

Director
Executive Director

Supervisory Board:

Abdul Aziz Ahmed Al Muhairi
Khaled M.N. Al Aboodi
Aref Ahmed Mohd Al-Kooheji
Dr. Hasan Demirhan
Dr. Sead Kreso

Chairman
Deputy Chairman
Member
Member
Member

Audit Board:

Dr. Mohammad Omar Zubair
Dr. Adil Ahmad A. Bushnaq
Badaruzzaman Ahmed
Harun Kapetanović
Prof. Dr. Boris Tihi

Chairman
Deputy Chairman
Member
Member
Member

Shariah Board:

Prof. Dr. Mustafa Cerić
Dr. Abdulsattar Abu Ghuddah
Dr. Nizam Al-Yaqoobi
Dr. Šukrija Ramić
Dr. Murad Wilfried Hofmann

Chairman
Deputy Chairman
Member
Member
Member

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

1. OPĆI PODACI

1.1 Djelatnost

Bosna Bank International d.d., Sarajevo, Trg djece Sarajeva bb, 71000 Sarajevo ("Banika") osnovana je 2000. godine, a sa radom je započela početkom 2001. godine.

Glavna djelatnost Banke uključuje pružanje slijedećih bankarskih usluga: finansiranje preduzeća i stanovništva, prikupljanje depozita, aktivnosti na međubankarskom tržištu, mjenjačke i ostale redovne bankarske usluge.

Banka je osnovana i posluje po principima islamskog bankarstva, koje kamatu zabranjuje kao legitiman prihod iz operativnih djelatnosti.



Uprava Banke:

Amer Bukvić
Vildana Škaljić

Direktor
Izvršni direktor

Nadzorni odbor:

| | |
|-----------------------------|-----------------------|
| Abdul Aziz Ahmed Al-Muhairi | Predsjednik |
| Khaled M.N. Al Aboodi | Zamjenik predsjednika |
| Aref Ahmed Mohd Al-Kooheji | Član |
| Dr. Hasan Demirhan | Član |
| Dr. Sead Kreso | Član |

Odbor za reviziju:

| | |
|---------------------------|-----------------------|
| Dr. Mohammad Omar Zubair | Predsjednik |
| Dr. Adil Ahmad A. Bushnaq | Zamjenik predsjednika |
| Badaruzzaman Ahmed | Član |
| Harun Kapetanović | Član |
| Prof. Dr. Boris Tihi | Član |

Šerijatski odbor:

| | |
|-----------------------------|-----------------------|
| Prof. Dr. Mustafa Cerić | Predsjednik |
| Dr. Abdulsattar Abu Ghuddah | Zamjenik predsjednika |
| Dr. Nizam Al-Yaqoobi | Član |
| Dr. Šukrija Ramić | Član |
| Dr. Murad Wilfried Hofmann | Član |

Notes to the financial statements as of 31 December 2008.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

1. GENERAL (CONTINUED)

1.2. Shareholders

The Bank's ownership structure is as follows:

| Shareholders | 31 December/decembar 2008 | | | 31 December/decembar 2007 | | | Vlasnička struktura Banke je kako slijedi: |
|--|---------------------------|-----------------------------|---------------|---------------------------|-----------------------------|---------------|--|
| | No. of shares/ dionica | Amount/ Iznos '000 KM | % | No. of shares/ dionica | Amount/ Iznos '000 KM | % | |
| Islamic Development Bank, Saudi Arabia | 269,927 | 22,755 | 45.46 | 269,927 | 22,755 | 45.46 | Islamic Development Bank, Saudijska Arabija |
| Abu Dhabi Islamic Bank, United Arab Emirates | 161,948 | 13,652 | 27.27 | 161,948 | 13,652 | 27.27 | Abu Dhabi Islamic Bank, Ujedinjeni Arapski Emirati |
| Dubai Islamic Bank, United Arab Emirates | 161,948 | 13,652 | 27.27 | 161,948 | 13,652 | 27.27 | Dubai Islamic Bank, Ujedinjeni Arapski Emirati |
| Total | 593,823 | 50,059 | 100.00 | 593,823 | 50,059 | 100.00 | Ukupno |

1. OPĆI PODACI (NASTAVAK)

1.2. Dioničari

INVESTICIJA VRJEDNA VIŠE OD 70 MILIONA KM Izgradnju BBI Centra finansirali su Islamska banka za razvoj, Islamska banka Dubai, Islamska banka Abu Dabi i Bosna Bank International.

Prozračni prostor vidljiv je i iz perspektive pješaka prolaznika. Cilj je bio funkcionalno i vizuelno povezivanje vanjskog i unutarnjeg prostora.

INVESTMENT VALUED OVER 70 MILLION KM the construction of the BBI Center was financed by the Islamic Development Bank, Dubai Islamic Bank, Abu Dhabi Islamic Bank and Bosna Bank International.

Translucent space visible from outside by the pedestrians passing by. The goal was to connect external and internal space functionally and visually.



Notes to the financial statements as of 31 December 2008.

2. ADOPTION OF NEW AND REVISED STANDARDS

2.1 Standards and Interpretations effective in current period

Eight Interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current period. These are: IFRIC 7 "Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies"; IFRIC 8 "Scope of IFRS 2"; IFRIC 9 "Reassessment of Embedded Derivatives"; and IFRIC 10 "Interim Financial Reporting and Impairment"; IFRIC 11 "IFRS 2: Group and Treasury Share Transactions"- effective for accounting periods beginning on or after 1 March 2007; IFRIC 12 "Service Concession Arrangements"- effective for accounting periods beginning on or after 1 January 2008; IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" - effective for accounting periods beginning on or after 1 January 2008 and IFRIC 13 "Customer Loyalty Programmes" - effective for accounting periods beginning on or after 1 July 2008. The adoption of these Interpretations has not led to any changes in the Bank's accounting policies.

2.2 Standards and Interpretations in issue not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

| | | |
|---------------|---|---|
| IFRS 1 | Cost of an Investment in a Subsidiary, Jointly controlled entity or associate | Annual periods beginning on or after 1 January 2009 |
|---------------|---|---|

| | | | | | |
|---------------|--|---|---------------|--|--|
| IFRS 2 | Share-based Payment - Amendment relating to vesting conditions and cancellations | Annual periods beginning on or after 1 January 2009 | IAS 19 | Employee Benefits - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IFRS 3 | Business Combinations - Comprehensive revision on applying the acquisition method | Annual periods beginning on or after 1 July 2009 | IAS 20 | Government Grants and Disclosure of Government Assistance - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IFRS 5 | Non-current Assets Held for Sale and Discontinued Operations - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 July 2009 | IAS 23 | Borrowing Costs - Comprehensive revision to prohibit immediate expensing | Borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009 |
| IFRS 8 | Operating Segments | Annual periods beginning on or after 1 January 2009 | IAS 23 | Borrowing Costs - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 1 | Presentation of Financial Statements - Comprehensive revision including requiring a statement of comprehensive income | Annual periods beginning on or after 1 January 2009 | IAS 27 | Consolidated and Separate Financial Statements - Consequential amendments arising from amendments to IFRS 3 | Annual periods beginning on or after 1 July 2009 |
| IAS 1 | Presentation of Financial Statements - Amendments relating to disclosure of puttable instruments and obligations arising on liquidation | Annual periods beginning on or after 1 January 2009 | IAS 27 | Consolidated and Separate Financial Statements - Amendment relating to cost of an investment on first-time adoption | Annual periods beginning on or after 1 January 2009. |
| IAS 1 | Presentation of Financial Statements - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 | IAS 27 | Consolidated and Separate Financial Statements - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 16 | Property, Plant and Equipment - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 | | | |

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

2. USVAJANJE NOVIH I REVIDIRANIH STANDARDA

2.1. Standardi i tumačenja na snazi u tekućem periodu

Osam tumačenja izdatih od strane Odbora za tumačenje međunarodnih računovodstvenih standarda su efektivni za tekući period. To su: IFRIC 7: "Primjena pristupa izmjenama po MRS-u 29, Finansijsko izvještavanje u hiperinflatornim ekonomijama", IFRIC 8: "Djelokrug MSFI 2", IFRIC 9 "Ponovna procjena ugrađenih derivativa" i IFRIC 10: "Finansijsko izvještavanje za periode tokom godine i umanjanja", IFRIC 11 "MSFI 2 Transakcije grupnih i vlastitih dionica" - na snazi za obračunske periode koji počinju 1. marta 2007. godine ili nakon toga, IFRIC 12: "Ugovori o uslugama koncesije" - na snazi za obračunske periode koji počinju 1. januara 2008. godine, IFRIC 14: MRS 19 – "Ograničenja imovine od definiranih primanja, minimalnih zahtjeva za sredstva i njihova interakcija" - na snazi za obračunske periode koji počinju 1. januara 2008. godine ili nakon toga i IFRIC 13: "Programi lojalnosti kupaca" - na snazi za obračunske periode koji počinju 1. jula 2008. godine ili nakon toga. Usvajanje ovih tumačenja nije dovelo do promjena u računovodstvenim politikama Banke.

2.2 Standardi i tumačenja koji su objavljeni, a nisu još u upotrebi

Na dan izdavanja ovih finansijskih izvještaja, sljedeći standardi i tumačenja standarda su objavljeni i nisu još u upotrebi:

| | | |
|---------------|--|--|
| MSFI 1 | Trošak ulaganja u podružnice, udruženih ulaganja i povezana lica | Periodi koji počinju 1. januara 2009. ili nakon toga |
|---------------|--|--|

| | | | | | |
|---------------|--|--|---------------|---|---|
| MSFI 2 | Isplata po osnovu dionica - izmjene koje se tiču uslova sticanja prava i otkazivanje | Periodi koji počinju 1. januara 2009. ili nakon toga | MRS 16 | Nekretnine, postrojenja i oprema - izmjene nastale kao rezultat godišnjih poboljšanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MSFI 3 | Poslovne kombinacije - sveobuhvatna revizija primjene metoda kupovine | Periodi koji počinju 1. jula 2009. ili nakon toga | MRS 19 | Primanja zaposlenih - izmjene nastale kao rezultat godišnjih poboljšanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MSFI 5 | Stalna sredstva namijenjena prodaji i prestanak poslovanja - izmjene nastale kao rezultat godišnjih poboljšanja - maj 2008. godine | Periodi koji počinju 1. jula 2009. ili nakon toga | MRS 20 | Računovodstveno obuhvatanje državnih donacija i objavljivanje državne pomoći - izmjene nastale kao rezultat godišnjih poboljšanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MSFI 8 | Operativni segmenti | Periodi koji počinju 1. januara 2009. ili nakon toga | MRS 23 | Troškovi pozajmica - sveobuhvatna revizija s cijem zabranom trenutnog priznavanja kao trošak | Troškovi posudjivanja koji se odnose na kvalifikovana sredstva za koje početni datum kapitalizacije je 1. januar 2009. nakon toga |
| MRS 1 | Prezentacija finansijskih izvještaja - sveobuhvatna revizija koja sadrži zahtjev za izvještaj o sveobuhvatnom prihodu | Periodi koji počinju 1. januara 2009. ili nakon toga | MRS 23 | Troškovi pozajmica - izmjene nastale kao rezultat godišnjih poboljšanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MRS 1 | Prezentacija finansijskih izvještaja - izmjene koje se tiču objavljanja povratnih instrumenata i obaveza nastalih po osnovu likvidacije | Periodi koji počinju 1. januara 2009. ili nakon toga | MRS 27 | Konsolidovani i odvojeni finansijski izvještaji - naknadne izmjene proistekle iz izmjena u MSFI 3 | Periodi koji počinju 1. jula 2009. ili nakon toga |
| MRS 1 | Prezentacija finansijskih izvještaja - izmjene nastale kao rezultat godišnjih poboljšanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga | | | |

Notes to the financial statements as of 31 December 2008.

2. ADOPTION OF NEW AND REVISED STANDARDS (CONTINUED)

2.2 Standards and Interpretations in issue not yet effective (continued)

| | | |
|--------|---|---|
| IAS 28 | Investments in Associates - Consequential amendments arising from amendments to IFRS 3 | Annual periods beginning on or after 1 July 2009 |
| IAS 28 | Investments in Associates - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 29 | Financial Reporting in Hyperinflationary Economies - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 31 | Interests in Joint Ventures - Consequential amendments arising from amendments to IFRS 3 | Annual periods beginning on or after 1 July 2009 |
| IAS 31 | Interests in Joint Ventures - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 32 | Financial Instruments: Presentation - Amendments relating to puttable instruments and obligations arising on liquidation | Annual periods beginning on or after 1 January 2009 |

| | | | | | |
|----------|---|---|----------|---|---|
| IAS 36 | Impairment of Assets - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 | IAS 39 | Financial Instruments: Recognition and Measurement - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 38 | Intangible Assets - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 | IAS 39 | Financial Instruments: Recognition and Measurement - Amendments for eligible hedged items | Annual periods beginning on or after 1 July 2009 |
| IAS 39 | Financial Instruments: Recognition and Measurement - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 | IAS 40 | Investment Property - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 39 | Financial Instruments: Recognition and Measurement - Amendments for eligible hedged items | Annual periods beginning on or after 1 July 2009 | IAS 41 | Agriculture - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 |
| IAS 40 | Investment Property - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 | IFRIC 15 | Agreements for the Construction of Real Estate | Annual periods beginning on or after 1 January 2009 |
| IAS 41 | Agriculture - Amendments resulting from May 2008 Annual Improvements to IFRSs | Annual periods beginning on or after 1 January 2009 | IFRIC 16 | Hedges in a Net Investment in a Foreign operations | Annual periods beginning on or after 1 October 2008 |
| IFRIC 15 | Agreements for the Construction of Real Estate | Annual periods beginning on or after 1 January 2009 | IFRIC 17 | Distribution of Non-cash Assets to Owners | Annual periods beginning on or after 1 July 2009 |
| IFRIC 16 | Hedges in a Net Investment in a Foreign operations | Annual periods beginning on or after 1 October 2008 | | | |
| IFRIC 17 | Distribution of Non-cash Assets to Owners | Annual periods beginning on or after 1 July 2009 | | | |

The directors anticipate that all of the above Standards and Interpretations will be adopted in the Bank's financial statements for the period commencing on 1 January 2009 and that the adoption of those Standards and Interpretations will have no material impact on the financial statements of the Bank in the period of initial application.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

2. USVAJANJE NOVIH I REVIDIRANIH STANDARDA (NASTAVAK)

2.2 Standardi i tumačenja koji su objavljeni a nisu još u upotrebi (Nastavak)

| | | |
|--------|---|--|
| MRS 27 | Konsolidovani i odvojeni finansijski izvještaji - izmjena koja se odnosi na trošak investiranja kod prve primjene MSFI | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MRS 27 | Konsolidovani i odvojeni finansijski izvještaji - izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MRS 28 | Ulaganja u pridružena lica - naknadne izmjene proistekle iz izmjena u MSFI 3 | Periodi koji počinju 1. jula 2009. ili nakon toga |
| MRS 28 | Ulaganja u pridružena lica - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MRS 29 | Finansijsko izvještavanje u hiperinflatornim ekonomijama - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |

| | | | | | |
|--------|--|--|----------|--|--|
| MRS 31 | Udjeli u zajedničkim poduhvatima - naknadne izmjene proistekle iz izmjena u MSFI 3 | Periodi koji počinju 1. jula 2009. ili nakon toga | MRS 40 | Ulaganje u nekretnine - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MRS 31 | Udjeli u zajedničkim poduhvatima - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga | IAS 41 | Poljoprivreda - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. jula 2009. ili nakon toga |
| MRS 32 | Finansijski instrumenti: Prezentacija - izmjene koje se tiču objavljanja povrativih instrumenata i obaveza nastalih po osnovu likvidacije | Periodi koji počinju 1. januara 2009. ili nakon toga | IFRIC 15 | Ugovori o izgradnji nekretnina | Periodi koji počinju 1. januara 2009. ili nakon toga |
| MRS 36 | Umanjenje vrijednosti imovine - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga | IFRIC 16 | Hedžing kod operacija sa neto stranim ulaganjima | Periodi koji počinju 1. oktobra 2008. ili nakon toga |
| MRS 38 | Nematerijalna imovina - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. januara 2009. ili nakon toga | IFRIC 17 | Raspodjela nemonetarne imovine Vlasnicima | Periodi koji počinju 1. jula 2009. ili nakon toga |
| MRS 39 | Finansijski instrumenti: Priznavanje i mjerjenje - Izmjene nastale kao rezultat godišnjih poboljšavanja - maj 2008. godine | Periodi koji počinju 1. jula 2009. ili nakon toga | | | |
| MRS 39 | Finansijski instrumenti: Priznavanje i mjerjenje - Izmjene za odgovarajuće hedžing stavke | Periodi koji počinju 1. jula 2009. ili nakon toga | | | |

Uprava Banke predviđa da će svi prethodno navedeni standardi i tumačenja biti usvojeni u finansijskim izvještajima Banke za period koji počinje 1. januara 2009. i da usvajanje spomenutih standarda i tumačenja u budućim periodima neće značajno uticati na finansijske izvještaje Banke.

