

**Report on the Result
of Operations of the
NATIONAL BANK OF SLOVAKIA
for 2007**

Contents of the Report

1. Costs and revenues of NBS	p. 4
1.1. Executive summary	p. 4
1.2. Monetary area	p. 5
1.2.1. Performance of monetary policy	p. 6
1.2.2. Administration of foreign exchange reserves	p. 8
1.2.3. Transactions with clients and interbank payment system	p. 10
1.3. Issue of banknotes and coins	p. 11
1.4. Operating costs and revenues	p. 13
1.4.1. Staff costs and social costs	p. 14
1.4.2. Administrative and operating costs and revenues	p. 14
2. Distribution of profit/loss	p. 15

1. Costs and revenues of NBS

1.1. Executive summary

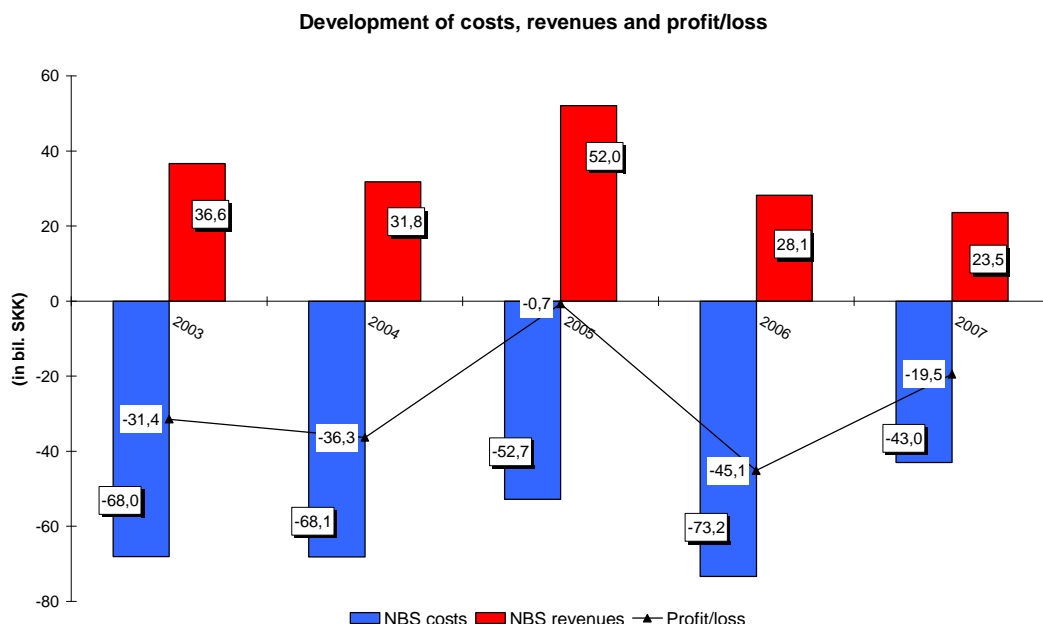
According to the Act of the National Council of the Slovak Republic No. 566/1992 Coll. on the National Bank of Slovakia as amended (hereinafter: the "NBS Act"), the primary objective of NBS is to maintain price stability. The NBS subordinates all its activities and operations to this objective as well as to the performance of tasks resulting from the NBS Act and from special acts of the financial market, even despite that a positive result of operations will not be reached from them. NBS' activity is not performed in order to reach the profit.

Table No. 1 Profit/loss from NBS operations

	Line. no.	Note	Actual figure 2007			Actual figure 2006	Index 2007 2006
			Total	of which:		Total	
				FC	SKK		
Monetary area							
Result from monetary policy operations (profit +/-loss -)	1						
Result from administration of foreign exchange reserves (profit +/-loss -)	2	1.2.1.	-15 561	0	-15 561	-13 653	1,14
Result from transactions with clients and from interbank payment system (profit +/-loss -)	3	1.2.2.	-2 108	-2 108	0	-29 855	0,07
Result from monetary area (profit +/-loss -)	4	1.2.3.	89	0	89	103	0,86
Result from monetary area (profit +/-loss -)	5	1.2.	-17 580	-2 108	-15 472	-43 405	0,41
Issue of money and commemorative coins							
Result from the issue of money and commemorative coins (profit +/-loss -)	6						
	7	1.3.	-124	-42	-82	52	.
Operations							
Result from operations (profit +/-loss -)	8						
	9	1.4.	-1 760	0	-1 760	-1 775	0,99
Total costs for NBS	10	1.1.	-42 953	-25 330	-17 623	-73 264	0,59
Total revenues for NBS	11	1.1.	23 489	23 180	309	28 136	0,83
Profit/loss from NBS operations (profit +, loss -)	12	1.1.	-19 464	-2 150	-17 314	-45 128	0,43

In 2007, the total loss of the NBS is reported in the amount of 19 464 mil. SKK, when total costs reached 42 953 mil. SKK and total revenues reached 23 489 mil. SKK (see Table No. 1). The loss dropped considerably year-on-year by 25 664 mil. SKK (see Chart No.1) in particular as a consequence of the reported result from the administration of foreign exchange reserves, to which profits from securities and lower strengthening of the Slovak koruna exchange rate in 2007 in comparison with 2006 contributed.

Chart No. 1



In 2007, in the monetary area the NBS reported a loss of 17 580 mil. SKK, which comprises the loss from monetary policy operations, loss from the administration of foreign exchange reserves, profit from transactions with clients and from intrabank payment system (see Table 2, par. 1.2.).

