



AGROBANKA A.D., BEOGRAD

www.agrobanka.co.yu

Sector:
Banking

Ticker:
AGBN

PRICE (11.04.2007)	EUR 518.28
-----------------------	------------

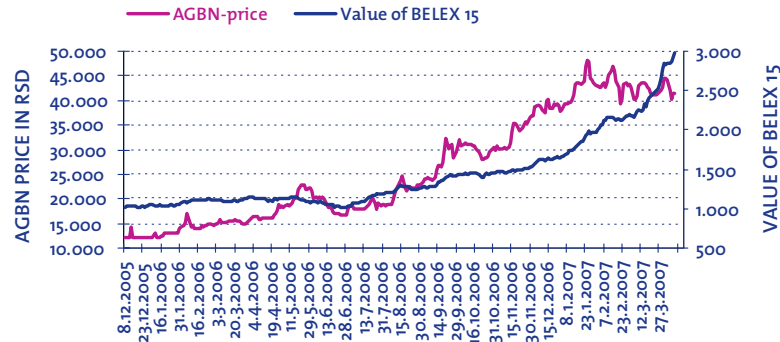
AGBN	
NO OF SHARES	420,303
MIN (52 WEEK)	EUR 189.15
MAX (52 WEEK)	EUR 626.16
MARKET CAP.	EUR 217.83 MN

BV (30.09.2006)	EUR 193.04
-----------------	------------

RATIOS*	
P/E	62.18
P/B	2.61
EV/EBITDA	32.27
EPS	656.21

* values based on 2006 results and current price share

The main activity of Agrobanka was to finance the agricultural companies for a long time but in the last two years Agrobanka has turned more toward the retail sector as the competitiveness of the foreign banks and their aggressiveness in this particular sector is increasing. The head office of Agrobanka is in Belgrade. The greatest advantage of Agrobanka is its network of branches all over Serbia, especially in Vojvodina.



At the moment, Agrobanka is in the middle of the new issue of shares. On 31st March Agrobanka published public offer for a new issue of shares in daily newspapers. General Assembly of Agrobanka has made decision to issue new shares as to increase capital. Bank issues 200,000 shares at the nominal value of RSD 10,000 per share. Shareholders which were registered at the central depository institution on 21st February 2007 have pre-emptive right

to purchase all 200,000 shares at the preferred price of RSD 32,000 per share. All other potentially interested parties will be able to purchase shares of Agrobanka at the price of RSD 35,000 per share.

Subscription for this issue begins on 5th April, 2007. Pre-emptive right could be used by 25th April, 2007. End date for subscription of shares is 4th May, 2007.

COMPANY PROFILE:

Agrobanka originates from the Privileged Agrarian Bank founded in 1929 in The Kingdom of Yugoslavia and it performed its operations till the beginning of the World War II. The years after the War were the ones of the constant social changes in the Yugoslav and international surroundings that affected the organization, the status and the business operating of Agrobanka.

- 1959. - the Yugoslav Agricultural Bank "Poljobanka" was founded, its legal successor is Agrobanka;
- 1978. - Basic Agricultural Bank-Agrobanka, created by the transformation of the previous Yugoslav Agricultural Bank;
- 1981. - Basic Agricultural Bank-Agrobanka is transformed into Specialized Agricultural Bank-Agrobanka;
- 1995. - Agrobanka is constituted as a joint stock company.

Today, Agrobanka is a joint stock company with over 4,000 shareholders. The business operating through Agrobanka is performed



AGROBANKA A.D., BEOGRAD

www.agrobanka.co.yu

Sector:
Banking

Ticker:
AGBN

by 15,831 legal entities, while saving, in different forms, is accomplished, in the retail sector, though over 140,000 business accounts, as well as in other saving forms.

Agrobanka foresees the intensification of the cooperation, first of all, with the enterprises that undergo the process of privatization, as well as with the small and medium enterprises, commodity agricultural estates and cooperatives. Besides that, the particular care will be dedicated to establishing cooperation with the strategic partners and foreign banks.

Besides establishing direct cooperation with the interested clients, its credit and other forms of supporting development of the agricultural and food industry, it will strive to achieve by broadening of the cooperation with the Republic Government, as well as with the institutions that follow the development of the agrarian economy.

As an agricultural bank, Agrobanka made a significant contribution to the development of the production capacities in Yugoslavia through the long-term and current crediting.

During the previous period Agrobanka participated in financing more than 4,000 developmental programs for the primary agricultural production and processing, being privately or socially owned.