Notes to the financial statements as of 31 December 2008.

3. Basis of presentation and summary of accounting policies

Basic of presentation

As required by local legislation, the Bank prepares financial statements in accordance with International Financial Reporting Standards (IFRSs) as published by the International Accounting Standards Board and as modified by the regulatory requirements prescribed by the Banking Agency of Federation of Bosnia and Herzegovina (the FBA) with respect to the calculation of provision for impairment of financial instruments.

Management of the Bank believes that provisions made under IFRSs as modified by the regulatory requirements prescribed by the Banking Agency of Federation of Bosnia and Herzegovina are not significantly different from provisions that would be made under IFRSs.

International Financial Reporting Standards as published by the International Accounting Standards Board issued on 31 March 2004 have been officially translated and adopted in Bosnia and Herzegovina. Amendments and changes to standards issued after that date have not been officially translated. As stated in Note 2, the Bank has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2008. Management believes that such adoption has no material impact on these financial statements being prepared in accordance with the regulations in force in Bosnia and Herzegovina.

The Bank maintains its accounting records and prepares its statutory accounts in accordance with the commercial, banking and fiscal regulations prevailing in Bosnia and Herzegovina. The country's official currency is Konvertibilna Marka ("KM"), which is officially pegged to the euro ("EUR") (KM 1.95583 = EUR 1).

The presentation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and their reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Revenues and expenses are recorded in the period in which they are earned or incurred.

The accompanying financial statements have been prepared on a going concern basis, which assumes but it is not limited to the continued financial support of its shareholders.

Definitions

The following terms (Islamic financial instruments) are used in the financial statements with the meaning specified:

Murabaha

An agreement whereby the Bank sells to a customer a commodity or asset, which the Bank has purchased and acquired based on a promise received from the customer to buy the item purchased according to specific terms and conditions. The selling price comprises the cost of the commodity and an agreed profit margin.

Musharaka

An agreement between the Bank and a customer to contribute to a certain investment enterprise, whether existing or new, or the ownership of a certain property either permanently or according to a diminishing arrangement ending up with the acquisition by the customer of the full ownership. The profit is shared as per the agreement set between both parties while the loss is shared in proportion to their shares of capital in the enterprise.

Wakala

An agreement whereby one party provides a certain sum of money to an agent, who invests it according to specific conditions in return for a certain fee (a lump sum of money or a percentage of the amount invested). The

agent is obliged to return the invested amount in case of default, negligence or violation of any of the terms and conditions of the Wakala.

Revenue recognition

Murabaha

Income is recognized over the period of the contract using the effective yield method.

Musharaka

Income is accounted for on the basis of the reducing balance on a time-apportioned basis that reflects the effective yield on the asset. According to Islamic principles, funds on customers' current and term accounts may be used as one of the sources for Musharaka and expenses of the Bank relating to customer accounts are recognized as costs of investments to Musharaka.

Foreign currency translation

Transactions in currencies other than Bosnia and Herzegovina KM are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Profits and losses arising on translation are included in the statement of income for the period.

The Bank values its assets and liabilities by middle rate of Central Bank of Bosnia and Herzegovina valid at the date of balance sheet. The principal rates of exchange set forth by the Central Bank and used in the preparation of the Bank's balance sheet at the reporting dates were as follows:

| | |
|---|--------------------|
| 31 December 2008 USD 1 = KM 1.387810 | EUR 1 = KM 1.95583 |
| 31 December 2007 USD 1 = KM 1.331221 | EUR 1 = KM 1.95583 |

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

3. Temelj za prezentiranje i sažetak računovodstvenih politika

Temelj za prezentaciju

U skladu s lokalnim propisima, Banka priprema ove finansijske izvještaje u skladu s Međunarodnim standardima finansijskog izvještavanja ("MSFI") koje je objavio Odbor za međunarodne računovodstvene standarde, prilagođenim u skladu sa regulatornim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine (FBA), a vezano za obračun rezervacija za umanjenje vrijednosti finansijskih instrumenata.

Uprava banke vjeruje da rezervacije obračunate prema MSFI prilagođenim u skladu s regulatornim zahtjevima Agencije za bankarstvo Federacije Bosne i Hercegovine značajno ne odstupaju od rezervacija koje bi bile napravljene u skladu s MSFI.

Međunarodni standardi finansijskog izvještavanja ("MSFI") koje je objavio Odbor za međunarodne računovodstvene standarde 31. marta 2004. godine su službeno prevedeni i prihvatići u Bosni i Hercegovini. Izmjene i dopune standarda nakon toga nisu bili službeno prevedeni. Kako je navedeno u Napomeni 2 Banka je usvojila sve nove i izmijenjene standarde i tumačenja izdane od strane Odbora za Međunarodne računovodstvene standarde i Komitet za tumačenje međunarodnog finansijskog izvještavanja koji su relevantni za poslovanje Banke i koji su na snazi za izvještajne periode koji su počeli 1. januara 2008. godine ili kasnije. Uprava vjeruje da ta činjenica nema materijalan utjecaj na prikazane finansijske izvještaje koji su pripremljeni u skladu sa pravnom regulativom u Bosni i Hercegovini.

Banka evidentira računovodstvene promjene i iskazuje svoje izvještaje u skladu sa bankarskim, privrednim i fiskalnim propisima Bosne i Hercegovine. Službena valuta zemlje je Konvertibilna Marka ("KM"), koja je službeno vezana za EURO ("EUR") (1,95583 KM = 1 EUR).

Prezentiranje finansijskih izvještaja u skladu s Međunarodnim standardima finansijskog izvještavanja zahtjeva od Uprave stvaranje procjena i pretpostavki koje se odražavaju na prezentiranu aktivu i pasivu, te objavljuvanje nepredviđene imovine i obaveza na dan finansijskog izvještaja i utvrđene iznose prihoda i rashoda za izvještajno razdoblje. Stvarni rezultati mogu se razlikovati od tih procjena. Prihodi i troškovi su evidentirani u periodu u kojem su zarađeni ili nastali.

Finansijski izvještaji su pripremljeni pod pretpostavkom neograničenosti poslovanja, što podrazumjeva, ali nije ograničeno na stalnu finansijsku podršku dioničara.

Definicije

Pojmovi Islamskog bankarstva korišteni u finansijskim izvještajima imaju značenje kako slijedi:

Murabaha

Ovim ugovornim odnosom Banka prodaje robu ili neku drugu imovinu, koju je prethodno kupila od partnera uz unaprijed ugovorene specifične uslove. Prodajna cijena uključuje trošak nabave i dogovoren profit.

Musharaka

Ovim ugovornim odnosom Banka i njen partner, ortak, ulažu sredstva u postojeći ili novi projekat, ili vlasništvo nad određenom imovinom, bilo stalno ili privremeno koje će na kraju u potpunosti prijeći na partnera. Ostvareni profit se dijeli prema ugovoru, a gubitak se dijeli u skladu sa relativnim iznosom udjela u projektu.

Wakala

Ugovorni odnos između dvije strane gdje jedna od strana osigurava određena sredstva agentu, koji ta sredstva ulaže u skladu s odredbama ugovora uz naknadu (koja se određuje kao fiksni iznos ili postotak od iznosa ulaganja). Agent je obavezan odmah izvršiti povrat sredstava u slučaju nepridržavanja ugovornih obaveza, nemara ili drugog oblika kršenja odredbi ugovora.

Priznavanje prihoda

Murabaha

Prihod se priznaje tokom vremena trajanja ugovora uzimajući u obzir efektivnu stopu prihoda.

Musharaka

Prihod se obračunava upotrebom metode efektivne stope prihoda na opadajući iznos glavnice. U skladu s principima Islamskog bankarstva, sredstva koja klijent drži na tekućim i depozitnim računima kod Banke mogu se koristiti kao jedan od izvora finansiranja Musharaka projekata, a troškovi vezani uz te depozitne račune se prikazuju kao troškovi Musharaka transakcija.

Preračunavanje stranih valuta

Poslovni događaji koji nisu u konvertibilnim markama (KM) početno se knjiže preračunanjem po važećem kursu na datum transakcije. Fihansiska imovina i obaveze iskazani u stranim valutama ponovno se preračunavaju na datum bilansa stanja primjenom važećeg kursa na taj dan. Nenovčane stavke u stranoj valuti iskazane po fer vrijednosti preračunavaju se primjenom valutnog kursa važećeg na datum procjene fer vrijednosti. Nenovčane stavke u stranoj valuti iskazane po historijskom trošku se ne preračunavaju ponovno na dan bilansa. Dobici i gubici proizašli iz promjena u kursevima valuta uključuju se u bilans uspjeha.

Banka vrednuje imovinu i obaveze po srednjem kursu Centralne Banke Bosne i Hercegovine na dan bilansa stanja. Kursevi valuta određeni od strane Centrane Banke koji su korišteni u izradi bilansa stanja Banke na dan izvještavanja su sljedeći:

| | |
|--------------------|--------------------|
| 31. decembar 2008. | 1 EUR = 1,95583 KM |
| USD1 = 1,387810 KM | |
| 31. decembar 2007. | 1 EUR = 1,95583 KM |
| USD1 = 1,331221 KM | |

Notes to the financial statements as of 31 December 2008.

3. Basis of presentation and summary of accounting policies (continued)

Net income from financing (Musharaka)

Net income from financing represents Bank's share in income from investments made by its clients from funds financed to them by the Bank, net of cost of attracting the funds used for investments.

According to the Shariah laws, the Bank is not allowed to have interest rate income. Any interest rates earned are allocated to charity on a yearly basis.

Fee and commission income and expenses

Fees and commissions consist mainly of fees earned on domestic and foreign payment transactions, and fees for financing and other instruments issued by the Bank. Fees for payment transactions are recognized in the period when services are rendered.

Financing of customer's origination fees, after approval and draw-down of funds, are deferred (together with related direct costs) and recognized as an adjustment to the effective yield of the financing over its life.

Placements with other banks (Murabaha)

Murabaha deals are investments into commercial commodity purchased under agreement to resell, which are recorded as placements with other banks. The difference between sell and repurchase price is treated as return rate on investments and accrued over the life of repurchase agreements using the effective yield method. These investments are classified

as originated financial instruments and are carried at amortized cost. All regular way purchases and sales of investments are recognized at trade date, which is the date that the Bank commits to purchase or to sell assets.

Financial assets and liabilities

Financial assets and liabilities are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the instrument within the timeframe established by the market concerned.

Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss' (FVTPL), 'available-for-sale' (AFS) financial assets and 'financing and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at FVTPL

The Bank classifies a financial asset as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Bank manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Bank's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or profit margin earned on the financial asset.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- the fair value of derivative instruments, are calculated using quoted prices. Where such prices are not available use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optimal derivatives, and option pricing models for optional derivatives.

AFS financial assets

Listed shares and listed redeemable notes held by the Bank that are traded in an active market are classified as being AFS and are stated at fair value. Fair value is determined in the manner described in the previous paragraph. Gains and losses arising from changes in fair value are recognized directly in equity in the investments revaluation reserve

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

3. Temelj za prezentiranje i sažetak računovodstvenih politika (nastavak)

Neto prihod od finansiranja (Musharaka)

Neto prihod od finansiranja predstavlja udio Banke u prihodima koji su generisani investiranjem sredstava klijenata koje je Banka dala na raspolaganje nakon odbitka troškova vezanih za prikupljanje sredstava koja su investirana.

Po Šerijatskim zakonima, Banka ne smije ostvarivati prihod od kamate. Ovako ostvaren prihod se godišnje izdvaja u dobrotvorne svrhe.

Prihodi i troškovi od naknada i provizija

Naknade i provizije se sastoje uglavnom od naknada zarađenih na domaćim i inostranim platnim transakcijama i naknada za finansiranje i drugih instrumenata izdatih od strane Banke. Naknade za platne transakcije su priznate u periodu u kojem je usluga pružena.

Naknade za odobrenje finansiranja se nakon odobrenja i povlačenja sredstava odgađaju (zajedno s povezanim direktnim troškovima odobrenja) i priznaju kao usklađenje efektivnog prinosa na finansiranje tokom perioda finansiranja..

Plasmani drugim bankama (Murabaha)

Murabaha poslovi su investicije u kupo-prodaju trgovачke robe koja se priznaje kao plasmani sa drugim Bankama. Razlika između kupovine i prodajne cijene se smatra stopom povrata na investicije i obračunava se tokom trajanja kupo-prodajnog ugovora koristeći se primjenom metode stvarnog prinosa. Ove investicije se klasifikuju kao finansijski instrumenti i iskazuju se po amortizovanom trošku.

Sve druge kupovine i prodaje investicija se priznaju na dan trgovine, dan kad se Banka obavezala da kupi ili proda sredstva.

Finansijska imovina i obaveze

Sva finansijska imovina i sve finansijske obaveze priznaju se, odnosno prestaju se priznavati na datum trgovanja kad je kupoprodaja finansijskog sredstva ili finansijske obaveze definirana ugovorenim datumom isporuke finansijskog sredstva u rokovima utvrđenima prema konvencijama na predmetnom tržištu.

Finansijska imovina i finansijske obaveze svrstane su u: "iskazane po fer vrijednosti kroz bilans uspjeha", "raspoložive za prodaju" ili "finansiranje klijenata". Osnovna razlika među spomenutim kategorijama je u pristupu mjerjenja finansijske imovine i priznavanja fer vrijednosti u finansijskim izvještajima.

Finansijska imovina iskazana po fer vrijednosti kroz bilans uspjeha

Banka sredstvo klasificira kao finansijsko sredstvo iskazano po fer vrijednosti kroz bilans uspjeha, kada se sredstvo drži kao "namijenjeno za trgovanje" ili je određeno kao finansijsko sredstvo iskazano po fer vrijednosti kroz bilans uspjeha.

Finansijsko sredstvo je klasifikovano kao "namijenjeno za trgovanje" ako:

- je nabavljeno s ciljem prodaje u bliskoj budućnosti; ili
- je dio identificiranog portfelja finansijskih instrumenata koje banka drži zajedno, i koji se ponaša po šablonu kratkoročne zarade; ili
- je sredstvo derivativni instrument koji nije okarakterisan kao efektivni hedžing instrument.

Finansijsko sredstvo može biti priznato kao finansijsko sredstvo iskazano po fer vrijednosti iako nije "namijenjeno za trgovanje" ako:

- takva klasifikacija eliminiše ili značajno reducira nekonistentnost mjerjenja i priznavanja koja bi inače nastala; ili

- je finansijsko sredstvo dio grupe finansijskih sredstava ili obaveza, čiji je učinak mjerjen na bazi fer vrijednosti, u skladu s dokumentovanim upravljanjem rizika Banke ili njenom investicijskom strategijom, i informacijama oko internog grupisanja sredstava na toj osnovi; ili
- je dio ugovora koji sadrži jedan ili više ugrađenih derivativa, a prema MRS 39 koji kaže da svi elementi ovakvog kombinovanog ugovora mogu biti okvalifikovani kao finansijsko sredstvo iskazano po fer vrijednosti kroz bilans uspjeha.

Finansijsko sredstvo priznato kao finansijsko sredstvo iskazano po fer vrijednosti prikazuje se prema fer vrijednosti, sa resultantnom dobiti ili gubitkom prikazanom u bilansu uspjeha. Neto dobit ili gubitak priznat u bilansu uspjeha treba da sadrži bilo kakvu dividendu ili prihod koji se odnosi na ta sredstva.

