



**BOSNIA AND HERZEGOVINA FEDERATION OF
BOSNIA AND HERZEGOVINA
BANKING AGENCY OF THE FEDERATION OF BOSNIA AND HERZEGOVINA**

I N F O R M A T I O N

**ON THE LEASING SECTOR IN THE FEDERATION OF
BOSNIA AND HERZEGOVINA
AS OF 31.12.2011.**

Sarajevo, March 2012.

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INTRODUCTION

The Banking Agency of Federation of BiH (in further reading; the Agency), as a regulatory institution which performs the supervision (examination) of the leasing companies, developed the Information on leasing sector in the Federation of BiH (as 31.12.2011.) based on the analyses of the reports on performance that the leasing companies submit to the Agency on quarterly and monthly basis (indirect – off site examination of the performance) and data which it has at disposition from the on-site examinations.

Leasing companies' performance is regulated by the Law on leasing which came into effect on 03.01.2009. („Official Gazette of Federation of Bosnia and Herzegovina" number: 85/08 and 39/09). The law regulates establishment, performance and cease of operations of a leasing company, rights and obligations of the parties in the leasing operations, managing risks, financial reporting and supervision of the leasing company performance.

The supervision of the leasing companies was established after the issuing of the license for leasing operations to leasing companies with an aim to permanently monitor the performance and financial condition of each individual leasing company and leasing sector in the Federation of BiH as a whole, determining the compliance in the performance of the leasing companies with the regulations that are in effect, as well as analyzing and evaluating the financial reports of the leasing companies.

At the end of 2008 the negative effects of the global economic and financial crises stopped the expansion of the growth of leasing companies, which had its peak in the period from 2006 to 2008.

It is necessary to note that on 23.06.2011 by a Resolution of the Agency, the license for leasing operations was revoked from a company which was operating with a loss higher than the amount of capital. The company in question performed a change in the registration in the court, and based on the decision of the court, continued performance under a new name.

In the period from 01.01. to 31.12.2011, at the leasing sector level in the Federation of Bosnia and Herzegovina, as a result of the performance, realized is a loss in the amount of 11,703 thousand KM. Two leasing companies realized a negative financial result in the amount of 16.742 thousand KM (NLB Leasing d.o.o. Sarajevo and ASA Aleasing d.o.o. Sarajevo), while the remaining five leasing companies realized a positive financial result in the amount of 5.039 thousand KM.

The aggregate balance sheet of the leasing sector as of 30.12.2011., was 761,719 thousand KM, which is by 2,73% or by 20,229 thousand KM more than as of 31.12.2010 which indicates that the leasing companies in the Federation of BiH are continuing their performance with a slight increasing trend

If the individual leasing companies aggregate balance sheet amounts are compared with the data as of 31.12.2010., it can be concluded that balance sheet of five companies is higher by 25,082 thousand KM, while two companies recorded a decline in a total amount of 4,852 thousand KM.

The on-site examination of the leasing companies is performed by authorized individuals from the Agency through enhanced and targeted examinations – through examination in the leasing companies. Orders for implementing and correcting noted weaknesses are issued to the examined leasing companies upon completion of the report in order to further improve the leasing company's performance quality, their profitability, soundness and safety in performance of the leasing company. During 2011, performed were five enhanced and three targeted examinations.

The irregularities determined in the on-site examination, in the reviewed period in 2011, mostly referred to incompliance with the Law on leasing and regulations that were issued, lack of compliance with the Law on accounting audit in FBiH and other legal regulations which define the leasing companies' performance.

The leasing companies adopted policies and procedures which define the liabilities and activities in regard to prevention of money laundering and terrorism financing. Also, appointed are the individuals authorized for coordinating activities that need to be taken with an aim to prevent money laundering and terrorism financing activities. Based on this it can be concluded that the leasing companies took actions needed to eliminate the risk from money laundering and terrorism financing activities, which can occur in their performance.

Based on the performed examinations of the leasing companies in regard to the compliance with the standards for prevention of money laundering and terrorism financing, it can be concluded that, although the quality of the management of the risk of money laundering and terrorism financing activities is marginal satisfactory, there are no reasons for concern in regard to managing this risk, since the quality of the risk of the money laundering and terrorism financing activities in the leasing companies is moderate.

The data in the Information that relate to the financial volume, number of contracts and market participation are obtained from the Association of the leasing companies in Bosnia and Herzegovina.

2. MARKET PARTICIPANTS

2.1. Number of leasing companies

A total of 7 leasing companies registered in the Federation of BiH perform business activities in 28 organizational units – affiliates (of which 23 in FBiH and 5 in RS). Leasing companies licensed for performing leasing operations in the Federation of BiH are:

1. ASA Aleasing d.o.o. Sarajevo,
2. Euroleasing d.d. Mostar,
3. NLB Leasing d.o.o. Sarajevo,
4. Raiffeisen Leasing d.o.o. Sarajevo,
5. S-Leasing d.o.o. Sarajevo,
6. UniCredit Leasing d.o.o. Sarajevo and
7. VB Leasing d.o.o. Sarajevo.

On 19.09.2011, the Agency issued consent to a leasing company registered in Republic Srpska for establishment of 5 affiliates on the territory of the Federation of BiH (Sarajevo, Tuzla, Bihac, Mostar and Vitez).

2.2. Ownership structure

Of seven leasing companies, there are two companies that have a 100% nonresident ownership of parent companies, while three are in majority ownership of their non-resident parent companies and/or local banks established with foreign capital. One company has a majority resident ownership.

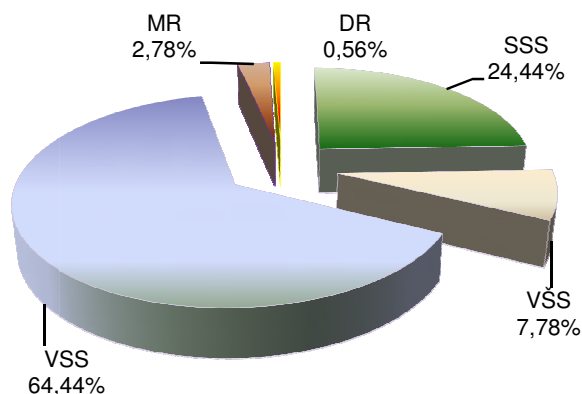
In comparison to the previous reporting periods, there was a change in the ownership structure in one leasing company in the context of taking over the total ownership interest by non-resident parent which had a majority ownership interest in the same company.

