



REPUBLIC OF BULGARIA
MINISTRY OF FINANCE

GOVERNMENT DEBT
MANAGEMENT

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AUGUST 2006

REPUBLIC OF BULGARIA
MINISTRY OF FINANCE

**GOVERNMENT DEBT
MANAGEMENT**

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Abbreviations

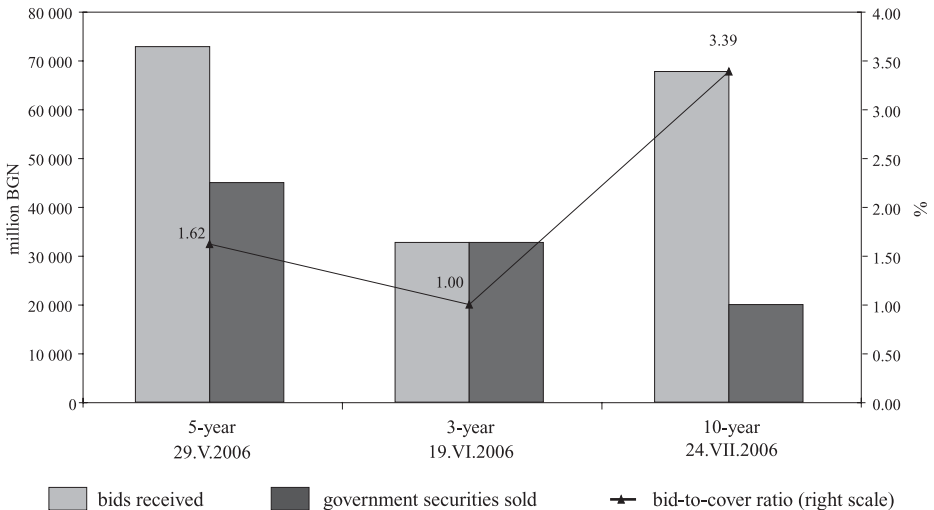
BGN	–	<i>The abbreviation of the Redenominated Bulgarian Lev</i>
BIR	–	<i>Base Interest Rate</i>
BNB	–	<i>Bulgarian National Bank</i>
CB	–	<i>Commercial Banks</i>
CM	–	<i>Council of Ministers</i>
CMD	–	<i>Council of Ministers Decree</i>
CSB	–	<i>Consolidated State Budget</i>
EBRD	–	<i>European Bank for Reconstruction and Development</i>
EIB	–	<i>Economic and Investment Bank</i>
GDP	–	<i>Gross Domestic Product</i>
GS	–	<i>Government Securities</i>
IMF	–	<i>International Monetary Fund</i>
JBIC	–	<i>Japan Bank for International Cooperation</i>
LBNB	–	<i>Law on the Bulgarian National Bank</i>
LSPDACB	–	<i>Law on State Protection of Deposits and Accounts with Commercial Banks in Respect Whereof the BNB Has Petitioned the Institution of Bankruptcy Proceedings</i>
MF	–	<i>Ministry of Finance</i>
SBL of RB	–	<i>State Budget Law of the Republic of Bulgaria</i>
SDR	–	<i>Special Drawing Rights</i>
TFP	–	<i>Transitional and Final Provisions</i>
ZUNK	–	<i>Bulgarian abbreviation of the Law on Settlement of Nonperforming Credits Negotiated prior to 31 December 1990 (LSNC)</i>

According to the issuing schedule, in August no government securities issues were offered for sale by the Ministry of Finance.

Effected payments amounted to BGN 12,326.7 thousand, including principal payments of BGN 863.7 thousand and interest payments of BGN 11,462.9 thousand. In August reverse repurchased securities earmarked for direct sale to individuals accounted for BGN 123.3 thousand.

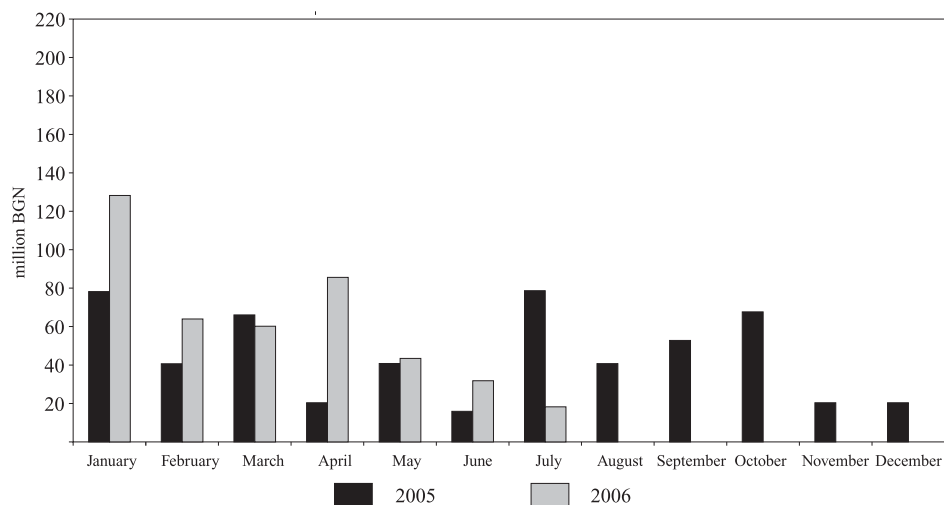
Chart 1

Bids Received and Government Securities Sold at Auctions



Note: The three-, five- and ten-year government securities issues are tap issues. The above dates indicate the auction dates.

Sales of Government Securities Issues



Prices of Issues Sold per BGN 100 Nominal Value

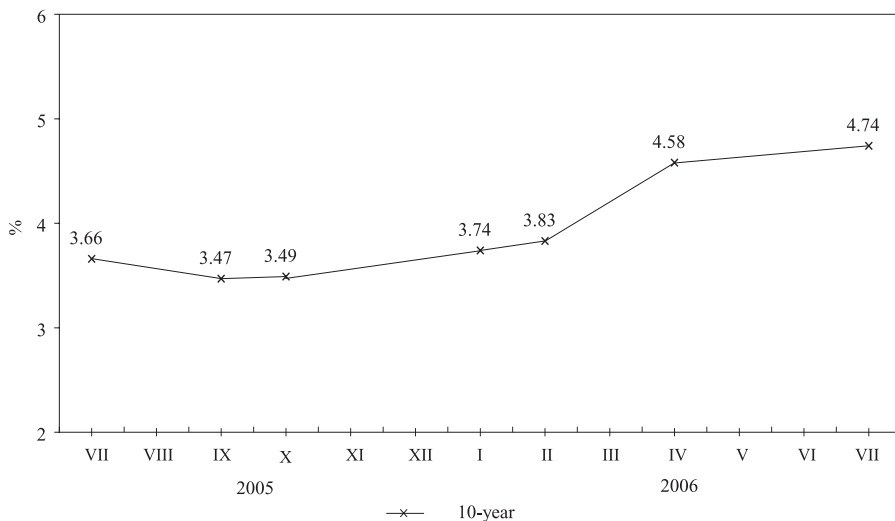
JULY 2006

10-year

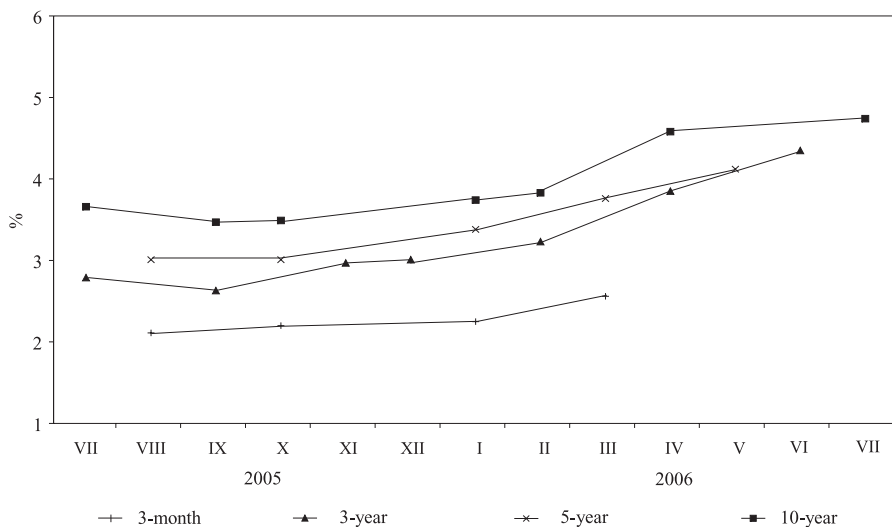
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Minimum	90.15
Average-weighted	91.00
Maximum	92.59

Dynamics of the Average Annual Yield of Primary Market Government Securities

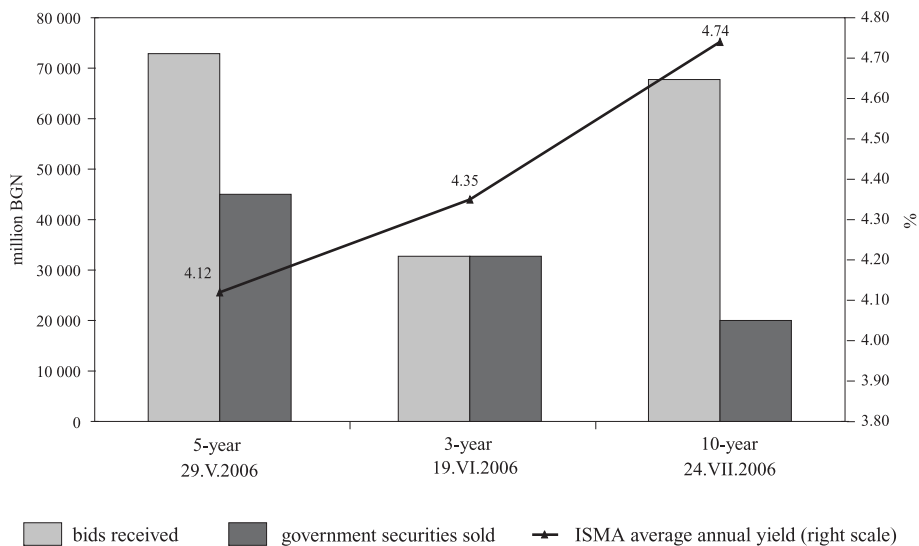


Yield of Primary Market Government Securities by Type



Note: Yield on an effective annual basis.

Yield and Sales of Government Securities



Note: The three-, five- and ten-year government securities issues are tap issues. The above dates indicate the auction dates.