Fer vrijednost finansijskog sredstva ili obaveze određuje se na slijedeći način:

- Fer vrijednost finansijskog sredstva ili obaveze po standardnim terminima i uslovima trgovanja na aktivnim, likvidnim tržištima je determinisana u odnosu na kvotirane tržišne cijene;
- Fer vrijednost ostalih finansijskih sredstava ili obaveza (isključujući izvedene instrumente) se određuje u skladu s generalno prihvaćenim cijenovnim modelima koji se baziraju na analizi diskontovanja priliva novca i transparentnim cijenama na tekućem tržištu; i
- Fer vrijednost izvedenih instrumenata, se računa pomoću kotonih cijena. Gdje takva cijena nije dostupna, koristi se analiza diskontovanja priliva novca i primjenjiva kriva prihoda za vrijeme trajanja instrumenta ili ne-opcionog derivativa, iako i opcioni cijenovni model za opcione derivative.

Finansijska sredstva "raspoloživa za prodaju"

Kotirane dionice i vrijednosni papiri s mogućnošću otkupa koje drži Banka i kojima se trguje na aktivnim tržištima se klasificuju kao "raspoloživa za prodaju" i vode po fer vrijednosti. Fer vrijednost se

Notes to the financial statements as of 31 December 2008.

3. Basis of presentation and summary of accounting policies (continued)

with the exception of impairment losses. Profit margin is calculated using the effective profit margin rate method and foreign exchange gains and losses on monetary assets, which are recognized directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in the investments revaluation reserve is included in profit or loss for the period.

Dividends on AFS equity instruments are recognized in profit or loss when the Bank's right to receive payments is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The change in fair value attributable to translation differences that result from a change in amortized cost of the asset is recognized in profit or loss, and other changes are recognized in equity.

Financing to customers

Financing to customers are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financing to customers are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective rate method, less any allowance for impairment. Third party expenses, such as legal fees, incurred in securing a financing are treated as part of the cost of the transaction as well as fees received from customers.

An allowance for financing impairment is established if there is objective evidence that the Bank will not be able to collect all amounts due. The amount of the allowance is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, including amounts recoverable from guarantees

and collateral, discounted at the original effective rate of financings computed at initial recognition. Specific allowances are assessed with reference to the credit standing and performance of the borrower and take into account the value of any collateral or third party guarantees. The Bank prepares financial statements in accordance with IFRS as modified by the regulatory requirements prescribed by the Banking Agency of FBiH. The FBA rules require banks to calculate the allowance for impairment of financial assets based on matrix system, which is namely based on number of days overdue. If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment. Objective evidence of impairment for financial assets assessed collectively for impairment are the adverse changes in the payment status of borrowers in the group (e.g. an increased number of delayed payments) or national or local economic conditions that correlate with defaults on the assets in the group. When a receivable is uncollectible, it is written off against the related allowance for impairment; subsequent recoveries are credited to the 'Impairment losses on financing of customers' line in the income statement.

Tangible and intangible assets

Tangible and intangible assets are started at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on a straight-line basis over the estimated useful life of the applicable assets and based upon the application of the following annual percentages to historical costs:

| | 2008. | 2007. |
|-------------------|--------------|--------------|
| Buildings | 1.3 – 2.0% | 1.3 – 2.0% |
| Computers | 20.0 – 33.3% | 20.0 – 33.3% |
| Motor vehicles | 15.5% | 15.5% |
| Intangible assets | 20.0% | 20.0% |
| Other equipment | 7.0 – 33.3% | 7.0 – 33.3% |

The gain and loss arising on the disposal of tangible and intangible assets is determined based on their carrying value and are recognized in the Income Statement as "Other income/(expense)" in the year of disposal. Costs associated with acquiring software are treated as intangible assets and are amortized on a straight-line basis over the estimated useful life, not exceeding five years.

Employee benefits

During its normal operating activities, the Bank pays payroll taxes and contributions on behalf of its employees, as well as meal and vacation allowances according to the local legislation. These expenses are recognized in the income statement in the same period as the related salary costs.

According to the local legislation and internal Employment rulebook, the Company makes retirement severance payments of minimum three average monthly salaries of the employee in question or three average salaries of the Company paid in the period of the last three months, depending on what is more favorable to the employee.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax expense is based on taxable income for the year. Taxable income differs from net income as reported in the income statement because it excludes items of income or expense

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

3. Temelj za prezentiranje i sažetak računovodstvenih politika (nastavak)

određuje na način spomenut u prethodnim paragrafima. Dobit i gubitak koji nastaju zbog promjena u fer vrijednosti se priznaju direktno kao kapital tj. revalorizacione rezerve sa izuzetkom gubitaka po ispravci vrijednosti, profine marže kalkulisane po metodu efektivne profitne marže, i dobitaka i gubitaka po osnovu kursnih razlika na monetarnim sredstvima, koji se priznaju u bilans upjeha. U slučaju prodaje sredstva ili je sredstvo amortizovano, kumulativna dobit ili gubitak koja je prethodno bila priznata kao revalorizaciona rezerva se uključuje u bilans uspjeha perioda.

Dividende po ovim sredstvima se priznaju u bilans upjeha kada Banka uspostavi pravo da prima uplate.

Fer vrijednost finansijskih sredstava "raspoloživa za prodaju", denominiranih u stranoj valuti se određuje u toj valuti i preračunava se po važećoj kursnoj stopi na dan bilansa stanja. Promjena u fer vrijednosti koja se može pripisati promjenama kursa i koja rezultira promjeni amortizovanog troška sredstva priznaje se u bilansu uspjeha, dok se ostale promjene priznaju kao promjene u kapitalu.

Finansiranje klijenata

Finansiranje klijenata predstavlja nederivativnu finansijsku imovinu sa fiksnim ili određivim plaćanjima koja ne kotira na aktivnom tržištu. Finansiranje klijentima mjeri se početno po fer vrijednosti i kasnije po amortiziranom trošku primjenom metode efektivne profitne marže, umanjenom za ispravku vrijednosti zbog umanjenja. Troškovi prema trećim stranama, kao što su tarife za osiguranje zajma, tretiraju se kao dio troška transakcije, kao i naknade klijenata.

Ispravka vrijednosti zajmova zbog umanjenja knjiži se ako postoji objektivan dokaz da Banka neće biti u mogućnosti naplatiti cijeli iznos potraživanja o dospjeću. Ispravka vrijednosti predstavlja razliku između

knjigovodstvenog i nadoknadivog iznosa, koji predstavlja sadašnju vrijednost očekivanih novčanih tokova, uključivši nadoknade iznose po garancijama i kolateralima, diskontiranih primjenom efektivne profitne marže na zajam utvrđene pri početnom priznavanju. Ispravka vrijednosti za gubitke od umanjenja po pojedinačnim zajmovima procjenjuje se temelju kreditne sposobnosti i rezultata poslovanja zajmoprimatelja, uzimajući u obzir vrijednost instrumenta osiguranja za naplatu zajma ili jamstvo treće strane. Banka prprema finansijske izvještaje u skladu sa MSFI modifikovanim u skladu sa regulatornim zahtjevima FBA. Odluke FBA zahtjevaju da Banka obračuna rezervacije za potencijalne gubitke finansijske imovine po sistemu matrice, što se najvećim dijelom odnosi na dane kašnjenja u otplati. Ako Banka utvrdi da ne postoji objektivan dokaz o umanjenju određenog finansijskog sredstva, bilo ono značajno ili ne, spomenuto sredstvo svrstava u grupu finansijske imovine sličnih obilježja kreditnog rizika (rizika finansiranja) i sva sredstva u istoj grupi podvrgava zajedničkoj procjeni u svrhu umanjenja vrijednosti. Imovina kod koje se umanjenje procjenjuje pojedinačno i kod koje se gubici od umanjenja priznaju, odnosno nastavljaju priznavati, ne uključuje se u zajedničku procjenu umanjenja vrijednosti. Objektivan dokaz o umanjenju finansijskog sredstva kod kojeg se procjena umanjenja obavlja zajednički može biti negativna promjena u platnom statusu dužnika u istoj grupi (npr. veći broj dospjelih neizmirenih iznosa) ili promjene u privrednim uslovima u zemlji ili mjestu poslovanja koji se mogu povezati s neurednošću plaćanja, odnosno pogoršanjem imovine u toj grupi. Nenaplativi zajmovi otpisuju se u iznosu povezane ispravke vrijednosti zbog umanjenja, a svi kasnije naplaćeni iznosi knjiži se u korist bilansa uspjeha u okviru ispravke vrijednosti po zajmovima i avansima.

Materijalna i nematerijalna imovina

Materijalna i nematerijalna imovina iskazana je po trošku sticanja i amortizuje se u procjenjenom korisnom vijeku trajanja. Amortizacija se obračunava linearno, za svaku pojedinačno nabavljeno stalno sredstvo stavljen u upotrebu, primjenom slijedećih stopa amortizacije na nabavnu vrijednost:

| | 2008. | 2007. |
|-----------------------|--------------|--------------|
| Zgrade | 1,3-2,0% | 1,3-2,0% |
| Računari | 20,0 – 33,3% | 20,0 – 33,3% |
| Motorna vozila | 15,5% | 15,5% |
| Nematerijalna imovina | 20,0% | 20,0% |
| Ostala imovina | 7,0 – 33,3% | 7,0 – 33,3% |

Dobici i gubici od prodaje dugotrajne materijalne imovine i opreme utvrđeni su u odnosu na njihovu knjigovodstvenu vrijednost i priznaju se u Bilansu uspjeha pod stavkom "Ostali prihodi/(rashodi)" u periodu nastanka poslovnog događaja. Troškovi vezani uz nabavku softvera se tretiraju kao nematerijalna imovina i amortiziraju se linearном metodom tokom procjenjenog vijeka trajanja, ali ne više od pet godina.

Primanja zaposlenih

Tokom normalnih operativnih aktivnosti, Banka plaća poreze na plaće i doprinose u ime svojih zaposlenika, također topli obrok i regres u skladu sa lokalnom legislativom. Ovi troškovi su priznati u bilansu uspjeha u istom periodu kao i troškovi plaća.

Prema lokalnim propisima i internim pravilnikom o radu, Banka plaća za otpremnine minimalno tri prosječne plate zaposlenika ili tri prosječne plate koja je Banka isplatila u zadnja tri mjeseca, zavisno od toga što je povoljnije za zaposlenika.

Oporezivanje

Porez na dobit predstavlja zbir tekuće obaveze za porez i odgođenih poreza. Tekuća porezna obaveza temelji se na oporezivoj dobiti za godinu. Oporeziva dobit razlikuje se od neto dobiti perioda iskazanoj u bilansu uspjeha jer uključuje stavke prihoda i rashoda koje su oporezive ili neoporezive u drugim godinama, kao i stavke koje nikada nisu oporezive ni odbitne. Tekuća porezna obaveza Društva

Notes to the financial statements as of 31 December 2008.

3. Basis of presentation and summary of accounting policies (continued)

that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Bank has the ability and intention to settle on a net basis. The Bank is subject to various indirect taxes which are included in administrative expenses.

Off-balance sheet commitments

In the ordinary course of business, the Bank enters into credit related commitments which are recorded in off-balance sheet accounts and primarily

include guarantees, letters of credit and undrawn financing commitments. Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policies set out at above.

Provisions

Provisions for are recognized when the Bank has a present obligation as a result of a past event, and it is probable that the Bank will be required to settle that obligation. Management Board estimates the provisions based at the best estimate of expenditure to settle the Bank's obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

4. Critical accounting judgments and estimations

In the application of the Bank's accounting policies, which are described in note 3, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the

revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

5. Current global crisis

The Bank has been impacted by the recent financial crisis and deteriorating economic conditions. Due to the current global crisis in the market and its effects on the local market in Bosnia and Herzegovina, the Bank will probably operate in more difficult and uncertain economic environment in 2009, and possibly beyond. The impact of this crisis on the Bank's business operations is currently not possible to fully predict and therefore there is an element of general uncertainty.

So far, the ongoing financial crisis has had a limited impact on the financial position and performance of the Bank, mainly due to the internal risk management policies and regulatory restrictions. The Bank monitors closely the credit, liquidity, interest rate and foreign exchange risks on a regular basis. The capital adequacy of the Bank is expected to remain at a current level, sufficient to continue the banking operations without any additional equity injections. Liquidity is also expected to be satisfactory without requiring new refinancing from the parent company for next 12 months. In case of additional financing needs, the Bank has appropriate arrangements with the parent company with regard to the provision of all necessary support measures. The deteriorating economic situation in the country will probably impact the position of certain industries and the abilities of some clients to meet their loan obligations. This may consequently influence the amount of the Bank's provisions for impairment losses in 2009 and other areas that require estimates to be made by management, including the valuation of collateral and of securities. The 2008 financial statements contain significant estimates with respect to impairment charges, collateral valuation and the fair value of securities. Actual results may differ from these estimates. The key priorities of the Bank in 2009 will be attention to the management of the financial portfolio adjusting to the changing economic environment and maintaining the Bank's position on the market.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

3. Temelj za prezentiranje i sažetak računovodstvenih politika (nastavak)

izračunava se primjenom poreznih stopa koje su na snazi, odnosno u postupku donošenja na datum bilansa. Odgođeni porez jest iznos za koji se očekuje da će po njemu nastati obaveza ili povrat temeljem razlike između knjigovodstvene vrijednosti imovine i obaveza u finansijskim izvještajima i pripadajuće porezne osnovice koja se koristi za izračunavanje oporezive dobiti a obračunava se metodom bilanske obaveze. Odgođene porezne obaveze općenito se priznaju za sve oporezive privremene razlike, a odgođena porezna imovina se priznaje u onoj mjeri u kojoj je vjerojatno da će biti raspoloživa oporeziva dobit na temelju koje je moguće iskoristiti privremene razlike koje se odbijaju.

Knjigovodstveni iznos odgođene porezne imovine preispituje se na svaki datum bilansa i umanjuje u onoj mjeri u kojoj više nije vjerojatno da će biti raspoloživ dostatan iznos oporezive dobiti za povrat cijelog ili dijela porezne imovine. Odgođeni porez obračunava se po poreznim stopama za koje se očekuje da će biti u primjeni u periodu u kojem će doći do podmirenja obaveze ili realizacije sredstva. Odgođeni porez knjiži se na teret ili u korist bilansa uspjeha, osim ako se odnosi na stavke koje se knjiže direktno u korist ili na teret glavnice, u kojem slučaju se odgođeni porez također iskazuje u okviru glavnice. Odgođena porezna imovina i obaveze se prebijaju ako se odnose na poreze na dobit koje je nametnula ista porezna vlast i ako Banka namjerava podmiriti svoju tekuću poreznu imovinu i obaveze na neto osnovi. Banka ima obavezu plaćanja raznih indirektnih poreza, koji su iskazani u okviru administrativnih troškova.

Preuzete obaveze u vanbilansnoj evidenciji

U okviru redovnog poslovanja Banka preuzima obaveze za finansiranjem, koje vodi u vanbilansnoj evidenciji a koje prvenstveno obuh-

vataju garancije, akreditive i nepovučena odobrena finansiranja. Ugovori koji sadrže obaveze po osnovu finansijskih garancija se mjere inicijalno po njihovim fer vrijednostima a naknadno po onome što je veće od:

- Iznos obaveze po ugovoru, prema MRS-u 37 Rezervisanja, nepredviđene obaveze i imovina;
- Iznos inicijalno priznat umanjen, gdje je moguće, za kumulativnu amortizaciju priznatu u skladu sa politikama priznavanja prihoda koji su gore utvrđeni.

Rezervisanja

Rezervisanja se priznaju ako Banka ima obavezu kao posljedicu događaja iz prethodnih perioda i ako postoji vjerovatnoća da će Banka morati podmiriti navedenu obavezu. Uprava Banke procjenjuje rezervisanje na osnovu najbolje procjene troškova potrebnih da se izmire obaveze Banke. Iznos priznat kao rezervisanje je najbolja procjena iznosa potrebnog za podmirenje postojeće obaveze na dan bilansa stanja, uzveši u obzir rizike i nesigurnosti vezane za obavezu.