A detailed review of the leasing companies' ownership structure is given in the Attachment 2 of the Information.

2.3. Number of employees in the leasing companies

As of 31.12.2011., in the leasing companies there were a total of 180 employees, 5% or 8 employees higher than for the same period last year. It should be noted that, apart from the listed number of employees, the leasing companies engage additional 46 employees through the student services and through the employment agency.

Graph 1. Qualification structure in the leasing sector



The efficiency of the employees, in the evaluation of the leasing companies' performance, is measured through the ratio between the assets and the number of employees (assets per employee). As of 31.12.2011, at the level of the leasing sector there are 4,232 thousand KM in assets that relate to each employee (31.12.2010. – 4,545 thousand KM per employee). Simultaneously, as of 31.12.2011, in the sector of microcredit organizations and funds this

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

indicator was 333 thousand KM per employee and the banking sector 2,062 thousand KM per employee.

3. BALANCE SHEET STRUCTURE

3.1. Structure of Assets

The total assets of all leasing companies as of 31.12.2011., was 761,719 thousand KM, which in comparison to 31.12.2010., presents an increase by 20,229 thousand KM or 2,73%.

In the structure of total assets, the most significant participation is of the net receivables from financial leasing which are 500,626 thousand KM, and that presents 65,72% of the total assets of leasing sector.

As of 30.09.2011., 125,164 thousand KM (16% of total assets) represent net loan receivables. There is a decline of 59% in comparison to the previous quarter when the net loan receivables were 306,961 thousand KM, since the data of the company from which the Agency revoked the license for performing the leasing operations were not included in the reporting period (30.09.2011).

In comparison to 31.12.2010 the net receivables from the financial leasing increased by 4.533 thousand KM or 0,91%, while the gross receivables from the financial leasing increased by 8.314 thousand KM or 1,38%. The listed indicators indicate to the fact that the receivables from the financial leasing have a stagnating trend in reference to the same reporting period from the previous year, but at the same time indicate to a positive trend in regard to the same position analyzed in the period 2010/2009 and 2009/2008 in which a significant decline of the noted balance sheet position was noted. Reviewed individually through leasing companies, the increase of the net financial leasing receivable position in comparison to 31.12.2010, was reported by three leasing companies in a total amount of 9.670 thousand KM (Unicredit Leasing d.o.o. Sarajevo, VB Leasing d.o.o. Sarajevo and Raiffeisen Leasing d.o.o. Sarajevo), while the remaining four leasing companies reported a decline of the same position in a total amount of 5.137 thousand KM.

The receivables from the loans as of 30.12.2011 were 123.994 thousand KM, which presents 16,28% of total assets of the sector. Reviewed individually, the net receivables from the loans are in the portfolio of four leasing companies (Raiffeisen Leasing d.o.o. Sarajevo – 61%, ASA Aleasing d.o.o. Sarajevo – 26%, NLB Leasing d.o.o. Sarajevo – 11% and Unicredit Leasing d.o.o. Sarajevo – 2% of the total amount of net receivables from loans).

In comparison to the same period last year, when the net receivables from loans were 137.249 thousand KM, there was a decline by 9,66%, caused by the repayment of the approved loans before coming into effect of the Law on leasing.

Of the total amount of receivables from loans as of 31.12.2011, 82.985 thousand KM or 67% refer to loans granted to subsidiaries or related entities.

In the structure of total assets, the loans will remain in the balance sheet of the leasing companies until the contracted terms, for which they were approved, do not expire.

Net value of the funds financed through the operating leasing as of 31.12.2011 increased by 860 thousand KM or 2,57% in comparison to the same period last year. Individually reviewed, the three leasing companies had an increase of the net value of the funds in the amount of 6.295 thousand KM in reference to the same period last year.

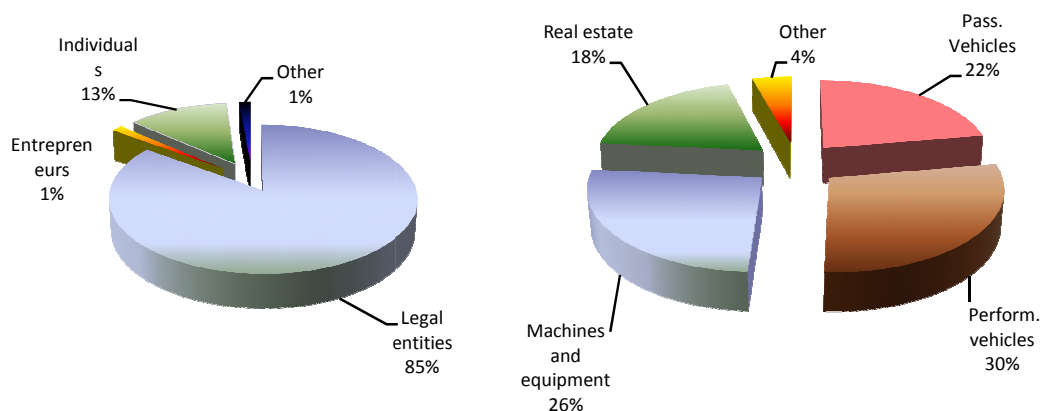
The Table 1 of the Information gives a review of the data of the net balance positions for assets as of 31.12.2011 in comparison to 31.12.2010.

Table 1. Structure of the net balance positions of the assets (000 KM)

Balance Sheet positions	31.12.2010	% participation in assets	31.12.2011	% participation in assets	31.12.2011/31.12.2010
Financial leasing	496.093	67%	500.626	66%	0,91%
Operating leasing	33.473	5%	34.333	5%	2,57%
Borrowings	137.249	19%	123.994	16%	-9,66%
Other assets	74.675	9%	102.766	13%	37,62%
Total assets	741.490	100%	761.719	100%	2,73%

In the assets structure according to the lessee and leasing subject there were no significant changes in relation to the previous reporting periods.

Graph 2. Financial leasing structure according to the leasing subject and lessee as of 31.12.2011.