Government Securities Bought in the Primary Market through Competitive and Non-competitive Bids

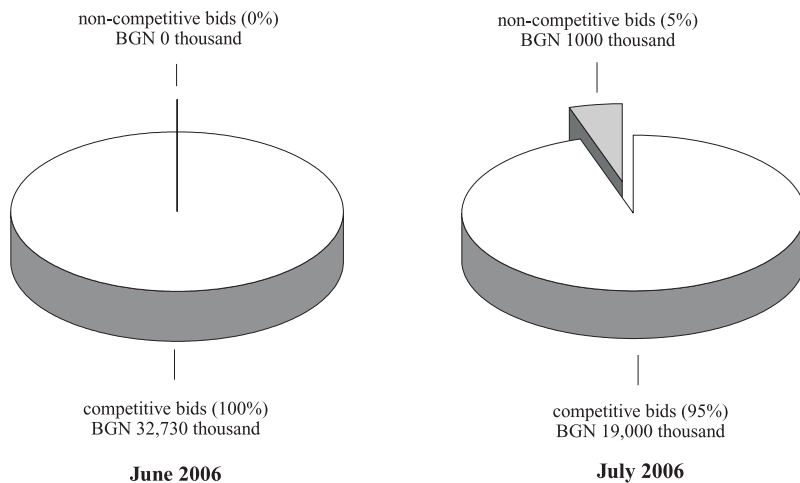
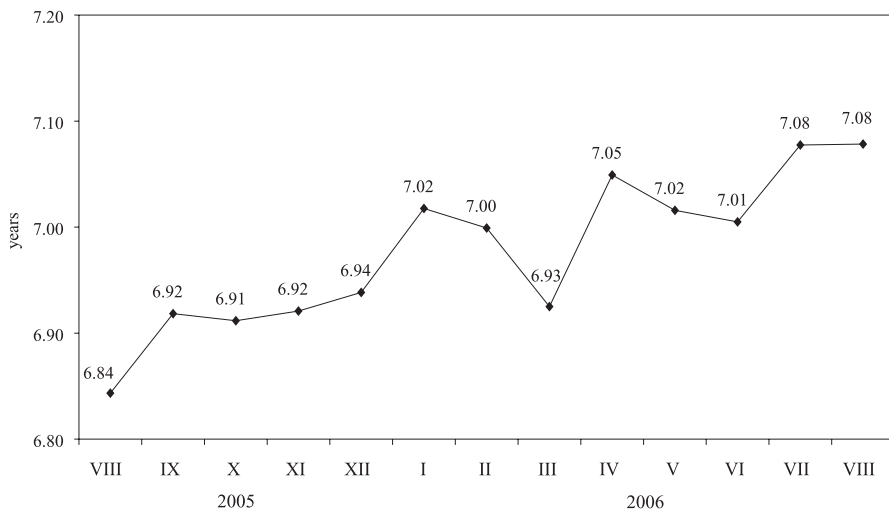


Chart 7

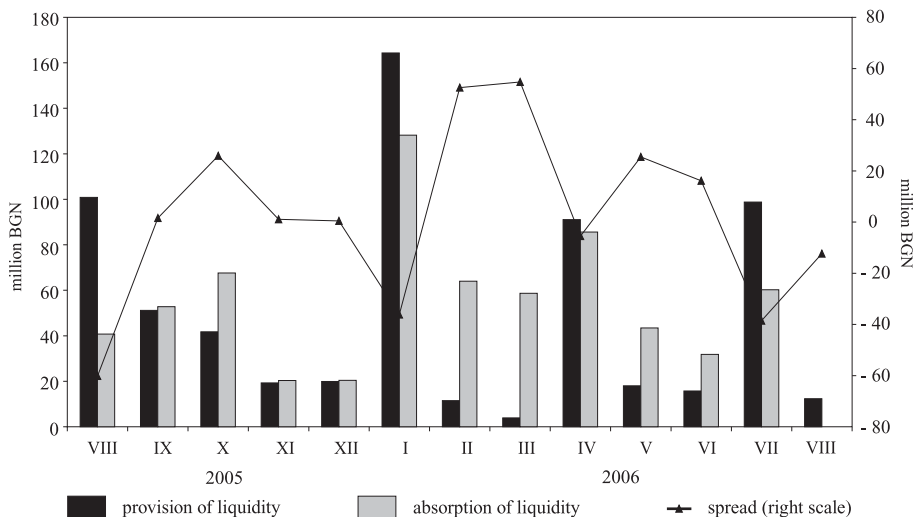
Average Term of Outstanding Government Securities Issues by Year



Note: The average term is calculated on the basis of the maturity structure of government securities issued for budget deficit financing.

Chart 8

Liquidity Provision and Absorption through Government Securities Maturities and Issues



Pending Payments on Government Securities in September 2006

(BGN'000)

Government securities	Monday	Tuesday	Wednesday	Thursday	Friday
	2	3	4	5	6
bonds target issues ZUNK	533.50 490.53				
	9	10	11	12	13
bonds target issues			5883.57		
	16	17	18	19	20
bonds target issues	479.45	3193.22			8.38
	23	24	25	26	27
bonds target issues		62 105.75			2.10
	30	31			
bonds target issues	378.96	1134.25			

Note: When the payment day is not a business day, payment is effected on the following business day.

Auction Calendar of Government Securities Issues for September 2006

Auction date	Issue date	Maturity date	Issue term	Scheduled volume (BGN)	Total nominal value
23.10.2006	25.10.2006	08.02.2009	3 years	20 000 000	
TOTAL				20 000 000	

Note: The Ministry of Finance is entitled to make relevant adjustments in the calendar where necessary.

By end-August 2006 domestic debt totaled BGN 2,979,457.1 thousand in nominal terms. The share of government securities issues in total debt was 86 per cent (BGN 2,562,444.3 thousand) and that of government securities issued for structural reform 14 per cent (BGN 417,012.8 thousand, Chart 9).

Government securities issued between January and August 2006 retained their end-July share amounting to BGN 442,730 thousand. Government securities redeemed in August accounted for BGN 255,338.6 thousand, including short-term bills of BGN 65,000 thousand. As a result of effected payments, the shares of five-, seven- and ten-year government securities in the maturity structure of government securities slightly increased reaching 29.4 per cent, 25.8 per cent and 22.1 per cent respectively at the expense of the shares of all other types of government securities which went down (Chart 10). The average-weighted maturity of government securities issues was seven years and one month. Government securities issued for structural reform amounted to BGN 417,012.8 thousand by the end of the review month.

Debt foreign exchange structure experienced certain changes in August (Chart 11). The share of government securities in levs and in euro increased to 72.5 per cent and 20.9 per cent respectively, while the share of government securities in US dollars decreased on July to reach 6.6 per cent. The maturity structure also changed. Medium-term government securities decreased to 38.3 per cent at the expense of long-term government securities which increased to 61.7 per cent (Chart 12). Government securities with fixed interest coupons comprised 82.7 per cent and government securities with floating interest coupons 17.3 per cent.

Since early-2006 interest and discounts paid on government securities issued on the domestic market totaled BGN 127,394.4 thousand. Payments on government securities issues amounted to BGN 114,357.9 thousand, or 89.8 per cent of the total repaid interest and discounts (Chart 16). Interest paid on five-year bonds occupied the largest share, 35.2 per cent, due to the growing amount of these securities, followed by interest payments on seven-year bonds, 32.3 per cent (Chart 15).

Domestic Debt

(BGN'000)

Structure	Amount as of 31 Dec. 2005	Change in 2006		Amount as of 31 August 2006
		increase	decrease	
I. DEBT ON GOVERNMENT SECURITIES ISSUES				
1. Government securities issued in 2001	221 328.9	-	131 328.9	90 000.0
1.1. Medium-term	191 328.9	-	131 328.9	60 000.0
5-year	191 328.9	-	131 328.9	60 000.0
1.2. Long-term	30 000.0	-	-	30 000.0
7-year	30 000.0	-	-	30 000.0
2. Government securities issued in 2002	499 670.0	-	-	499 670.0
2.1. Medium-term	174 750.0	-	-	174 750.0
5-year	174 750.0	-	-	174 750.0
2.2. Long-term	324 920.0	-	-	324 920.0
7-year	240 000.0	-	-	240 000.0
10-year	84 920.0	-	-	84 920.0
3. Government securities issued in 2003	857 136.4	-	57 969.7	799 166.7
3.1. Medium-term	251 191.3	-	57 969.7	193 221.6
3-year	76 191.3	-	57 969.7	18 221.6
5-year	175 000.0	-	-	175 000.0
3.2. Long-term	605 945.2	-	-	605 945.2
7-year	310 362.2	-	-	310 362.2
EUR-denominated (lev equivalent)	205 362.2	-	-	205 362.2
10-year	100 000.0	-	-	100 000.0
15-year	195 583.0	-	-	195 583.0
EUR-denominated (lev equivalent)	195 583.0	-	-	195 583.0
4. Government securities issued in 2004	380 423.5	-	874.5	379 549.0
4.1. Medium-term	220 423.5	-	874.5	219 549.0
3-year	111 540.8	-	511.9	111 028.8
5-year	108 882.7	-	362.6	108 520.1
EUR-denominated (lev equivalent)	8 882.7	-	362.6	8 520.1
4.2. Long-term	160 000.0	-	-	160 000.0
7-year	80 000.0	-	-	80 000.0
10-year	80 000.0	-	-	80 000.0
5. Government securities issued in 2005	416 494.0	-	15 165.4	401 328.6
5.1. Short-term	15 000.0	-	15 000.0	-
3-month	15 000.0	-	15 000.0	-
5.2. Medium-term	251 494.0	-	165.4	251 328.6
3-year	150 638.3	-	134.0	150 504.3
5-year	100 855.7	-	31.4	100 824.3
EUR-denominated (lev equivalent)	855.7	-	31.4	824.3
5.3. Long-term	150 000.0	-	-	150 000.0
10-year	150 000.0	-	-	150 000.0
6. Government securities issued in 2006	-	442 730.0	50 000.0	392 730.0
6.1. Short-term	-	50 000.0	50 000.0	-
3-month	-	50 000.0	50 000.0	-
6.2. Medium-term	-	242 730.0	-	242 730.0
3-year	-	107 730.0	-	107 730.0
5-year	-	135 000.0	-	135 000.0
6.3. Long-term	-	150 000.0	-	150 000.0
10-year	-	150 000.0	-	150 000.0
TOTAL (I)	2 375 052.9	442 730.0	255 338.6	2 562 444.3

(continued)

(continued)

(BGN'000)

Structure	Amount as of 31 Dec. 2005	Change in 2006		Amount as of 31 August 2006
		increase	decrease	
II. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM				
1. Long-term government bonds issued pursuant to CM Decree No. 244 of 1991	1 651.0	-	275.2	1 375.9
2. Long-term government bonds issued pursuant to CM Decree No. 234 of 1992	1 526.2	-	127.2	1 399.0
3. Long-term government bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993				
in BGN	5 598.1	-	-	5 598.1
denominated in USD	138 472.5		9 915.2	128 557.3
lev equivalent	229 573.6			195 655.3
denominated in EUR	116 943.2	-	8 353.1	108 590.1
lev equivalent	228 721.1			212 383.8
4. Long-term government bonds issued pursuant to CM Decree No. 3 of 1994	600.7		-	600.7
TOTAL (II)	467 670.7			417 012.8
GOVERNMENT DEBT, TOTAL	2 842 723.5			2 979 457.1
III. DOMESTIC GOVERNMENT GUARANTEES				
DOMESTIC DEBT, TOTAL	-			-
	2 842 723.5			2 979 457.1

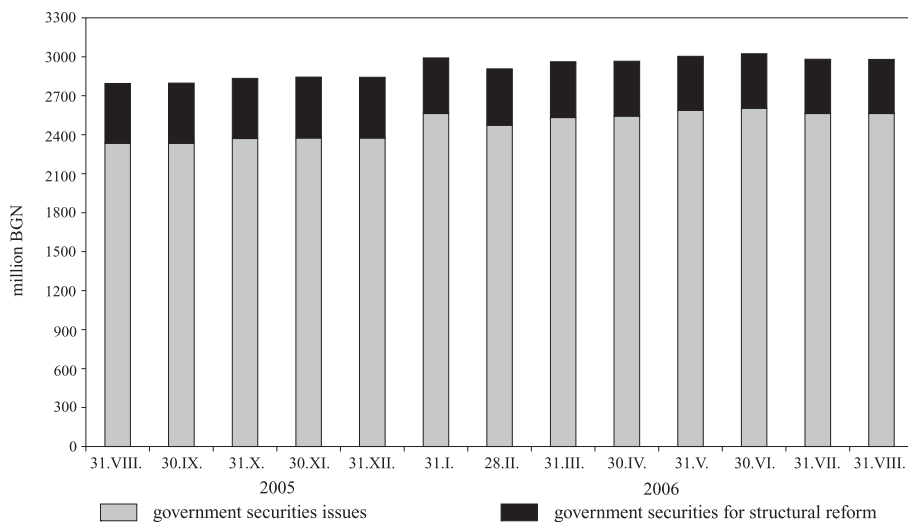
Notes: 1. As of 1 April 2004 statistical reporting of total government, government guaranteed and consolidated debts has changed. The practice adopted as of January 2003 of reporting bond obligations at acquisition value has been discontinued. After the change, securities included in the stock of domestic and external debt are reported at nominal value.

2. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended by the BNB to the MF are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand.

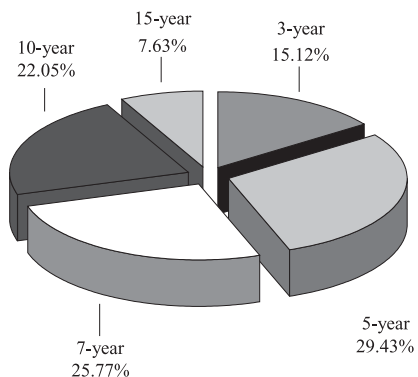
3. In the *Government Debt Management* bulletin, debt to the IMF is included in the external debt structure and excluded from domestic debt structure in order to avoid any mistakes in using debt information.

4. Debt recalculation in US dollars and euro is based on BNB exchange rate of the relevant currency against the lev for the last business day of the respective period.

Changes in Domestic Government Debt

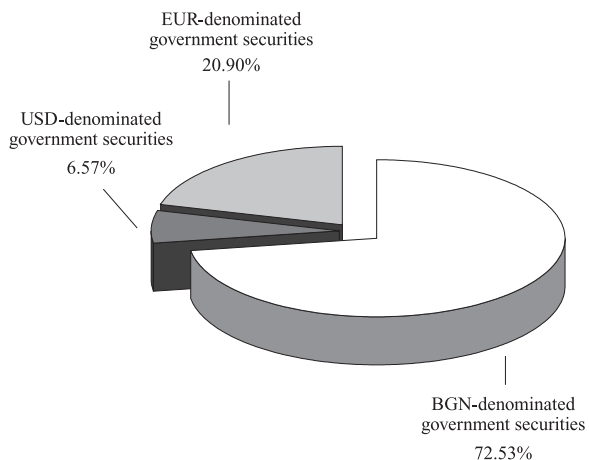


Outstanding Government Securities Issues as of 31 August

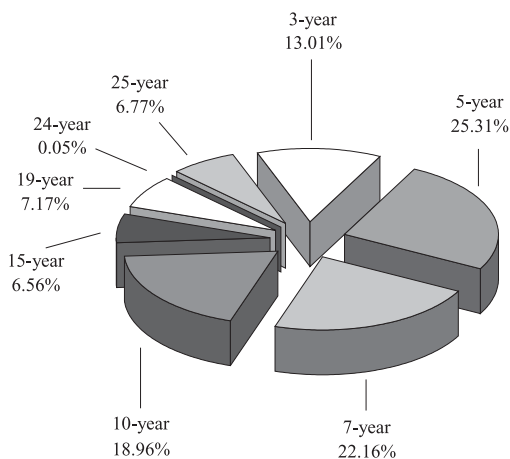


Note: The average-weighted maturity of government securities issues is seven years and one month.

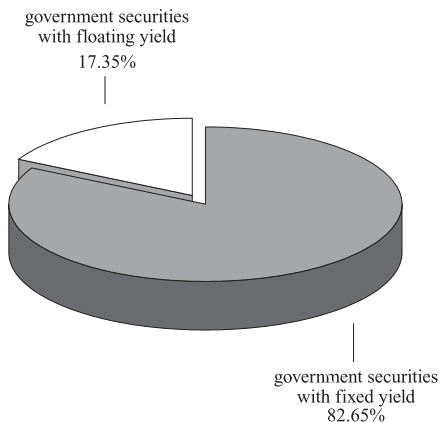
Foreign Exchange Composition of Outstanding Government Securities as of 31 August



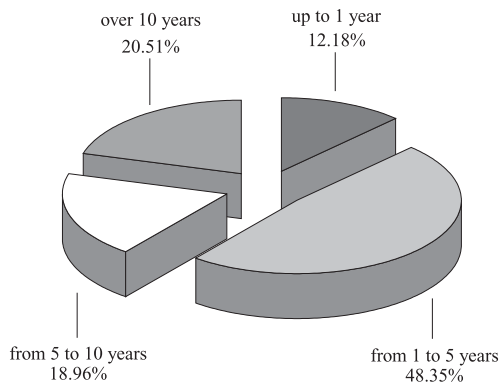
Maturity Structure of Outstanding Government Securities as of 31 August



Shares of Outstanding Government Securities with Fixed and Floating Yield as of 31 August



Residual Maturity of Domestic Debt as of 31 August



Expenditure on Domestic Debt between 1 January and 31 August 2006

(BGN'000)

Debt structure	Amount of repaid interest (discount)
I. DEBT ON GOVERNMENT SECURITIES ISSUES	
1. Government securities issued in 2001	10 433.8
1.1. Medium-term*	9 318.0
5-year	9 318.0
1.2. Long-term	1 115.8
7-year	1 115.8
2. Government securities issued in 2002	29 008.6
2.1. Medium-term	11 808.8
5-year	11 808.8
2.2. Long-term	17 199.9
7-year	14 024.1
10-year	3 175.8
3. Government securities issued in 2003	41 823.9
3.1. Medium-term	11 370.4
3-year	2 401.7
5-year	8 968.8
3.2. Long-term	30 453.5
7-year	17 977.1
10-year	6 625.0
15-year	5 851.4
4. Government securities issued in 2004	16 127.7
4.1. Medium-term	8 167.7
3-year	3 149.3
5-year	5 018.4
4.2. Long-term	7 960.0
7-year	3 800.0
10-year	4 160.0
5. Government securities issued in 2005	12 854.5
5.1. Short-term	83.7
3-month	83.7
5.2. Medium-term	6 395.8
3-year	2 621.7
5-year	3 774.1
5.3. Long-term	6 375.0
10-year	6 375.0
6. Government securities issued in 2006	4 109.4
6.1. Short-term	293.4
3-month	293.4
6.2. Medium-term	2 287.2
3-year	953.8
5-year	1 333.4
6.3. Long-term	1 528.8
10-year	1 528.8
TOTAL (I)	114 357.9

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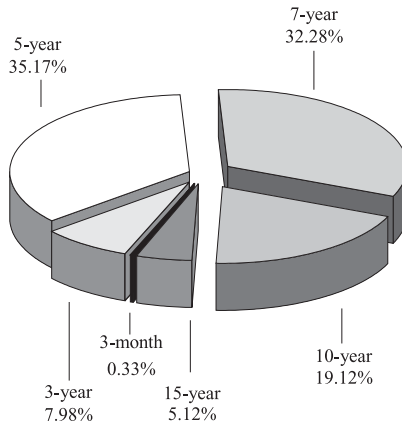
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(BGN'000)

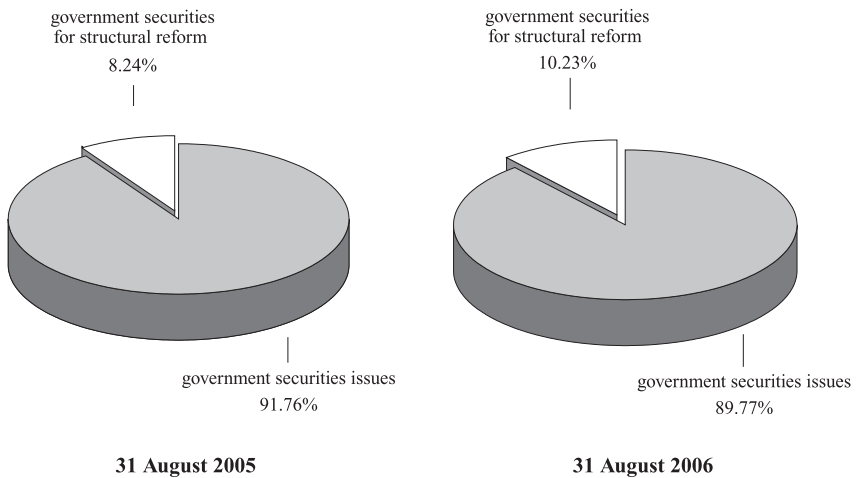
Debt structure	Amount of repaid interest (discount)
II. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM	
A. Debt on government securities issued to settle non-performing credits of state-owned companies to banks	
1. Bonds issued pursuant to CM Decree No. 244 of 1991	47.3
2. Bonds issued pursuant to CM Decree No. 186 of 1992	33.8
3. Bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993	12 955.3
lev bonds	56.8
USD-denominated bonds (in BGN at the current exchange rate)	7 976.5
EUR-denominated bonds (in BGN at the fixed exchange rate)	4 922.0
4. Bonds issued pursuant to CM Decree No. 3 of 1994	0.0
Total (A)	13 036.5
TOTAL (II)	13 036.5
EXPENDITURE ON GOVERNMENT DEBT, TOTAL	127 394.4

* Including interest revenue from tap medium-term government securities issues.

Structure of Expenditure on Government Securities Issues as of 31 August



Structure of Expenditure on Domestic Debt



By end-August external debt totaled EUR 4825.2 million in nominal terms. Government debt accounted for EUR 4283.6 million and government guaranteed debt amounted to EUR 541.6 million.

In August new external financing totaled BGN 12,070.2 thousand. Payments on the debt totaled BGN 44,830.1 thousand, including principal payments of BGN 29,781.5 thousand and interest payments of BGN 15,048.5 thousand. The bulk of payments was made to the IMF (BGN 17,211.3 thousand), on government guaranteed loans (BGN 5630.8 thousand) and on government investment loans (BGN 3624.1 thousand). Interest was paid mainly to the IMF (BGN 8012.7 thousand), on government guaranteed loans (BGN 2571.5 thousand) and on government investment loans (BGN 2131.2 thousand). In August net external financing was negative and totaled BGN 17,711.4 thousand.

Since early-2006 received loans have totaled BGN 273,584.3 thousand, of which BGN 126,885.3 thousand receipts from tranches on government guaranteed loans. Payments on the debt have amounted to BGN 1,515,786.9 thousand, including BGN 1,069,123.7 thousand principal repayments. The largest amounts were repaid to the IMF (BGN 466,452.6 thousand), to the World Bank (BGN 396,923.1 thousand), on government investment loans (BGN 67,450.6 thousand) and to the European Union (BGN 61,119.7 thousand).