4. Značajne računovodstvene procjene i prepostavke

Kod primjene računovodstvenih politika, opisanih u Napomeni 3, Uprava donosi odluke, te daje procjene i prepostavke koje utiču na iznose imovine i obaveza, koji se ne mogu izvesti iz ostalih izvora. Procjene i prepostavke zasnivaju se na prijašnjim i ostalim relevantnim faktorima. Stvarni iznosi mogu se razlikovati od procijenjenih. Procjene i prepostavke se stalno preispisuju. Izmjene knjigovodstvenih procjena priznaju se u periodu izmjene ukoliko se odnose na taj period, ili u periodu izmjene i budućim periodima ukoliko utiče na tekući i buduće periode.

5. Globalna tržišna kriza

Banka je pod uticajem trenutne finansijske krize i pogoršanih ekonomskih uslova. S obzirom na globalnu krizu na tržištu u Bosni i Hercegovini, Banka će vjerovatno poslovati u težem i nesigurnijem ekonomskom okruženju tokom 2009. godine, a vjerovatno i kasnije. Uticaj krize na poslovne operacije Banke trenutno nije moguće u potpunosti predvidjeti i zbog toga postoji element opšte neizvjesnosti. Do sada, tekuća finansijska kriза ima limitiran uticaj na finansijsku poziciju i poslovanje Banke, najviše zbog internih politika upravljanja rizicima i regulatornih restrikcija. Banka kontinuirano prati kreditni rizik, rizik likvidnosti, kamatni rizik i rizik promjena valutnih kurseva. Očekuje se da adekvatnost kapitala Banke ostane na trenutnom nivou, dovoljno za poslovne aktivnosti bez dodatnih kapitalnih povećanja. Dalje, očekuje se da likvidnost ostane na zadovoljavajućem nivou bez potrebe za dodatnim finansiranjem u narednih dvanaest mjeseci. U slučaju dodatnih potreba za finansiranjem, Banka ima odgovarajuće aranžmane s vlasnicima vezano za bilo kakvu potrebnu podršku.

Pogoršana situacija u ekonomskom okruženje će vjerovatno uticati na određene industrijske grane i klijente Banke vezano za mogućnosti otplate uzetih kredita. Ovo može uticati na rezervisanja za potencijalne kreditne gubitke u 2009. godini, te druga područja gdje se zahtijevaju procjene od strane Uprave, uključujući vrednovanje kolateralia i ulaganja. Finansijski izvještaji za 2008. godinu sadrže značajne procjene vezano za umanjenje imovine. Ključni prioriteti Uprave Banke u 2009. godini su upravljanje finansijskim portfolijom prilagođavajući ga ekonomskom okruženju i održavanje pozicije Banke na tržištu.

Notes to the financial statements as of 31 December 2008.

6. Net income from financing and investments

| | 2008 | 2007 |
|---|---------------|--------------|
| Income from operations with other banks (Murabaha, Wakala) | 1,732 | 1,931 |
| Income from financing retail sector (Musharaka) | 3,334 | 2,905 |
| Income from financing corporate sector (Musharaka) | 5,693 | 3,873 |
| Income from obligatory reserve | 392 | 490 |
| <i>Income from financing and investment</i> | 11,151 | 9,199 |
| Expenses from due to customers and due to banks (Musharaka) | (3,641) | (2,420) |
| Total | 7,510 | 6,779 |

7. Fee and commission income

| | 2008 | 2007 |
|--|--------------|--------------|
| Guarantees and letters of credit | 1,012 | 710 |
| Transactions processing | 944 | 640 |
| Commission income for stock exchange trade | 270 | 99 |
| Foreign currency exchange | 162 | 123 |
| Other | 1,124 | 337 |
| Total | 3,512 | 1,909 |

8. Net financial (loss) / gain

| | 2008 | 2007 |
|--|--------------|-------------|
| Foreign exchange gains | 182 | 182 |
| Fair value adjustment on assets at FVTPL (Note 17) | (704) | (10) |
| Total | (522) | 172 |

9. General and administrative expenses

| | 2008 | 2007 |
|--|--------------|--------------|
| Salaries | 2,524 | 2,058 |
| Taxes and contributions related to salaries | 1,831 | 1,466 |
| Other employee expenses | 1,127 | 760 |
| Rent | 498 | 366 |
| Office material and maintenance | 429 | 323 |
| Professional services | 381 | 261 |
| Security | 311 | 216 |
| Marketing and advertising | 299 | 283 |
| Telecommunication | 228 | 201 |
| General assembly, management and other Bank's bodies | 154 | 158 |
| Energy, post and communications | 190 | 91 |
| Travel and accommodation | 66 | 42 |
| Other general and administrative expenses | 337 | 325 |
| Total | 8,374 | 6,550 |

The Bank does not have pension agreements separate from Bosnia and Herzegovina pension system. This system requires that current contributions by the employer be calculated as a percentage of current gross salary payments and taxes on net salary; these expenses

are charged to the profit and loss statement in the period the related compensation is earned by the employee.

The average number of employees for the years ended 31 December 2008 and 2007 was 166 and 126, respectively.

10. Impairment losses

| | 2008 | 2007 |
|---|--------------|--------------|
| Financing of customers | 1,312 | (623) |
| Placements with banks | 78 | 156 |
| Other assets | 17 | 42 |
| Provisions for contingent liabilities and commitments | 210 | (523) |
| Total | 1,617 | (948) |

11. Income tax

Tax liability is based on accounting income taking into the account non-deductible expenses and non-taxable income. Tax income rate for the years ended 31 December 2008 and 31 December 2007 was 10% and 30%, respectively.

Reconciliation of accounting and taxation income:

| | 2008 | 2007 |
|---|--------------|--------------|
| Profit before income tax | 160 | 704 |
| Non-deductible expenses | 1,405 | 1,074 |
| Taxable income | 1,565 | 1,778 |
| <i>Income tax liability at rate of 10% (2007 - 30%)</i> | 157 | 533 |
| Tax exemption due to tax losses available for carry forward | (157) | (533) |
| Income tax liability | - | - |

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

6. Neto prihod od finansiranja i ulaganja

| | 2008 | 2007 |
|---|---------------|--------------|
| Prihod od poslovanja sa drugim bankama (Murabaha, Wakala) | 1.732 | 1,931 |
| Prihodi od finansiranja fizičkih lica (Musharaka) | 3.334 | 2,905 |
| Prihodi od finansiranja pravnih lica (Musharaka) | 5.693 | 3,873 |
| Prihodi od obavezne rezerve | 392 | 490 |
| <i>Prihodi od finansiranja i ulaganja</i> | 11.151 | 9,199 |
| Expenses from financing retail and corporate sector (Musharaka) | (3.641) | (2,420) |
| Ukupno | 7.510 | 6,779 |

7. Prihodi od naknada i provizija

| | 2008 | 2007 |
|---|--------------|--------------|
| Izdavanje garancija i akreditiva | 1.012 | 710 |
| Procesiranje transakcija | 944 | 640 |
| Prihod od provizije za trgovanje na berzi | 270 | 99 |
| Konverzija stranih valuta | 162 | 123 |
| Ostalo | 1.124 | 337 |
| Ukupno | 3.512 | 1,909 |

8. Neto(gubitak)/dobit iz finansijskog poslovanja

| | 2008 | 2007 |
|--|--------------|-------------|
| Neto dobit iz mjenjačkih poslova | 182 | 182 |
| Usklađivanje fer vrijednosti (Napomena 17) | (704) | (10) |
| Ukupno | (522) | 172 |

9. Opšti i administrativni troškovi

| | 2008 | 2007 |
|---|--------------|--------------|
| Plate | 2.524 | 2,058 |
| Porezi i naknade iz i na plate | 1.831 | 1,466 |
| Ostali troškovi zaposlenih | 1.127 | 760 |
| Zakupnina | 498 | 366 |
| Kancelarijski materijal i troškovi održavanja | 429 | 323 |
| Marketing i reprezentacija | 381 | 261 |
| Profesionalne usluge | 311 | 216 |
| Troškovi obezbjeđenja | 299 | 283 |
| Telekomunikacijski troškovi | 228 | 201 |
| Skupština, Uprava i drugi organi Banke | 190 | 91 |
| Troškovi energije, poštarine i komunikacija | 154 | 158 |
| Poslovna putovanja i smještaj | 66 | 42 |
| Ostali troškovi | 337 | 325 |
| Ukupno | 8.374 | 6,550 |

Banka nema penzije aranžmane odvojeno od penzionog sistema Bosne i Hercegovine. Ovaj sistem zahtjeva da tekuće obaveze od strane zaposlenika budu obračunate kao procenat od tekuće bruto plate i poreza na neto platu; ovi troškovi su priznati u bilansu uspjeha perioda na koje se odnose.

Prosječan broj zaposlenih za godine koje su završile 31. decembra 2008. i 2007. je 166, odnosno 126.

10. (Povećanje)/Otpuštanje rezervisanja

| | 2008 | 2007 |
|---|--------------|--------------|
| Finansiranje klijenata | 1.312 | (623) |
| Plasmani bankama | 78 | 156 |
| Ostala imovina | 17 | 42 |
| Rezervisanja za preuzete i potencijalne obaveze | 210 | (523) |
| Ukupno | 1.617 | (948) |

11. Porez na dobit

Obaveze po osnovu poreza na obračunati prihod uključujući troškove koji se ne izuzimaju od poreza i neoporezivi prihod. Stopa poreza na prihod za godinu koja je završila 31. decembra 2008. godine iznosila je 10% a za godinu koja je završila 31. decembra 2007. godine 30%.

Svođenje računovodstvene dobiti i porez na dobit

| | 2008 | 2007 |
|--|--------------|--------------|
| Dobit prije poreza na dobit | 160 | 704 |
| Porezno nepriznati rashodi | 1.405 | 1.074 |
| Oporeziva dobit | 1.565 | 1.778 |
| Obaveza poreza na dobit 10% (2007. - 30%) | 157 | 533 |
| <i>Oslobađanje po osnovu korištenja prenesenih poreskih gubitaka</i> | (157) | (533) |
| Obaveza poreza na dobit | - | - |

Notes to the financial statements as of 31 December 2008.

11. Income tax (continued)

The Bank has KM 5,841 thousand of tax losses available for carry forward as of 31 December 2008 (2007: KM 7,862 thousand). According to the fiscal regulations in force, tax losses can be used over a period of five years starting from the year when the loss was incurred. Deferred tax assets have not been recorded, as there is uncertainty as when certain taxable income will be generated to utilise the income tax losses carry forward still available.

2008 2007

| | | |
|--------------------------------------|---------|---------|
| Balance at the beginning of the year | 2,222 | 2,755 |
| Movement | (157) | (533) |
| Allowance | (2,065) | (2,222) |
| Balance at year end | - | - |

12. Cash and balances with banks

2008 2007

| | | |
|---|---------------|--------------|
| Current account with the Central Bank of Bosnia and Herzegovina | 9,596 | 1,066 |
| Cash on hand | 5,031 | 4,666 |
| Current accounts with other banks | 1,919 | 1,921 |
| Checks in foreign currency | 3 | 1 |
| Total | 16,549 | 7,654 |

13. Obligatory reserve with the Central Bank

2008 2007

| | | |
|--|---------------|---------------|
| Obligatory reserve with the Central Bank of Bosnia and Herzegovina | 18,619 | 15,010 |
| Total | 18,619 | 15,010 |

Minimum obligatory reserve as at 31 December 2008 is calculated in the amount of 14% (31 December 2007 – 15%) of the average amount of total deposits and the borrowings for each working day during 10 calendar days following the period of maintaining the obligatory reserve. Profit margin rate on funds kept up to minimum obligatory reserve is 1%. Cash held at the obligatory reserve account with the Central Bank of Bosnia and Herzegovina is not available for daily operations without specific approval from the Central Bank of Bosnia and Herzegovina and Banking Agency of Federation of Bosnia and Herzegovina.

14. Placements with banks

2008 2007

| | | |
|--|---------------|---------------|
| Arcapita Bank B.S.C. Bahrain | 8,476 | 17,744 |
| Gulf International Bank (GIB), Bahrain | 17,847 | 13,732 |
| Abu Dhabi Islamic Bank | 10,128 | 11,531 |
| Alabaraka Turk Participation Bank Istanbul | 4,105 | - |
| Dubai Islamic Bank | 3,929 | - |
| Subtotal | 44,485 | 43,007 |
| Provisions for impairment | (78) | - |
| Total | 44,407 | 43,007 |

As of 31 December 2008 and 2007, respectively, profit rates on placements in EUR were 2.65% - 5.3% and 3.57% - 5.22% p.a. and on placements in USD were 1.5% - 5.05% and 4.75% - 5.25% p.a.

The movements in the provision for impairment of placements with other banks are summarized as follows:

| | 2008 | 2007 |
|--|-------------|-------------|
| Balance as at 1 January | - | 156 |
| Increase / (decrease) in provisions, net (Note 10) | 78 | (156) |
| Balance as at 31 December | 78 | - |

15. Financing of customers

| | 2008 | 2007 |
|--|-----------------|-----------------|
| Short-term financing of companies | 30,373 | 22,858 |
| Short-term financing of individuals | 5,656 | 4,292 |
| Current portion of long-term financing of customers | 15,068 | 20,469 |
| <i>Total short-term financing of customers</i> | <i>51,097</i> | <i>47,619</i> |
| Long-term financing of companies | 39,657 | 30,711 |
| Long-term financing of individuals (Current portion of long-term financing of customers) | 32,481 | 24,163 |
| <i>Total long-term financing of customers</i> | <i>(15,068)</i> | <i>(20,469)</i> |
| <i>Total financing of customers before provisions</i> | <i>57,070</i> | <i>34,405</i> |
| Provision for impairment | 108,167 | 82,024 |
| Total | 105,168 | 80,101 |

Financing of customers is mostly given to customers in Bosnia and Herzegovina. The majority of short-term financing of customers in domestic currency is granted to clients for working capital financing. Long-term financing is granted to individuals for housing and vehicle purchases and to legal entities for long-term investment projects, mostly construction.

The movements in the provision for impairment of financing of customers are summarized as follows:

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

11. Porez na dobit (nastavak)

Na dan 31. decembra 2008. godine Banka ima 5.841 hiljada KM prenesenih gubitaka iz prethodnih godina (2007., 7.862 hiljada KM). U skladu sa fiskalnim propisima preneseni poreski gubici iz prethodnih godina se mogu iskoristiti u periodu od pet godina počevši od godine kada je gubitak nastao. Odgođena poreska imovina nije knjižena pošto postoji neizvjestnost kada će Banka biti u mogućnosti ostvariti dobit u visini poreskih gubitaka još uvek dostupnih za prenos u naredne dvije godine.

| | 2008 | 2007 |
|---------------------------|-------------|-------------|
| Stanje na početku perioda | 2.222 | 2.755 |
| Kretanje | (157) | (533) |
| Ispравka vrijednosti | (2.065) | (2.222) |
| Ukupno | - | - |

12. Novac i sredstva kod banaka

| | 2007 | 2007 |
|-------------------------------|---------------|--------------|
| Novac u blagajni | 9.596 | 4.666 |
| Račun kod Centralne banke BiH | 5.031 | 1.066 |
| Računi kod drugih banaka | 1.919 | 1.921 |
| Čekovi u stranoj valuti | 3 | 1 |
| Ukupno | 16.549 | 7.654 |

13. Obavezna rezerva kod Centralne banke

| | 2008 | 2007 |
|--|---------------|---------------|
| Obavezna rezerva kod Centralne banke Bosne i Hercegovine | 18,619 | 15,010 |
| Ukupno | 18,619 | 15,010 |

Minimalna obvezna rezerva na dan 31. decembra 2008. godine je izračunata u procentu od 14% od prosječnih ukupnih depozita i posudbi za svaki radni dan tokom 10 kalendarskih dana (na dan 31. decembra 2007. taj procent je iznosio 15%). Profitna stopa na sredstva koja se drže do iznosa obavezne rezerve je 1%. Novčana sredstva koja se drže na računu Centralne banke Bosne i Hercegovine nisu raspoloživa za dnevne aktivnosti bez specifičnog odobrenja Centralne banke Bosne i Hercegovine i Agencije za bankarstvo Federacije Bosne i Hercegovine.

