



AIK BANKA A.D., NIŠ

www.aikbanka.co.yu

Sector:
Banking

Ticker:
AIKB

PRICE (13.04.2007)	EUR 149.20
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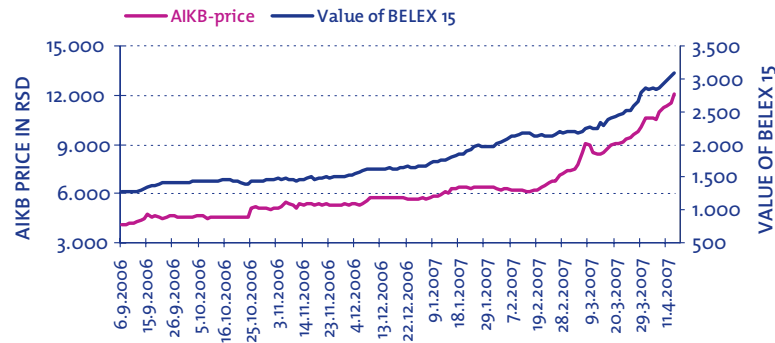
AIKB	
NO OF SHARES	5,703,618
MIN (52 WEEK)	EUR 41.56
MAX (52 WEEK)	EUR 151.35
MARKET CAP.	EUR 851.03 MN

BV (31.12.2006)	EUR 30.98
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RATIOS*	
P/E	17.76
P/B	4.81
EV/EBITDA	0.91
EPS	677.06

* values based on 2006 results and current price share

AIK bank is one of the leading medium-sized banks in Serbia. It has been ranked as the first in two categories: by the capital strength and ROA by the London financial magazine Finance Central Europe in 2005. AIK bank does not have any burdens of the past like many other domestic banks. AIK bank has managed to establish the position on the market as a solvent, liquid bank and as a bank with the clear balance sheet. The bank provides banking service mostly to large and medium-sized private and state-owned enterprises and individuals.



AIK bank started trading on 18th October 2005. After a brief surge to 3,021 CSD and a fall to 2,100 CSD, it is in an up trend. The volumes of trading on AIK have been significant and AIK is one of the most traded shares on Belgrade Stock Exchange. AIK is included in all Belgrade Stock Exchange indexes such as: Belex 15 with 20%, in Belex line 10% and SRX 20.92%.

COMPANY PROFILE:

AIK Banka A.D. Niš is an independent modern bank. It has been operating for more than 25 years. It was founded in 1976 as the internal bank of the Agro-industrial Combine Niš. While working as a saving, credit and joint financial organization, the Bank built its business image of a strong dealer-broker company.

On August 10th 1993, AIK Bank obtained the license of the National Bank of Yugoslavia (NBJ), and officially began operating as a bank.

After having modified its organization according to the new Law on banks and other financial organizations, on June 27th 1995 it was registered as a joint-stock company for regular banking business operations: deposits, credits, discount operations, emission operations, depo and guarantee operations, external payment operations.

In spite of the extremely harsh conditions for business operations of the majority of economic agents resulting from political and economic crisis, in spite of the economic blockade, war setting and the bombardment of Former Yugoslavia, AIK Bank has managed to establish the position on the market as a solvent bank, which fulfils the obligations to its partners and the state on time.

Comparing to other Serbian banks, there are some advantages of AIK banka. It has never been overdrawn, has never used its obligatory reserve, has no obligations on the basis of the old foreign currency savings, nor any commitments to the National Bank of Serbia or its business partners, besides this it is placed among the most liquid and solvent banks in the country. With its own capital capacities and liquidity, solvency and profitable business operations dur-



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PERFORMANCE:

ing the previous two years AIK Bank has achieved a very high position in Serbian banking system. London financial magazine Finance Central Europe published an annual rank order of the banks in The Southeast Europe, where AIK Bank has accomplished the following results:

- The best bank in SCG in 2003 by capital strength;
- The best bank in SCG in 2004 by capital strength and by ROA.

AIK bank is one of the leading mid-sized banks in Serbia. It is located in Niš, the second largest town in Serbia and operates its branch offices in 35 other towns throughout Serbia, including one in Belgrade. Last year AIK bank posted CSD 3.86 billion (EUR 48.8 million) in net profit which is 60.1% more than in 2005. The bank has the capital of CSD 10.9 billion.

AIK banka is best known for its strategy of working on the entire production cycles for the largest companies in Serbia. It starts by financing raw materials/planting, through the entire production phase, and up until export financing. While most of the large customers went private in the past 4-5 years, almost all of them stayed with AIK despite of the aggressive campaigns by foreign owned banks. The bank focuses on understanding the industry which the customers operate in. It has the largest share of the university degree employees (80 percent of labour force) in the country. It operates through 18 small but very efficient branches, which evaluate credit ratings of medium sized to largest companies in 2 to 3 days. While most other banks focus on huge interest rate margins in the retail, AIK makes its living by focusing on understanding the business their customers are in and helping them overcome cash shortages. They plan to expand into the retail sector but at the moment this segment is negligible. They have started issuing Dina and Diners debit and credit cards, and in 2003 they were the first to introduce cash credits, in dinars and EUR. Dur-

ing 2006 AIK introduced mortgage based credits to new homeowners and large business loans for business expansion of SMEs.