Certain changes occurred in foreign exchange debt structure as a result of effected payments. By end-August debt denominated in US dollars and in other currencies exhibited a fall on July reaching 26.1 per cent and 11.5 per cent respectively. The share of debt in euro rose to 62.4 per cent. Debt interest structure also changed. Debt with floating interest rates increased to 40.6 per cent against 59.4 per cent of debt with fixed interest rates. The average-weighted residual term to maturity of the external debt was eight years and eleven months.

The structure of external debt by type of creditor was as follows: debt on bonds (global bonds and eurobonds) comprising 43 per cent, to the World Bank 16.6 per cent, on government investment loans 11.9 per cent, on government guaranteed loans 11.2 per cent and to the IMF 6.3 per cent. Obligations to the European Union accounted for 5.3 per cent and to the Paris Club 3.3 per cent.

External Debt

(million EUR)

Structure	as of 31.XII.	2006			
	2005	as of 31.III.	as of 30.VI.	as of 30.VII.	as of 31.VIII.
Government debt	4 876.8	4 420.6	4 304.4	4 304.6	4 283.6
I. Bonds	2 162.5	2 135.2	2 084.9	2 080.6	2 074.1
1. Other bonds	2 162.5	2 135.2	2 084.9	2 080.6	2 074.1
II. Credits	2 714.3	2 285.4	2 219.5	2 223.9	2 209.5
1. Paris Club	163.7	157.4	157.4	157.4	157.4
2. World Bank	1 020.0	818.8	805.1	805.0	802.8
2.1. World Bank	943.4	747.5	737.7	737.7	737.6
2.2. JBIC (JEXIM)	76.6	71.3	67.4	67.3	65.2
3. G24	36.9	30.8	30.0	30.0	29.9
4. European Union	287.5	256.3	256.3	256.3	256.3
5. IMF	559.5	357.9	316.9	312.8	302.9
6. Other	62.3	62.3	55.9	55.9	55.9
7. Government investment credits	549.2	568.6	565.2	574.0	573.4
7.1. World Bank	150.6	160.1	158.0	159.6	164.2
7.2. European Investment Bank	262.6	272.0	271.7	281.5	279.8
7.3. EBRD	17.0	13.1	12.2	8.7	8.6
7.4. Other	119.0	123.5	123.3	124.2	120.8
8. Called government guarantees	35.2	33.3	32.7	32.6	30.9
8.1. World Bank	28.9	27.1	26.8	26.8	25.1
8.2. Other	6.3	6.2	5.9	5.8	5.8
Government guaranteed debt	514.2	537.6	543.5	546.5	541.6
1. World Bank	102.4	98.4	93.9	94.9	93.0
2. European Investment Bank	8.1	8.1	7.6	7.6	7.6
3. EBRD	48.6	49.2	48.7	48.7	49.1
4. Other	355.1	381.8	393.3	395.3	392.0
EXTERNAL DEBT, TOTAL	5 391.0	4 958.1	4 847.8	4 851.1	4 825.2
EXTERNAL DEBT, TOTAL					
(million USD)	6 359.7	6 001.4	6 163.1	6 193.4	6 200.8

- Notes:**
1. Debt based on cash flows. External debt based on cash flows as of 1 January 2003.
 2. Credits in the *Government investment credits* and *Government guaranteed debt* items have been rearranged according to the provisions of the Law on the Government Debt (published in the Darjaven Vestnik, issue 93 of 1 October 2002).
 3. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. In the *Government Debt Management* bulletin, debt to the IMF is included in the external debt structure and excluded from domestic debt structure in order to avoid any mistakes in using debt information.
 4. Debt recalculation in US dollars and in euro is based on BNB exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.
 5. Preliminary data for the last month.

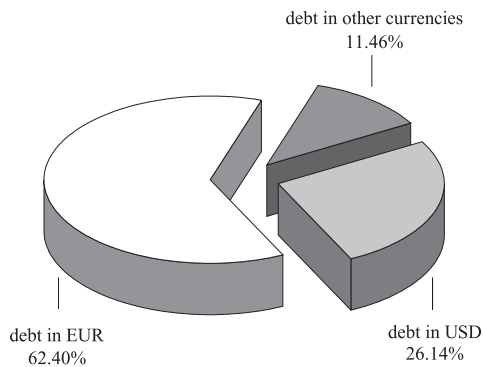
New External Financing and External Debt Payments as of 31 August

(BGN'000)

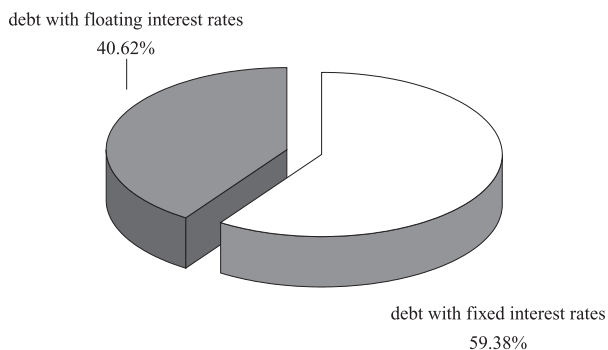
Structure	Received credits (tranches)	Payments, incl.	
		installments	interest
Government debt	146 699.0	1 034 193.6	422 324.6
I. Bonds	-	-	323 389.3
1. Other bonds	-	-	323 389.3
II. Credits	146 699.0	1 034 193.6	98 935.3
1. Paris Club	-	12 314.3	5 442.9
2. World Bank	-	396 923.1	22 817.1
2.1. World Bank	-	385 685.4	21 155.2
2.2. JBIC (JEXIM)	-	11 237.7	1 661.9
3. G24	-	11 063.2	1 344.7
4. European Union	-	61 119.7	8 035.4
5. IMF	-	466 452.6	30 012.2
6. Other	-	12 355.7	1 764.7
7. Government investment credits	146 699.0	67 450.6	28 036.3
7.1. World Bank	33 615.5	6 378.0	4 287.2
7.2. European Investment Bank	89 968.2	43 695.7	16 267.0
7.3. EBRD	-	14 709.6	1 511.7
7.4. Other	23 115.4	2 667.3	5 970.3
8. Called government guarantees	-	6 514.4	1 482.1
8.1. World Bank	-	6 514.4	1 482.1
8.2. European Investment Bank	-	-	-
8.3. Other	-	-	-
Government guaranteed debt	126 885.3	34 930.1	24 338.6
1. World Bank	6 286.9	14 959.5	4 953.2
2. European Investment Bank	-	1 068.0	215.1
3. EBRD	10 394.2	6 567.2	1 574.1
4. Other	110 204.2	12 335.4	17 596.2
TOTAL	273 584.3	1 069 123.7	446 663.2

Notes: 1. Lev equivalence of the new external financing received and payments effected is calculated on the basis of BNB central exchange rates of the respective foreign currencies against the Bulgarian lev valid until 4.00 p.m. on the day of corresponding payment.
2. Preliminary data.

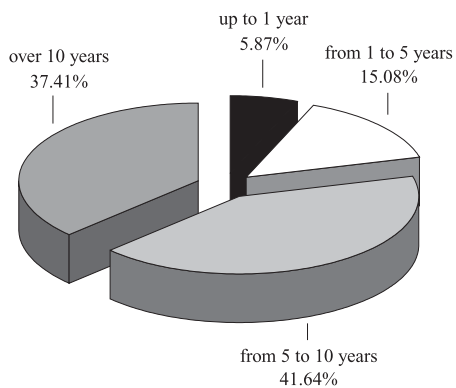
Currency Composition of the External Debt as of 31 August



Interest Rate Structure of the External Debt as of 31 August



Residual Maturity of the External Debt as of 31 August



Note: The average-weighted residual maturity of the external debt is eight years and eleven months.

By end-August government and government guaranteed debt totaled EUR 6348.6 million nominal value, including domestic debt of EUR 1523.4 million and external debt of EUR 4825.2 million. The decrease in nominal terms was EUR 27 million on the previous month due mainly to payments executed during the month.

By end-August the *debt to GDP* ratio was 27.2 per cent, falling by 0.1 percentage points on end-July level. The value of this indicator for domestic debt and external debt accounted for 6.5 per cent and 20.7 per cent respectively (Chart 20).

Domestic debt occupied 24 per cent and external debt 76 per cent in the debt structure (Chart 21).

The foreign exchange debt structure experienced certain changes due to effected repayments. By end-August debt in US dollars reached 21.4 per cent, in euro 52.4 per cent, in levs 17.4 per cent and in other currencies 8.7 per cent (Chart 22).

In the structure of external debt by type of creditor, bonds (global and eurobonds) occupied the largest share, totaling 32.7 per cent, followed by domestic debt (government securities) 24 per cent, obligations to the World Bank 12.6 per cent, obligations on government investment loans 9 per cent and on government guaranteed debt 8.5 per cent (Chart 23).

By end-August debt interest structure also experienced changes, indicating an increase in the debt with fixed interest rates to 65 per cent. Debt with floating interest rates comprised 35 per cent (Chart 24).

Since early-2006 payments on government and government guaranteed debt have totaled BGN 1931.5 million including domestic debt payments of BGN 415.8 million and external debt payments of BGN 1515.8 million (Chart 25). In August payments to the IMF comprised the largest share. Domestic debt payments were effected on government securities.

Payments in euro (recalculated in levs: BGN 1143.8 million) dominated the foreign exchange composition of debt payments, followed by payments in levs (BGN 415.8 million) and in US dollars (BGN 320.3 million, Chart 26).

Government and Government Guaranteed Debt

(million EUR)

Structure	as of 31.XII. 2005	2006			
		as of 31.III.	as of 30.VI.	as of 30.VII.	as of 31.VIII.
Domestic debt	1 453.5	1 514.3	1 545.9	1 524.5	1 523.4
I. Government debt	1 453.5	1 514.3	1 545.9	1 524.5	1 523.4
1. Debt on government securities issues	1 214.3	1 294.8	1 331.6	1 310.6	1 310.2
2. Government securities issued for structural reform	239.1	219.5	214.4	213.9	213.2
II. Government guaranteed debt	-	-	-	-	-
External debt	5 391.0	4 958.1	4 847.8	4 851.1	4 825.2
I. Government debt	4 876.8	4 420.6	4 304.3	4 304.6	4 283.6
1. Bonds	2 162.5	2 135.2	2 084.9	2 080.6	2 074.1
2. Credits	2 714.3	2 285.4	2 219.4	2 223.9	2 209.5
Government investment credits	549.2	568.6	565.2	574.0	573.4
Called government guarantees	35.2	33.3	32.7	32.6	30.9
II. Government guaranteed debt	514.2	537.6	543.5	546.5	541.6
Debt, total	6 844.4	6 472.4	6 393.7	6 375.6	6 348.6
Debt/GDP (%)	31.9	27.8	27.4	27.3	27.2
Domestic debt/GDP (%)	6.8	6.5	6.6	6.5	6.5
External debt/GDP (%)	25.1	21.3	20.8	20.8	20.7

Notes: 1. Debt based on cash flows.

