

Neka brojevi
govore sami
za sebe!

**Godišnji
izvještaj
2008**
Annual Report 2008

Austrija
BOSNA I HERCEGOVINA
Hrvatska
Češka Republika
Mađarska
Rumunija
Srbija
Slovačka
Slovenija
Ukrajina

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IZVJEŠTAJ UPRAVE



Andreas Burkhardt
Reinhold Kolland
Senad Tupković
(s lijeva na desno)

Poštovane dame i gospodo,

izuzetno nam je zadovoljstvo predstaviti Vam ostvarene poslovne uspjehe Volksbank BH d.d. u 2008. godini.

Volksbank BH d.d. je prisutna na tržištu Bosne i Hercegovine od jula 2000. godine i sa krajem 2008. godine ostvarila je tržišno učešće od preko 4 %.

Ukupna aktiva banke povećana je za više od 25 % i sa krajem godine dosegla je iznos od cca. 859 miliona KM, kreditni volumen je porastao za cca. 29 %, dok volumen platnih transakcija bilježi rast veći od 38 %. U poređenju sa krajem 2007. godine depoziti građana smanjeni su za oko 4 %, što je uzrokovano povlačenjem depozita koje je zabilježeno u zadnjem kvartalu 2008. godine.

Također, mreža filijala je proširena za dodatne 4 lokacije i sada broji 29 poslovnih jedinica. Broj zaposlenika sa krajem prošle godine iznosi 355. Uzimajući gore navedeno u obzir možemo zaključiti da je Volksbank BH d.d. nastavila pozitivan poslovni trend u 2008. godini, te ostvarila dobit od preko 5,9 miliona KM.

Volksbank BH d.d. je aktivno nastavila razvoj novih finansijskih usluga i proizvoda, sa fokusom na uvođenju novih štednih proizvoda. Sa ciljem da poboljša kvalitet usluga pravnim licima Banka je otvorila novi Centar za poslovanje sa pravnim licima u Sarajevu.

Temelji svakog modernog i uspješnog preduzeća kao što je Volksbank BH d.d. je visoko obrazovano i motivisano osoblje. U skladu sa istim, Banka i dalje pridaje poseban značaj edukaciji i obuci svojih uposlenika, osiguravajući svojim klijentima visok kvalitet usluga i podrške.

Želimo se zahvaliti svim uposlenicima Volksbank BH d.d. na odanosti kao i našim partnerima i dioničarima na povjerenju i izvrsnoj saradnji. Posebno se zahvaljujemo našim lojalnim klijentima koji su našoj banci poklonili svoje povjerenje. Postupanje u skladu

sa visokim standardima lične i poslovne etike, konstanto jačajući našu dugu tradiciju izgradnje odnosa zasnovanih na iskrenosti, povjerenju i sigurnosti, za našu banku predstavlja jednu od ključnih vrijednosti.

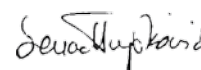
Vodeći se sloganom Volksbank grupacije "Povjerenje spaja" ostajemo pouzdan i siguran partner svim našim klijentima.



Reinhold Kolland
Direktor



Andreas Burkhardt
Izvršni direktor



Senad Tupković
Izvršni direktor

PREGLED NAJZNAČAJNIJIH POKAZATELJA

u 000 KM	2007.	2008.
Ukupna aktiva	685.610	857.595
Depoziti	331.950	716.749
Kredit	476.890	612.587
Dobit prije oporezivanja	5.918	5.937
Ukupni prihodi	51.894	62.579
Ukupni troškovi	45.975	56.642
Broj zaposlenih	340	355
Broj poslovnih jedinica	25	29

MEĐUNARODNA MREŽA



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www.volksbank.ba

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www.vbi.at

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www.volksbank.cz

Srbija
www.volksbank.co.yu

Ukrajina
www.volksbank.ua

ORGANI UPRAVLJANJA I RUKOVODSTVA

NADZORNI ODBOR

Predsjedavajući

Dr. Friedhelm Boschert
Predsjedavajući Uprave
Volksbank International AG

Zamjenik

Dr. Engelbert Bramerdorfer
Vođa odjela Akvizicije i Integracija
Volksbank International AG

Članovi

Mag. Gerhard Kriegler
Korporativne finansije
Volksbank International AG

Dipl.ing. Mahir Hadžiahmetović
Član Nadzornog odbora

Gabriele Ugolini
Član Nadzornog odbora

RUKOVODSTVO

Mag. Reinhold Kolland
Direktor

Dipl. oec. Andreas Burkhardt
Izvršni direktor

Dipl. oec. Senad Tupković
Izvršni direktor

PRIVREDNO OKRUŽENJE

U 2008. godini nastavljen je trend održivog ekonomskog rasta iz prethodnih godina i sa 31.12.2008. godine prema procjenama iznosi 5,5 %.

Zbog rasta cijena energenata i hrane na svjetskom tržištu, koje su uticale i na rast cijena u Bosni i Hercegovini, inflacija je u prvom polugodištu prošle godine zabilježila rast, a svoj maksimum od 9,9 % dosegla je u julu 2008. godine. Padom cijena energenata i hrane, krajem godine došlo je i do pada inflacije. Prosječna godišnja inflacija iznosila je 7,4 %, dok je inflacija na godišnjem nivou, mjerena u decembru 2008. godine u odnosu na isti period 2007. godine, iznosila 3,8 %.

Vanjski dug Bosne i Hercegovine uredno je servisiran, a iznosio je 4,2 milijardi KM ili 16,7 % BDP-a.

U prošloj godini nastavljen je trend rasta kredita, ali je krajem godine došlo do značajnog usporavanja tog rasta. Ukupni krediti na kraju godine iznosili su 14,5 milijardi KM i veći su za 21,7 % u odnosu na kraj 2007. godine. Privrednim preduzećima zabilježen je rast kredita po stopi od 27,7 % a domaćinstvima po stopi od 17,8 %.

Centralna banka BiH je promijenila politiku investiranja deviznih rezervi. Naime, devizne rezerve su iz komercijalnih banaka prebačene u centralne banke zemalja Evropske Unije i u Banku za međunarodna poravnanja (BIS) u Bazelu, čime se Centralna banka BiH zaštitila od mogućih gubitaka po osnovu deviznih rezervi. Pri tome se Centralna banka BiH rukovala prvenstveno sigurnošću odnosno potrebom da osigura devizne rezerve, pa tek onda potrebom da ostvari profit.

Od oktobra 2008. godine, kada su komercijalne banke, zbog podizanja depozita, bile pod izvjesnim pritiskom, Centralna banka BiH je poduzela nekoliko mjera kako bi ojačala njihovu likvidnost. Prvo je smanjena stopa obavezne rezerve sa 18 % na 14 %. Potom su iz osnovice za obračun obavezne rezerve izuzete sve nove kreditne linije koje su komercijalne banke povlačile iz inostranstva. Posljednjom odlukom je uvedena diferencirana stopa obavezne rezerve, prema kojoj je stopa obavezne rezerve na depozite oročene na period duži od jedne godine smanjena sa 14 % na 10 %. Stopa obavezne rezerve na depozite koji ulaze u osnovicu za obračun obavezne rezerve, a čija je ročnost do jedne godine, ostala je 14 %.