SHAREHOLDERS:

On 13th April 2007, fifteen largest shareholders owned 78.98% stake of the company:

NAME OF SHAREHOLDER	NO OF SHARES	% STAKE	CUMULATIVE % STAKE
ATEBANK	1,140,723	19.99	20.00
IRVA D.O.O.	796,551	13.97	33.97
EAST CAPITAL ASSET MANAG.	502,970	8.82	42.78
IBT	344,461	6.04	48.82
VOJVOĐANSKA BANKA A.D.	319,110	5.59	54.42
SEE CAPITAL GROUP AG	247,255	4.34	58.75
JP ELEKTROPRIVREDA SA P.O.	245,944	4.31	63.07
ZB INVEST D.O.O.	148,078	2.59	65.66
MD NINI DOO	144,590	2.53	68.20
RAIFFEISEN ZENTRALBANK	142,611	2.50	70.70
AS HANSAPANK	116,625	2.04	72.74
HYPOTHEK-ADRIA-BANK AG	110,565	1.94	74.68
PRODUCT TRADE FINANCE DOO	110,230	1.93	76.61
HPB D.D.	68,321	1.19	77.81
PRIVREDNA BANKA ZAGREB D.D.	66,600	1.17	78.98

BALANCE SHEET

in 000 CSD	2006	2005	06/05
ASSETS	38,309,610	22,165,513	73%
Cash and cash equivalents	2,049,955	2,925,241	-30%
Deposits with central bank and securities refinable with central bank	7,753,860	940,557	724%
Interest, fees and commissions receivable	210,624	137,214	54%
Loans to and investments in banks	807,349	268,594	201%
Loans to and investments in clients	24,120,095	15,849,016	52%
Investments in securities held to maturity	2,026,510	826,018	145%
Equity shares and other securities available for sale	171,835	48,795	252%
Fixed assets	1,026,682	1,084,099	-5%
Other assets, prepayments and accrued income	94,288	85,979	10%
LIABILITIES	38,309,610	22,165,513	73%
Liabilities	21,439,237	10,278,386	109%
Liabilities to banks	6,874,665	1,821,334	277%
Liabilities to clients	13,027,147	7,614,505	71%
Interest interest, fees and commissions payable	92,059	30,906	198%
Liabilities for profit	57,738	63,138	-9%
Other operating liabilities	61,097	112,583	-46%

Other reservers	947,432	549,084	73%
Other liabilities, accruals and deferred income	230,950	82,113	181%
Deferred tax liabilities	9,413	4,723	99%
Capital	16,870,373	11,887,127	42%
Share and other capital	10,939,066	7,998,623	37%
Reserves	1,995,143	1,461,480	37%
Accumulated profit/loss	3,936,164	2,427,024	62%
Off-balance sheet assets	35,218,723	23,012,270	53%
Off-balance sheet liabilities	-35,218,723	-23,012,270	53%

Currency rate CSD/EUR on 31st December
79.0 / 85.2



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INCOME STATEMENT:

in 000 CSD	2006	2005	06/05
NET PROFIT/LOSS ON INTEREST	2,865,645	1,967,685	46%
INTEREST INCOME	3,887,898	2,354,273	65%
Interest expenses	1,022,253	386,588	164%
Net profit/loss on fees and commissions	832,376	696,945	19%
Fee and commission income	949,550	770,031	23%
Fee and commission expenses	117,174	73,086	60%
Net profit/loss on interest, fees and commissions	3,698,021	2,664,630	39%
Net profit/loss on securities sold	15,224	13,465	13%
Gains on securities	15,872	13,465	18%
Net gain/loss on foreign exchange rate	122,067	139,993	-13%
Gains on foreign exchange rate	938,808	523,827	79%
Foreign exchange rate loss	816,741	383,834	113%
Dividend and stake income	912	2,600	-65%
Other operating income	15,240,572	9,462,225	61%
Other operating income	15,240,572	9,462,225	61%
Expenses for indirectly write-off of placement and provisions	-14,494,682	-10,620,147	36%
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Other operating expenses	-1,052,837	-601,365	75%

Other operating expenses	1,052,837	601,365	75%
Net income / expense from property and obligations value change	720,963	1,598,827	-55%
Income from property and obligations value change	952,222	1,727,483	-45%
Expenses from property and obligations value change	231,259	128,656	80%
Operating profit/loss	4,250,240	2,660,228	60%
PROFIT/LOSS BEFORE TAX IN THE REPORTING PERIOD	4,250,240	2,660,228	60%

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