In the financial sector's aggregate balance sheet structure that the Agency supervises 5% relates to the leasing sector, 92% to the banking sector and 3% of the aggregate balance sheet belongs to the microcredit sector.

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

3.2. Asset quality

In accordance with the leasing companies reports, the reserves for losses from financial leasing as of 31.12.2011 have been reported in the amount of 21,898 thousand KM and present an increase by 17,86% (3,319 thousand KM) in comparison to 31.12.2010.

The comparing of the structure of the base for provisioning for financial leasing as of 31.12.2011 with the same period last year in the delinquency categories and type of the leasing subject (tangible/intangible leasing subject), an increase of the accrual base was noted in the real estate category by 6,421 thousand KM or 84%. At the same time, in the same category, an asset quality deterioration was noted and an increase in reserves for losses in the amount of 3,365 thousand KM.

Comparing the asset quality of receivables from financial leasing with the previous reporting period (30.09.2011), noted was also a deterioration in the asset quality in the real estate financial leasing contracts (increase of the base for accrual of reserves in the delinquency categories from 60 to 90 and from 90 to 180 days).

Reserves for loans as of 31.12.2011 were 8,709 thousand KM and they increased by 6,581 thousand KM or 309,26% in comparison to 31.12.2010. Of the total amount of the established reserves for loans, 87% refers to one leasing company (NLB Leasing d.o.o. Sarajevo). The comparative structure of the receivables from the loans through delinquency categories indicated a deterioration of the asset quality in all categories of delinquency over 60 days.

At the same time, the total amount of written off receivables from financial leasing and loans as of 31.12.2011 increased by 8,483 thousand KM or 32% in comparison to the same period last year.

3.3. Placements based on leasing subject and type of leasing

The total amount of financing through financial and operating leasing in 2011, was 263.239 thousand KM, which presents an increase of 7,46% in relation to the total financing amount during 2010.

The participation of the financial leasing in the total financing during 2011 was 243,644 thousand KM or 93%, and the participation of the operating leasing was 19.595 thousand KM or 7%.

Table 2. The structure of the financing amounts according to the leasing subject for 2010 and 2011.

(000 KM)

	2010.			2011.		
	Financial leasing	Operating leasing	TOTAL	Financial leasing	Operating leasing	TOTAL
Vehicles	133.521	11.291	144.812	157.380	17.821	175.201
Equipment	45.614	246	45.860	55.275	1.774	57.049
Real Estate	30.082	24.208	54.290	30.989	0	30.989
TOTAL	209.217	35.745	244.962	243.644	19.595	263.239

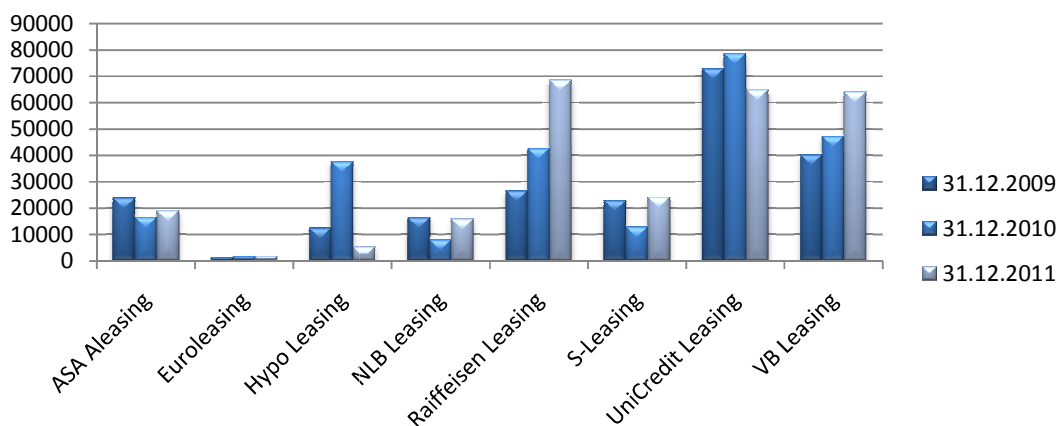
The total financing volume in the period from 01.01. to 30.09. 2011. includes the financing amount of the company which license for leasing operations in FBiH was revoked, that is the financing amount which the mentioned company realized until the date the license was revoked.

The financing amounts from the previous Table include the financing which was realized by the company from which the license for performing leasing operations in FBiH was revoked. If we take into account the fact that the financing amount of the real estate operating leasing during 2010 was realized by the company from which the license for performing leasing operations was revoked (one operating leasing contract), during 2011, there were no significant changes in the structure of the placements in regard to the subject of leasing and the type of leasing in comparison to the previous year.

3.4. Market participation according to financial volume and number of contracts

In the mentioned period of 2011, six leasing companies, viewed individually, realized an increase of new placements from financial and operating leasing in relation to 2010 by 12%.

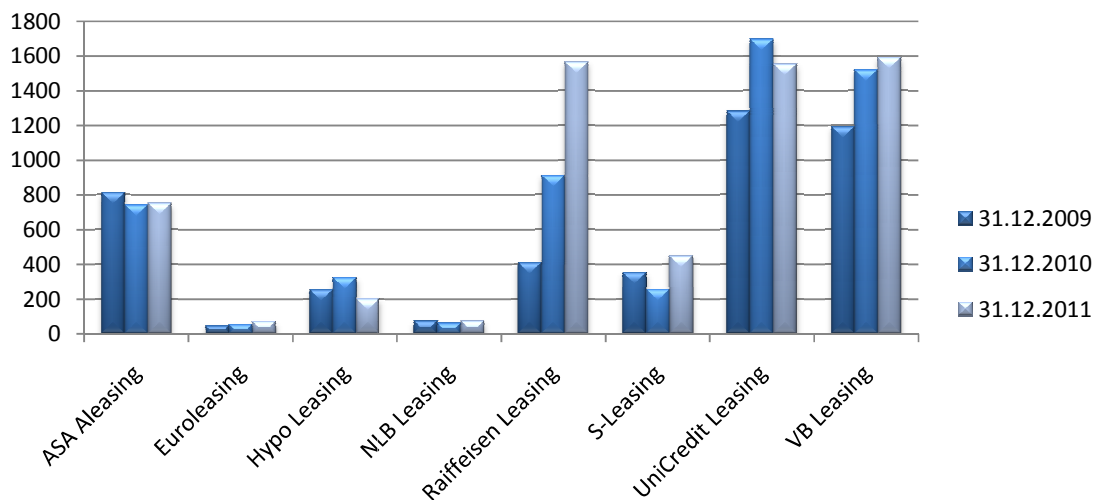
Graph 3. Market participation according to the volume (in 000 KM)



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The number of newly concluded contracts in 2011. were 6.253 which are by 12% higher than in relation to 2010 or 44% in relation to 2009.