Kao agent države u poslovima dodjele kreditnog rejtinga, Centralna banka BiH je posredovala između dvije međunarodne bonitetne agencije i državnih institucija prilikom dodjele kreditnih ocjena Bosni i Hercegovini. Moody's Investor Service potvrdio je isti kreditni rejting Bosni i Hercegovini 'B2' sa stabilnim izgledima, dok je Standard & Poor's dodijelila Bosni i Hercegovini 'B+' kreditni rejting sa stabilnim izgledima, što je za jedan nivo bolji rejting od onog koji je dodijelila agencija Moody's.

ANALIZA POSLOVANJA

POSLOVANJE SA PRAVNIM LICIMA

Osnovne karakteristike razvoja Odjela za poslovanje s pravnim licima mogu se opisati kroz značajan napredak u svim segmentima poslovanja. Značajna povećanja u kreditnom portfelju zajedno s većim porastom u poslovanju s naknadama predstavljaju primarne segmente ovog rasta koji nam je omogućio da povećamo konkurentnost i udio na tržištu. Kao rezultat toga, prihodi od naknada narasli su za preko 26,4 % u poređenju s prošlom godinom, čime se dostigla brojka od preko 3 miliona KM. Nadalje, kreditni portfelj je narastao za 58,6 %, odnosno sa 114,1 miliona KM na 180,9 miliona KM u 2008. godini. Zatim, rast i napredovanje ključnih finansijskih pokazatelja, uz specifičan pristup ličnog kontakta s našim klijentima, predstavljaju izuzetne osnove za buduće širenje i stalni razvoj naših usluga.

POSLOVANJE SA STANOVNIŠTVOM

Poslovanje sa malim preduzećima/samostalnim obrtnicima

Odjel Poslovanje sa malim preduzećima/samostalnim obrtnicima pokriva klijente prometa, prema zadnjem bilansu, u iznosu do 1 miliona KM. Na dan 31.12.2008. godine odjel je brojao 13 Savjetnika za mala preduzeća/samostalne obrtnike i 2 Suradnika za centralno vođenje računa.

Što se tiče kreditnog portfolija na 31.12.2008. godine stanje kredita je bilo 30,5 miliona KM, pri čemu je ukupan broj kreditnih partija iznosio 868. Također na dan 31.12.2008. godine Odjel Poslovanje sa malim preduzećima/samostalnim obrtnicima je brojao 2.127 klijenata.

Poslovanje sa fizičkim licima

U skladu sa poslovnom politikom Volksbank BH d.d., koja se fokusira na zahtjeve i potrebe klijenata, Banka je započela proces implementacije «Branch Concept-a» i uvela poziciju savjetnika za fizička lica u svojim poslovnim jedinicama, u cilju obezbjeđenja kvalitetnije usluge. Banka je podizala kvalitet usluga i kroz kontinuiranu edukaciju uposlenika, te posvećivala pažnju kontrolnim mjerama kvalitete usluga, kao što je projekat «Mystery Shopping». Navedene se aktivnosti razvijaju uz naglasak na standardizaciji procesa.

U području poslovanja sa stanovništvom nastavljen je trend širenja mreže filijala Volksbank BH d.d.. Otvorene su četiri nove poslovne jedinice i to: Banovići, Mostar-Šemovac, Brčko i Šentada. Ovim je broj poslovnih jedinica povećan na 29.

Banka bilježi pozitivne rezultate u prodaji tekućih računa, te debitnih i kreditnih kartica. U ponudu Volksbank BH d.d. uvedene su MasterCard i Maestro kartice. MasterCard kreditna kartica omogućuje kupovinu odnosno bezgotovinsko plaćanje roba i usluga na 28 miliona prodajnih mjesta u više od 120 zemalja svijeta, kao i podizanje gotovine na bankomatima. Maestro debitna kartica omogućuje podizanje novca na preko milion bankomata širom svijeta, a svoje izdatke pratite putem detaljnih mjesečnih izvoda.

Banka je u potpunosti prešla na čip-tehnologiju i otpočela izdavanje čip kartica za sve Volksbank kartične proizvode. Svi bankomati Volksbank BH d.d. su osposobljeni za prihvat čip-kartica, što povećava nivo zaštite Banke i klijenata od zloupotrebe.

Sa 31.12. 2008. godine Banka je imala 194,6 miliona KM depozita stanovništva, od toga 121,8 miliona KM oročenih depozita, te 72,8 miliona KM a'vista depozita i sredstava na žiro i tekućim računima.

Banka je sačuvala povjerenje svojih klijenata uprkos globalnoj finansijskoj krizi, te je navedeni nivo depozita stanovništva ostvarila zahvaljujući kvalitetnoj ponudi standardnih štednih proizvoda kao i uvođenjem novih proizvoda poput «MAGIC 7». U posljednjem kvartalu 2008. godine Volksbank BH d.d. je putem ovog proizvoda prikupila 3,4 miliona KM i 7,9 miliona EUR, od čega je većina depozita prikupljena od novih klijenata. To govori o visokom nivou povjerenja koje klijenti imaju u Volksbank BH d.d.

PLATNI PROMET

Sa 31.12.2008. godine nalozi unutrašnjeg platnog prometa primani su u 28 filijala, od čega su 2 u Republici Srpskoj, 2 u Brčko Distriktu BiH a 24 u Federaciji BiH.

Unutrašnji platni promet je djelimično decentralizovan, obzirom da filijale Banke imaju mogućnost unosa naloga do iznosa od 10.000,00 KM.

Pravna lica, koja obavljaju platni promet preko Volksbank BH d.d., imala su mogućnost korištenja elektronskog bankarstva, te je učešće naloga procesiranih elektronskim putem u ukupnom broju obrađenih naloga preko naše banke iznosilo 25,3 %.

Jedan od poslovnih ciljeva u 2009. godini predstavlja uključivanje što većeg broja klijenata u elektronsko bankarstvo, koje je sa stanovišta banke ocijenjeno kao jako efikasno.

Broj i volumen transakcija u 2008. godini:

Opis UPP transakcija	Broj UPP transakcija	Volumen u 000 KM
Prilivi	369.595	1.333.032
Plaćanja	581.204	1.357.746
Ukupno	950.799	2.690.778

Platni promet s inostranstvom se obavlja preko različitih korespondentnih banaka širom svijeta. Platni promet s inostranstvom je centralizovan, te se iz svih filijala nalozi na izvršenje dostavljaju u Centralu. U odnosu na 2007. godinu i broj i volumen platnog prometa u 2008. godini imao je tendencije rasta, te bi taj trend trebalo očekivati i u 2009. godini.

Broj i volumen transakcija u 2008. godini:

Opis transakcije	Broj transakcija	Volumen u 000 KM
Prilivi	20.940	277.864
Plaćanja	15.534	433.884
Ukupno	36.474	711.748

ODJEL SREDSTVA

Tokom 2008. godine Banka je održavala deviznu poziciju u okviru limita propisanih odlukom Agencije za bankarstvo Federacije BiH (FBA) i u okviru internih limita propisanih od strane Uprave banke i Volksbank International (VBI).

Aktivnosti banke kojima se usklađuje i održava devizna pozicija u zakonom propisanim limitima su kupoprodaja valuta, ugovaranje kredita sa deviznom klauzulom te praćenje depozita sa ugovorenom deviznom klauzulom.

Odjel Sredstva je uspješno obavljao sve aktivnosti vezano za upravljanje rizikom likvidnosti Banke, na način da je Banka u 2008. godini svakodnevno održavala ročnu usklađenost aktive i pasive prema zahtijevanim lokalnim propisima.