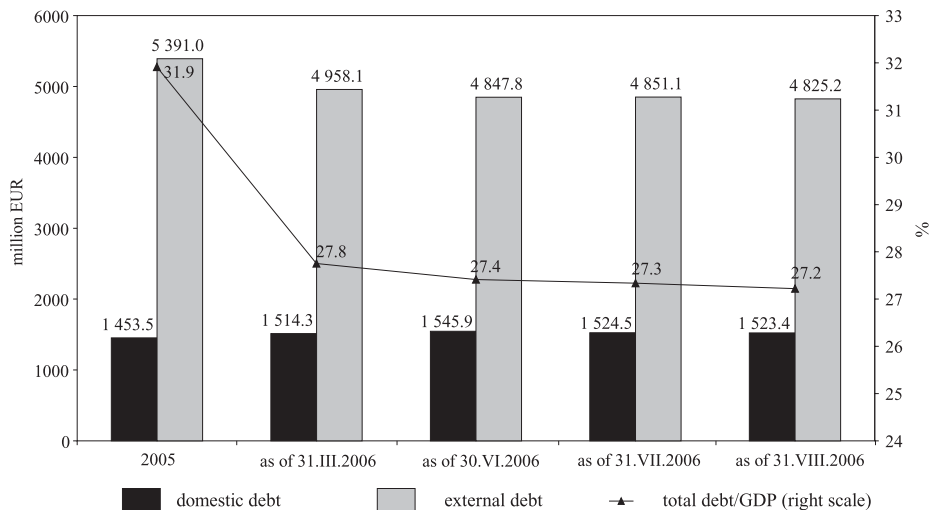
2. GDP projection for 2006: BGN 45,615 million. Revised GDP projection for 2005: BGN 41,948.1 million.

3. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. Debt to the IMF is included in the external debt structure and excluded from domestic debt structure in the *Government Debt Management* bulletin.

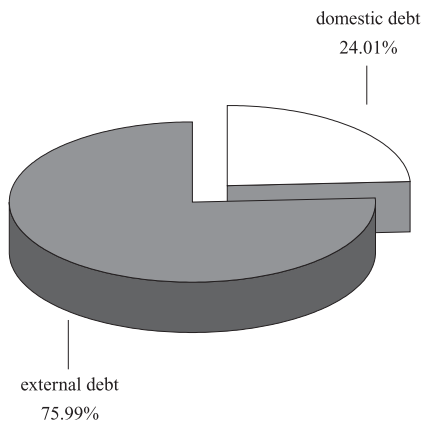
4. Debt recalculation in US dollars and in euro is based on BNB exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

5. Preliminary data for the last month.

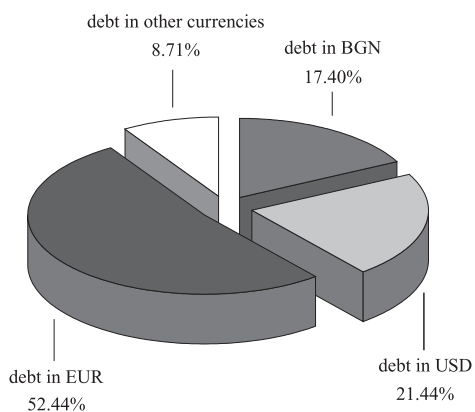
Dynamics of Domestic and External Government and Government Guaranteed Debt



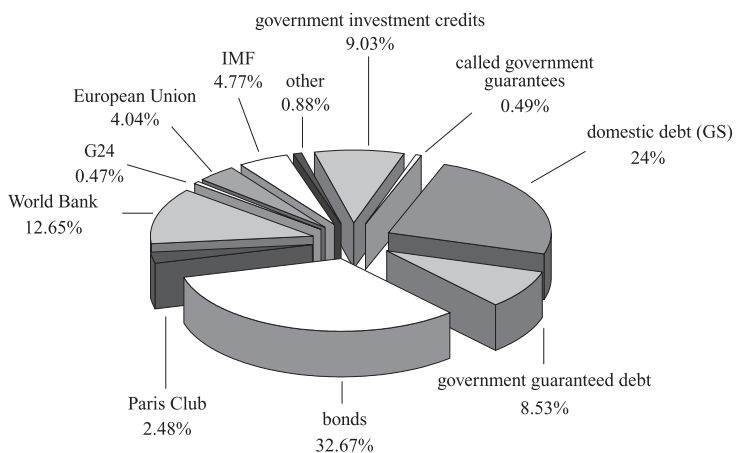
Debt Structure as of 31 August



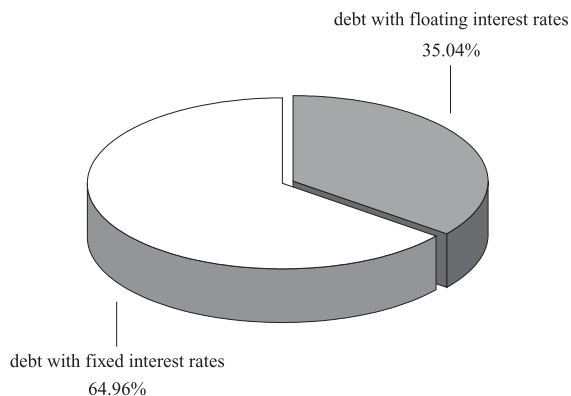
Debt Currency Structure as of 31 August



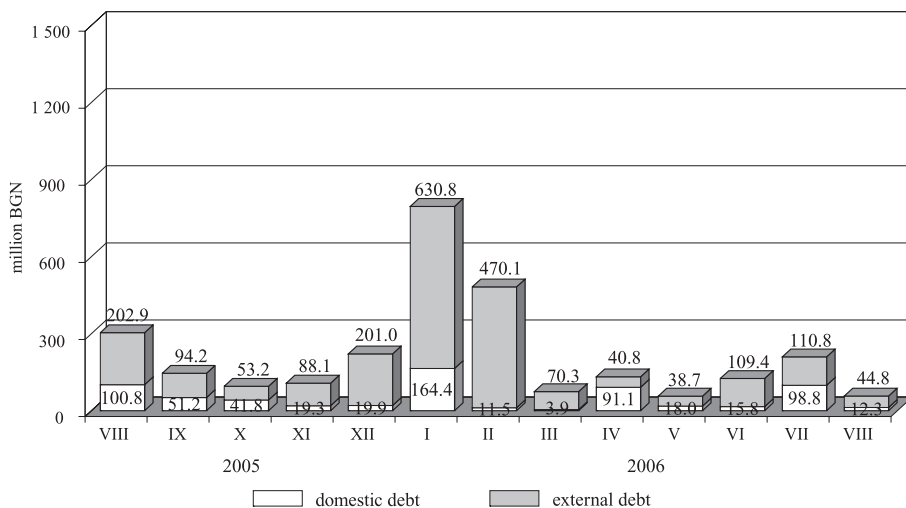
Debt Structure by Creditor as of 31 August



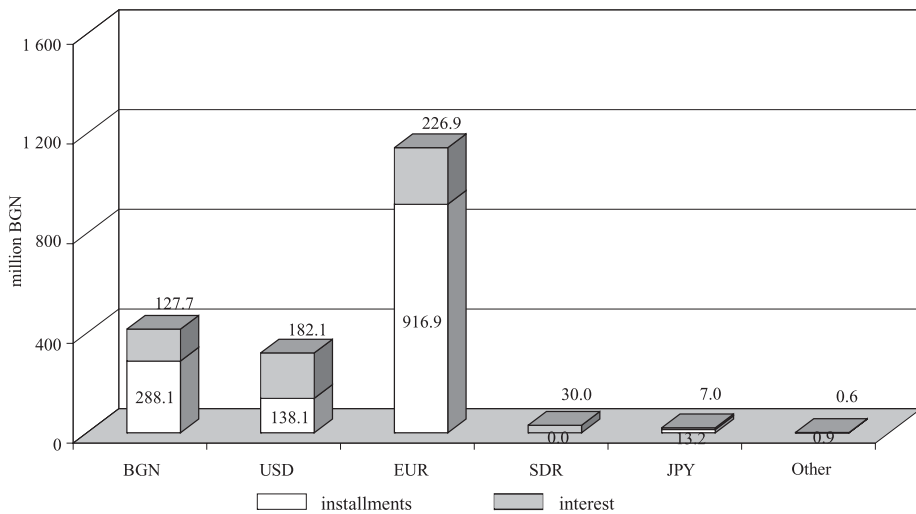
Debt Interest Rate Structure as of 31 August



Government Debt Payments



Currency Structure of Government Debt Payments as of 31 August



Government Securities Issued in Domestic Market and Held by Non-residents

(BGN'000)

Government securities type	31.XII. 2005	2006		
		31.III.	30.VI.	30.VII.
Government securities issues	18 156.3	18 056.3	17 361.9	17 133.1
– in BGN	100.0	-	-	-
– in EUR	18 056.3	18 056.3	17 361.9	17 133.1
Government securities issued for structural reform	1 639.9	1 520.3	1 505.8	1 505.5
– in USD	103.2	93.4	78.9	78.6
– in EUR	1 536.7	1 426.9	1 426.9	1 426.9
Total	19 796.1	19 576.6	18 867.8	18 638.6

Government Securities Issued in International Markets and Held by Residents

(million EUR)

Government securities type	31.XII. 2005	2006		
		31.III.	30.VI.	31.V.II
Eurobonds	121.6	119.1	113.2	114.6
Global bonds	324.0	330.9	364.6	359.8
– in EUR	148.2	179.7	197.8	193.6
– in USD	175.8	151.2	166.8	166.2
Total	445.6	450.0	477.8	474.4

Municipal Debt and Municipal Guarantees

(BGN'000)

Structure	2005	2006		
	as of 31.XII.	as of 31.III.	as of 30.VI.	as of 31.VII.
I. Municipal debt	181 139.1	184 831.4	188 016.8	185 358.7
<i>1. Domestic municipal debt</i>	<i>122 799.0</i>	<i>121 734.4</i>	<i>122 255.0</i>	<i>119 629.0</i>
1.1. Government securities issues (at nominal value as of corresponding period)	27 823.6	27 823.6	26 858.0	26 858.0
1.2. Credits from banks and other financial institutions	73 042.6	69 713.6	69 856.5*	69 451.1
1.3. Credits from the republican budget	5 673.4	8 308.1	10 401.9	8 938.2
1.4. Credits from extrabudgetary accounts and funds	8 833.5	8 336.7	7 940.3	7 900.3
1.5. Credits from other municipalities	-	-	-	-
1.6. Called municipal guarantees	-	-	-	-
1.7. Other	7 425.9	7 552.3	7 198.4	6 481.4
<i>2. External municipal debt</i>	<i>58 340.1</i>	<i>63 097.0</i>	<i>65 761.7</i>	<i>65 729.7</i>
2.1. Credits from banks and other financial institutions	26 806.5	26 806.5	29 347.7	29 347.7
2.2. Government guaranteed municipal debt	31 533.6	36 290.6	36 414.0	36 382.0
II. Municipal guarantees	61 530.661 466.2	61 444.8	61 444.8	
<i>1. Domestic municipal guarantees</i>	<i>899.8</i>	<i>835.5</i>	<i>814.0</i>	<i>814.0</i>
<i>2. External municipal guarantees</i>	<i>60 630.7 60 630.7</i>	<i>60 630.7</i>	<i>60 630.7</i>	
Municipal debt and municipal guarantees, total (I+II)	242 669.7	246 297.6	249 461.6	246 803.4

- Notes: 1. The credit extended by the Council of Europe Development Bank (CEB) to the Republic of Bulgaria under the *Building and Rehabilitation of Houses for Rom Families* project (utilized by the Sofia Municipality) represents external municipal debt and is reported under 2.2. *Government guaranteed municipal debt*. This credit has been guaranteed by the government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt, II. Government guaranteed debt*.
2. The credit extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Credit Agreement is an external municipal debt and is reported under 2.2. *Government guaranteed municipal debt*. Pursuant to the Guarantee Agreement concluded between the Government of Bulgaria and the Government of Japan under the Credit Agreement, this credit is guaranteed by the Bulgarian Government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt, II. Government guaranteed debt*.
3. Debt recalculation in US dollars and in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

* Revised data.