Graph 4. Market participation according to the number of contracts

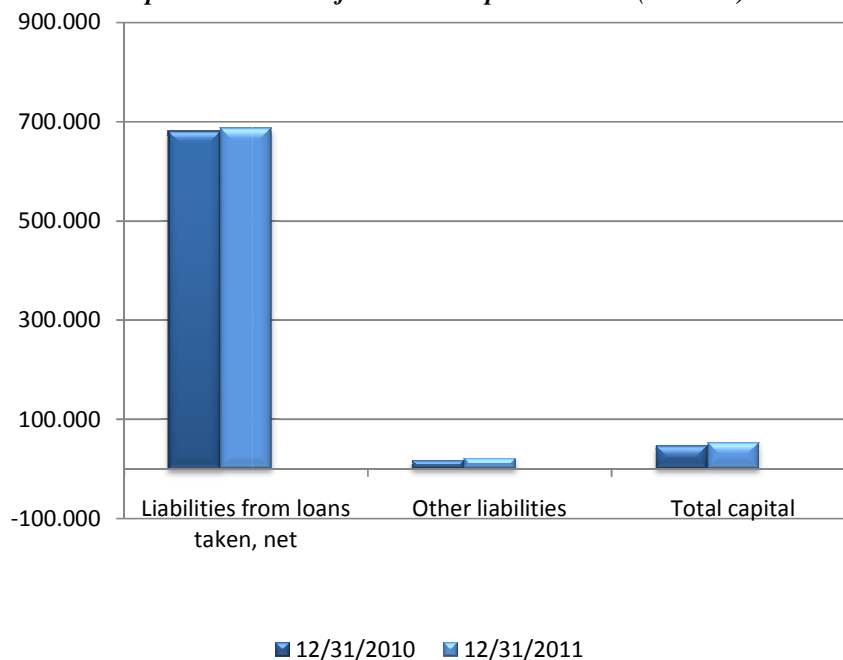


The average value of the newly concluded contracts during 2011 was 42 thousand KM, while in 2009 it was 49 thousand KM, which is 44 thousand KM in 2010.

3.5. Structure of Liabilities

As of 31.12.2011., there were no significant changes in the structure of liabilities. Liabilities on taken loans still present a dominant position in the structure of total liabilities.

Graph 5. Structure of liabilities – parallel data (000 KM)



Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

The total liabilities from loans increased by 8,142 thousand KM or 1,20% in comparison to 31.12.2010.

As of 31.12.2011., the structure of the liabilities from loans is similar to the structure from the previous reporting periods. In the funding sources structure the dominant role still belongs to the lending from the parent company or related entities (70% of total liabilities from loans), while 25% refers to lending from European and local development banks (EIB, EBRD, CEDB, DEG, Development bank of FBiH etc.). The funds from these banks are by nature intended for a specific purpose and mostly refer to development of middle and small enterprises, and are secured by banking guarantees issued by parent banks or their holding companies. Also, in the funding structure, 5% refers to commercial foreign and domestic banks debt.

As of 31.12.2011., the total capital of leasing companies was 53,021 thousand KM. In comparison to 31.12.2010, the noted position increased by 14,76% (6.820 thousand KM), caused by the additional capitalization of one leasing company during 2011 (NLB Leasing d.o.o. Sarajevo). In addition to the mentioned fact, as of 31.12.2011 the same company reported a loss higher than the amount of capital in the amount of 3,270 thousand KM. During the IV quarter there was a change in the Management of the NLB Leasing d.o.o. Sarajevo and the company informed the Agency that it took actions in order to provide additional capital for the company, which is expected during the first quarter of 2012.

4. FINANCIAL RESULTS OF THE PERFORMANCE

At the level of leasing sector in the period from 01.01.2011., to 31.12.2011., reported was a loss in the performance in the amount of 11,703 thousand KM, which is by 6,53% less than in comparison to the previous year.

If reviewed individually, profit after taxes was realized by five leasing companies in the amount of 5,039 thousand KM, while loss has been reported by two leasing companies in the amount of 16,742 thousand KM.

The most significant category of income of the leasing companies is the interest income realized in the period 01.01. - 31.12.2011, which was 45,32% of the total realized income. The noted position declined by 7,677 thousand KM or 13,56% in comparison to the same period last year. The expenses from interest increased by 1,066 thousand KM or 4,25% in comparison to the same period last year. The noted movements in reference to the interest income caused a significant decline in the net income in the amount of 8,743 thousand KM or 27,75% in comparison to the previous business year.

Income from collected written off receivables presents a significant income position (within the group of the operating income) which is 33% of total income and which is mostly established from excluding the leasing subject in written off receivables.

Within the category of expenses in the period from 01.01. to 31.12.2011, the most significant participation have expenses of reserves for losses which were 51,034 thousand KM, which presents an increase in the amount of 23,473 thousand KM or 85,17% in comparison to the previous business year. In the structure of reserves for losses, the expenses for financial

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leasing reserves are 41,121 thousand KM or 80,57% of total reserve expenses, of which 79,64% refers to the expenses of the reserves established by one leasing company.

For the analyses of the financial leasing, calculated are the performance indicators which are presented in the Table 3 of the Information.

Table 3. Performance indicators for 2010. and 2011.

PERFORMANCE INDICATORS	31.12.2010	31.12.2011
Profit on average assets (ROA)	-1,64%	-1,54%
Profit on average capital (ROE)	-34%	-21%
Average active interest rate	8,22%	7,18%
Average passive interest rate	3,45%	3,76%
Total liabilities towards capital	15,05	13,37

During 2011 the average interest rate on the interest bearing assets of the leasing sector (receivables from financial leasing and loan) decreased in comparison to the same period in the last business year, while the passive interest rate increased in comparison to 2010. The ratio of the profit on average capital is somewhat more satisfactory in comparison to the previous year due to the additional capitalization during 2011, but still negative since the sector operated with a loss.