Banka se pored primljenih depozita od pravnih i fizičkih lica finansirala i kratkoročnim i dugoročnim pozajmicama na međunarodnom i domaćem bankarskom tržištu.

Upravljujući kamatnim rizikom Banka je održavala interne limite propisane od strane Uprave Banke i VBI, nastojeći da u isto vrijeme optimizira neto kamatni prihod.

Odjel Sredstva je u 2008. godini, pored depozitarskih poslova za Investicione fondove, depozitarskih poslova za brokerske kuće i naravno podrške u ostalim oblastima poslovanja na tržištu kapitala, ponudio novu uslugu skrbništva nad vrijednosnim papirima.

Projektom Skrbništva nastoji se omogućiti kako postojećim tako i potencijalnim klijentima da pronađu partnera u razvoju svog poslovanja upravo na jednom mjestu - u Volksbank BH d.d.

Finansijski izvještaj

Volksbank BH d.d.

BILANS STANJA

Na dan 31. decembra

	Bilješka	31. decembra 2008. '000 KM	31. decembra 2007. '000 KM
Aktiva			
Gotovinske rezerve	14	60.140	81.566
Obavezna rezerva kod centralne banke	15	90.371	82.646
Plasmani i zajmovi bankama	16	76.018	25.648
Zajmovi komitentima	17	612.587	476.890
Pretplata poreza na dobit		677	688
Obračunata kamata i ostala aktiva	18	4.232	4.193
Ulaganja u pridružena pravna lica i ostale vrijednosnice	19	4.290	4.285
Pozitivna fer vrijednost derivata	20	-	51
Oprema	21	8.162	8.547
Nematerijalna imovina	22	1.118	1.096
Ukupno aktiva		857.595	685.610
Obaveze			
Tekući računi i depoziti banaka	23	424.437	19.558
Tekući računi i depoziti komitenata	24	292.312	312.392
Uzeti zajmovi	25	40.006	256.549
Obračunata kamata i ostale obaveze	26	12.968	11.782
Odgođene poreske obaveze	27	102	-
Rezerva za obaveze i troškove	28	1.856	1.567
Negativna fer vrijednost derivata	20	-	50
Ukupno obaveze		771.681	601.898
Kapital			
Dionički kapital	29	47.000	47.000
Emisiona ažia	30	27.773	27.773
Zakonske rezerve		5.978	3.568
Zadržana dobit		5.163	5.371
Ukupno kapital		85.914	83.712
Ukupno obaveze i kapital		857.595	685.610

BILANS USPJEHA

Za godinu koja je završila 31. decembra

	Bilješka	31. decembra 2008. '000 KM	31. decembra 2007. '000 KM
Prihod od kamata	6	54.039	44.968
Rashod od kamata	7	(23.503)	(16.553)
Neto prihod od kamata		30.536	28.415
Prihod od naknada i provizija	8	6.650	5.509
Rashod od naknada i provizija		(444)	(307)
Neto prihod od naknada i provizija		6.206	5.202
Ostali poslovni prihodi	9	1.890	1.417
Ukupan poslovni prihod		38.632	35.034
Neto gubici od umanjenja vrijednosti i rezervacije	10	(4.755)	(4.089)
Troškovi osoblja	11	(10.159)	(9.559)
Amortizacija		(2.409)	(2.438)
Ostali troškovi	12	(15.372)	(13.030)
Dobit prije poreza		5.937	5.918
Trošak poreza na dobit	13	(774)	(547)
Neto dobit za godinu		5.163	5.371
		KM	KM
Osnovna zarada po dionici	31	15,69	16,33

BILJEŠKE UZ FINANSIJSKI IZVJEŠTAJ

ZNAČAJNE RUKOVODSTVENE POLITIKE

Izjava o usklađenosti

Finansijski izvještaji Banke su pripremljeni u skladu sa statutarnim računovodstvenim pravilima Agencije za Bankarstvo Federacije Bosne i Hercegovine.

Funkcionalna valuta i valuta prezentiranja

Finansijski izvještaji prezentirani su u konvertibilnim markama («KM»), koja je funkcionalna valuta. Vrijednosti su zaokružene na najbližu hiljadu (ako drugačije nije navedeno)

Centralna Banka Bosne i Hercegovine („CBBiH“) provodi politiku kursa na principu „valutnog odbora“ prema kojem je KM vezana za EUR u odnosu 1:1,95583 koji je korišten u 2008. i 2007. godini. Očekuje se da će se ovo zadržati i u doglednoj budućnosti.

Preračunavanje stranih valuta

Transakcije u stranim valutama preračunavaju se u funkcionalnu valutu po kursu važećem na dan transakcije. Dobici i gubici po osnovu kursnih razlika koji nastaju prilikom izmirenja tih transakcija i po osnovi svođenja monetarne imovine i obaveza denominiranih u stranim valutama po kursu krajem godine priznaju se u bilansu uspjeha. Nemonetarna imovina i stavke u stranoj valuti koje se mjere po historijskom trošku preračunavaju se po tečaju na datum transakcije i ne preračunavaju se ponovno na datum bilanca stanja.

Prihodi i rashodi od kamata

Prihodi i rashodi od kamata priznaju se u bilansu uspjeha ili gubitka za obračunsko razdoblje na koje se odnose, uzimajući u obzir efektivni prinos na aktivu ili obaveze odnosno primjenjivu varijabilnu stopu, osim za kamatu na neprihodujuća sredstva koja je suspendirana i koja se priznaje po naplati. Prihodi i rashodi od kamata uključuju amortizaciju svakog diskonta ili premije ili drugih razlika između inicijalne knjigovodstvene vrijednosti kamatonosnog finansijskog instrumenta i iznosa po dospijeću, uz primjenu efektivne kamatne stope. Naknade za odobravanje zajmova uključene su u izračun efektivne kamate.

Prihod i troškovi od naknada i provizija

Prihodi od naknada i provizija sastoje se uglavnom od naknada za garancije, akreditive, domaća i međunarodna plaćanja, kartično poslovanje i ostale usluge koje pruža Banka gdje se naknade priznaju kao prihod po pružanju usluge.

Prihod od dividendi

Prihodi od dividendi po osnovu vlasničkih vrijednosnih papira priznaju se u bilansu uspjeha u trenutku nastanka prava za primitak dividende.

Materijalna imovina

Sva materijalna imovina se vrednuje po trošku umanjenom za akumuliranu amortizaciju i umanjenje vrijednosti.

Amortizacija se obračunava na svu imovinu, osim zemljišta i imovine u pripremi, prema linearnoj metodi kako bi se otpisao trošak nabave imovine kroz njezin procijenjeni vijek trajanja. Sljedeći procijenjeni korisni vijekovi se koriste:

Kompjuteri	5 godina
Namještaj i ostala oprema	6,5 – 10 godina
Motorna vozila	6,5 godina
Ulaganja u tuđu imovinu	12 godina

Metoda amortizacije i procijenjeni korisni vijek pregledaju se i korigiraju, ukoliko je potrebno, na svaki datum balansa.

Trošak redovnog održavanja direktno tereti dobit iz poslovanja. U iznimnim slučajevima, trošak ulaganja se kapitalizira ako održavanje rezultira povećanjem ili značajnim poboljšanjem predmetnih dijelova imovine.