THE FULFILMENT OF THESE PROGRAMS HAS ENABLED:

- *The cultivation of the agricultural land on the area of about 100,000 ha;*
- *The procurement of the purebred cattle;*
- *The construction of the modern functional buildings and reconstruction and innovation of the buildings which have already existed for breeding and fattening of the cattle, poultry and fish;*

- *The raising of plantation, orchards and vineyards on the area of about 6,000 ha;*
- *The construction of modern warehouses on the area of about 230,000 m2 and the silos for grains, in the capacity of 115,000 ton;*
- *The procurement of 12,500 tractors, 3,200 combines.*

The fulfilment of 230 programs from food industry enabled the production of more than 450,000 ton of food products. There were 113 programs realized - equipping extension agriculture and veterinary services.

Thanks to the rich experience, broad business network and expert potentials, Agrobanka has gained the attribute of the developmental agrarian bank that has credited a lot of capital programs in agriculture. The basis of the future business orientation of Agrobanka is in the development of a modern market-oriented financial institution.

The network of branches is one of the biggest in the country. Agrobanka has 130 organizational parts in the territory of Serbia - 15 branches, 100 sub-branches, 15 desks. It employs over 700 employees, 40% of them are highly educated or specialist qualified.

The state still owns 10.9% of Agrobanka and EBRD gave an outstanding loan to Agrobanka in the amount of CSD 3.2 bn (or EUR 40.7 mn). Agrobanka has to agree with the Republic of Serbia about this loan. 2006 was successful for Agrobanka because of positive business results in 2006.



AGROBANKA A.D., BEOGRAD

www.agrobanka.co.yu

Sector:
Banking

Ticker:
AGBN

PERFORMANCE:

The profit reached RSD 275.9 million (3.5 million EUR) and the business plan was fulfilled. During 2006, two issues of common shares were realised and the capital has been increased from RSD 2.2 to 6.6 billion. Agrobanka's shares are among the most attractive shares on Belgrade Stock Exchange. Market price of Agrobanka common shares reached the value of RSD 50,000 on 21st January 2006, while on 30th December 2005 it was just RSD 12,000, representing the increase of 316 %.

During the previous year, the balance sum of Agrobanka increased for RSD 7.7 billion, or by 61% comparing to the end of 2005, and now it amounts up to RSD 20.4 billion.

The foreign currency potential doubled from RSD 6.0 to 12.7 billion. In that total, the greatest part represents fixed-term deposits in the amount of RSD 9.2 billion, while demand deposits amounted up to RSD 3.5 billion.

The placements to clients have kept the tendency of growing and now they amount up to RSD 8.2 billion, while the investments into securities also increased and amounted up to RSD 1.6 billion.

The volume of dinar payment operations increased 4 times, where 9 million orders were efficiently collected. Bank achieved foreign currency turnover of EUR 183 million, out of what EUR 101 million represents inflow and EUR 82 million - outflow.

SHAREHOLDERS:

On 11th April 2006, fifteen largest shareholders owned 47.42% stake of the bank:

NAME OF SHAREHOLDER	NO OF SHARES	% STAKE	CUMULATIVE % STAKE
REPUBLIKA SRBIJA	45,843	10.91	10.91
HYPO ALPE-ADRIA-BANK AG	32,392	7.71	18.61
RAIFFEISEN ZENTRALBANK	14,246	3.39	22.00
POTEZA DD	12,798	3.04	25.05
IBT	12,522	2.98	28.03
EAST CAPITAL ASSET MANAG.	11,688	2.78	30.81
AC NALOŽBE D.D.	11,674	2.78	33.59
AS HANSAPANK	9,457	2.25	35.84
PRIVREDNA BANKA ZAGREB D.D.	8,556	2.04	37.87
BANK AUSTRIA CREDITANSTALT	8,086	1.92	39.79
KASTODI RAČUN	7,864	1.87	41.67
PREDUZEĆE VUJIĆ VALJEVO DOO	6,642	1.58	43.25
INEKS MORAVA	5,976	1.42	44.68
A BANKA VIPA D.D.	5,851	1.39	46.06
KD BPD	5,732	1.36	47.42

BALANCE SHEET

in 000 CSD	2006	2005	06/05
ASSETS	20,440,136	12,698,409	61%
Cash and cash equivalents	3,977,097	1,237,394	221%
Deposits with central bank and securities refinable with central bank	2,443,984	956,589	155%
Interest, fees and commissions receivable	249,147	110,574	125%
Loans to and investments in banks	929,826	30,144	2985%
Loans to and investments in clients	8,235,244	7,745,569	6%
Securities and other trading investments	1,656,638	548,583	202%
Investments in securities held to maturity	36,346	72,693	-50%
Equity shares and other securities available for sale	98,797	254,331	-61%
Intangible investments	54,806	31,876	72%
Fixed assets	1,714,372	1,657,487	3%
Other assets, prepayments and accrued income	815,981	53,169	1435%
LIABILITIES	20,440,136	12,698,409	61%
Liabilities	13,808,982	10,474,480	32%
Liabilities to banks	507,512	4,266,853	-88%
Liabilities to clients	12,711,848	6,000,142	112%
Interest, fees and commissions payable	23,054	12,898	79%