5. RISK WEIGHTED NOMINAL AND EFFECTIVE INTEREST RATES

An effective interest rate presents a real relative cost of the leasing contract, reported on the annual level in compliance with the Decision on unified manner and method for accrual and reporting of the effective interest rate for the financial leasing contract.

The average nominal interest rate in 2011, for financial leasing contracts was 7,61%, and the effective interest rate 10,13% on an annual level.

In Table 4 of the Information reported are data about the financing amount, nominal and effective interest rate for financial leasing contracts concluded during 2011.

Table 4. Average nominal and effective interest rate for contracts concluded during 2011. (financial leasing)

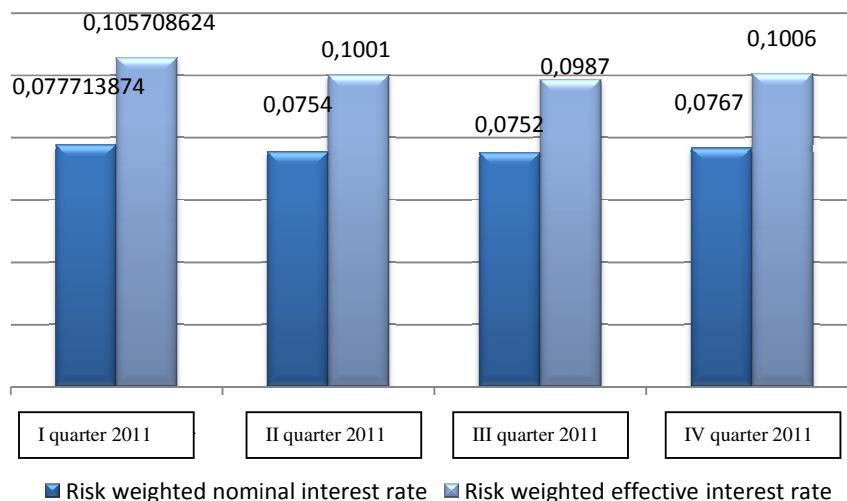
No.	DESCRIPTION	Financing amount in (000) KM	Risk weighted nominal interest rate	Risk weighted effective interest rate
1.	Short term leas. contract act to the subject of leas. :	10.950	6,64%	12,00%
a.	Cars	9.218	6,65%	12,38%
b.	Performance vehicles (terrain and passenger)	856	7,75%	12,11%
c.	Machines and equipment	874	5,45%	7,95%
d.	Real estate	0	0,00%	0,00%
e.	Track , floating and flying vehicles	0	0,00%	0,00%
f.	Household appliances	0	0,00%	0,00%
g.	Other	2	7,00%	9,39%

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

2.	Long term leasing contract based on the leasing subject:	232.694	7,66%	10,01%
a.	Passenger vehicles	75.002	8,04%	11,10%
b.	Performance vehicles (terrain and passengers)	72.310	7,14%	9,60%
c.	Machinery and equipment	54.383	7,82%	10,11%
d.	Real Estate	30.989	7,64%	8,18%
e.	Track, floating and flying vehicles	0	0,00%	0,00%
f.	Household appliances	4	7,00%	8,56%
g.	Other	6	9,00%	14,37%
	TOTAL	243.644	7,61%	10,13%

If reviewed are the nominal and effective interest rates through quarters in 2011, it can be concluded that there were no significant changes in the amount of the reported nominal and effective interest rate, which is presented in the Graph number 6 of the Information.

Graph 6 . Review of average nominal and effective interest rates for the financial leasing contracts through quarters during 2011.



The significant difference between the nominal and effective interest rate is a consequence of the VAT on interest, which is a obligatory part of leasing contract for financial leasing (paid in advance by the lessee), creation of the financial leasing contract with the purchase value, as well as the additional cost of the leasing arrangement that are often integral part of the monthly rental for the leasing contract (Casco insurance etc.).

The leasing companies are obliged to report to the Agency on the monthly basis about the risk weighted nominal and effective interest rates in compliance with the proscribed methodology for the contracts on financial leasing that were approved in the reporting month. In such manner realized is the transparency and comparability of the financing through leasing.

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

6. CONCLUSIONS AND RECOMMENDATIONS

According to the indicators of the leasing companies' performance in FBiH as of 31.12.2011, it can be concluded that the leasing sector in FBiH during 2011 showed a slightly increasing trend in comparison to the previous periods.

Some of the leasing companies still have difficulties in performance that are coming from the collection of the existing receivables that were generated in the previous periods.

Stabilization of the macroeconomic indicators in BiH, and with that a slight increase of the demand for the financing through leasing, as well as the reorganization of the performance within leasing companies related to adjustment of performance under the conditions of crises and compliance with the regulatory demands, are the factors that impacted the end of the negative trends that dominated within the sector.

In the following period, with an aim to improve the security, quality and legal performance of a market oriented and stable leasing sector in the Federation of BiH, the Agency will focus on the following aspects:

- continue the ongoing supervision of the leasing companies through on site and off site supervision,
- enhance the leasing sector regulations in the segment of protection of the users of the leasing services,
- monitor the activities of the leasing companies related to prevention of money laundering and terrorism financing and improve the cooperation with other institutions for examination and control;
- define the electronic form for submitting data and creating application support for activities related to on-site supervision of the leasing companies;
- improving the structure and quality of the data in the Central Register of loans in the Central Bank of BiH and
- continue the permanent education and professional specialization of the employees.

In the coming period the leasing companies should put additional focus on the control of the past due uncollected receivables, in other words the highest attention should be given to poor quality placements, as well as a more efficient collection of the due receivables.

Leasing company activities should be directed towards:

- implementation of practices of responsible financing;
- improvement of policies and procedure for managing the risks that the leasing companies are exposed to in their performance;

- improvement of internal controls and the internal audit function as independent in performing their tasks;
- Update of computer support with an aim to provide adequate accounting records and quality reporting;
- Financial education of clients, that is informing the clients in more details about the products offered by the leasing companies with an aim of accomplishing a better understanding and a more serious approach to financing through leasing;
- a more clear definition and adherence to contracted provisions in the context of protection of the leasing services users and
- Regular, timely and correct reporting of data to the Central Loan Registry at the Central Bank of BiH.