14. Plasmani kod drugih banaka

| | 2008 | 2007 |
|---|---------------|---------------|
| Arcapita Bank B.S.C. Bahrain | 8.476 | 17.744 |
| Gulf International Bank (GIB), Bahrain | 17.847 | 13.732 |
| Abu Dhabi Islamic Bank | 10.128 | 11.531 |
| Alabaraka Turk Participation Bank Istanbul | 4.105 | - |
| Kuwait Turkish Evkaf Finance House - Bahrain branch | 3.929 | - |
| Podzbir | 44.485 | 43.007 |
| Rezervacije za umanjenja | (78) | - |
| Ukupno | 44.407 | 43.007 |

Na dan 31. decembra 2008. i 2007. godine, profitne stope na plasmane u EUR kretale su se od 2,65% do 5,3%, odnosno od 3,57% do 5,22% godišnje, a na plasmane u USD bile su od 1,5% do 5,05% i od 4,75% do 5,25% godišnje.

Promjene na rezervisanjima za moguće gubitke po plasmanima kod drugih banaka su kako slijedi:

| | 2008 | 2007 |
|---|-------------|-------------|
| Stanje na dan 1. januara | - | 156 |
| Neto (smanjenja) / povećanje rezervisanja | 78 | (156) |
| Stanje na dan 31. decembra | 78 | - |

15. Finansiranje klijenata

| | 2008 | 2007 |
|---|----------------|---------------|
| Kratkoročno finansiranje pravnih lica | 30.373 | 22.858 |
| Kratkoročno finansiranje fizičkih lica | 5.656 | 4.292 |
| Tekuće dospjeće dugoročnih finansiranja klijenata | 15.068 | 20.469 |
| Ukupno kratkoročno finansiranje | 51.097 | 47.619 |
| Dugoročno finansiranje pravnih lica | 39.657 | 30.711 |
| Dugoročno finansiranje fizičkih lica | 32.481 | 24.163 |
| (Tekuće dospjeće dugoročnih finansiranja) | (15.068) | (20.469) |
| Ukupno dugoročno finansiranje | 57.070 | 34.405 |
| <i>Ukupno finansiranje prije rezervisanja za moguće gubitke</i> | <i>108.167</i> | <i>82.024</i> |
| Rezervisanja za umanjenja | (2.999) | (1.923) |
| Ukupno | 105.168 | 80.101 |

Sva finansiranja komitentima odobrena su u Bosni i Hercegovini. Većina kratkoročnih finansiranja u domaćoj valuti odobrena je komitentima za obrtna sredstva. Dugoročna finansiranja odobravana su stanovništvu za stambenu izgradnju i kupovinu automobila, a pravnim licima za dugoročne investicijske projekte, uglavnom za izgradnju.

Promjene na rezervisanjima za moguće gubitke po finansiranjima dajemo kako slijedi:

Notes to the financial statements as of 31 December 2008.

15. Financing of customers (continued)

| | 2008 | 2007 |
|--------------------------------------|--------------|--------------|
| Balance as at 1 January | 1,923 | 1,389 |
| Increase in provision, net (Note 10) | 1,312 | 623 |
| Write-offs | (236) | (89) |
| Balance as at 31 December | 2,999 | 1,923 |

Principal amount per industries as of 31 December 2008 and 2007, respectively, is presented as follows:

| | 2008 | 2007 |
|----------------------------------|----------------|---------------|
| Real estate | 192 | 4,624 |
| Construction | 6,072 | 2,500 |
| Trade | 30,079 | 24,134 |
| Services | 3,272 | 44 |
| Transport and telecommunications | 5,416 | 738 |
| Other | 24,999 | 21,204 |
| Citizens | 38,137 | 28,649 |
| Total | 108,167 | 81,893 |

Profit rates for financing of customers given as at 31 December 2008 and 2007 are summarized as follows:

| | 2008 | | 2007 | |
|--------------|----------------|--------------------|---------------|--------------------|
| | KM '000 | Annual profit rate | KM '000 | Annual profit rate |
| Companies | 70,030 | 4% - 14.68% | 53,244 | 2.97% - 10.65% |
| Citizens | 38,137 | 5% - 17.1% | 28,649 | 5.77% - 13.4% |
| Total | 108,167 | | 81,893 | |

16. Property, equipment and intangible assets

| | Land and buildings | Computers | Furniture and equipment | Construction in progress | Intangible assets | Total |
|--|--------------------|------------|-------------------------|--------------------------|-------------------|---------------|
| <i>Cost value</i> | | | | | | |
| 31 December 2006 | 4,677 | 513 | 1,240 | 1,625 | 1,249 | 9,304 |
| Additions | - | - | 4 | 1,829 | - | 1,833 |
| Transfers | 57 | 248 | 756 | (1,653) | 592 | - |
| Disposals | - | (134) | (89) | - | (199) | (422) |
| 31 December 2007 | 4,734 | 627 | 1,911 | 1,801 | 1,642 | 10,715 |
| <i>Accumulated depreciation</i> | | | | | | |
| 31 December 2006 | 51 | 271 | 481 | - | 704 | 1,507 |
| Charge for 2007 | 61 | 113 | 207 | - | 285 | 666 |
| Disposals | - | (134) | (68) | - | (190) | (392) |
| 31 December 2007 | 112 | 250 | 620 | - | 799 | 1,781 |
| <i>Net book value</i> | | | | | | |
| 31 December 2007 | 4,622 | 377 | 1,291 | 1,801 | 843 | 8,934 |
| <i>Cost value</i> | | | | | | |
| 31 December 2007 | 4,734 | 627 | 1,911 | 1,801 | 1,642 | 10,715 |
| Additions | - | - | - | 1,703 | - | 1,703 |
| Transfers | 735 | 169 | 400 | (1,515) | 211 | - |
| Disposals | - | (87) | (53) | - | (443) | (583) |
| 31 December 2008 | 5,469 | 709 | 2,258 | 1,989 | 1,410 | 11,835 |
| <i>Accumulated depreciation and amortization</i> | | | | | | |
| 31 December 2007 | 112 | 250 | 620 | - | 799 | 1,781 |
| Charge for 2008 | 64 | 140 | 286 | - | 326 | 816 |
| Disposals | - | (87) | (50) | - | (425) | (562) |
| 31 December 2008 | 176 | 303 | 856 | - | 700 | 2,035 |
| <i>Net book value</i> | | | | | | |
| 31 December 2008 | 5,293 | 406 | 1,402 | 1,989 | 710 | 9,800 |

Most of construction in progress as of 31 December 2008 relates to acquisition and installation of new licensed software, purchased from Mysis International Banking Systems Limited, England. The software was not activated as of the year-end.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

15. Finansiranje klijenata (nastavak)

| | 2008 | 2007 |
|---|--------------|--------------|
| Stanje na dan 1. januara | 1.923 | 1.389 |
| Neto povećanje rezervisanja (Napomena 10) | 1.312 | 623 |
| Otpisi | (236) | (89) |
| Stanje na dan 31. decembra | 2,999 | 1,923 |

Iznosi glavnice po industrijama na dan 31. decembar 2008. odnosno 2007. godine prikazani su u nastavku:

| | 2008 | 2007 |
|--------------------------|----------------|---------------|
| Nekretnine | 192 | 4,624 |
| Građevinska industrija | 6.072 | 2,500 |
| Trgovina | 30.079 | 24,134 |
| Usluge | 3.272 | 44 |
| Transport i komunikacije | 5.416 | 738 |
| Ostalo | 24.999 | 21,204 |
| Stanovništvo | 38.137 | 28,649 |
| Ukupno | 108,167 | 81,893 |

Profitne stope po finansiranjima na dan 31. decembra 2008. i 2007. godine, mogu se prikazati kako slijedi:

| | 2008 | | 2007 | |
|---------------|----------------|-------------------------|---------------|-------------------------|
| | KM '000 | Godišnja profitna stopa | KM '000 | Godišnja profitna stopa |
| Preduzeća | 70.030 | 4% - 14,68% | 53.244 | 2,97% - 10,65% |
| Stanovništvo | 38.137 | 5% - 17,1% | 28.649 | 5,77% - 13,4% |
| Ukupno | 108,167 | | 81,893 | |

16. Materijalna i nematerijalna imovina

| | Zemljište i zgrade | Računari | Namještaj i oprema | Izgradnja u toku | Nematerijal. imovina | Ukupno |
|---------------------------------|--------------------|------------|--------------------|------------------|----------------------|---------------|
| <i>Nabavna vrijednost</i> | | | | | | |
| 31. decembar 2006. | 4.677 | 513 | 1.240 | 1.625 | 1.249 | 9.304 |
| Nabavke | - | - | 4 | 1.829 | - | 1.833 |
| Transferi | 57 | 248 | 756 | (1.653) | 592 | - |
| Otpis | - | (134) | (89) | - | (199) | (422) |
| 31. decembar 2007. | 4.734 | 627 | 1.911 | 1.801 | 1.642 | 10.715 |
| <i>Akumulirana amortizacija</i> | | | | | | |
| 31. decembar 2006. | 51 | 271 | 481 | - | 704 | 1.507 |
| Amortizacija za 2006. | 61 | 113 | 207 | - | 285 | 666 |
| Otpis | - | (134) | (68) | - | (190) | (392) |
| 31. decembar 2007. | 112 | 250 | 620 | - | 799 | 1.781 |
| <i>Sadašnja vrijednost</i> | | | | | | |
| 31. decembar 2007. | 4.622 | 377 | 1.291 | 1.801 | 843 | 8.934 |
| <i>Nabavna vrijednost</i> | | | | | | |
| 31. decembar 2007. | 4.734 | 627 | 1.911 | 1.801 | 1.642 | 10.715 |
| Nabavke | - | - | - | 1.703 | - | 1.703 |
| Transferi | 735 | 169 | 400 | (1.515) | 211 | - |
| Otpis | - | (87) | (53) | - | (443) | (583) |
| 31. decembar 2008. | 5.469 | 709 | 2.258 | 1.989 | 1.410 | 11.835 |
| <i>Akumulirana amortizacija</i> | | | | | | |
| 31. decembar 2007. | 112 | 250 | 620 | - | 799 | 1.781 |
| Amortizacija za 2008. | 64 | 140 | 286 | - | 326 | 816 |
| Otpis | - | (87) | (50) | - | (425) | (562) |
| 31. decembar 2008. | 176 | 303 | 856 | - | 700 | 2.035 |
| <i>Sadašnja vrijednost</i> | | | | | | |
| 31. decembar 2008. | 5.293 | 406 | 1.402 | 1.989 | 710 | 9.800 |

Većina izgradnje u toku na dan 31. decembar 2008. godine odnosi se na nabavku i instalaciju novog softvera, kupljenog od Mysis International Banking Systems Limited, Engleska. Softver nije aktiviran do kraja godine.

Notes to the financial statements as of 31 December 2008.

17. Fair value investments through profit and loss

| | 2008 | 2007 |
|--------------------------------------|-------------|-------------|
| Al Salam Bank – Bahrain B.S.C. | 145 | 339 |
| BH Telecom d.d. Sarajevo | 69 | 55 |
| Energoinvest d.d. Sarajevo | 35 | 43 |
| JP Elektroprivreda HZ HB d.d. Mostar | 58 | 44 |
| JP Elektroprivreda BH d.d. Sarajevo | 20 | 38 |
| Ingram d.o.o. Srebrenik | 28 | 35 |
| GP ŽGP Sarajevo | 27 | 33 |
| Vranica d.d. Sarajevo | 16 | 33 |
| Hidrogradnja d.d. Sarajevo | 19 | 20 |
| Klas d.d. Sarajevo | 27 | 20 |
| IF MI Group Sarajevo | 6 | 12 |
| IF Prevent Invest Sarajevo | 7 | 29 |
| MF Global Open Fund Sarajevo | 27 | 78 |
| Bosnalijek d.d. Sarajevo | 29 | - |
| IF BIG Investiciona Grupa | 12 | - |
| Total | 525 | 779 |

As of 31 December 2008 the Bank made a fair value adjustment (Note 8) of this portfolio that resulted in net loss of KM 704 thousand (2007: net loss of KM 10 thousand).

18. Assets available for sale

| | 2008 | 2007 |
|---|-------------|-------------|
| Islamic International Rating Agency (IIRA) | 28 | 28 |
| BBI Leasing and Real Estate d.o.o. Sarajevo | 10 | 13 |
| Securities Register of Federation of BiH | 18 | 10 |
| Total | 56 | 51 |

19. Other assets

| | 2008 | 2007 |
|--|-------------|--------------|
| Advances for fixed assets | 30 | 356 |
| Fees receivable | 75 | 121 |
| Material, tools and consumables | 38 | 32 |
| Credit card receivables | 34 | 66 |
| Receivables for consulting services | - | 175 |
| Receivables from State bodies | 6 | 135 |
| Prepaid income tax | 116 | 99 |
| Prepaid expenses | 66 | 73 |
| Receivables for collateral according to Court decision | - | - |
| Other assets | 102 | 101 |
| <i>Subtotal</i> | 467 | 1,158 |
| Provision for impairment | (91) | (88) |
| Total | 376 | 1,070 |

The movements in the provision for impairment of other assets are summarized as follows:

| | 2008 | 2007 |
|--|-------------|-------------|
| Balance as at 1 January | 88 | 130 |
| Increase / (decrease) of provisions, net (Note 10) | 17 | (42) |
| Write-offs | (14) | - |
| Balance as at 31 December | 91 | 88 |

20. Due to customers

| | 2008 | 2007 |
|--------------------------------------|----------------|---------------|
| Deposits of companies: | | |
| Current | 37,038 | 21,978 |
| Term | 39,354 | 32,619 |
| Total deposits of companies | 76,392 | 54,596 |
| Deposits of individuals: | | |
| Current | 7,859 | 8,906 |
| Term | 27,678 | 10,772 |
| Total deposits of individuals | 35,537 | 19,678 |
| Total | 111,929 | 74,274 |

Term deposit average profit rates during 2008 and 2007 were 4.29% and 3.83%, respectively. Accrued profit margin expense as of 31 December 2008 and 2007 amounted to KM 507 thousand and KM 392 thousand, respectively.

21. Due to banks

Due to other financial institutions is summarized as follows:

| | 2008 | 2007 |
|--|---------------|---------------|
| Islamic Development Bank, Saudi Arabia | 20,412 | 16,649 |
| Abu Dhabi Islamic Bank, United Arab Emirates | 9,796 | 9,805 |
| Total | 30,208 | 29,454 |

Islamic Development Bank, Jeddah, Saudi Arabia deposited the amount of EUR 10 million. The deposit carries annual profit rate of EURIBOR +1% and is due on 2 April 2011. Accrued profit margin expense as of 31 December 2008 and 2007 amounted KM 871 thousand and KM 91 thousand, respectively.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

17. Ulaganje po fer vrijednosti kroz Bilans uspjeha

| | 2008 | 2007 |
|--------------------------------------|------------|------------|
| Al Salam Bank – Bahrain B.S.C. | 145 | 339 |
| BH Telecom d.d. Sarajevo | 69 | 55 |
| JP Elektroprivreda HZ HB d.d. Mostar | 58 | 44 |
| Energoinvest d.d. Sarajevo | 35 | 43 |
| Bosnalijek d.d. Sarajevo | 29 | - |
| Ingram d.o.o. Srebrenik | 28 | 35 |
| GP ŽGP Sarajevo | 27 | 33 |
| Klas d.d. Sarajevo | 27 | 20 |
| MF Global Open Fund Sarajevo | 27 | 78 |
| JP Elektroprivreda BH d.d. Sarajevo | 20 | 38 |
| Hidrogradnja d.d. Sarajevo | 19 | 20 |
| Vranica d.d. Sarajevo | 16 | 33 |
| IF BIG Investiciona Grupa | 12 | - |
| IF Prevent Invest Sarajevo | 7 | 29 |
| IF MI Group Sarajevo | 6 | 12 |
| Ukupno | 525 | 779 |

Na dan 31. decembra 2008. godine Banka je napravila usklađenje fer vrijednosti (Napomena 8) ovog prtfolija što je rezultiralo neto gubitkom u iznosu od 704 hiljade KM (2007.: neto gubitak u iznosu od 10 hiljada KM).