Nematerijalna imovina

Nematerijalna imovina se vrednuje po po trošku umanjenom za akumuliranu amortizaciju i umanjenje vrijednosti. Troškovi razvoja kapitaliziraju se ako zadovoljavaju sve uvjete navedene u MRS-u 38.

Amortizacija se obračunava na svu imovinu, osim imovine u pripremi, prema linearnoj metodi kako bi se otpisao trošak nabave imovine kroz njezin procijenjeni vijek trajanja. Sljedeći procijenjeni korisni vijekovi se koriste:

Softver	5 godina
---------	----------

Metoda amortizacije i procijenjeni korisni vijek pregledaju se i korigiraju, ukoliko je potrebno, na svaki datum balansa.

Rezervacije

Rezervisanja se priznaju ukoliko Banka ima sadašnju zakonsku ili izvedenu obavezu proizašlu iz prošlih događaja za čije se podmirenje očekuje da će Banci stvoriti odljev resursa koji utjelovljuju ekonomske koristi, a moguće je napraviti pouzdanu procjenu

iznosa obaveze, ili kao što je propisano zakonom, u slučaju rezervisanja za neidentificirane gubitke po vanbilansnim izloženostima kreditnom riziku.

Rezervisanja za obaveze i troškove održavaju se na razini koju Uprava Banke smatra dovoljnom za pokrivanje nastalih gubitaka. Uprava utvrđuje dostatnost rezervacija na temelju uvida u pojedinačne stavke, tekuće ekonomske uslove, karakteristike rizika određenih kategorija transakcija, kao i druge relevantne činjenice.

Dionički kapital

Dionički kapital

Dionički kapital obuhvaća redovne i prioritetne dionice i izražava se u KM po nominalnoj vrijednosti. Svaka dobit za godinu poslije raspodjele se prebacuje u rezerve.

Dividende

Dividende na redovne dionice i prioritetne dionice priznaju se kao obaveza u periodu u kojem su odobrene od strane dioničara Banke.

PRIHOD OD KAMATA

A) RAŠČLANJIVANJE PO IZVORIMA

	2008. '000 KM	2007. '000 KM
Preduzeća	14.636	9.520
Građani	36.783	30.693
Banke i druge finansijske institucije	2.620	4.755
	54.039	44.968

B) RAŠČLANJIVANJE PO POSLOVIMA

	2008. '000 KM	2007. '000 KM
Zajmovi komitentima	51.419	40.213
Obavezna rezerva kod centralne banke	1.589	2.241
Plasmani i zajmovi drugim bankama	1.031	2.514
	54.039	44.968

RASHOD OD KAMATA

A) RAŠČLANJIVANJE PO PRIMATELJIMA

	2008. '000 KM	2007. '000 KM
Preduzeća	10.937	2.072
Građani	5.437	4.976
Banke i druge finansijske institucije	7.129	9.505
	23.503	16.553

B) RAŠČLANJIVANJE PO POSLOVIMA

	2008. '000 KM	2007. '000 KM
Tekući računi i depoziti preduzeća i drugih organizacija	1.559	2.072
Tekući računi i depoziti građana	5.437	4.976
Uzeti zajmovi	7.092	9.500
Tekući računi i depoziti banaka	9.415	5
	23.503	16.553

PRIHOD OD NAKNADA I PROVIZIJA

	2008. '000 KM	2007. '000 KM
Naknade po poslovima inozemnog platnog prometa	1.660	1.193
Naknade po poslovima domaćeg platnog prometa	998	912
Naknade po poslovima izdavanjima garancija i akreditiva	820	679
Naknade po poslovima kupoprodaje deviza	708	619
Naknade po kartičnom poslovanju	596	439
Naknade po poslovima sa tekućim računima	666	557
Naknade po ostalim poslovima	1.202	1.110
	6.650	5.509

OSTALI POSLOVNI PRIHODI

	2008. '000 KM	2007. '000 KM
Neto dobit od trgovanja valutama	1.319	1.092
Primljene dividende	80	53
Ostali prihodi iz poslovanja	491	272
	1.890	1.417

NETO GUBICI OD UMANJENJA VRIJEDNOSTI I REZERVACIJE

	2008. '000 KM	2007. '000 KM
Gubici od umanjenja vrijednosti i rezervacije		
za zajmove (bilješka 17)	4.343	3.479
za rezerve za obaveze i troškove (bilješka 28)	189	352
za ostalu imovinu	223	422
	4.755	4.253
Dobici od umanjenja vrijednosti za vlasničke vrijednosne papire	-	(164)
	4.755	4.089

OSTALI TROŠKOVI

	2008. '000 KM	2007. '000 KM
Administrativni troškovi i troškovi marketinga	5.266	4.929
Najamnina	3.049	2.717
Administrativni troškovi i troškovi konsultantskih usluga	2.163	2.088
Troškovi osiguranja depozita	801	704
Negativne kursne razlike of prevođenja monetarnih sredstava i obaveza	26	26
Ostali troškovi	4.067	2.566
	15.372	13.030

Porez na dobit

Od 1. januara 2008. godine u Federaciji Bosne i Hercegovine donesen je novi Zakon o porezu na dobit sa kojim je smanjena stopa na dobit na 10%. Prema novom Zakonu o porezu na dobit za poreske svrhe nabavna vrijednost hardvera i softvera može se odbiti u cijelosti u godini u kojoj je izvršena nabavka.

Ako se nakon umanjenja osnovice poreza na dobit pokaže gubitak u poreznom bilansu, tada se taj gubitak iskazan u poreznom bilansu može prenijeti kao poreska olakšica na račun dobiti iz budućih obračunskih perioda, a ne duže od pet godina.

Porez na dobit priznat u bilansu uspjeha sadrži tekući porez i odgođeni porez. Porez obračunat na dobit prije poreza Banke razlikuje se od teorijskog iznosa koji bi nastao kada bi se koristila zakonska poreska stopa, i prikazan je ispod:

A) POREZ NA DOBIT PRIZNAT U BILANSU USPJEHA

	2008. '000 KM	2007. '000 KM
Tekući porez	672	547
Trošak odgođenog poreza	102	-
Ukupno trošak poreza na dobit	774	547

B) USKLAĐIVANJE TROŠKA POREZA NA DOBIT

	2008. '000 KM	2007. '000 KM
Računovodstvena dobit prije poreza	5.937	5.918
Porez obračunat po stopi od 10% (2007.: 30%)	594	1.775
Neoporezivi prihod	(8)	(10)
Porezno nepriznate troškovi	17	6
Porezno nepriznati rezerve	171	495
Ulaganje oporezive dobiti u investicije	-	(1.690)
Porez na dobit plaćen u Republici Srpskoj	-	(29)
Porez na dobit za godinu	774	547
Prosječna efektivna stopa poreza na dobit	13,0%	9,2%

TEKUĆI RAČUNI I DEPOZITI KOMITENATA

	31. decembra 2008. '000 KM	2007. '000 KM
Preduzeća		
Depoziti po viđenju		
- u KM i valutna klauzula	56.920	69.640
- u stranoj valuti	12.486	13.255
Oročeni depoziti		
- u KM i valutna klauzula	22.368	18.629
- u stranoj valuti	5.970	7.474
	97.744	108.998
Građani		
Depoziti po viđenju		
- u KM i valutna klauzula	34.622	35.270
- u stranoj valuti	38.179	43.269
Oročeni depoziti		
- u KM i valutna klauzula	21.161	22.866
- u stranoj valuti	100.606	101.989
	194.568	203.394
	292.312	312.392

Depoziti denominirani u KM uključuju 21.180 hiljada KM (2007.: 12.171 hiljadu KM) depozita sa valutnom klauzulom vezanom za kurs EUR

DIONIČKI KAPITAL

Odobrene i izdane	Klasa A Redovne dionice '000 KM	Klasa B Prioritetne dionice '000 KM	Ukupno '000 KM
Stanje na dan 1. januara 2008.	32.900	14.100	47.000
Stanje na dan 31. decembra 2008.	32.900	14.100	47.000
Nominalna vrijednost (KM)	100	100	
Broj dionica	329.000	141.000	470.000

Svaka registrirana redovna dionica nosi pravo jednog glasa dok su povlaštene dionice bez prava glasa.