Social Security Funds Debt

(BGN'000)

Structure	2005	2006		
	as of 31.XII.	as of 31.III.	as of 30.VI.	as of 31.VII.
Domestic debt				
I. National Insurance Institute	31 646.6	31 606.9	30 494.3	30 488.3
1. Other*	31 646.6	31 606.9	30 494.3	30 488.3
2. Credits from the republican budget	31 646.6	31 606.9	30 494.3	30 488.3
II. National Health Insurance Fund	-	-	-	-
III. Teachers' Pension Fund	-	-	-	-
External debt	-	-	-	-

Note: Debt recalculation in US dollars and in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

*This credit was extended by the Ministry of Finance to the National Insurance Institute under a subcredit agreement concluded on the basis of the credit agreement between the Republic of Bulgaria and the International Bank for Reconstruction and Development (the World Bank) under the *Social Insurance Administration* project.

Consolidated Government Debt Amount

(million EUR)

Structure	2005	2006		
	as of 31.XII.	as of 31.III.	as of 30.VI.	as of 31.VII.
Consolidated government debt	6 422.9	6 029.3	5 946.4	5 923.8
1. Central government debt	6 330.2	5 934.8	5 850.2	5 829.0
2. Social security funds debt	0.0	0.0	0.0	0.0
3. Municipal debt	92.6	94.5	96.1*	94.8
Consolidated government debt/GDP, total (%)	29.9	25.9	25.5	25.4

- Notes:** 1. As of 1 April 2004 statistical reporting of total government, government guaranteed and consolidated debts has changed. The practice adopted as of January 2003 of reporting bond obligations at acquisition value has been discontinued. After the change, securities included in domestic and external debt are reported at nominal value.
2. GDP projection for 2006: BGN 45,615 million. Revised GDP projection for 2005: BGN 41,948.1 million.
3. Debt recalculation in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.
4. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the credits extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. Debt to the IMF is included in the external debt structure and excluded from domestic debt structure in the *Government Debt Management* bulletin.
5. The credit extended by the Ministry of Finance to the National Insurance Institute under a subcredit agreement concluded on the basis of the credit agreement between the Republic of Bulgaria and the International Bank for Reconstruction and Development (the World Bank) under the *Social Insurance Administration* project is excluded from 2. *Social security funds debt* and is reported under 1. *Central government debt*.
6. The credit extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Credit Agreement represents an external municipal debt and is reported under *Consolidated government debt*, 3. *Municipal debt*. Pursuant to the Guarantee Agreement concluded between the governments of Bulgaria and Japan under the Credit Agreement, this credit is guaranteed by the Bulgarian Government.

* Revised data.

APPENDIX

Outstanding Government Securities

Treasury Bonds

3-year government securities

Issue No.	First opening	Second opening	Third opening	BG2030104116 ⁶ Fourth opening	Fifth opening	Total for the issue
Auction date	16.02.2004	19.04.2004	09.08.2004	20.09.2004	11.10.2004	
Issue date	18.02.2004	18.02.2004	18.02.2004	18.02.2004	18.02.2004	18.02.2004
Maturity date	18.02.2007	18.02.2007	18.02.2007	18.02.2007	18.02.2007	18.02.2007
Nominal value of the offer (BGN'000)	20 000.00	20 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Total nominal value of the bids received (BGN'000)	93 850.00	48 250.00	46 040.00	43 500.00	53 900.00	285 540.00
Total nominal value of the bids approved (BGN'000)	20 000.00	20 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Average price of the bids approved per BGN 100 (%)	99.76	100.11	100.08	100.03	100.08	100.00
Interest rate	3.30	3.30	4.58	3.51	3.51	3.68
Bid-to-cover ratio	4.69	2.41	2.30	2.18	2.70	2.86
Average annual yield (%)	3.39	3.26	4.55	3.50	3.48	3.68

(continued)

3-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	BG2030005115 ⁶ Fourth opening	Fifth opening	Sixth opening	Total for the issue
Auction date	14.03.2005	04.04.2005	11.07.2005	12.09.2005	07.11.2005	05.12.2005	
Issue date	16.03.2005	16.03.2005	16.03.2005	16.03.2005	16.03.2005	16.03.2005	16.03.2005
Maturity date	16.03.2008	16.03.2008	16.03.2008	16.03.2008	16.03.2008	16.03.2008	16.03.2008
Nominal value of the offer (BGN'000)	25 000.00	20 000.00	40 000.00	25 000.00	20 000.00	20 000.00	150 000.00
Total nominal value of the bids received (BGN'000)	78 870.00	73 120.00	118 207.00	58 350.00	62 400.00	50 600.00	441 547.00
Total nominal value of the bids approved (BGN'000)	25 000.00	20 000.00	40 000.00	25 000.00	20 000.00	20 000.00	150 000.00
Average price of the bids approved per BGN 100 (%)	101.06	101.03	101.89	102.14	101.26	101.13	101.49
Interest rate	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Bid-to-cover ratio	3.15	3.66	2.96	2.33	3.12	2.53	2.94
Average annual yield (%)	3.16	3.16	2.79	2.63	2.97	3.01	2.93

(continued)

3-year government securities

(continued)

Issue No.	First opening	BG2030106111 ³ Second opening	Third opening	Total for the issue
Auction date	06.02.2006	10.04.2006	19.06.2006	
Issue date	08.02.2006	08.02.2006	08.02.2006	08.02.2006
Maturity date	08.02.2009	08.02.2009	08.02.2009	08.02.2009
Nominal value of the offer (BGN'000)	35 000.00	40 000.00	45 000.00	75 000.00
Total nominal value of the bids received (BGN'000)	87 800.00	48 950.00	32 730.00	136 750.00
Total nominal value of the bids approved (BGN'000)	35 000.00	40 000.00	32 730.00	75 000.00
Average price of the bids approved per BGN 100 (%)	98.74	97.20	96.19	97.39
Interest rate	2.75	2.75	2.75	2.75
Bid-to-cover ratio	2.51	1.22	0.73	1.82
Average annual yield (%)	3.23	3.85	4.35	3.80

(continued)

5-year government securities

(continued)

Issue No.	BG2030701119 ⁵			BG2030002112 ⁴			Total for the issue	Fourth opening	Total for the issue
	First opening	Second opening	Third opening	First opening	Second opening	Third opening			
Auction date	22.10.2001	26.11.2001	21.12.2001	07.01.2002	11.02.2002	08.04.2002	07.05.2002		
Issue date	24.10.2001	24.10.2001	24.10.2001	09.01.2002	09.01.2002	09.01.2002	09.01.2002	09.01.2002	09.01.2002
Maturity date	24.10.2006	24.10.2006	24.10.2006	09.01.2007	09.01.2007	09.01.2007	09.01.2007	09.01.2007	09.01.2007
Nominal value of the offer (BGN'000)	20 000.00	20 000.00	20 000.00	25 000.00	20 000.00	25 000.00	20 000.00	20 000.00	90 000.00
Total nominal value of the bids received (BGN'000)	43 400.00	55 400.00	28 750.00	62 850.00	72 470.00	47 080.00	36 250.00	218 650.00	
Total nominal value of the bids approved (BGN'000)	20 000.00	20 000.00	20 000.00	25 000.00	20 000.00	25 000.00	20 000.00	20 000.00	90 000.00
Average price of the bids approved per BGN 100 (%)	100.22	100.36	100.20	100.71	101.98	102.01	102.07	101.66	
Interest rate	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Bid-to-cover ratio	2.17	2.77	1.44	2.51	3.62	1.88	1.81	2.43	
Average annual yield (%)	6.95	6.91	6.95	6.83	6.53	6.52	6.51	6.60	

(continued)

5-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Total for the issue	First opening	Second opening	Third opening	Total for the issue
			BG20302118 ⁴				BG2030003110 ³		
Auction date	08.07.2002	12.08.2002	07.10.2002	11.11.2002		13.01.2003	10.02.2003	02.06.2003	
Issue date	10.07.2002	10.07.2002	10.07.2002	10.07.2002	10.07.2002	15.01.2003	15.01.2003	15.01.2003	15.01.2003
Maturity date	10.07.2007	10.07.2007	10.07.2007	10.07.2007	10.07.2007	15.01.2008	15.01.2008	15.01.2008	15.01.2008
Nominal value of the offer (BGN'000)	25 000.00	20 000.00	25 000.00	20 000.00	90 000.00	30 000.00	25 000.00	20 000.00	75 000.00
Total nominal value of the bids received (BGN'000)	38 080.00	19 100.00	49 950.00	67 184.70	174 314.70	87 720.00	50 900.00	49 450.00	188 070.00
Total nominal value of the bids approved (BGN'000)	25 000.00	14 750.00	25 000.00	20 000.00	84 750.00	30 000.00	25 000.00	20 000.00	75 000.00
Average price of the bids approved per BGN 100 (%)	99.81	98.45	98.78	99.52	99.20	100.42	100.55	100.40	100.46
Interest rate	6.50	6.50	6.50	6.50	6.50	5.625	5.625	5.625	5.625
Bid-to-cover ratio	1.52	0.96	2.00	3.36	1.94	2.92	2.04	2.47	2.51
Average annual yield (%)	6.55	6.87	6.79	6.61	6.69	5.53	5.50	5.53	5.52

(continued)

5-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
	BG2030203116⁵					
Auction date	07.07.2003	04.08.2003	08.09.2003	12.11.2003	01.12.2003	
Issue date	09.07.2003	09.07.2003	09.07.2003	09.07.2003	09.07.2003	09.07.2003
Maturity date	09.07.2008	09.07.2008	09.07.2008	09.07.2008	09.07.2008	09.07.2008
Nominal value of the offer (BGN'000)	25 000.00	15 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Total nominal value of the bids received (BGN'000)	47 300.00	37 150.00	43 600.00	56 500.00	60 750.00	245 300.00
Total nominal value of the bids approved (BGN'000)	25 000.00	15 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Average price of the bids approved per BGN 100 (%)	99.12	98.33	98.25	99.22	99.48	98.92
Interest rate	4.75	4.75	4.75	4.75	4.75	4.75
Bid-to-cover ratio	1.89	2.48	2.18	2.83	3.04	2.45
Average annual yield (%)	4.95	5.13	5.15	4.93	4.87	5.00

(continued)