18. Imovina raspoloživa za prodaju

| | 2008 | 2007 |
|--|-----------|-----------|
| Islamic International Rating Agency (IIRA) | 28 | 28 |
| Registrar vrijednosnih papira Federacije BiH | 18 | 13 |
| BBI Leasing and Real Estate d.o.o. Sarajevo | 10 | 10 |
| Ukupno | 56 | 51 |

19. Ostala imovina

| | 2008 | 2007 |
|---|------------|--------------|
| Potraživanja po osnovu akontacije poreza na dobit | 116 | 99 |
| Naknade | 75 | 121 |
| Unaprijed plaćeni troškovi | 66 | 73 |
| Materijali, alati i potrošna roba | 38 | 32 |
| Potraživanja po kreditnim karticama | 34 | 66 |
| Dati avansi za kupovinu materijalne imovine | 30 | 356 |
| Potraživanje iz osnova konsultantskih usluga | - | 175 |
| Potraživanja od državnih institucija | 6 | 135 |
| Ostala imovina | 102 | 101 |
| Podzbir | 467 | 1.158 |
| Rezervisanja za umanjenja | (91) | (88) |
| Ukupno | 376 | 1.070 |

Kretanje na rezervisanjima za ostalu imovinu su kako slijedi:

| | 2008 | 2007 |
|--|-----------|-----------|
| Stanje na dan 1. januara | 88 | 130 |
| Neto povećanje / (smanjenje) rezervisanja (Napomena 10) | 17 | (42) |
| Otpisi | (14) | - |
| Stanje na dan 31. decembra | 91 | 88 |

20. Obaveze prema klijentima

| | 2008 | 2007 |
|--------------------------------------|----------------|---------------|
| Depoziti pravnih lica: | | |
| Po viđenju | 37.038 | 21.978 |
| Oročeni | 39.354 | 32.619 |
| Ukupno depoziti pravnih lica: | | |
| | 76.392 | 54.596 |
| Depoziti fizičkih lica: | | |
| Po viđenju | 7.859 | 8.906 |
| Oročeni | 27.678 | 10.772 |
| Ukupno depoziti fizičkih lica | | |
| | 35.537 | 19.678 |
| Ukupno | | |
| | 111.929 | 74.274 |

Prosječna stopa povrata na oročene depozite u 2008. i 2007. godini iznosila je 4,29 %, odnosno 3,83%.

Obračunata obaveza za prinose na dan 31. decembra 2008. i 2007. godine je iznosila 507 hiljada KM odnosno 392 hiljade KM.

21. Obaveze prema bankama

Obaveze prema bankama se mogu prikazati kako slijedi:

| | 2008 | 2007 |
|--|---------------|---------------|
| Islamic Development Bank, Saudijska Arabija | 20.412 | 19.649 |
| Abu Dhabi Islamic Bank, Ujedinjeni Arapski Emirati | 9.796 | 9.805 |
| Ukupno | 30.208 | 29.454 |

Islamic Development Bank, Jeddah, Saudijska Arabija uložila je 10 miliona EUR kod Bosna Bank International d.d.. Profitna stopa depozita iznosi EURIBOR + 1% sa rokom dospijeća na dan 2. aprila 2011. godine.

Notes to the financial statements as of 31 December 2008.

21. Due to banks (continued)

Master Wakala Agreement was signed between the Bank and Abu Dhabi Islamic Bank on 1 February 2005, in the amount of EUR 5 million. Maturity date of the borrowing is 14 June 2010 with profit rate of three months EURIBOR +1% p.a.

Accrued profit margin as of 31 December 2008 and 2007 amounted zero and KM 26 thousand, respectively.

22. Borrowings

| | 2008 | 2007 |
|----------------------------|-------------|-------------|
| Ministry of Finance (IFAD) | 134 | - |
| Total | 134 | - |

The Bank signed contract Federal Ministry of Finance, related to funds provided by International Fund for Agricultural Development (IFAD), whereby the Bank uses the funds to finance customers. Repayment period is 12 years while grace period is 2 years.

23. Other liabilities

| | 2008 | 2007 |
|--|--------------|--------------|
| Difference in on lending funds – undistributed funds (Note 26) | 1,775 | 2,490 |
| Liabilities for undistributed inflows | 569 | 423 |
| Payables to shareholders of liquidated ICB Bank, FBiH | 340 | 321 |
| Liabilities to vendors | 270 | 141 |
| Liabilities to employees* | 69 | 65 |
| Liabilities to charities | 112 | 52 |
| Accrued expenses | 490 | 18 |
| Other liabilities | 423 | 308 |
| Total | 4,049 | 4,068 |

The amount of KM 340 thousand as of 31 December 2008 (31 December 2007 – KM 321 thousand) represents accounts payable to shareholders of ICB Bank, which is liquidated, for their share of collected receivables on financing of customers portfolio from ICB Bank. During 2008 the Bank credited total amount of KM 40 thousand to income from collected receivables from these activities as compensation for assumed risks.

* Liabilities to employees includes KM 69 thousand (2007: KM 65 thousand) related to provisions for annual vacation unused days and severance payments:

| | |
|--|-----------|
| Balance 1 January 2007 | 46 |
| Additional provisions recognized | 19 |
| Decreases from payment of compensation | - |
| Balance 1 January 2008 | 65 |
| Additional provisions recognized | 4 |
| Decreases from payment of compensation | - |
| Balance 31 December 2008 | 69 |

24. Contingent liabilities and commitments

| | 2008 | 2007 |
|------------------------|---------------|---------------|
| Performance guarantees | 25,629 | 16,360 |
| Payment guarantees | 7,854 | 18,611 |
| Unused credit lines | 12,523 | 7,751 |
| Letters of credit | 3,624 | 1,193 |
| Total | 49,630 | 43,915 |

Bank has additional liabilities on the basis of renting office premises in the amount of KM 1,708 thousand (2007 – KM 1,593 thousand), that will arise in future periods.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

21. Obaveze prema bankama (nastavak)

Obračunata obaveza za prinose na dan 31. decembra 2008. i 2007. godine je iznosila 871 hiljadu KM odnosno 91 hiljadu KM.

Dana 1. februara 2005. godine Master Wakala Sporazum je potpisana između Abu Dhabi Islamic Bank i Bosna Bank International na iznos od 5 miliona EUR. Datum dospijeća posudbe je 14. juni 2010. godine, a profitna stopa je tromjesečni EURIBOR + 1% godišnje.

Obračunata obaveza za prinose na dan 31. decembra 2008. i 2007. godine je iznosila nula odnosno 26 hiljada KM.

22. Obaveze za primljene pozajmice

| | 2008 | 2007 |
|------------------------|-------------|-------------|
| Ministarstvo finansija | 134 | - |
| Ukupno | 134 | - |

Banka je potpisala ugovor sa Federalnim ministarstvom finansija vezano za sredstva obezbjeđena od strane Međunarodnog fonda za poljoprivredni razvoj koja je Banka koristila da finansira treća lica. Rok otplate je 12 godina dok je grejs period 2 godine.

23. Ostale obaveze

Razlika u komisionim poslovima-neplasirana sredstva (Napomena 26)

| | 2008 | 2007 |
|---|-------------|-------------|
| Razlika u komisionim poslovima-neplasirana sredstva (Napomena 26) | 1.775 | 2.740 |

Obaveze za neraspoređene prilive

| | 2008 | 2007 |
|----------------------------------|-------------|-------------|
| Obaveze za neraspoređene prilive | 569 | 423 |

Obračunati troškovi

| | 2008 | 2007 |
|---------------------|-------------|-------------|
| Obračunati troškovi | 490 | 18 |

Obaveze prema dioničarima likvidirane ICB Bank, FBiH

| | 2008 | 2007 |
|--|-------------|-------------|
| Obaveze prema dioničarima likvidirane ICB Bank, FBiH | 340 | 321 |

Obaveze prema dobavljačima

| | 2008 | 2007 |
|----------------------------|-------------|-------------|
| Obaveze prema dobavljačima | 270 | 141 |

Obaveze za dobrotvorne svrhe

| | 2008 | 2007 |
|------------------------------|-------------|-------------|
| Obaveze za dobrotvorne svrhe | 112 | 52 |

Ostale obaveze prema uposlenim*

| | 2008 | 2007 |
|----------------|-------------|-------------|
| Ostale obaveze | 69 | 65 |

Ostale obaveze

| | 2008 | 2007 |
|----------------|-------------|-------------|
| Ostale obaveze | 423 | 308 |

| | 2008 | 2007 |
|---------------|--------------|--------------|
| Ukupno | 4.049 | 4.068 |

Iznos od 340 hiljada KM na dan 31. decembra 2008. godine (31. decembra 2007. – 321 hiljada KM) predstavlja obavezu prema dioničarima likvidirane ICB Banke, a odnose na dio naplaćenih potraživanja iz kreditnog portfolia ICB-a. Tokom 2008. godine Banka je pripisala iznos od 40 hiljada KM prihodu od prikupljenih potraživanja po ovom osnovu kao kompenzaciju za preuzeti rizik.

* Iznos od 69 hiljada KM na dan 31. decembra 2007. godine (2007.: 65 hiljada KM) predstavlja rezervisanja za naknade zaposlenima za godišnji odmor i otpremnine prilikom odlaska u penziju:

| Stanje na 1. januar 2007. | 46 |
|--------------------------------------|-----------|
| Priznata dodatna rezervisanja | 19 |
| Umanjenja koja proizilaze od isplata | - |
| Stanje na 1. januar 2008. | 65 |
| Priznata dodatna rezervisanja | 4 |
| Umanjenja koja proizilaze od isplata | - |
| Stanje na 31. decembar 2008. | 69 |

24. Preuzete i potencijalne obaveze

| | 2008 | 2007 |
|---|---------------|---------------|
| Činidbene garancije | 25.629 | 16.360 |
| Plative garancije | 7.854 | 18.611 |
| Neiskorišteni odobreni iznos finansiranja | 12.523 | 7.751 |
| Akreditivi | 3.624 | 1.193 |
| Ukupno | 49.630 | 43.915 |

Banka ima i dodatno preuzete obaveze po osnovu najma poslovnog prostora u iznosu od 1.708 hiljada KM (2007. – 1.593 hiljada KM), koji će nastati u budućim periodima.

Notes to the financial statements as of 31 December 2008.

25. Provisions for contingent liabilities and commitments

Movements in provision for contingent liabilities and commitments is as follows:

| | 2008 | 2007 |
|--------------------------------------|------------|------------|
| Balance as at 1 January | 770 | 247 |
| Increase in provisions, net (Note 9) | 210 | 523 |
| Balance as at 31 December | 980 | 770 |

26. On-lending activities

The Bank manages assets on behalf of third parties. These assets are evidenced separately and recognized separately from the Bank's assets. For its services, the Bank charges a fee amounting to 1% of the total amount contributed.

| | 2008 | 2007 |
|---|--------------|--------------|
| Liabilities | | |
| Liabilities to Government - Ministry for War Veterans | 3,430 | 3,678 |
| Al Mactoum Foundation | 395 | 150 |
| Liabilities to Islamic Development Bank | 2,788 | 1,420 |
| Total | 6,613 | 5,498 |
| Assets | | |
| Individuals – placed funds | 4,838 | 2,758 |
| Total | 4,838 | 2,758 |
| Difference in On lending funds (Note 23) | 1,775 | 2,740 |

The amount of KM 2,788 thousand as of 31 December 2008 (31 December 2007 - KM 1,420 thousand) presents the funds received from Islamic Development Bank (IDB Bank), Saudi Arabia, for set up of Trust Fund. The Bank manages these funds and as of the balance sheet date, amount of KM 1,286 thousand were placed to third parties.

During 2007, the Bank has signed a new agreement with Ministry for War Veterans of Federation of Bosnia and Herzegovina related to placements of funds for purchases of apartments in amount of KM 2,200 thousand. The Bank will place these funds to third parties and has liability to return these funds to Ministry for War Veterans in a period up to five years.

In accordance with above agreements between the Bank and sources, the Bank has required to lend on to third parties these funds. The sources bear the repayment risk in full.

27. Related-party transactions

Financings and commitments to related parties as at 31 December 2008 and 2007 are summarized as follows:

| | 2008 | 2007 | | |
|--|---------------|---------------|---------------|---------------|
| | Assets | Liabilities | Assets | Liabilities |
| Islamic Development Bank, Saudi Arabia | - | 19,558 | - | 19,558 |
| Dubai Islamic Bank, UAE | 3,923 | - | - | - |
| Abu Dhabi Islamic Bank, UAE | 10,097 | 9,779 | 11,185 | 9,779 |
| BBI Leasing and Real Estate d.o.o | 1,650 | 1,935 | 185 | 6,152 |
| Total | 15,670 | 31,272 | 11,360 | 35,489 |

| | 2008 | 2007 | | |
|--|--------------|--------------|--------------|--------------|
| | Income | Expenditure | Income | Expenditure |
| Islamic Development Bank, Saudi Arabia | - | 1,107 | - | 1,103 |
| Dubai Islamic Bank, UAE | 5 | - | 5 | - |
| Abu Dhabi Islamic Bank, UAE | 475 | 726 | 1,364 | 567 |
| BBI Leasing and Real Estate d.o.o. | 1,098 | 20 | 176 | 82 |
| Total | 1,578 | 1,853 | 1,439 | 1,752 |

All of the transactions stated above have been made under commercial and banking terms and conditions.

Director's and executives' remuneration

The remuneration of directors and other members of key management during the year were as follows:

| | 2008 | 2007 |
|--|------------|------------|
| Salaries | 345 | 331 |
| Contributions and taxes paid to retirement benefit schemes | 238 | 228 |
| Discretionary bonuses | 87 | 34 |
| Total | 670 | 593 |

28. Foreign currency risk management

The Bank undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts. The carrying amounts of the Bank's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

25. Rezervisanja za preuzete i potencijalne obaveze

Kretanja u rezervisanjima za preuzete i potencijalne obaveze:

| | 2008 | 2007 |
|--|-------------|-------------|
| Stanje na 1. januar | 770 | 247 |
| Kretanje rezervisanja, neto (Napomena 9) | 210 | 523 |
| Stanje na dan 31. decembar | 980 | 770 |

Iznos od 2.788 hiljada KM na dan 31. decembra 2008. godine (31. decembar 2007. – 1.420 hiljada KM) predstavlja iznos primljen od Islamic Development Bank (IDB), Saudijska Arabija, za uspostavljanje fonda povjerenja. Banka upravlja fondom i na datumu bilanca stanja iznos od 1.286 hiljada KM je plasiran trećim licima.

Tokom 2007. godine, zaključen je novi ugovor sa Ministarstvom za boračka pitanja FBiH, o pružanju usluga plasmana i povrata novčanih pozajmica za rješavanje stambenih potreba boraca-branitelja Bosne i Hercegovine, u ukupnom iznosu od 2.200 hiljada KM. Banka će plasirati ova sredstva trećim licima i ma obavezu za povrat istih najkasnije u periodu do pet godina.

U skladu sa gore navedenim sporazumima između Banke i drugih subjekata, od Banke je plasirala ova sredstva trećim licima. Rizik naplate plasirane imovine nose izvori sredstava u potpunosti.

26. Komisioni poslovi

Sredstva kojima Banka upravlja kao povjerenik u ime trećih lica, ne predstavljaju sredstva Banke. Za ove usluge Banka naplaćuje proviziju u iznosu od 0%- 5,9% od ukupno plasiranog novca.

| | 2008 | 2007 |
|--|--------------|--------------|
| Izvori | | |
| Obaveze prema Vladi – Ministarstvo za boračka pitanja FBiH | 3.430 | 3,678 |
| Fondacija Al Mactoum | 395 | 150 |
| Islamic Development Bank | 2.788 | 1,420 |
| Ukupno | 6.613 | 5,498 |
| Plasmani | | |
| Stanovništvo | 4.838 | 2,758 |
| Ukupno | 4.838 | 2,758 |
| Razlika u komisionim poslovima (Napomena 23) | 1.775 | 2,740 |

27. Transakcije s povezanim stranama

Dana 31. decembra 2008. i 2007. godine zajmovi i obaveze prema povezanim stranama , kao i prihodi i rashodi nastali u tim transakcijama sažeto su prikazane kako slijedi:

| | 2008 | | 2007 | |
|------------------------------------|---------------|---------------|---------------|---------------|
| | Imovina | Obaveze | Imovina | Obaveze |
| Islamic Development Bank, | | | | |
| Saudi Arabia | - | 19.558 | - | 19,558 |
| Dubai Islamic Bank, UAE | 3.923 | - | - | - |
| Abu Dhabi Islamic Bank, UAE | 10.097 | 9.779 | 11,185 | 9,779 |
| BBI Leasing and Real Estate d.o.o. | 1.650 | 1.935 | 185 | 6,152 |
| Ukupno | 15.670 | 31.272 | 11,360 | 35,489 |

| | 2008 | | 2007 | |
|--|--------------|--------------|--------------|--------------|
| | Prihodi | Troškovi | Prihodi | Troškovi |
| Islamic Development Bank, Saudi Arabia | - | 1.107 | - | 1,103 |
| Dubai Islamic Bank, UAE | 5 | - | 5 | - |
| Abu Dhabi Islamic Bank, UAE | 475 | 726 | 1,364 | 567 |
| BBI Leasing and Real Estate | 1.098 | 20 | 176 | 82 |
| Ukupno | 1.578 | 1.853 | 1,439 | 1,752 |

Iznad navedene transakcije su učinjene na osnovu komercijalnih i bankarskih uslova.