7. REGULATIONS OF THE AGENCY FOR THE PERFORMANCE OF THE LEASING COMPANIES

According to the Law on leasing, the issuing of the licenses for establishment and performance of leasing companies is regulated in details by the regulations of the Banking Agency of Federation of Bosnia and Herzegovina (in further reading Agency), that is by the decisions adopted by the Management Board of the Agency (published in the "Official Gazette of the Federation of Bosnia and Herzegovina " number: 46/09 and 46/11), as well as the instructions adopted by the Director of the Agency.

The decisions of the Agency that regulate the establishment and issuing of the license for performance and operations of leasing companies are:

1. Decision on conditions and procedure for issuing and revoking the license for performing leasing operations,
2. Decision on condition and procedure for issuing and revoking approvals to a leasing company,
3. Decision on minimal standards for the activities of the leasing company on prevention of money laundering and terrorism financing,
4. Decision on unified manner and method for accrual and reporting of effective interest rate for financial leasing contracts,
5. Decision on unified manner and method for accrual and reporting of leasing fees for operating leasing contracts,
6. Decision on form and content of reporting that the leasing companies submit to the Banking Agency of Federation of BiH and reporting deadlines,
7. Decision on minimal amount and manner for allocation, managing and maintaining the reserves for losses and managing the leasing company risks,
8. Decision on supervision of leasing companies,
9. Decision on the fees that the leasing companies pay to the Banking Agency of Federation of BiH,

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

10. Instructions for implementation of the Decision on the unified manner and method for accrual and reporting of the effective interest rate for contracts on financial leasing and
11. Instructions for development of leasing companies' reports.

8. ATTACHMENTS

Attachment 1. Leasing companies' basic data as of 31.12.2011.

No.	Leasing company name	Address and head office	Director	Telephone	Date of issuing of the FBA license	No. of employees	Web address
1.	ASA Aleasing d.o.o. Sarajevo	Bulevar Meše Selimovića 16, Sarajevo	Abaza Dženamir	+ 387 33 771 222	22.03.2010	21	www.asa-aleasing.ba
2.	Euroleasing d.d. Mostar	Vukovarska 1, Mostar	Renata Perić	+ 387 36 394 500	03.02.2010	6	www.euroleasing.ba
3.	NLB Leasing d.o.o. Sarajevo	Zmaja od Bosne 14c, Sarajevo	Dalida Međedović	+ 387 33 716 135	19.03.2010	13	www.nlbleasing.ba
4.	Raiffeisen Leasing d.o.o. Sarajevo	Zmaja od Bosne 11c, Sarajevo	Belma Sekavić - Bandić	+ 387 33 254 354	19.01.2010	68	www.rlhb.ba
5.	S-Leasing d.o.o. Sarajevo	Zmaja od Bosne 7 Sarajevo	Elma Hošo	+ 387 33 565 850	11.02.2010	9	www.s-leasing.ba
6.	UniCredit Leasing d.o.o. Sarajevo	Džemala Bijedića 2, Sarajevo	Denis Silajdžić	+ 387 33 721 750	16.03.2010	28	www.unicreditleasing.ba
7.	VB Leasing d.o.o. Sarajevo	Fra Anđela Zvizdovića 1, Sarajevo	Slobodan Vujić	+ 387 33 276 280	12.01.2010	35	www.vbleasing.ba
					TOTAL	180	

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

Attachment 2. Review of leasing companies' ownership structure as of 31.12.2011.

LEASING COMPANY	NAME OF THE OWNER	% participation
ASA ALEASING d.o.o. Sarajevo	ASA FINANCE d.d. Sarajevo	51,00%
	ALEASING d.o.o. Celje	49,00%
EUROLEASING d.d. Mostar	EUROLEASING d.o.o. Zagreb	27,24%
	EUROHERC osiguranje d.d. Sarajevo	17,66%
	EUROHERC osiguranje d.d. Zagreb	13,52%
	BSO d.d. Sarajevo	8,40%
	AGRAM životno osiguranje d.d. Zagreb	6,79%
	JADRANSKO osiguranje d.d. Zagreb	6,79%
	EUROAGRAM TIS d.o.o. Zagreb	6,50%
	EURO DAUS d.d. Split	6,50%
	EURODOM d.o.o. Osijek	6,50%
	AGRAM d.d. Ljubuški	0,06%
RAIFFEISEN LEASING d.o.o. Sarajevo	RAIFFEISEN LEASING INTERNATIONAL GmbH, Vienna	51,00%
	RAIFFEISEN BANK d.d. Sarajevo, BiH	49,00%
NLB LEASING d.o.o. Sarajevo	NLB d.d. Ljubljana	100,00%
S-LEASING d.o.o. Sarajevo	STEIERMAERKISCHE BANK UND SPARKASSEN AG, Graz	90,00%
	SPARKASSE BANK d.d. Sarajevo	10,00%
UNICREDIT LEASING d.o.o. Sarajevo	UNICREDIT LEASING S.p.A., Milan	100,00%
VB LEASING d.o.o. Sarajevo	VB LEASING INTERNATIONAL GmbH, Vienna	100,00%

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

Attachment 3. Review of provisioning for leasing loans as of 31.12.2011. (in 000 KM)

No.	Days of delinquency	Amount of receivables	Total provisioning
1	0-60	95.185	47
2	60-90	16.563	828
3	90-180	5.327	1.121
4	180-270	6.651	6.526
5	270-360	157	79
6	over 360	109	109
TOTAL		123.992	8.709

Attachment 4. Review of provisioning for financial leasing (FL) of leasing companies as of 31.12.2011 (in 000 KM)

No.	Days of delinquency	Provisioning rate for FL (movables)	Provisioning rate for FL (immovable)	Amount of receivables for movables	Amount of receivables for immovable	For movables	For immovable	Total provisioning
1	0-60	0,50%	0,50%	54.613	3.702	476	19	493
2	60-90	10%	10%	7.084	1.045	768	105	873
3	90-180	50%	50%	2.954	6.636	1.602	3.318	4.920
4	over 180	100%	75%	15.177	0	15.177	0	15.177
5	over 360	100%	100%	0	435	0	435	435
TOTAL				79.827	11.818	18.023	3.876	21.898

