Supplemental Letter No. 3

CROATIAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

October 29, 2012

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: Loan No. 8193-HR
(Additional Financing for the Export Finance Intermediation Loan Project)
Loan No. 7774-HR
(Export Finance Intermediation Loan Project)
Monitoring and Evaluation Indicators

Dear Sirs and Mesdames:

This refers to paragraph A. 1 of Section II of Schedule 2 to the Loan Agreement of even date herewith between the International Bank for Reconstruction and Development (the Bank) and the Croatian Bank for Reconstruction and Development (the Borrower) for Loan 8193-HR (Additional Financing for the Export Finance Intermediation Loan Project), and to paragraph A. 1 of Section II of Schedule 2 to the Loan Agreement dated September 2, 2009 between the Borrower and the Bank for Loan No. 7774-HR (Export Finance Intermediation Loan Project).

The Borrower hereby confirms to the Bank that the indicators set out in the attachment to this letter shall serve as a basis for the Borrower to monitor and evaluate the progress of the Project and the achievement of the objectives thereof. This letter supersedes any previous supplemental letters regarding the Monitoring and Evaluation Indicators for Loan 7774-HR.

Very truly yours,

CROATIAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: Authorized Representative

Name: ANTON KOVACEV
Title: President of the Managing Board

Attachment

By: Authorized Representative

Name: BRANIMIR BERKOVIĆ
Title: Senior Executive Director
CROATIAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Additional Financing for the Export Finance Intermediation Loan Project

### Performance Monitoring Indicators

<table>
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<tr>
<th>PDO</th>
<th>To support the preservation and growth of exports by providing medium and long term working capital and investment finance to exporters and foreign exchange earning enterprises</th>
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<td>PDO indicators</td>
<td>Level of exports growth or preservation of beneficiary firms</td>
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<td>Volume of medium and long-term lending by PFIs to firms under the project</td>
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<td>Intermediate Results indicators</td>
<td>Number of firms financed by PFIs under the project</td>
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<td>Number of firms with female owners financed</td>
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<td>Total NPLs as number of loans</td>
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<td>Total NPLs (in percent)</td>
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<td>Level of job creation or preservation</td>
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