



Content

Cooperation with banks
(refer to page 1)

Who are the bank customers?
(refer to page 2)

Main bank – what does it mean for the customers?
(refer to page 2)

Communication
Most preferred way of communication with banks
(refer to page 2)

The Life insurance
Is it so important or not?
(refer to page 3)

TOP 2 point of sales for insurances
It is good to know - the broker and the office of the insurance company are the main points of sales
(refer to page 3)

Cooperation with banks

More than half of the Bulgarian population 15 years and above co-operate with banks

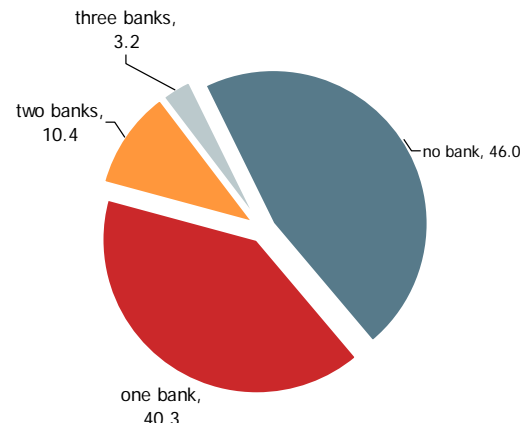


Based on GfK Financial market surveys conducted in 2009, 54% of the Bulgarians use any bank products and services. Debit cards are the most popular product - 40% of the population above 15 years are debit card holders. Only 8% of the population use credit cards. This product is perceived mainly as a credit alternative when people do not have money, in cases of emergency, and yet, to make larger purchases.

Client relationship

Exclusive clients or multibanking contacts

In 2009, the Bulgarians use 1.35 banks on average. Only 14% use services of more than one bank. The highest number of bank connections is found in the group of 30-49 years and among people with above the average income.



Bank customers:

Who are they?

The share of bank clients is highest among the group of 30-49 years old, full-time employed, with above the average income, living in the cities.

Those who do not have access to financial services are mainly among the retired, low educated, living without incomes or receiving unemployment benefits, rural population.



How the bank clients perceive their main bank?



"The main bank for me is the bank to which my salary is transferred" - ..."

a definition for "main bank" given by one of every two bank clients.

Bulgarians use 1.3 banks on average. As the current account is an important factor for using another product, the customers prefer foremost to check the conditions in the bank where they have a salary account as the expectations are for the bank to offer a tailor-made solution to their needs. That is a really important factor to keep bank's clients.

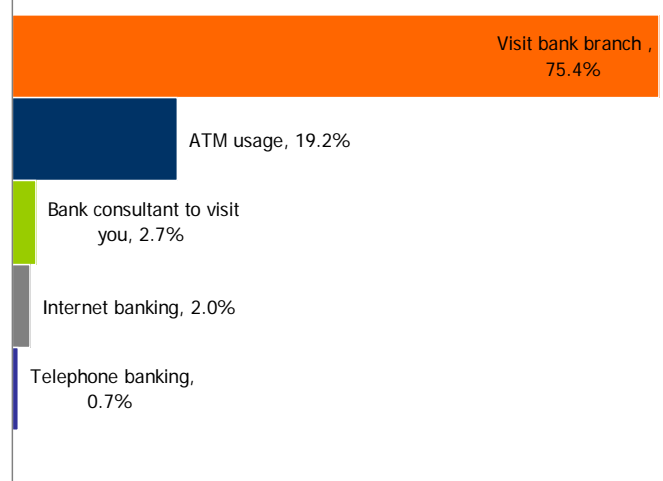
Communication with banks

Visiting the bank branch: reliable information from the source

Remote banking: still not so popular

The most preferred channel for accessing retail financial services is visiting the bank branch or using an automatic teller machine (ATM).

Customers have many ways of making payments: debit cards, POS machines, bank transfers, yet the electronic payment is not widespread and the market is still developing. A limited number of customers handle their routine banking operations through remote banking such as Internet or Telephone banking – around 2%.

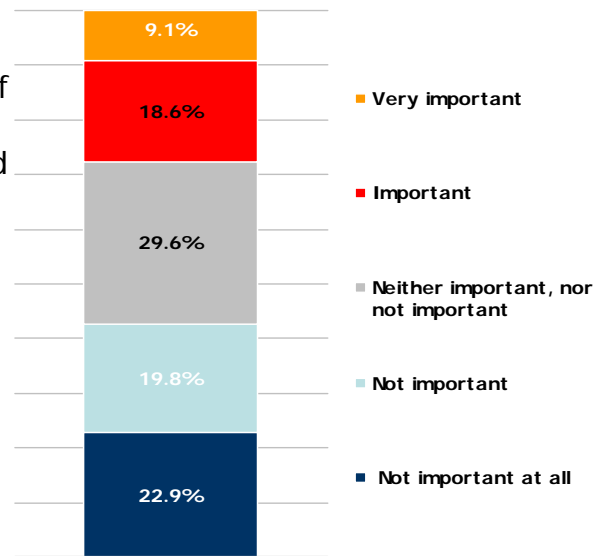


The importance of life insurance is still not realized

Bulgarian insurance market is dominated by the Automotive insurance. Still, the market is not so developed in terms of investment products, the usage of traditional insurances dominates. The Bulgarians prefer to insure first the car, then - the house or the asset, and finally – their life.

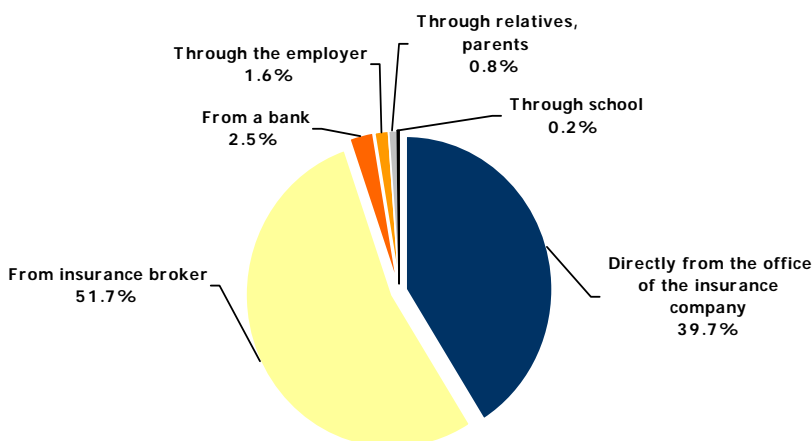
Life insurance companies offer various combined programs with possibilities for risk protection and personal investment which could ensure the financial situation of the insured person in the future. However, in 2009, only 28% of the population consider as important to have life insurance.

That is shared mostly by 40-49 years old, highly educated people, with above the average income. For 40% this is not a matter of priority.



Do not underestimate the role of the insurance intermediaries – the insurance brokers, they bring you business

Direct channel is the second important distribution channel



The insurance broker is the most used channel of communication with the insurance company. Secondly, the clients prefer to visit the office of the insurer to take out an insurance policy. The alternative channels of communication are not very popular, considering also the fact that the online insurance is not developed in our country.