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

Attachment 5. Consolidated Balance Sheet through periods (000 KM)

No.	DESCRIPTION	31.12.2010		31.12.2011		% growth
		Amount	%	Amount	%	31.12.2011/ 31.12.2010
	ASSETS					
1.	Cash and cash equivalents	18.085	1,63%	29.837	3,92%	64,98%
2.	Placements to banks	0	0,00%	98	0,01%	0,00%
3.	Receivables from financial leasing, net (3a-3b-3c-3d)	496.093	44,76%	500.626	65,72%	0,91%
3a)	receivables from financial leasing, gross	603.943	54,49%	612.257	80,38%	1,38%
3b)	reserves for losses	18.579	1,68%	21.898	2,87%	17,86%
3c)	deferred income from interest	89.011	8,03%	89.572	11,76%	0,63%
3d)	deferred income from fees	260	0,02%	161	0,02%	-38,08%
4.	Receivables from subsidiaries	0	0,00%	0	0,00%	0,00%
5.	Movable and immovable assets, net (5a+5b-5c-5d)	62.445	5,63%	69.938	9,18%	12,00%
5a)	movable and immovable property-personal funds	35.084	3,17%	42.797	5,62%	21,98%
5b)	movable and immovable property -operating leasing	49.643	4,48%	52.039	6,83%	4,83%
5c)	correction of value -personal funds	6.112	0,55%	7.192	0,94%	17,67%
5d)	correction of value - operating leasing	16.170	1,46%	17.706	2,32%	9,50%
6.	Long term investments	572	0,05%	572	0,08%	0,00%
7.	Other assets	164.295	14,82%	160.648	21,09%	-2,22%
7a)	Loans, net (7a1-7a2)	135.121	12,19%	115.285	15,13%	-14,68%
7a1)	loans(past due rec.+not due principal)	137.249	12,38%	123.994	16,28%	-9,66%
7a2)	Reserves for loans	2.128	0,19%	8.709	1,14%	309,26%
7b)	Other assets	29.174	2,63%	45.363	5,96%	55,49%
	TOTAL ASSETS (1+2+3+4+5+6+7)	741.490	66,90%	761.719	100,00%	2,73%
	LIABILITIES					
9.	Liabilities from taken loans, net (9a+9b-9c)	678.524	61,22%	686.666	90,15%	1,20%
9a)	liabilities from short term loans	48.950	4,42%	52.405	6,88%	7,06%
9b)	liabilities from long term loans	630.439	56,88%	635.386	83,41%	0,78%
9c)	cost and fees paid in advance	865	0,08%	1.125	0,15%	30,06%
10.	Other liabilities	16.765	1,51%	22.032	2,89%	31,42%
	TOTAL LIABILITIES (9+10)	695.289	62,73%	708.698	93,04%	1,93%
11.	Core capital	50.019	4,51%	58.939	7,74%	17,83%
12.	Reserves	2.023	0,18%	5.528	0,73%	173,26%
13.	Accumulated profit/loss	-5.841	-0,53%	-11.446	-1,50%	95,96%
	TOTAL CAPITAL (11+12+13)	46.201	4,17%	53.021	6,96%	14,76%
	TOTAL LIABILITIES (9+10+11+12+13)	741.490	66,90%	761.719	100,00%	2,73%

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

** Data as of 31.12.2010. include balance sheet positions of the company from which the license for performing leasing operations was revoked*

No.	DESCRIPTION	31.12.2010 *		31.12.2011		% growth 31.12.2011/ 31.12.2010
		Amount	%	Amount	%	
	ASSETS					
1.	Cash and cash equivalents	22.080	1,99%	29.837	3,92%	35,13%
2.	Placements to banks	20	0,00%	98	0,01%	390,00%
3.	Receivables from financial leasing, net (3a-3b-3c-3d)	541.367	48,84%	500.626	65,72%	-7,53%
3a)	receivables from financial leasing, gross	658.443	59,41%	612.257	80,38%	-7,01%
3b)	reserves for losses	19.510	1,76%	21.898	2,87%	12,24%
3c)	deferred income from interest	97.306	8,78%	89.572	11,76%	-7,95%
3d)	deferred income from fees	260	0,02%	161	0,02%	-38,08%
4.	Receivables from subsidiaries	180	0,02%	0	0,00%	-100,00%
5.	Movable and immovable assets, net (5a+5b-5c-5d)	112.670	10,17%	69.938	9,18%	-37,93%
5a)	movable and immovable property-personal funds	46.165	4,17%	42.797	5,62%	-7,30%
5b)	movable and immovable property -operating leasing	97.524	8,80%	52.039	6,83%	-46,64%
5c)	correction of value -personal funds	10.146	0,92%	7.192	0,94%	-29,11%
5d)	correction of value - operating leasing	20.873	1,88%	17.706	2,32%	-15,17%
6.	Long term investments	43.928	3,96%	572	0,08%	-98,70%
7.	Other assets	388.145	35,02%	160.648	21,09%	-58,61%
7a)	Loans, net (7a1-7a2)	348.132	31,41%	115.285	15,13%	-66,88%
7a1)	loans (past due rec.+not due principal)	368.178	33,22%	123.994	16,28%	-66,32%
7a2)	Reserves for loans	20.046	1,81%	8.709	1,14%	-56,55%
7b)	Other assets	40.013	3,61%	45.363	5,96%	13,37%
	TOTAL ASSETS	1.108.390	100,00%	761.719	100,00%	-31,28%
	LIABILITIES					
9.	Liabilities from taken loans, net (9a+9b-9c)	1.102.321	99,45%	686.666	90,14%	-37,71%
9a)	liabilities from short term loans	48.950	4,42%	52.405	6,88%	7,01%
9b)	liabilities from long term loans	1.054.236	95,11%	635.386	83,41%	-39,73%
9c)	cost and fees paid in advance	865	0,08%	1.125	0,15%	30,06%
10.	Other liabilities	25.372	2,29%	22.032	2,89%	-13,15%
	TOTAL LIABILITIES (9+10)	1.127.693	101,74%	708.698	93,03%	-37,16%
11.	Core capital	72.555	6,55%	58.939	7,74%	-18,77%
12.	Reserves	3.424	0,31%	5.528	0,73%	61,45%
13.	Accumulated profit/loss	-95.282	-8,60%	-11.446	-1,49%	-87,99%
	TOTAL CAPITAL	-19.303	-1,74%	53.021	6,97%	-374,68%
	TOTAL LIABILITIES	1.108.390	100,00%	761.719	100,00%	-31,28%