Other operating liabilities	232,550	89,190	161%
Other reservers	199,407	71,219	180%
Other liabilities, accruals and deferred income	111,799	28,162	297%
Deferred tax liabilities	13,997	6,016	133%
Capital	6,631,154	2,223,929	198%
Share and other capital	6,061,038	1,842,380	229%
Reserves	294,308	344,733	-15%
Accumulated profit/loss	275,808	36,816	649%
Off-balance sheet assets	9,961,610	4,502,531	121%
Off-balance sheet liabilities	-9,961,610	-4,502,531	121%

Currency rate CSD/EUR on 31st December
79.00 / 85.2

The major part of the liabilities comes from the EBRD loan. In the books, the loan is registered to USD 55 mn. However, on the basis of the World bank's books the amount owned is twice that. This amount includes the charges of the principle unsettled, interests, defaults interest and adjustments in the exchange rates. The guarantor of this loan is the Republic of Serbia and the actual position of Agrobanka depends on regulating these obligations with the institutions mentioned within the country, as well as on the procedure for their handling and registering in the books of the banks.



AGROBANKA A.D., BEOGRAD

www.agrobanka.co.yu

Sector:
Banking

Ticker:
AGBN

INCOME STATEMENT:

in 000 CSD	2006	2005	06/05
NET PROFIT/LOSS ON INTEREST	1,036,145	514,268	101%
INTEREST INCOME	1,493,134	814,099	83%
Interest expenses	456,989	299,831	52%
Net profit/loss on fees and commissions	582,454	364,968	60%
Fee and commission income	624,683	401,981	55%
Fee and commission expenses	42,229	37,013	14%
Net profit/loss on interest, fees and commissions	582,454	879,236	-34%
Net profit/loss on securities sold	120,351	128	93924%
Gains on securities		128	
Net gain/loss on foreign exchange rate	261,168	-47,142	-654%
Gains on foreign exchange rate		1,728,551	
Foreign exchange rate loss		1,775,693	
Dividend and stake income	2,918	81,959	-96%
Other operating income	1,567,323	1,939,563	-19%
Expenses for indirectly write-off of placement and provisions	1,990,168	1,944,705	2%
Other operating expenses	1,277,043	947,031	35%

Net income / expense from property and obligations value change		106,908	
Income from property and obligations value change	277,509	170,504	63%
Expenses from property and obligations value change	279,537	63,596	340%
Operating profit/loss	301,120	68,916	337%
PROFIT/LOSS BEFORE TAX IN THE REPORTING PERIOD	301,120	68,916	337%

Currency rate CSD/EUR on 31st December
79.00 / 85.2



AGROBANKA A.D., BEOGRAD

www.agrobanka.co.yu

Sector:
Banking

Ticker:
AGBN

CONTACT:

MATJAŽ BERNIK
Head of Trading Department
Tel: +386 1 300 22 55
Fax: +386 1 234 33 59
e-mail: matjaz.bernik@ilirika.si

ILIRIKA BROKERAGE HOUSE PLC,
Trdinova 3,
1000 Ljubljana,
Slovenia

DISCLAIMER:

Ilirika borzno posredniška hiša Plc. is an authorized member of the Ljubljana Stock Exchange and is controlled by the Securities Market Agency of the Republic of Slovenia. This report has no regard to the individual investment objectives, financial situation or particular needs of any specific recipient and should not be relied upon as authoritative, or taken in substitution for the exercise of judgment by any receiver. Each recipient should consider the appropriateness of any investment decision having regard to their own circumstances, the full range of information available and appropriate professional advice, and should consult their advisors to make sure all involved risks are fully understood. The information and opinions in this report constitute judgment as at the date of this report, have been compiled or arrived at from sources believed to be reliable, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. Opinions expressed herein are subject to change without notice. This report is not intended to be a complete statement or summary of the securities, markets or developments mentioned in this report. Any forecasts or price targets shown for companies discussed in this report may not be achieved due to multiple risk factors including, without limitation, market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the subsequent transpiration that

underlying assumptions made by Ilirika, or by other sources relied upon in the report, were inapposite. Ilirika accepts no liability whatsoever for any loss or damage arising from any use of this report or its contents. The recipient should presume that Ilirika, or persons or entities associated with it, or any of its clients, own or have a position in any securities or investments mentioned in this study, which position may change at any time. Ilirika or its Affiliates may buy, sell or offer to buy or sell, such securities or any related investments as principal or agent on the open market or trade as market makers in the securities mentioned herein. Ilirika is under no obligation to update or keep current the information contain herein.