5-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
			BG2030004118 ⁵			
Auction date	05.01.2004	01.03.2004	07.06.2004	13.09.2004	20.12.2004	
Issue date	07.01.2004	07.01.2004	07.01.2004	07.01.2004	07.01.2004	07.01.2004
Maturity date	07.01.2009	07.01.2009	07.01.2009	07.01.2009	07.01.2009	07.01.2009
Nominal value of the offer (BGN'000)	20 000.00	20 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Total nominal value of the bids received (BGN'000)	84 450.00	60 120.00	35 850.00	76 600.00	92 285.00	284 855.00
Total nominal value of the bids approved (BGN'000)	20 000.00	20 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Average price of the bids approved per BGN 100 (%)	99.79	100.72	96.88	99.94	103.98	100.26
Interest rate	4.70	4.70	4.70	4.70	4.70	4.70
Bid-to-cover ratio	4.22	3.01	1.79	3.83	4.61	2.85
Average annual yield (%)	4.75	4.54	5.42	4.71	3.67	4.62

(continued)

5-year government securities

(continued)

Issue No.	BG2030105113 ⁴			BG2030006113 ³			Total for the issue	Third opening	Total for the issue
	First opening	Second opening	Third opening	Fourth opening	First opening	Second opening			
Auction date	14.02.2005	09.05.2005	15.08.2005	10.10.2005	23.01.2006	20.03.2006	29.05.2006		
Issue date	16.02.2005	16.02.2005	16.02.2005	16.02.2005	25.01.2006	25.01.2006	25.01.2006	25.01.2006	25.01.2006
Maturity date	16.02.2010	16.02.2010	16.02.2010	16.02.2005	25.01.2011	25.01.2011	25.01.2011	25.01.2011	25.01.2011
Nominal value of the offer (BGN'000)	25 000.00	25 000.00	25 000.00	25 000.00	45 000.00	45 000.00	45 000.00	45 000.00	135 000.00
Total nominal value of the bids received (BGN'000)	108 300.00	98 810.00	105 900.00	71 100.00	125 710.00	75 100.00	72 870.00	273 680.00	
Total nominal value of the bids approved (BGN'000)	25 000.00	25 000.00	25 000.00	25 000.00	45 000.00	45 000.00	45 000.00	135 000.00	
Average price of the bids approved per BGN 100 (%)	101.43	102.36	103.17	103.09	98.37	96.82	95.47	98.60	
Interest rate	3.75	3.75	3.75	3.75	3.00	3.00	3.00	3.00	
Bid-to-cover ratio	4.33	3.95	4.24	2.84	2.79	1.67	1.62	2.79	
Average annual yield (%)	3.46	3.24	3.01	3.01	3.38	3.76	4.12	3.35	

(continued)

7-year government securities

(continued)

Issue No.	BG2040001211 ²		BG2040002219 ²		BG2040102217 ³		Total for the issue
	First opening	Second opening	First opening	Second opening	First opening	Second opening	Third opening
Auction date	29.10.2001	30.11.2001	14.01.2002	21.01.2002	18.02.2002	18.03.2002	13.05.2002
Issue date	31.10.2001	31.10.2001	16.01.2002	16.01.2002	20.02.2002	20.02.2002	20.02.2002
Maturity date	31.10.2008	31.10.2008	16.01.2008	16.01.2009	20.05.2009	20.05.2009	20.05.2009
Nominal value of the offer (BGN'000)	30 000.00	11 070.00	30 000.00	30 000.00	30 000.00	25 000.00	35 000.00
Total nominal value of the bids received (BGN'000)	53 672.00	54 615.00	106 295.00	99 331.00	63 350.00	58 812.00	58 300.00
Total nominal value of the bids approved (BGN'000)	18 930.00	11 070.00	30 000.00	50 000.00	30 000.00	25 000.00	35 000.00
Average price of the bids approved per BGN 100 (%)	95.45	98.19	100.47	101.46	99.05	99.77	99.44
Interest rate	7.50	7.50	7.50	7.50	7.00	7.00	7.00
Bid-to-cover ratio	1.79	4.93	3.61	3.31	2.11	2.35	1.67
Average annual yield (%)	8.37	7.84	8.17	7.23	7.17	7.04	7.10

(continued)

7-year government securities

(continued)

Issue No.	BG204030213 ⁴				BG2040103215 ⁵				Total for the issue	
	First opening	Second opening	Third opening	Fourth opening	First opening	Second opening	Third opening	Fourth opening		Fifth opening
Auction date	15.07.2002	19.08.2002	14.10.2002	18.11.2002	03.02.2003	14.04.2003	07.05.2003	21.07.2003	20.10.2003	
Issue date	17.07.2002	17.07.2002	17.07.2002	17.07.2002	05.02.2003	05.02.2003	05.02.2003	05.02.2003	05.02.2003	05.02.2003
Maturity date	17.07.2009	17.07.2009	17.07.2009	17.07.2009	05.02.2010	05.02.2010	05.02.2010	05.02.2010	05.02.2010	05.02.2010
Nominal value of the offer (BGN'000)	20 000.00	15 000.00	20 000.00	15 000.00	20 000.00	20 000.00	20 000.00	15 000.00	30 000.00	105 000.00
Total nominal value of the bids received (BGN'000)	29 863.50	24 239.00	48 880.30	86 964.00	77 850.00	49 650.00	34 800.00	46 260.00	68 030.00	276 590.00
Total nominal value of the bids approved (BGN'000)	20 000.00	15 000.00	20 000.00	15 000.00	20 000.00	20 000.00	20 000.00	15 000.00	30 000.00	105 000.00
Average price of the bids approved per BGN 100 (%)	98.39	96.38	96.63	99.09	100.42	98.90	98.06	101.92	102.27	100.42
Interest rate	7.00	7.00	7.00	7.00	5.875	5.875	5.875	5.875	5.875	5.875
Bid-to-cover ratio	1.49	1.62	2.44	5.80	3.89	2.48	1.74	3.08	2.27	2.63
Average annual yield (%)	7.30	7.68	7.63	7.17	5.80	6.07	6.22	5.54	5.48	5.80

(continued)

7-year government securities

(continued)

Issue No.	First opening	BG2040203213 ^{2*} Second opening	Total for the issue	First opening	Second opening	BG2040104213 ⁴ Third opening	Fourth opening	Total for the issue
Auction date	18.02.2003	10.03.2003		09.02.2004	03.05.2004	01.11.2004	07.12.2004	
Issue date	24.02.2003	24.02.2003	24.02.2003	11.02.2004	11.02.2004	11.02.2004	11.02.2004	11.02.2004
Maturity date	24.05.2010	24.05.2010	24.05.2010	11.02.2011	11.02.2011	11.02.2011	11.02.2011	11.02.2011
Nominal value of the offer (BGN'000)	50 000.00	25 000.00	75 000.00	20 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Total nominal value of the bids received (BGN'000)	139 990.00	76 475.00	216 465.00	76 850.00	39 060.00	90 400.00	97 000.00	303 310.00
Total nominal value of the bids approved (BGN'000)	50 000.00	55 000.00	105 000.00	20 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Average price of the bids approved per BGN 100 (%)	100.99	100.55	100.76	98.42	96.77	99.61	101.69	99.12
Interest rate	5.75	5.75	5.75	4.75	4.75	4.75	4.75	4.75
Bid-to-cover ratio	2.80	3.06	2.89	3.84	1.95	4.52	4.85	3.79
Average annual yield (%)	5.58	5.65	5.62	5.02	5.31	4.82	4.48	4.91

(continued)

10-year government securities

(continued)

Issue No.	BG204020215 ⁴				BG2040003217 ²			Total for the issue
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	First opening	Second opening	
Auction date	15.04.2002	22.04.2002	17.06.2002	22.07.2002	17.04.2002	06.01.2003	31.03.2003	08.01.2003
Issue date	17.04.2002	17.04.2002	17.04.2002	17.04.2002	17.04.2012	08.01.2003	08.01.2003	08.01.2003
Maturity date	17.04.2012	17.04.2012	17.04.2012	17.04.2012	17.04.2012	08.01.2013	08.01.2013	08.01.2013
Nominal value of the offer (BGN'000)	15 000.00	25 000.00	25 000.00	25 000.00	90 000.00	30 000.00	20 000.00	50 000.00
Total nominal value of the bids received (BGN'000)	72 080.00	59 589.60	42 338.50	28 859.30	202 867.40	94 289.80	56 355.00	150 644.80
Total nominal value of the bids approved (BGN'000)	15 000.00	25 000.00	25 000.00	19 920.00	84 920.00	30 000.00	20 000.00	50 000.00
Average price of the bids approved per BGN 100 (%)	98.14	96.77	95.92	93.76	96.06	104.08	105.18	104.52
Interest rate	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Bid-to-cover ratio	4.81	2.38	1.69	1.15	2.25	3.14	2.82	3.01
Average annual yield (%)	7.77	7.97	8.10	8.44	8.08	6.93	6.78	6.87

(continued)

10-year government securities

(continued)

Issue No.	First opening	BG204030211 ² Second opening	Total for the issue	First opening	Second opening	BG2040004215 ⁴ Third opening	Fourth opening	Total for the issue
Auction date	30.06.2003	29.09.2003		02.02.2004	13.04.2004	04.10.2004	15.11.2004	
Issue date	02.07.2003	02.07.2003	02.07.2003	04.02.2004	04.02.2004	04.02.2004	04.02.2004	04.02.2004
Maturity date	02.07.2013	02.07.2013	02.07.2013	04.02.2014	04.02.2014	04.02.2014	04.02.2014	04.02.2014
Nominal value of the offer (BGN'000)	20 000.00	30 000.00	50 000.00	20 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Total nominal value of the bids received (BGN'000)	69 350.00	78 753.00	148 103.00	85 300.00	82 680.00	86 010.00	78 128.00	332 118.00
Total nominal value of the bids approved (BGN'000)	20 000.00	30 000.00	50 000.00	20 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Average price of the bids approved per BGN 100 (%)	98.82	97.71	98.15	97.85	99.20	99.75	101.47	99.57
Interest rate	5.75	5.75	5.75	5.20	5.20	5.20	5.20	5.20
Bid-to-cover ratio	3.47	2.63	2.96	4.27	4.13	4.30	3.91	4.15
Average annual yield (%)	5.91	6.06	6.00	5.48	5.30	5.23	5.01	5.26

(continued)

10-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Sixth opening	Total for the issue
				BG20400052126			
Auction date	10.01.2005	07.03.2005	06.06.2005	04.07.2005	19.09.2005	03.10.2005	
Issue date	12.01.2005	12.01.2005	12.01.2005	12.01.2005	12.01.2005	12.01.2005	12.01.2005
Maturity date	12.01.2015	12.01.2015	12.01.2015	12.01.2015	12.01.2015	12.01.2015	12.01.2015
Nominal value of the offer (BGN'000)	25 000.00	25 000.00	15 000.00	35 000.00	25 000.00	25 000.00	150 000.00
Total nominal value of the bids received (BGN'000)	130 600.00	102 150.00	86 325.00	158 625.00	79 707.00	80 350.00	637 757.00
Total nominal value of the bids approved (BGN'000)	25 000.00	25 000.00	15 000.00	35 000.00	25 000.00	25 000.00	150 000.00
Average price of the bids approved per BGN 100 (%)	100.68	101.09	103.74	105.00	106.40	106.20	103.94
Interest rate	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Bid-to-cover ratio	5.22	4.09	5.76	4.53	3.19	3.21	4.25
Average annual yield (%)	4.21	4.16	3.82	3.66	3.47	3.49	3.79