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

Attachment 6. Consolidated income statement (in 000 KM)

No.	DESCRIPTION	31.12.2010		31.12.2011		% growth
		Amount (000 KM)	% in total income	Amount (000 KM)	% in total income	31.12.2011/31.12.2010
	FINANCIAL INCOME AND EXPENSES					
1.	Interest income (1a+1b)	56.603	69,85%	48.926	45,32%	-13,56%
1a)	Interest on financial leasing	40.852	50,41%	37.213	34,47%	-8,91%
1b)	Other interest income	15.751	19,44%	11.713	11,85%	-25,64%
2.	Interest expenses	25.095	30,97%	26.161	24,23%	4,25%
3.	Net income from interest (1.-2.)	31.508	38,88%	22.765	21,09%	-27,75%
	OPERATING INCOME AND EXPENSES					
4.	Operating income (4a+4b)	24.430	30,15%	59.034	54,68%	141,65%
5.	Operating leasing income	40.509	49,99%	42.046	38,95%	3,79%
5a)	Other operating income	8.219	10,14%	8.578	7,95%	4,37%
5b)	Operating expenses (5a+5b+5c)	12.968	16,00%	13.907	12,88%	7,24%
5c)	Salary and contributions expenses	19.322	23,84%	19.561	18,12%	1,24%
6.	Business premises expenses	27.561	34,01%	51.034	47,27%	85,17%
6a)	Other operating expenses	19.991	24,67%	41.121	38,09%	105,70%
6b)	Expenses for reserves for losses	7.570	9,34%	9.913	9,18%	30,95%
7.	Income before tax (3+4-5-6)	-12.132	-14,97%	-11.281	-10,45%	-7,01%
8.	Income tax	388	0,48%	422	0,39%	8,76%
9.	FINANCIAL INCOME AND EXPENSES	-12.520	-15%	-11.703	-10,84%	-6,53%

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

** data as of 31.12.2010 include the balance sheet positions of the company from which the license for performing leasing operations was revoked*

No.	DESCRIPTION	31.12.2010		31.12.2011		% growth 31.12.2011/ 31.12.2010
		Amount (000 KM)	% in total income	Amount (000 KM)	% in total income	
	FINANCIAL INCOME AND EXPENSES					
1.	Interest income (1a+1b)	95.965	74,42%	48.926	45,32%	-49,02%
1a)	Interest on financial leasing	68.655	53,24%	37.213	34,47%	-45,80%
1b)	Other interest income	27.310	21,18%	11.713	11,85%	-57,11%
2.	Interest expenses	44.283	34,34%	26.161	24,23%	-40,92%
3.	Net income from interest (1.-2.)	51.682	40,08%	22.765	21,09%	-55,95%
	OPERATING INCOME AND EXPENSES					
4.	Operating income (4a+4b)	32.978	25,58%	59.034	54,68%	79,01%
5.	Operating leasing income	61.076	47,37%	42.046	38,95%	-31,16%
5a)	Other operating income	11.623	9,01%	8.578	7,95%	-26,20%
5b)	Operating expenses (5a+5b+5c)	15.644	12,13%	13.907	12,88%	-11,10%
5c)	Salary and contributions expenses	33.809	26,22%	19.561	18,12%	-42,14%
6.	Business premises expenses	125.157	97,06%	51.034	47,27%	-59,22%
6a)	Other operating expenses	30.313	23,51%	41.121	38,09%	35,65%
6b)	Expenses for reserves for losses	94.844	73,55%	9.913	9,18%	-89,55%
7.	Income before tax (3+4-5-6)	-101.573	-78,77%	-11.281	-10,45%	-88,89%
8.	Income tax	388	0,30%	422	0,39%	8,76%
9.	FINANCIAL INCOME AND EXPENSES	-101.961	-79%	-11.703	-10,84%	-88,52%

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.

Attachment 7. Rating the aggregate balance sheet amount

31.12.2010					31.12.2011					Aggreg. Balance Sheet ratio
Rating	Leasing company	Balance sheet amount (000 KM)	Partic. 2010.	Cumul. partic.	Rating	Leasing company	Balance sheet amount (000 KM)	Partic. 2011.	Cumul. partic.	
1.	Raiffeisen Leasing d.o.o. Sarajevo	229.030	30,89%	30,89%	1.	Raiffeisen Leasing d.o.o. Sarajevo	238.575	31,32%	31,32%	104
2.	UniCredit Leasing d.o.o. Sarajevo	178.336	24,05%	54,94%	2.	UniCredit Leasing d.o.o. Sarajevo	185.956	24,41%	55,73%	104
3.	VB Leasing d.o.o. Sarajevo	105.273	14,20%	69,14%	3.	VB Leasing d.o.o. Sarajevo	108.874	14,29%	70,03%	103
4.	NLB Leasing d.o.o. Sarajevo	81.003	10,92%	80,06%	4.	NLB Leasing d.o.o. Sarajevo	83.515	10,96%	80,99%	103
5.	Asa Aleasing d.o.o. Sarajevo	72.319	9,75%	89,81%	5.	Asa Aleasing d.o.o. Sarajevo	69.663	9,15%	90,14%	96
6.	S-Leasing d.o.o. Sarajevo	46.006	6,20%	96,02%	6.	S-Leasing d.o.o. Sarajevo	47.810	6,28%	96,41%	104
7.	Euroleasing d.d. Mostar	29.523	3,99%	100,00%	7.	Euroleasing d.d. Mostar	27.326	3,59%	100,00%	93
TOTAL		741.490	100%		TOTAL		761.719	100%		103

Financial indicators reported in the Information do not include the leasing company which license for performing the leasing operations was revoked, unless otherwise noted.