Povlaštene dionice nose pravo na dividendu kada je izglasana u iznosu 1% većem od dividende na obične dionice. Uz to daju i prednost nad redovnim dionicama u distribuciji imovine Banke u slučaju likvidacije.

Vlasnička struktura Banke na dan 31. decembar 2008. godine izgleda kako slijedi:

- Volksbank International AG, Beč, sa udjelom od 95,46%
- Banca Popolare di Vicenza, Vicenza, sa udjelom od 2,41%
- Banca Popolare dell'Emilia Romagna, Modena, sa udjelom od 2,13%

IZVJEŠTAJ NEOVISNOG REVIZORA DIONIČARIMA VOLKSBANK BH D.D.

Obavili smo reviziju priloženih finansijskih izvještaja Volksbank BH d.d. (u daljem tekstu "Banka"), koji obuhvataju bilans stanja na dan 31. decembra 2008. godine, bilans uspjeha, izvještaj o promjenama u kapitalu i izvještaj o novčanom toku za godinu koja se završava na taj dan, kao i pregled značajnih računovodstvenih politika i bilješki uz finansijske izvještaje.

Odgovornost Uprave za finansijske izvještaje

Uprava je odgovorna za sastavljanje i objektivan prikaz ovih finansijskih izvještaja u skladu sa računovodstvenim pravilima Agencije za Bankarstvo Federacije Bosne i Hercegovine. Odgovornost Uprave uključuje: osmišljavanje, uvođenje i primjenu te održavanje internih kontrola relevantnih za sastavljanje i objektivan prikaz finansijskih izvještaja bez materijalno značajnih grešaka, koje mogu nastati kao posljedica prijevare ili pogreške; odabir i primjenu odgovarajućih računovodstvenih politika i donošenje računovodstvenih procjena primjerenih postojećim uslovima.

Odgovornost revizora

Naša je odgovornost izraziti mišljenje o ovim finansijskim izvještajima na osnovu naše revizije. Reviziju smo obavili u skladu s Međunarodnim revizijskim standardima koji nalažu pridržavanje relevantnih etičkih pravila te planiranje i provođenje revizije kako bi se s razumnom mjerom sigurnosti utvrdilo da finansijski izvještaji ne sadrže materijalno značajne greške.

Revizija uključuje provođenje procedura u svrhu pribavljanja revizijskih dokaza o iznosima i objavama u finansijskim izvještajima. Odabir procedura ovisi o našoj prosudbi, uključujući i procjenu rizika materijalno značajnih grešaka u finansijskim izvještajima koje mogu nastati kao posljedica prijevare ili pogreške. U procjenjivanju tih rizika, razmatramo interne kontrole relevantne za sastavljanje i objektivan prikaz finansijskih izvještaja u svrhu osmišljavanja revizijskih procedura prikladnih u postojećim uslovima, ali ne u svrhu izražavanja mišljenja o učinkovitosti internih kontrola Banke. Revizija isto tako uključuje ocjenu primijenjenih računovodstvenih politika, primjerenosti računovodstvenih procjena koje je donijela Uprava, kao i ocjenu ukupnog prikaza finansijskih izvještaja.

Uvjereni smo da su nam pribavljeni revizijski dokazi dostatni te da čine odgovarajuću osnovu za potrebe izražavanja našeg mišljenja.

Mišljenje

Po našem mišljenju, finansijski izvještaji objektivno i istinito prikazuju finansijski položaj Banke na dan 31. decembra 2008. godine, kao i rezultate njenog poslovanja i novčane tokove za godinu koja se završava na taj dan, u skladu računovodstvenim pravilima Agencije za Bankarstvo Federacije Bosne i Hercegovine.

KPMG B-H d.o.o. za reviziju

7. maja 2009.

Registrovani revizori

Fra Anđela Zvizdovića 1

71000 Sarajevo

Bosna i Hercegovina

IZVJEŠTAJ NADZORNOG ODBORA


U skladu sa članom 29h) i 31j) Zakona o bankama te odredbama Statuta Volksbank BH d.d., Nadzorni odbor banke podnosi Skupštini banke izvještaj o radu:

U toku poslovne 2008. godine, Nadzorni odbor Volksbank BH d.d. Sarajevo održao je 4 sjednice, na kojima je razmatrao materijale iz svoje nadležnosti, te donosio odluke, zaključke i preporuke temeljem ovlasti, utvrđenih Zakonom o bankama, pratećim odlukama Agencije za bankarstvo FBiH, te Statutom i internim aktima Banke.

Nadzorni odbor je radio i djelovao u skladu sa Poslovníkom o radu Nadzornog odbora.

Sarajevo, 11.05.2009. godine

Predsjednik Nadzornog odbora


Dr. Friedhelm Boschert



MANAGEMENT BOARD'S REPORT



Andreas Burkhardt
Reinhold Kolland
Senad Tupković
(from left to right)

Ladies and Gentlemen,

It is our great pleasure to present the successful business development of Volksbank BH d.d. in the year 2008.

Volksbank BH d.d. is present on the market of Bosnia-Herzegovina since July 2000, and by the end of 2008 has achieved a market share of over 4 %.

The total assets of the bank increased by over 25 % and by the end of 2008 reached around KM 859 million, the loan volume grew by nearly 29 % and the volume of payment transactions increased by more than 38 %. In comparison to the end of 2007, the customer deposit volume decreased by around 4 % due to the withdrawal of private customer deposits in the last quarter of 2008. Also, the branch network expanded in 2008 by additional four locations and now is represented by 29 branch offices in total, with 354 employees at the end of the last year.

Generally it can be stated that Volksbank BH d.d. has also continued the positive business trend in 2008 and achieved a result of more than KM 5.9 million.

Volksbank BH d.d. actively continued to develop new financial products and services, where the focus was on implementation of new saving products. In order to improve the quality of service to corporate customers, the bank established a new customer centre in Sarajevo.

The basis of every modern and successful company, such as Volksbank BH d.d., are well-educated and highly motivated employees. Accordingly, the bank continued to place great emphasis on education and training of its employees, thereby ensuring its customers high quality service and support.

We would like to thank all the Volksbank BH d.d. employees for their great dedication in the last business year, and our partners and shareholders for their confidence and excellent cooperation. In particular, we would like to thank our loyal customers who put their trust in our bank. One of our key values is acting in line with the highest standards of personal and corporate ethics, continually strengthening our long tradition of building relationships through honesty, trust and reliability.

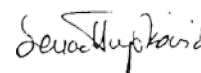
Reflecting the mission statement of the Volksbank Group "United in Trust", we will remain a responsible and reliable partner to all of our customers.