(continued)

10-year government securities

(continued)

Issue No.	First opening	Second opening	BG2040006210 ⁴ Third opening	Fourth opening	Total for the issue
Auction date	03.01.2006	20.02.2006	25.04.2006	24.07.2006	
Issue date	04.01.2006	04.01.2006	22.02.2006	04.01.2006	04.01.2006
Maturity date	04.01.2016	04.01.2016	04.01.2016	04.01.2016	04.01.2016
Nominal value of the offer (BGN'000)	50 000.00	30 000.00	50 000.00	20 000.00	150 000.00
Total nominal value of the bids received (BGN'000)	96 350.00	107 905.00	97 410.00	67 765.00	369 430.00
Total nominal value of the bids approved (BGN'000)	50 000.00	30 000.00	50 000.00	20 000.00	150 000.00
Average price of the bids approved per BGN 100 (%)	98.26	97.61	92.02	91.00	95.08
Interest rate	3.50	3.50	3.50	3.50	3.50
Bid-to-cover ratio	1.93	3.60	1.95	3.39	2.46
Average annual yield (%)	3.74	3.83	4.58	4.74	4.17

(continued)

15-year government securities

(continued)

Issue No.	BG2040403219**					
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	
Auction date	03.11.2003	19.01.2004	02.08.2004	03.01.2005		
Issue date	12.11.2003	12.11.2003	12.11.2003	12.11.2003		12.11.2003
Maturity date	11.10.2018	11.10.2018	11.10.2018	11.10.2018		11.10.2018
Nominal value of the offer (BGN'000)	20 000.00	50 000.00	15 000.00	15 000.00		100 000.00
Total nominal value of the bids received (BGN'000)	73 628.54	124 820.00	62 878.00	89 545.00		350 871.54
Total nominal value of the bids approved (BGN'000)	20 000.00	50 000.00	15 000.00	15 000.00		100 000.00
Average price of the bids approved per BGN 100 (%)	94.81	99.43	100.59	110.58		100.35
Interest rate	6.00	6.00	6.00	6.00		6.00
Bid-to-cover ratio	3.68	2.50	4.19	5.97		3.51
Average annual yield (%)	6.55	6.06	5.94	4.99		5.96

¹The price indicated in the *Total for the issue* column is a result of the one auction organized for sale of this issue.

²The price indicated in the *Total for the issue* column is a result of the two auctions organized for sale of this issue.

³The price indicated in the *Total for the issue* column is a result of the three auctions organized for sale of this issue.

⁴The price indicated in the *Total for the issue* column is a result of the four auctions organized for sale of this issue.

⁵The price indicated in the *Total for the issue* column is a result of the five auctions organized for sale of this issue.

⁶The price indicated in the *Total for the issue* column is a result of the six auctions organized for sale of this issue.

* Issues Nos. BG2040203213 and BG2040403219 are denominated in euro and all related values are also in euro.

Note: Since 22 November 2004 government securities yield has been calculated according to ISMA-International Yield.

Government Securities Issued to Settle Non-performing Credits of State-owned Companies to Banks

Legal regulation	CMD 244/91	CMD 186/93	Art. 4 ZUNK/93	Art. 5 ZUNK/93	CMD 3/94	§10 of TFP of SBL/99
Issue No.	BG 2000192224	BG 2009993226	BG 2009893228	BG 2009794228	BG 2009693222	BG 2040099223
Issue date	01.01.1992	01.07.1993	01.10.1993	01.01.1994	01.12.1993	01.07.1999
Maturity date	01.01.2011	01.07.2017	01.10.2018	01.01.2019	01.12.2018	01.01.2019
Maturity (years)	19	24	25	25	25	19.5
Grace period (years)	4	4	5	5	5	
Redemption term (years)	15	20	20	20	20	19.5
Repayments	15 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments
Principal (thousand)	BGN 1375.87	BGN 1526.20	BGN 5598.14	USD 128,557.35	BGN 600.66	EUR 108,590.13
Interest payments	semiannual	semiannual	semiannual	semiannual	annual	semiannual
Interest	BIR+1	BIR	BIR	LIBOR*	BIR	EURIBOR**

* Six-month LIBOR of the US dollar for the preceding interest period; the amount of the interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.

** Six-month EURIBOR for the preceding interest period; the amount of the interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.

EUR-denominated issue BG 2040099223 has the same status as the USD-denominated issue BG 2009794228 (issued under Article 5 of ZUNK).

Pursuant to CM Decree No. 221 of 1995 holders of long-term government bonds issued under ZUNK, CM Decrees No. 244 of 1991, No. 186 of 1993 and No. 3 of 1994 may use them as legal tender in privatisation transactions.

Pursuant to CM Decree No. 22 of 1995, long-term government bonds issued under ZUNK may be used to repay obligations of state-owned enterprises, firms and commercial companies to the government, transformed under Article 10 of ZUNK. In meeting these obligations, long-term government bonds are valued at their nominal for the bonds denominated in US dollars, and 80% for those denominated in levs.

Principals are based on actual data as of 31 August 2006.

LIST

of Financial Institutions Approved by the Ministry of Finance and the Governor of the Bulgarian National Bank to Act as Government Securities Primary Dealers between 1 July and 31 December 2006

No.	Financial institution	Reuters page of government securities quotations	Bloomberg page of government securities quotations	Website
1	DSK BANK 19 Moskovska Str., 1036 Sofia tel. (+359 2) 9391220	SSBG 01-03	DSKB	www.dskbank.bg
2	BNP PARIBAS (BULGARIA) 2 Tsar Osvoboditel Blvd., 1000 Sofia, PB 11 tel. (+359 2) 9218640	BSBD 01-03		www.bulgaria.bnpparibas.com
3	PURAEUS BANK BULGARIA 43 Cherni Vrah Blvd., 1407 Sofia tel. (+359 2) 9690760	EBSF 01-03		www.eurobank.bg
4	BULBANK 7 Sveta Nedelya Sq., 1000 Sofia tel. (+359 2) 9232111	BGTB 01-03		www.bulbank.bg
5	BULGARIAN POST BANK 14 Tsar Osvoboditel Blvd., 1048 Sofia tel. (+359 2) 8166000	BPBB 01-03		www.postbank.bg
6	DZI BANK 4-6 Dondukov Blvd., 1000 Sofia tel. (+359 2) 9307136	REBS 01-03		www.dzibank.bg
7	HVB BANK BIOCHIM 1 Ivan Vazov Str., 1026 Sofia TEL: (+359 2) 9269210	CBBB 01-03	CBBB	www.biochim.com
8	INVESTBANK 83A Bulgaria Blvd., 1404 Sofia tel. (+359 2) 8186119	OBGG 01-03		www.ibank.bg
9	ING BANK N. V. – SOFIA BRANCH 12 Emil Bersinski Str., 1408 Sofia tel. (+359 2) 9176400	INBS 01-03		www.ing.bg
10	INTERNATIONAL ASSET BANK 81-83 Todor Alexandrov Blvd., 1303 Sofia tel. (+359 2) 8120111	EIBG 01-03		www.iabank.bg
11	CORPORATE COMMERCIAL BANK 10 Graf Ignatiev Str., 1000 Sofia tel. (+359 2) 9809362	BGIB 01-03		www.corpbank.bg
12	UNITED BULGARIAN BANK 5 Sveta Sofia Str., 1040 Sofia tel. (+359 2) 2811+extension	UBBB 01-03		www.ubb.bg

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(continued)

No.	Financial institution	Reuters page of government securities quotations	Bloomberg page of government securities quotations	Website
13	MUNICIPAL BANK 6 Vrabcha Str., 1000 Sofia tel. (+359 2) 9300111	SMBK 01-03		www.municipalbank.bg
14	FIRST INVESTMENT BANK 10 Stefan Karadzha Str., 1000 Sofia tel.: (+359 2) 91001+extension	BFIB 01-03		www.fibank.bg
15	RAIFFEISENBANK (BULGARIA) 18-20 Nikolay Gogol Str., 1504 Sofia tel. (+359 2) 91985101	RBBS 01-03		www.raiffeisen.bg
16	SOCIETE GENERALE EXPRESSBANK 92 Vladislav Varnenchik Blvd., 9000 Varna tel. (+359 52) 686100	EBVB 01-03		www.sgexpressbank.bg
17	CITIBANK N. A. – SOFIA BRANCH 2 Knyaginya Maria-Louisa Blvd., TSUM, Business Centre, fifth floor, 1000 Sofia tel. (+359 2) 9175100	CSOF 01-03		www.citibank.com/bulgaria/
18	ECONOMIC AND INVESTMENT BANK 11A Saborna Str., 1000 Sofia тел.: (+359 2) 9399240	RIBB 01-03		www.eibank.bg
19	ALLIANZ BULGARIA COMMERCIAL BANK 79 Knyaginya Maria-Louisa Blvd., 1202 Sofia tel. (+359 2) 9215404	BGIN 01-03		www.bank.allianz.bg
20	D COMMERCIAL BANK 8 Tsar Osvoboditel Blvd., 1000 Sofia tel.: (+359 2) 9357171	DBBG 01-03		www.dbank.bg
21	CENTRAL COOPERATIVE BANK 103 Rakovski Str., 1000 Sofia tel. (+359 2) 9266107	SCCB 01-03		www.ccbank.bg
22	UNIONBANK 10-12 Damyan Gruev Str., 1606 Sofia tel. (+359 2) 9179833	UNBS 01-03		www.unionbank.bg
23	BULBROKERS 30 Ivan Vazov Str., 1000 Sofia tel. (+359 2) 9376200	BULB 01-03		www.bulbrokers.com
24	EUROFINANCE 84 Patriarh Evtimii Blvd., 1463 Sofia tel. (+359 2) 9805657	EUF1 01-03		www.euro-fin.com
25	ELANA TRADING INVESTMENT INTERMEDIARY 49 Bulgaria Blvd., 1404 Sofia tel. (+359 2) 8100000	ELAN 01-03		www.elana.net

Credit Ratings Range for Bulgaria

		Moody's	S&P	Fitch	JCRA	
Subinvestment grade	Investment	Aaa	AAA	AAA	AAA	
	Aa1	AA+	AA+	AA+	AA+	
	Aa2	AA	AA	AA	AA	
	Aa3	AA-	AA-	AA-	AA-	
	A1	A+	A+	A+	A+	
	A2	A	A	A	A	17 August 2005
	A3	A-	A-	A-	A-	27 October 2005
	Baa1	BBB+	BBB+	BBB+	BBB+	1 March 2006
	Baa2	BBB	BBB	BBB	BBB	21 July 2006
	Baa3	BBB-	BBB-	BBB-	BBB-	
	Ba1	BB+	BB+	BB+	BB+	
	Ba2	BB	BB	BB	BB	
	Ba3	BB-	BB-	BB-	BB-	
	B1	B+	B+	B+	B+	
	B2	B	B	B	B	
	B3	B-	B-	B-	B-	27 September 1996
	Caa	CCC+	CCC	CCC	CCC	
	
C	D	D	D	D		

Long-term government securities: foreign currency

Long-term government securities: local currency