Naknade direktorima i članovima Uprave

Naknade izvršnim direktorima i drugim članovima Uprave u toku godinu isplaćene su kako slijedi:

| | 2008 | 2007 |
|---|-------------|-------------|
| Plate | 345 | 331 |
| Naknade i porezi plaćeni po osnovu šećera penzionih naknada | 238 | 228 |
| Dodatni bonusi | 87 | 34 |
| Ukupno | 670 | 593 |

28. Upravljanje rizikom strane valute

Banka obavlja određene transakcije denominirane u stranim valutama. Dakle, dolazi do izloženosti promjenama kursa stranih valuta. Izloženošću kursu valute se upravlja u okviru odobrenih parametara politika koje koriste terminske ugovore za strane valute.

Knjigovodstvena vrijednost novčanih sredstava i obaveza Banke denominiranih u stranoj valuti je na dan izvještavanja kako slijedi:

Notes to the financial statements as of 31 December 2008.

28. Foreign currency risk management (continued)

| | 2008 | 2007 | 2008 | 2007 |
|------------------|---------|--------|-------------|-------------|
| | Assets | Assets | Liabilities | Liabilities |
| EUR | 101,146 | 39,263 | 96,546 | 59,229 |
| USD | 1,489 | 8,127 | 1,536 | 8,143 |
| Other currencies | 357 | 326 | 240 | 59 |

Foreign currency sensitivity analysis

The Bank is mainly exposed to foreign currency risk related to EUR and USD. Convertible mark is pegged to EUR (EUR 1 = KM 1.95583), therefore foreign currency risk is minimized regarding EUR.

The following table details the Bank's sensitivity to a 10% increase and decrease in KM against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis excludes external financings where the denomination of the financing is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit and other equity where KM strengthens 10% against the relevant currency. For a 10% weakening of KM against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

| | USD Impact | |
|----------------|------------|------|
| | 2008 | 2007 |
| Profit or loss | 3 | 2 |

| KM '000 | KM | EUR | USD | Other currencies | Total |
|--|---------------|-----------------|--------------|------------------|----------------|
| ASSETS | | | | | |
| Cash and cash equivalents | | | | | |
| Obligatory reserve with the Central Bank | 11,208 | 3,677 | 1,185 | 357 | 16,427 |
| Placements with other banks | 18,619 | - | - | - | 18,619 |
| Financing of customers | - | 44,199 | 277 | - | 44,476 |
| Investments | 51,997 | 53,125 | - | - | 105,122 |
| Total assets | 82,233 | 101,146 | 1,489 | 357 | 185,225 |
| LIABILITIES | | | | | |
| Due to customers and banks | 43,950 | 66,203 | 1,536 | 240 | 111,929 |
| Due to banks | - | 30,343 | - | - | 30,343 |
| Total liabilities | 43,950 | 96,546 | 1,536 | 240 | 142,272 |
| Mismatch as of 31 December 2008 | | | | | |
| Total assets as at 31 December 2007 | 38,283 | 4,600 | (47) | 117 | 42,953 |
| Total liabilities as at 31 December 2007 | 98,942 | 39,127 | 7,811 | 229 | 146,109 |
| Mismatch as of 31 December 2007 | 38,111 | 57,510 | 7,606 | 57 | 103,284 |
| | 60,831 | (18,383) | 205 | 172 | 42,825 |

29. Profit margin risk management

The Bank is exposed to profit margin risk as the Bank borrows funds at both fixed and floating profit rates. The risk is managed by the Bank by maintaining an appropriate mix between fixed and floating rate borrowings. The Bank's exposures to profit rates on financial assets and financial liabilities are detailed in the liquidity risk management section in Note 31.

Profit rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to profit rates for non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared

assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting profit rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in profit rates. If profit rates had been 50 basis points higher/lower and all other variables were held constant, the Bank's:

- profit for the year ended 31 December 2008 would increase/decrease by KM 414 thousand (2007: increase/decrease by KM 361 thousand). This is mainly attributable to the Bank's exposure to profit rates on its variable rate borrowings.

The Bank's sensitivity to profit rates has decreased during the current period mainly due to the reduction in variable rate debt instruments.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

28. Upravljanje rizikom strane valute (nastavak)

| | 2008 | 2007 | 2008 | 2007 |
|--------------|---------|---------|---------|---------|
| | Imovina | Imovina | Obaveze | Obaveze |
| EUR | 101,146 | 39,263 | 96,546 | 59,229 |
| USD | 1,489 | 8,127 | 1,536 | 8,143 |
| Druge valute | 357 | 326 | 240 | 59 |

Analiza osjetljivosti strane valute

Banka je uglavnom izložena valutama EUR i USD. Međutim, KM je fiksno vezana za EUR (1 EUR = 1,95583 KM), te ne postoji realan valutni rizik po sredstvima denominiranim u EUR.

Slijedeća tabela detaljno prikazuje osjetljivost Banke na 10%-tno povećanje i smanjenje u KM u poređenju sa relevantnim stranim valutama. 10% je stopa osjetljivosti koja se koristi pri internom izvještavanju ključnom osoblju uprave o riziku strane valute i predstavlja procjenu uprave o razumno mogućim promjenama kurseva stranih valuta. Analiza osjetljivosti uključuje samo preostale monetarne stavke nominirane u stranoj valuti i prilagođava njihovu konverziju na kraju perioda za promjenu kurseva od 10%. Analiza osjetljivosti uključuje eksterne zajmove koji su denominirani u valutu različitoj od valute zajmodavca ili zajmoprimeca. Pozitivna brojka niže pokazuje da povećanje zarade ili drugog kapitala kada KM u odnosu na relevantnu valutu jača za 10%. Za 10% slabljenja KM u odnosu na relevantnu valutu, postojao bi jednak i suprotan efekat na zaradu ili drugi kapital, i bilansi ispod bi bili negativni.

| USD Efekat | |
|------------|------|
| 2008 | 2007 |

Prihod ili gubitak

3 2

| '000 KM | KM | EUR | USD | Ostalo | Ukupno |
|---|---------------|-----------------|--------------|------------|----------------|
| IMOVINA | | | | | |
| Novac i sredstva kod banaka | 11.208 | 3.677 | 1.185 | 357 | 16.427 |
| Obavezna rezerva kod Centralne banke | 18.619 | - | - | - | 18.619 |
| Plasmani kod drugih banaka | - | 44.199 | 277 | - | 44.476 |
| Finansiranje klijenata | 51.997 | 53.125 | - | - | 105.122 |
| Ulaganja | 409 | 145 | 27 | - | 581 |
| Ukupno finansijska imovina | 82.233 | 101.146 | 1.489 | 357 | 185.225 |
| OBAVEZE | | | | | |
| Obaveze prema klijentima i bankama | 43.950 | 66.203 | 1.536 | 240 | 111.929 |
| Obaveze prema bankama | - | 30.343 | - | - | 30.343 |
| Ukupno finansijske obaveze | 43.950 | 96.546 | 1.536 | 240 | 142.272 |
| Neusklađenost na dan 31. decembra 2008. godine | | | | | |
| Ukupno finansijska imovina na dan 31. decembra 2007. | 38.283 | 4.600 | (47) | 117 | 42.953 |
| Ukupno finansijske obaveze na dan 31. decembra 2007. | 98.942 | 39.127 | 7.811 | 229 | 146.109 |
| | 38.111 | 57.510 | 7.606 | 57 | 103.284 |
| Neusklađenost na dan 31. decembra 2007. godine | | | | | |
| | 60.831 | (18.383) | 205 | 172 | 42.825 |

29. Upravljanje rizikom stope povrata

Banka je izložena riziku profitnih marži jer posuđuje sredstva i po fiksnim i po promjenjivim stopama prinosa. Banka upravlja rizikom tako što održava odgovarajući miks zajmova sa fiksnim i promjenjivim profitnim maržama. Izloženost Banke stopama prinosa na finansijsku imovinu i obaveze je detaljno prikazana u sekciji o upravljanju rizika likvidnosti u Napomeni 31.

Analiza osjetljivosti na stope povrata

Analize osjetljivosti ispod su urađene na osnovu izloženosti stopama povrata za ne-derivativne instrumente na datum bilansa stanja. Za promjenjive stope povrata pripremljena je analiza pod pretpostavkom

da je nepodmiren iznos obaveza na dan bilansa stanja bio nepodmiren čitavu godinu. Koristi se 50 baznih poena umanjenja ili povećanja pri internom izvještavanju o riziku stopa povrata ključnom osoblju Uprave i predstavlja procjenu Uprave o razumno mogućim promjenama stopa povrata. Da su stope povrata bile 50 baznih poena više ili niže, a da su se druge varijable održale konstantnim, Banka:

- Bi imala umanjeno/povećano profit, odnosno rezerve u kapitalu Banke, za 414 hiljada KM za godinu koja završava 31.12.2008. (2007: povećanje/umanjeno za 361 hiljadu KM). Ovo se uglavnom može pripisati izloženosti Banke stopama povrata na zajmovima sa promjenjivim stopama povrata.

Osjetljivost Banke na stope povrata je smanjena tokom tekućeg perioda uglavnom zbog smanjenja instrumenata duga sa varijabilnom stopom povrata.

Notes to the financial statements as of 31 December 2008.

30. Financing risk management

Credit risk (financing risk) refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Bank. The Bank has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Bank's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Financing exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Bank does not have any significant financing risk exposure to any single counterparty or any Bank of counterparties having similar characteristics. The Bank defines counterparties as having similar characteristics if they are related entities.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Bank's maximum exposure to credit risk without taking account of the value of any collateral obtained.

| Financial assets | Total gross carrying amount | Unimpaired assets | Individually impaired assets (total principal amount) | Provisions (general and specific provisions) | Total net carrying amount |
|--|-----------------------------|-------------------|--|--|---------------------------|
| 31.12.2008 | | | | | |
| Cash and balances with other banks | 35,168 | 35,168 | - | - | 35,168 |
| Placements with other banks | 44,485 | 44,485 | - | (78) | 44,407 |
| Financings of the clients | 108,167 | 105,689 | 2,478 | (2,999) | 105,168 |
| Investments | 581 | - | - | - | 581 |
| 31.12.2007 | | | | | |
| Cash and balances with other banks | 22,664 | 22,664 | - | - | 22,664 |
| Placements with other banks | 43,007 | 43,007 | - | - | 43,007 |
| Financings of the clients | 82,024 | 80,927 | 1,097 | (1,923) | 80,101 |
| Investment | 830 | - | - | - | 830 |
| Credit exposure and collateral | | | | | |
| 31.12.2008 | | | | | |
| Cash and balances with other banks | 35,168 | - | - | - | - |
| Placements with other banks | 44,407 | - | - | - | - |
| Financings of the clients | 105,168 | 35,901 | 141,308 | - | - |
| Other financial assets | 570 | - | - | - | - |
| 31.12.2007 | | | | | |
| Cash and balances with other banks | 22,664 | - | - | - | - |
| Placements with other banks | 43,007 | - | - | - | - |
| Financings of the clients | 80,101 | 35,287 | 92,929 | - | - |
| Other financial assets | 780 | - | - | - | - |
| Maximum credit risk exposure IFRS 7 36a | | | | | |
| Net exposure | | | | | |
| Commitments / Guarantees issued | | | | | |
| Fair value of the collateral IFRS 7 36b | | | | | |
| Reselling / Reselling / re-pledging not allowed | | | | | |

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

30. Upravljanje kreditnim rizikom

Kreditni rizik (rizik finansiranja) odnosi se na rizik koji će druga strana podrazumijevati na svoje ugovorne obaveze rezultirajući finansijskim gubitkom Banke. Banka je usvojila politiku da posluje samo sa kreditno pouzdanim strankama i da obezbijedi dovoljno kolaterala, gdje se pokaže kao potrebno, kao sredstvo za umanjenje rizika i finansijskih gubitaka.

Izloženost Banke i kreditnih rating-a klijenata se stalno nadgledaju, a ukupna vrijednost zaključenih transakcija je disperzirana između prihvaćenih klijenata. Izloženost finansiranjima se kontrolira ograničenjima klijenata koje godišnje pregleda i odobrava Komisija za upravljanje rizikom.

Banka nema značajne izloženosti riziku finansiranja prema bilo kojoj stranci ili bilo kojem društvu stranci koja ima slične karakteristike. Banka definira da stranke imaju slične karakteristike ukoliko su повезana lica.

Knjigovodstvena vrijednost finansijske imovine knjižena u finansijskim izvještajima, što je neto iznos gubitaka umanjenja, predstavlja maksimalnu izloženost Banke kreditnom riziku bez uzimanja u obzir vrijednost bilo kojih prikupljenih kolateralova.

| Finansijska imovina | Ukupni bruto knjigovodstveni iznos | Neumanjena imovina (ukupni iznos glavnice) | Pojedinačno umanjenja sredstva | | Rezervisanja (opšta i posebna) | Ukupni neto knjigovodstveni iznos |
|--|------------------------------------|--|---|---|---|--|
| | | | umanjena | sredstva | | |
| 31.12. 2008. | | | | | | |
| Gotovina i bilansi sa drugim bankama | 35.168 | 35.168 | - | - | - | 35.168 |
| Plasmani u drugim bankama | 44.485 | 44.485 | - | (78) | (78) | 44.407 |
| Finansiranje klijenata | 108.167 | 105.689 | 2.478 | (2.999) | (2.999) | 105.168 |
| Ulaganja | 581 | - | - | - | - | 581 |
| 31.12.2007. | | | | | | |
| Gotovina i bilansi sa drugim bankama | 22.664 | 22.664 | - | - | - | 22.664 |
| Plasmani u drugim bankama | 43.007 | 43.007 | - | - | - | 43.007 |
| Finansiranje klijenata | 82.024 | 80.927 | 1.097 | (1.923) | (1.923) | 80.101 |
| Ulaganja | 830 | - | - | - | - | 830 |
| | | | Maksimalna izloženost kreditu MSFI 7 36a | Fer vrijednost kolateralala MSFI 7 36b | | |
| Kreditna izloženost i kolateral | | | | | | |
| | | | Neto izloženost | Obaveze/ izdate garancije | Dozvoljena preprodaja/ ponovni zalog | Nije dozvoljena preprodaja/ ponovni zalog |
| 31.12. 2008 | | | | | | |
| Gotovina i bilansi sa drugim bankama | 35.168 | - | - | - | - | - |
| Plasmani drugim bankama | 44.407 | - | - | - | - | - |
| Finansiranje klijenata* | 105.168 | 35.901 | 141.308 | - | - | - |
| Ostala finansijska imovina | 570 | - | - | - | - | - |
| 31.12. 2007 | | | | | | |
| Gotovina i bilansi sa drugim bankama | 22.664 | - | - | - | - | - |
| Plasmani drugim bankama | 43.007 | - | - | - | - | - |
| Finansiranje klijenata | 80.101 | 35.287 | 92.929 | - | - | - |
| Ostala finansijska imovina | 780 | - | - | - | - | - |

Notes to the financial statements as of 31 December 2008.

31. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Management Board, which has built an appropriate liquidity risk management framework. The Bank manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk and profit margin rates table

The following tables detail the Bank's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Bank can be required to pay. The table includes both profit margin and principal cash flows.

| | Weighted average ef- fective profit margin % | Less than 1 month KM | 1 - 3 months KM | 3 - 12 months KM | 1 - 5 years KM | Over 5 years KM | Total KM |
|------------------------------------|--|----------------------------|--------------------|---------------------|-------------------|--------------------|-------------|
| 2008 | | | | | | | |
| Non-profit margin bearing | - | 62,109 | - | - | - | - | 62,109 |
| Variable profit margin instruments | 4,25 | 36 | 108 | 288 | 11,088 | - | 11,520 |
| Fixed profit margin instruments | 5,10 | 4,324 | 9,935 | 24,460 | 82,822 | 420 | 121,961 |
| | 66,469 | 10,043 | 24,748 | 93,910 | 420 | 195,590 | |
| 2007 | | | | | | | |
| Non-profit margin bearing | - | 37,232 | - | - | - | - | 37,232 |
| Variable profit margin instruments | 5,81 | - | - | - | 10,491 | - | 10,491 |
| Fixed profit margin instruments | 4,55 | 2,200 | 27,205 | 8,589 | 11,446 | 23 | 49,963 |
| | 39,432 | 27,705 | 8,589 | 21,937 | 23 | 97,686 | |

The following table details the Bank's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including profit that will be earned on those assets except where the Bank anticipates that the cash flow will occur in a different period.

| | Weighted average ef- fective profit margin % | Less than 1 month KM | 1 - 3 months KM | 3 - 12 months KM | 1 - 5 years KM | Over 5 years KM | Total KM |
|------------------------------------|--|----------------------------|--------------------|---------------------|-------------------|--------------------|-------------|
| 2008 | | | | | | | |
| Non-profit margin bearing | - | 35,168 | - | - | - | - | 35,168 |
| Variable profit margin instruments | 9,26 | 4,175 | 4,862 | 74,893 | 139,395 | 75,243 | 298,567 |
| Fixed profit margin instruments | 4,39 | 40,415 | - | 3,969 | - | - | 44,385 |
| | 79,758 | 4,862 | 78,862 | 139,395 | 75,243 | 378,120 | |
| 2007 | | | | | | | |
| Non-profit margin bearing | - | 22,664 | - | - | - | - | 22,664 |
| Variable profit margin instruments | 10,02 | 8,031 | 8,111 | 36,940 | 38,438 | 17,927 | 109,447 |
| Fixed profit margin instruments | 4,78 | 31,537 | 6,048 | 5,047 | 437 | - | 43,069 |
| | 62,232 | 14,159 | 41,987 | 38,875 | 17,927 | 175,180 | |

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

31. Rizik likvidnosti

Krajnja odgovornost za upravljanje rizikom likvidnosti leži na Nadzornom odboru, koji je izgradio odgovarajući okvir za upravljanje rizikom likvidnosti kojim će se upravljati kratkoročnim, srednjoročnim i dugoročnim potrebama za upravljanje likvidnošću Banke. Banka upravlja ovim rizikom održavanjem adekvatnih rezervi, finansiranjima od strane banaka kao i ostalim izvorima finansiranja, time što konstantno nadgleda prognozirane i stvarne novčane tokove i uspoređuje profile dospijeća finansijske imovine i obaveza.

Tabele rizika likvidnosti i profitnih marži

Slijedeće tabele detaljno prikazuju preostala ugovorena dospijeća Banke za nederivativne finansijske obaveze. Tabele su načinjene na osnovu nediskontiranih novčanih tokova finansijske imovine uključujući i prinose na tu imovinu koje će biti zarađene osim na sredstva na koja Banke očekuje da će se novčani tok pojaviti u drugom periodu.

| | Ponderirana prosječna efektivna profitna stopa | Od 3 mjeseca do 1 godine | | | | | | Ukupno |
|--|--|--------------------------|---------------|---------------|------------|----------------|---------|--------|
| | | Manje od 1 mjeseca | 1-3 mjeseca | 1 godine | 1-5 godina | 5+godina | | |
| 2008. | | | | | | | | |
| Beskamatno | - | 62.109 | - | - | - | - | 62.109 | |
| Instrumenti varijabilne profitne marže | 4,25 | 36 | 108 | 288 | 11.088 | - | 11.520 | |
| Instrumenti fiksne profitne marže | 5,10 | 4.324 | 9.935 | 24.460 | 82.822 | 420 | 121.961 | |
| | 66.469 | 10.043 | 24.748 | 93.910 | 420 | 195.590 | | |
| 2007. | | | | | | | | |
| Beskamatno | - | 37.232 | - | - | - | - | 37.232 | |
| Instrumenti varijabilne profitne marže | 5,81 | - | - | - | 10.491 | - | 10.491 | |
| Instrumenti fiksne profitne marže | 4,55 | 2.200 | 27.705 | 8.589 | 11.446 | 23 | 49.963 | |
| | 39.432 | 27.705 | 8.589 | 21.937 | 23 | 97.686 | | |

Slijedeće tabele detaljno prikazuju preostala ugovorena dospijeća Banke za nederivativnu finansijsku imovinu. Tabele su načinjene na osnovu nediskontiranih novčanih tokova finansijske imovine uključujući i prinose na tu imovinu koje će biti zarađene osim na sredstva na koja Banke očekuje da će se novčani tok pojaviti u drugom periodu.

| | Ponderirana prosječna efektivna profitna stopa | Od 3 mjeseca do 1 godine | | | | | | Ukupno |
|--|--|--------------------------|---------------|----------------|---------------|----------------|---------|--------|
| | | Manje od 1 mjeseca | 1-3 mjeseca | 1 godine | 1-5 godina | 5+godina | | |
| 2008. | | | | | | | | |
| Beskamatno | - | 35.168 | - | - | - | - | 35.168 | |
| Instrumenti varijabilne profitne marže | 9,26 | 4.175 | 4.862 | 74.893 | 139.395 | 75.243 | 298.567 | |
| Instrumenti fiksne profitne marže | 4,39 | 40.415 | - | 3.969 | - | - | 44.385 | |
| | 79.758 | 4.862 | 78.862 | 139.395 | 75.243 | 378.120 | | |
| 2007. | | | | | | | | |
| Beskamatno | - | 22.664 | - | - | - | - | 22.664 | |
| Instrumenti varijabilne profitne marže | 10,02 | 8.031 | 8.111 | 36.940 | 38.438 | 17.927 | 109.447 | |
| Instrumenti fiksne profitne marže | 4,78 | 31.537 | 6.048 | 5.047 | 437 | - | 43.069 | |
| | 62.232 | 14.159 | 41.987 | 38.875 | 17.927 | 175.180 | | |

Notes to the financial statements as of 31 December 2008.

31. Liquidity risk management (continued)

The Bank expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets. The gearing ratio at the year end was as follows:

| | 31. December 2008 | 31. December 2007 |
|---------------------------------|----------------------|----------------------|
| Debt (i) | 142,272 | 103,728 |
| Equity (ii) | 48,201 | 50,082 |
| Net debt to equity ratio | 2,95 | 2,07 |

(i) Debt is defined as liabilities to customers and banks, described in detail in notes 20, 21 and 22.

(ii) Equity includes complete capital and reserves of the Bank

The adequacy of capital and its use is monitored by the Board of Directors using techniques based on the Decisions of the Banking Agency of the Federation of Bosnia and Herzegovina ("the Regulator"). Information is supplied to the Regulator on a quarterly basis. The Regulator places the following demands on all banks:

- Minimum ownership capital of KM 15,000 thousand
- Maintaining a capital to assets ratio at the legally required minimum of 12%. As of 31 December 2008 the adequacy of the Bank's capital amounts to 22.1% (2007: 28.1%).

32. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Bank and held as treasury shares. For the purpose of calculating basic earnings per share, preferred shares are considered as ordinary shares as they do not bear preferential dividend right.

| | 31. decembar 2008 | 31. decembar 2007 |
|--|----------------------|----------------------|
| Income attributable to ordinary shareholders (KM '000) | 160 | 704 |
| Weighted average number of regular shares outstanding | 593,823 | 593,823 |
| Basic earnings per share in KM | 0.27 | 1.19 |

Diluted earnings per share are not presented, as the Bank has not issued dilutive or ant dilutive equity instruments.

33. Approval of the financial statements

These financial statements were approved by the Management Board on 23 February 2009.

Napomene uz finansijske izvještaje za godinu koja je završila 31. decembra 2008.

31. Rizik likvidnosti (nastavak)

Banka očekuje da će ispuniti svoje obaveze iz operativnih novčanih tokova i priliva od dospjelih finansijskih sredstava. Pokazatelji solventnosti bili su slijedeći:

| | 31. decembar 2008. | 31. decembar 2007. |
|-----------------------------------|-----------------------|-----------------------|
| Dug (i) | 142.272 | 103.728 |
| Kapital (ii) | 48.201 | 50.082 |
| Omjer neto duga i kapitala | 2,95 | 2,07 |

(i) Dug je definisan kao obaveze prema klijentima i bankama, detaljnije opisanin u napomenama 20, 21 i 22.

(ii) Kapital uključuje cjelokupan kapital i rezerve Banke.

Adekvatnost kapitala i korištenje kapitala dnevno prati Uprava Banke primjenjujući tehnike bazirane na odlukama Agencije za bankarstvo Federacije Bosne i Hercegovine ("Agencija"). Informacije se dostavljaju Agenciji kvartalno. Agencija zahtijeva od svake Banke:

- Da posjeduje minimum vlasničkog kapitala u iznosu od 15.000 hiljada KM i
- Da održava odnos kapitala i rizične aktive ("Bazel pokazatelj") na ili iznad zakonski usklađenog minimuma od 12%. Na dan 31. decembra 2007. godine adekvatnost kapitala Banke iznosi 38,1% (2006: 62,6%).

32. Osnovna zarada po dionici

Osnovna zarada po dionici izračunata je dijeljenjem dobiti koja je na raspolaganju dioničarima sa prosječnim brojem običnih dionica tokom godine. U svrhu izračunavanja osnovne zarade po dionici, preferencijalnim dionicama se smatraju obične dionice, s obzirom da ne nose nikakva preferencijalna prava na iznos dividende.

| | 31. December 2008 | 31. December 2007 |
|---|----------------------|----------------------|
| Dobit na raspolaganju dioničarima ('000 KM) | 160 | 704 |
| Prosječan broj običnih dionica tijekom godine | 593.823 | 593,823 |
| Iznos zarade po dionici u KM | 0,27 | 1,19 |

Dobit na raspolaganju dioničarima ('000 KM)

Prosječan broj običnih dionica tijekom godine

Iznos zarade po dionici u KM

Smanjenja zarada po dionici nije izračunata jer Banka nije izdala finansijske instrumente koji bi smanjivali osnovnu zaradu po dionici

33. Odobrenje finansijskih izvještaja

Finansijski izvještaji odobreni su od strane Uprane Banke na 23. februara 2009. godine.

Branches/Filijale

Existing Branches/ Postojeće filijale

Sarajevo - BBI Center

Phone/Telefon: (387) 33 275 177
Fax/Faks: (387) 33 275 178

Sarajevo - Main Branch/Glavna filijala

Phone/Telefon: (387) 33 275 225
Fax/Faks: (387) 33 275 223

Sarajevo - Ferhadija

Phone/Telefon: (387) 33 253 920
Fax/Faks: (387) 33 253 929

Sarajevo - Novo Sarajevo

Phone/Telefon: (387) 33 712 586
Fax/Faks: (387) 33 712 585

Sarajevo - Ilići

Phone/Telefon: (387) 33 763 046
Fax/Faks: (387) 33 763 045

Visoko

Phone/Telefon: (387) 32 730 240
Fax/Faks: (387) 32 730 241

Bugojno

Phone/Telefon: (387) 30 260 021
Fax/Faks: (387) 30 260 022

Bihać

Phone/Telefon: (387) 37 329 600
Fax/Faks: (387) 37 313 246

Brčko

Phone/Telefon: (387) 49 235 951
Fax/Faks: (387) 49 235 953

Tešanj

Phone/Telefon: (387) 32 656 770
Fax/Faks: (387) 32 656 760

Mostar

Phone/Telefon: (387) 36 555 710
Fax/Faks: (387) 36 558 777

Zenica

Phone/Telefon: (387) 32 209 592
Fax/Faks: (387) 32 209 595

www.bbi.ba



○ Existing Branches/
Postojeće filijale

● Branch to be opened/
Filijala u otvaranju

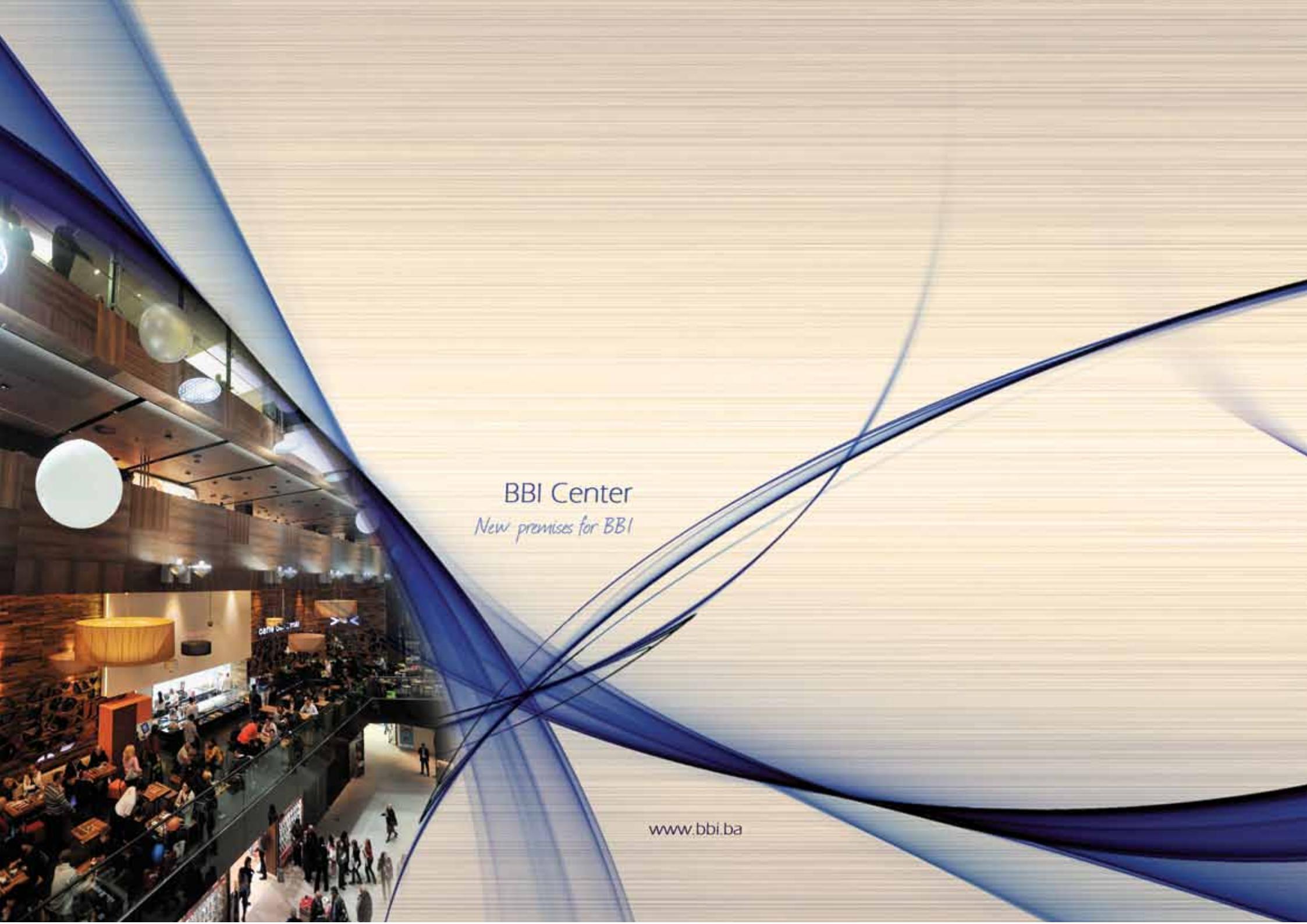
MESĐŽID U BBI CENTRU

Autor projekta BBI Centra je Grupa ARH d.o.o. Sarajevo,
na čelu sa glavnim projektantom Seadom Golosom

MASJID IN BBI CENTER

Author of the BBI Center Project is "Grupa ARH d.o.o.
Sarajevo" lead by chief architect Mr. Sead Golos





BBI Center

New premises for BBI

www.bbi.ba

Annual Report
Godišnji izvještaj
2008