Reinhold Kolland
General Manager



Andreas Burkhardt
Executive Director



Senad Tupković
Executive Director

KEY FIGURES

in KM 000	2007	2008
Total assests	685,610	857,595
Clients payables	331,950	716,749
Clients receivables	476,890	612,587
Opreating profits before taxes	5,918	5,937
Earnings from ordinary activities	51,894	62,579
Operating costs	45,975	56,642
Number of employees	340	355
Number of branches	25	29

INTERNATIONAL NETWORK



Bosnia-Herzegovina
www.volksbank.ba

Austria
www.vbi.at

Hungary
www.volksbank.hu

Slovakia
www.volksbank.sk

Croatia
www.volksbank.hr

Romania
www.volksbank.ro

Slovenia
www.volksbank.si

Czech Republic
www.volksbank.cz

Serbia
www.volksbank.co.yu

Ukraine
www.volksbank.ua

GOVERNING BODIES

SUPERVISORY BOARD

Chairman

Dr. Friedhelm Boschert
Chairman of the Managing Board
Volksbank International AG

Deputy Chairman

Dr. Engelbert Bramerdorfer
Head of Acquisition and Integration
Volksbank International AG

Members

Mag. Gerhard Kriegler
Corporate Market
Volksbank International AG

Dipl.ing. Mahir Hadžiahmetović
Member of the Supervisory Board

Gabriele Ugolini
Member of the Supervisory Board

MANAGING BOARD

Mag. Reinhold Kolland
General Manager
Chairman of the Managing Board

Dipl. oec. Andreas Burkhardt
Executive Director
Member of the Managing Board

Dipl. oec. Senad Tupković
Executive Director
Member of the Managing Board

ECONOMIC ENVIROMENT

Trend of the sustainable economic growth continued in 2008, as in the previous years, and according to the latest assessments it amounted to 5.5 %.

Because of the power resources and food prices increase at the global market, which influenced also the increase of prices in Bosnia-Herzegovina, the inflation for the first six months increased and achieved its maximum of 9.9 % in July, 2008. Reducing of power resources and food prices caused reducing of the inflation by the end of the year. Average annual inflation amounted to 7.4 % while the annual inflation, measured in December of 2008 compared to December 2007, amounted 3.8 %.

External debt of Bosnia-Herzegovina has been regularly served and it amounted KM 4.2 billion or 16.7 % of the GDP.

Trend of credit growth was continued last year, but with the significant slowing down by the end of the year. Total amount of credits by the end of year amounted KM 14.5 billion and it was the increase of 21.7 % comparing to the end of 2007. The increase of credits to corporate by 27.7 % rate was recorded, while the rate for households was 17.8 %.

The Central Bank of Bosnia-Herzegovina (CBBH) changed the foreign reserves investment policy. Namely, the foreign exchange reserves were removed from commercial banks into the central banks of the European Union and the Bank for the International Settlements (BIS) in Basel and this protected CBBH from the potential losses from the foreign exchange reserves investment. While doing this the CBBH firstly had in mind the security of its investments, i.e. the need to ensure the foreign currency reserves, and then the need to make profit.

Since October, 2008, when the commercial banks because of the deposits withdrawal were under the pressure, the CBBH has undertaken several measures in order to strengthen their liquidity. As the first step, the minimum rate of reserves requirement was reduced from 18 % to 14 %. Then, the new credit lines withdrawn from abroad by the commercial banks were taken out of the basis for required reserves calculation. By the last decision the CBBH introduced the differentiated required reserves rate, according to which the required reserves rate on the fix term deposits with the maturity over one year, was reduced from 14 % to 10 %. The required reserves rate on deposits with the maturity up to one year, which are included in the basis for calculation of the required reserves, remains at 14 %.

As the state agent in area of credit rating assignment, the CBBH intermediated between two international rating agencies and state institutions during credit rating assignment to Bosnia-Herzegovina. Moody's Investor Service confirmed the same credit rating to Bosnia-Herzegovina, «B2» with stable outlook, while the Standards & Poor's assigned «B+» credit rating with the stable outlook, which is one level higher rating than the one assigned by Moody's Agency.

LINES OF BUSINESS

CORPORATE BUSINESS

The main characteristics of the development of the Corporate Department may be described through an important improvement in all business segments. Significant boosts in the loan portfolio along with the major augmentation in the fee business represent the primary segments of this growth that enabled the bank to increase the competitiveness and the market share. As a result, the fees went up for 26.4 % when compared to the last year, thus reaching the figure of over KM 3 million. Furthermore, the loan portfolio grew for 58.6 %, from KM 114.1 million in 2007 to KM 180.9 million by the end of 2008. Thereupon, the growth and progress of the key financial indicators, with a particularly individual approach towards our clients, signify outstanding pillars for further expansion and constant development of our services.

RETAIL BUSINESS

Small Companies

The Retail Business Department covers clients whose turnover, according to their latest balance, is up to KM 1 million. As at 31st December 2008, the Department had 13 Retail Business Advisors Account Officers and 2 Associates for Central Keeping of Accounts Accountkeeping.

As to the loan portfolio as at 31st of December 2008, the loan balance was KM 30.5 million and the total number of loan lines was 868. In addition, as at 31st December 2008, the Retail Business Department had 2,127 clients.

Private Clients

In accordance with the Volksbank BH d.d. business policy, which focuses on clients' demands and needs, the Bank has begun the process of implementing the new «Branch Concept» and introduced a position of Adviser for Physical Entities in their respective business units with a view to providing more quality service. The Bank also raised the quality of services through ongoing education of employees and it paid attention to service quality control measures, such as is the project «Mystery Shopping». The said activities have been developed with a focus on the standardisation of the process.

In the field of business operations with private clients, the trend of expanding the network of Volksbank BH d.d. branch offices has continued. Four new business units were opened, as follows: Banovići, Mostar-Šemovac, Brčko and Šentada. Following this, the number of business units has increased to 29.

The Bank has positive results in the realization of current accounts and debit and credit cards. MasterCard and Maestro cards have been included in the Volksbank BH d.d. offer. The MasterCard credit card makes it possible to purchase, that is, to render cashless payment for goods and services at 28 million selling sites in more than 120 countries worldwide, as well as the withdrawing of cash from ATMs. The Maestro debit card makes it possible to withdraw money from over one million ATMs worldwide and card holders

can monitor their expenses through detailed monthly bank statements. The Bank has completely adopted the chip technology and started issuing chip cards for all Volksbank BH d.d. card products. All Volksbank BH d.d. ATMs are now capable of accepting chip cards, which increases the level of bank and clients' protection against abuses.

As at 31st December 2008, the Bank had KM 194.6 million in private clients' deposits. Of this figure KM 121.8 million were time deposits, KM 72.8 million were sight deposits and funds on current and giro accounts.

The Bank has preserved the trust of its clients despite the global financial crisis and it affected the indicated level of private clients' deposits owing to the quality offer of standard savings products, as well as by introducing new products such as «MAGIC 7». Through this product, Volksbank BH d.d. collected KM 3.4 million and EUR 7.9 million in the last quarter of 2008 and most deposits within these amounts were collected from new clients. This speaks in favour of a high level of trust which clients have in Volksbank BH d.d.

PAYMENT TRANSACTIONS

As at 31st December 2008 payment orders in the domestic payment transaction system (DPTS) were being received in 28 branch offices which include 2 in Republika Srpska, 2 in Brčko District of Bosnia-Herzegovina and 24 in the Federation of Bosnia-Herzegovina.

The domestic payment transaction system is partially decentralised, so that the Bank branch offices have a possibility to accept payment orders amounting up to KM 10 thousand.

Legal entities carrying out their payment transactions via Volksbank BH d.d. had the possibility to use electronic banking and, consequently, the share of electronically processed payment orders in the total number of processed orders via our bank was 25.3 %.

One of the business goals in 2009 is to additionally increase the number of clients using electronic banking, which the bank, from its perspective, assessed as very efficient.

Number and volume of transactions in 2008:

Description of DPTS transactions	No. of DPTS transactions	Volume in KM 000
Inflows	369,595	1,333,032
Payments	581,204	1,357,746
Total	950,799	2,690,778

Foreign payment transactions are carried out through a various number of correspondent banks worldwide. Payment transactions with foreign countries are centralised and all transfer orders from branch offices are sent to the Head Office for execution.

Compared to 2007, the number and volume of payment transactions in 2008 had upward trend and this trend is to be expected also in 2009.

Number and volume of transactions in 2008:

Transaction description	No. of transactions	Volume in KM 000
Inflows	20,940	277,864
Payments	15,534	433,884
Total	36,474	711,748

TREASURY

During 2008, the Bank kept the foreign-currency item within the limit provided for in the Federation Banking Agency (FBA) Decision and also within the limits provided for by the Bank Management and Volksbank International (VBI).

The Bank activities with which the foreign-currency item is adjusted and kept within the legally prescribed limits are: trading with currencies, contracting of loans with a foreign currency clause and monitoring of deposits with a contracted foreign currency clause.

The Treasury was successfully carrying out all bank-solvency risk management activities in such a way that in 2008 the Bank kept the time balance between assets and liabilities on a daily basis, in accordance with the relevant local legislation.

In addition to deposits received from legal and physical entities, the Bank was also financed through short-term and long-term borrowings on the international and domestic banking market.

By managing interest risk, the Bank was maintaining the internal limits prescribed by the Bank Management and the VBI, at the same time making efforts to optimise the net interest income.

In 2008, the Treasury, in addition to deposit related transactions for investment funds, deposit related activities for brokerage houses and, of course, support in other fields of business operation on the market of capital, offered a new service - security custody.

With the Custody Project, efforts are being made to enable both existing and potential clients to find a partner in the development of their businesses at one place – in Volksbank BH d.d.

Financial Statements

Volksbank BH d.d.

BALANCE SHEET

As at 31 December

	Note	31 December 2008 BAM '000	31 December 2007 BAM '000
Assets			
Cash reserves	14	60,140	81,566
Obligatory reserve with the central bank	15	90,371	82,646
Placements with, and loans and advances to, other banks	16	76,018	25,648
Loans and advances to customers	17	612,587	476,890
Corporate profit tax prepayment		677	688
Accrued interest and other assets	18	4,232	4,193
Associates and other equity securities	19	4,290	4,285
Positive fair value of derivatives	20	-	51
Equipment	21	8,162	8,547
Intangible assets	22	1,118	1,096
Total assets		857,595	685,610
Liabilities			
Current accounts and deposits from banks	23	424,437	19,558
Current accounts and deposits from customers	24	292,312	312,392
Borrowings	25	40,006	256,549
Accrued interest and other liabilities	26	12,968	11,782
Deferred tax liability	27	102	-
Provisions for liabilities and charges	28	1,856	1,567
Negative fair value of derivatives	20	-	50
Total liabilities		771,681	601,898
Equity			
Share capital	29	47,000	47,000
Share premium	30	27,773	27,773
Statutory reserves		5,978	3,568
Retained earnings		5,163	5,371
Total equity		85,914	83,712
Total liabilities and equity		857,595	685,610

INCOME STATEMENT

For the year ended 31 December

	Note	2008 BAM '000	2007 BAM '000
Interest income	6	54,039	44,968
Interest expense	7	(23,503)	(16,553)
Net interest income		30,536	28,415
Commission and fee income	8	6,650	5,509
Commission and fee expense		(444)	(307)
Net commission and fee income		6,206	5,202
Other operating income	9	1,890	1,417
Total operating income		38,632	35,034
Impairment losses and provisions	10	(4,755)	(4,089)
Personnel expenses	11	(10,159)	(9,559)
Depreciation and amortisation		(2,409)	(2,438)
Other expenses	12	(15,372)	(13,030)
Profit before tax		5,937	5,918
Income tax expense	13	(774)	(547)
Net profit for the year		5,163	5,371
		BAM	BAM
Basic earnings per share	31	15.69	16.33

NOTES TO THE FINANCIAL STATEMENTS

SIGNAFICANT ACCOUNTING POLICES

Statement of compliance

These financial statements have been prepared in accordance with the accounting regulations of the Banking Agency of the Federation of Bosnia-Herzegovina.

Functional and presentation currency

The financial statements are presented in Bosnian Convertible Marks ("BAM"), which is the functional currency. Amounts are rounded to the nearest thousand (unless otherwise stated).

The Central Bank of Bosnia-Herzegovina ("CBBH") implemented a currency board arrangement aligning BAM to EURO at an exchange rate of EUR 1: BAM 1.95583 throughout 2008 and 2007. This is expected to continue in the foreseeable future.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non-monetary assets and items that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transaction and are not retranslated at the balance sheet date.

Interest income and expense

Interest income and expense are recognised in the income statement as they accrue, taking into account the effective yield of the asset or liability or an applicable floating rate, except for interest on non-performing assets, which is suspended and recognised when collected. Interest income and expense include the amortisation of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis. Origination fees are included in the calculation of effective interest.

Commission and fee income and expenses

Commission and fee income comprises mainly fees receivable from customers for guarantees, letters of credit, domestic and foreign payments, card business and other services provided by the Bank, where the fee is credited to income when the related service is performed.

Dividend income

Dividend income from equity securities is recognised in the income statement when the rights to receive the dividend are established.

Tangible assets

Tangible assets are measured at cost less accumulated depreciation or impairment losses.

Depreciation is provided on all assets except land and assets in the course of construction on a straight line basis at prescribed rates designed to write off the cost over the estimated useful lives of the assets. The following estimated useful lives are used:

Computers	5 years
Furniture and equipment	6.5 – 10 years
Motor vehicles	6.5 years
Leasehold improvements	12 years

Depreciation method and useful lives are reassessed, and adjusted if appropriate, at each reporting date.

Regular maintenance expenditure is directly charged against operating profit. Maintenance expenditure is capitalised in exceptional cases where maintenance results in an enlargement or substantial improvement of the respective assets.

Intangible assets

Intangible assets acquired by the Bank are stated at historical cost less accumulated amortisation and impairment losses. Expenditure on development activities is capitalised if all of the features required by IAS 38 are satisfied.

Depreciation is provided on all intangible assets except assets in the course of construction on a straight line basis at prescribed rates designed to write off the cost over the estimated useful lives of the assets. The following estimated useful lives are used:

Software	5 years
----------	---------

Depreciation method and useful lives are reassessed, and adjusted if appropriate, at each reporting date.

Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made, or as required by law in the case of provisions for unidentified impairment of off-balance-sheet credit risk exposures.

Provisions for liabilities and charges are maintained at the level that the Bank's management considers sufficient for absorption of incurred losses. The management determines the sufficiency of provisions on the basis of insight into specific items, current economic circumstances, risk characteristics of certain transaction categories, as well as other relevant factors.

Share capital

Share capital

Share capital comprises ordinary and preference shares and is stated in BAM at nominal value. Any profit for the year after appropriations is transferred to reserves.

Dividends

Dividends on ordinary shares and preference shares are recognised as a liability in the period in which they are approved by the Bank's shareholders.

INTEREST INCOME

A) ANALYSIS BY SOURCE

	2008 BAM '000	2007 BAM '000
Companies	14,636	9,520
Individuals	36,783	30,693
Banks and other financial institutions	2,620	4,755
	54,039	44,968

B) ANALYSIS BY PRODUCT

	2008 BAM '000	2007 BAM '000
Loans and advances to customers	51,419	40,213
Obligatory reserves with the Central Bank	1,589	2,241
Placements with, and loans and advances to banks	1,031	2,514
	54,039	44,968

INTEREST EXPENSE

A) ANALYSIS BY RECIPIENT

	2008 BAM '000	2007 BAM '000
Companies	10,937	2,072
Individuals	5,437	4,976
Banks and other financial institutions	7,129	9,505
	23,503	16,553

B) ANALYSIS BY PRODUCT

	2008 BAM '000	2007 BAM '000
Current accounts and deposits from companies and other organisations	1,559	2,072
Current accounts and deposits from individuals	5,437	4,976
Borrowings	7,092	9,500
Current accounts and deposits from banks	9,415	5
	23,503	16,553

COMMISSION AND FEE INCOME

	2008 BAM '000	2007 BAM '000
Fee income from processing of international payment transactions	1,660	1,193
Fee income from processing of domestic payment transactions	998	912
Fee income from guarantees and letters of credit	820	679
Fee income from foreign exchange transactions	708	619
Fee income from customers' credit cards	596	439
Fee income from maintenance of customers' current accounts	666	557
Other fee income	1,202	1,110
	6,650	5,509

OTHER OPERATING INCOME

	2008 BAM '000	2007 BAM '000
Foreign exchange trading gain, net	1,319	1,092
Dividends received	80	53
Other operating income	491	272
	1,890	1,417

IMPAIRMENT LOSSES AND PROVISIONS

	2008 BAM '000	2007 BAM '000
Impairment losses and provisions		
for loans (note 17)	4,343	3,479
for provisions for off-balance sheet items (note 28)	189	352
for other assets	223	422
	4,755	4,253
Release of impairment losses for equity investments	-	(164)
	4,755	4,089

OTHER EXPENSES

	2008 BAM '000	2007 BAM '000
Administration and marketing costs	5,266	4,929
Rent	3,049	2,717
Administrative and consultancy fees	2,163	2,088
Savings deposit insurance	801	704
Foreign exchange loss from translation of monetary assets and liabilities, net	26	26
Other expenses	4,067	2,566
	15,372	13,030

Income tax

As at 1 January 2008 a new Law on corporate profit tax ("CPT") has entered into force in the Federation of Bosnia-Herzegovina. According to the new law CPT has been decreased to 10% and the cost of hardware and software can be fully recognised in the period of the acquisition for tax purposes.

If a loss arises in the income statement after the decrease of the income tax, then this loss can be carried forward for relief against profit of future accounting periods, but for not longer than 5 years.

Income tax recognized in the income statement includes current and deferred tax. Tax on the profit before tax of the Bank differs from the theoretical amount which would be incurred by application of the statutory tax rate, which is shown below:

A) INCOME TAX EXPENSE RECOGNISED IN INCOME STATEMENT

	2008 BAM '000	2007 BAM '000
Current tax	672	547
Deferred tax expense	102	-
Income tax charge for the year	774	547

B) RECONCILIATION OF THE INCOME TAX EXPENSE

	2008 BAM '000	2007 BAM '000
Profit before tax	5,937	5,918
Tax calculated at rate of 10% (2007: 30%)	594	1,775
Income not allowable for tax purposes	(8)	(10)
Expenses not deductible for tax purposes	17	6
Provisions not deductible for tax purposes	171	495
Reinvestment allowance	-	(1,690)
Corporate profit tax paid in Republika Srpska	-	(29)
Income tax charge for the year	774	547
Average effective income tax rate	13.0%	9.2%

CURRENT ACCOUNTS AND DEPOSITS FROM CUSTOMERS

	31 December 2008 BAM '000	31 December 2007 BAM '000
Companies		
Demand deposits		
- in BAM and BAM linked to foreign currencies	56,920	69,640
- in foreign currency	12,486	13,255
Time deposits		
- in BAM and BAM linked to foreign currencies	22,368	18,629
- in foreign currency	5,970	7,474
	97,744	108,998
Individuals		
Demand deposits		
- in BAM and BAM linked to foreign currencies	34,622	35,270
- in foreign currency	38,179	43,269
Time deposits		
- in BAM and BAM linked to foreign currencies	21,161	22,866
- in foreign currency	100,606	101,989
	194,568	203,394
	292,312	312,392

Deposits denominated in BAM include BAM 21,180 thousand (2007: BAM 12,171 thousand) linked to EUR by revaluation clauses.

SHARE CAPITAL

Authorised and issued	Class A Ordinary shares BAM '000	Class B Preference shares BAM '000	Total BAM '000
Balance at 1 January 2008	32,900	14,100	47,000
Balance at 31 December 2008	32,900	14,100	47,000
Balance at 31 December 2008	100	100	
Number of shares	329,000	141,000	470,000

Each registered ordinary share carries the right of one vote per share, while preference shares are non-voting.

Preference shareholders are entitled to receive dividends when declared, at a rate 1% higher than ordinary shares. Additionally, there is preference over other shareholders in the distribution of the net assets of the Bank in the event of its liquidation.

The shareholder structure of the Bank as at 31 December 2008 is as follows:

- Volksbank International AG, holding 95.46%
- Banca Popolare di Vicenza, Vicenza holding 2.41%
- Banca Popolare dell'Emilia Romagna, Modena, holding 2.13%

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VOLKSBANK BH D.D.

We have audited the accompanying financial statements of Volksbank BH d.d. ("the Bank"), which comprise the balance sheet as at 31 December 2008 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as at 31 December 2008, and of its financial performance and its cash flows for the year then ended in accordance with the accounting regulations of the Banking Agency of the Federation of Bosnia-Herzegovina.

KPMG B-H d.o.o.

7 May 2009

Registered auditors
Fra Anđela Zvizdovića 1
71000 Sarajevo
Bosna i Hercegovina

REPORT OF THE SUPERVISORY BOARD


In accordance with the Articles 29h) and 31j) of the Law on Banks as well as the provisions of the Articles of Association of Volksbank BH d.d., the Supervisory Bord of the Bank submits to the General assembly its Performance Report:

In the course of 2008 business year the Supervisory Bord of Volksbank BH d.d. Sarajevo held 4 meetings, where it discussed on issues and material within its competency, made decisions, conclusions and recommendations on the basis of the powers stipulated by the Law on Banks, thereto associated decisions of FBA, and by the Articles of Association and internal documents of the Bank.

The Supervisory Bord was acting and operating in compliance with the Rules of Procedure for the Supervisory Bord.

Sarajevo, 11th of May, 2009

Chairman of Supervisory Board


Dr. Friedhelm Boschert



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