From the performance of monetary policy a loss of 15 561 mil. SKK was reached (in 2006 a loss of 13 653 mil. SKK). Sterilisation of excessive liquidity of the banking sector influenced considerably the amount of costs for the performance of monetary policy (sterilisation repo tenders were used for its performance, the issue of NBS treasury bills, O/N deposits). In 2007, costs for sterilisation of the banking sector, with average daily sterilisation of 360.713 bil. SKK reached the total value of 15 219 mil. SKK (see Table 3, par. 1.2.1.).

From the administration of foreign exchange reserves a loss of 2 108 mil. SKK was reported (in 2006 a loss of 29 855 mil. SKK, see Table 4, par. 1.2.2.). In 2007, the net foreign exchange loss (i.e. realized foreign exchange gains and losses from terminated transactions and unrealized foreign exchange losses from revaluation) reached 17 531 mil. SKK, which is the result of continued strengthening of the Slovak koruna exchange rate against USD and EUR. In 2007, the Slovak koruna appreciated against USD by 12.9 % (in 2006 by 17.9 %) and against EUR by 2.8 % (in 2006 by 8.7 %). A favourable influence on the loss shown from foreign exchange reserves had the profit from operations with securities amounting to 14 733 mil. SKK.

From transactions with clients and from interbank payment system the NBS reached a profit of 89 mil. SKK.

From the issue of banknotes, circulating and commemorative coins the NBS reported a loss of 124 mil. SKK (in 2006 a profit of 52 mil. SKK), when costs for the minting of coins and for the printing of banknotes reached 129 mil. SKK and revenues from the issue of banknotes and coins reached 5 mil. SKK (see Table 6, par. 1.3.).

In 2007, net costs for NBS operations (i.e. operating costs less revenues from operations) reached 1 760 mil. SKK. For the provision of operation the NBS spent absolute costs amounting to 1 885 mil. SKK (in 2006 it was 1 893 mil. SKK).

As at 31 December 2007, 1 075 employees in total were recorded in the NBS, which represents a year-on-year drop by 99 employees. Development of the number of employees in the NBS is documented by Chart No. 8 (see par. 1.4.1.). In 2007, the average monthly pay reached 43 420 SKK. Year-on-year growth of real pay is expressed by the 4.9 % index.

1.2. Monetary area

Monetary area represents NBS's activities related to the performance of monetary policy, administration of foreign exchange reserves, transactions with the Slovak Republic and with other clients and to the performance of intrabank payment system in the Slovak Republic.

For 2007 the NBS reached a loss in the monetary area in the amount of 17 580 mil. SKK. A significant effect on the loss had costs associated with the performance of monetary policy (details in par. 1.2.1.) and foreign exchange losses, as a consequence of continued strengthening of the Slovak koruna (details in par. 1.2.2.).

Table No. 2 Profit/loss from monetary area

	Line no.	Note	Actual figure 2007			Actual figure 2006	Index 2007 2006
			Total	of which:		Total	
				FC	SKK		
Monetary area	1						
Result from monetary policy operations (profit +/-loss -)	2	1.2.1.	-15 561	0	-15 561	-13 653	1,14
Result from administration of foreign exchange reserve (profit+/-loss -)	3	1.2.2.	-2 108	-2 108	0	-29 855	0,07
Result from transactions with clients and from interbank payment system (profit +/-loss -)	4	1.2.3.	89	0	89	103	0,86
Costs for monetary area	5	1.2.	-40 939	-25 288	-15 651	-71 215	0,57
Revenues from monetary area	6	1.2.	23 359	23 180	179	27 810	0,84
Result from monetary area (profit +/-loss -)	7	1.2.	-17 580	-2 108	-15 472	-43 405	0,41

1.2.1. Performance of monetary policy

For 2007 the NBS reported a loss from the performance of monetary policy of 15 561 mil. SKK (in 2006 a loss of 13 653 mil. SKK), caused mainly by the performance of operations related to the absorption of excessive liquidity (see Table No. 3). Average daily amount of sterilisation of the banking sector increased year-on-year by an index of 1.03, when in 2007 in absolute figures it was 360.713 bil. SKK, and it increased year-on-year by 11.772 bil. SKK (see Chart No. 2). Instruments of NBS monetary policy used for the purpose of liquidity management in the banking sector included repo transactions, issue of NBS treasury bills, and O/N deposits of banks (so called overnight deposits).

Costs for sterilisation repo tenders represented 12 934 mil. SKK, which is a year-on-year increase by an index of 1.01, at the basic interest rate ranging from 4.75 % to 4.25 %. In 2007, average daily sterilisation with repo tenders was 303.176 bil. SKK, which represents a drop of sterilised amount by 9 % (in 2006 average daily sterilisation was 331.659 bil. SKK at interest rates from 3.0 % to 4.75 %).

Issue of NBS treasury bills was reflected in costs amounting to 1 903 mil. SKK. In 2007, average daily amount of the issue of NBS treasury bills accounted for 44.027 bil. SKK (considerable year-on-year growth of the amount by an index of 4.18, while in 2006 the average daily amount reached 10.530 bil. SKK). For this reason an increase in costs was recorded compared to 2006 (index of 4.71), at interest rates ranging from 4.25 % to 4.05 % p.a. (in 2006 interest rates fluctuated from 2.99 % to 4.75 % p.a.).

Table No. 3 Profit/loss from performance of monetary policy

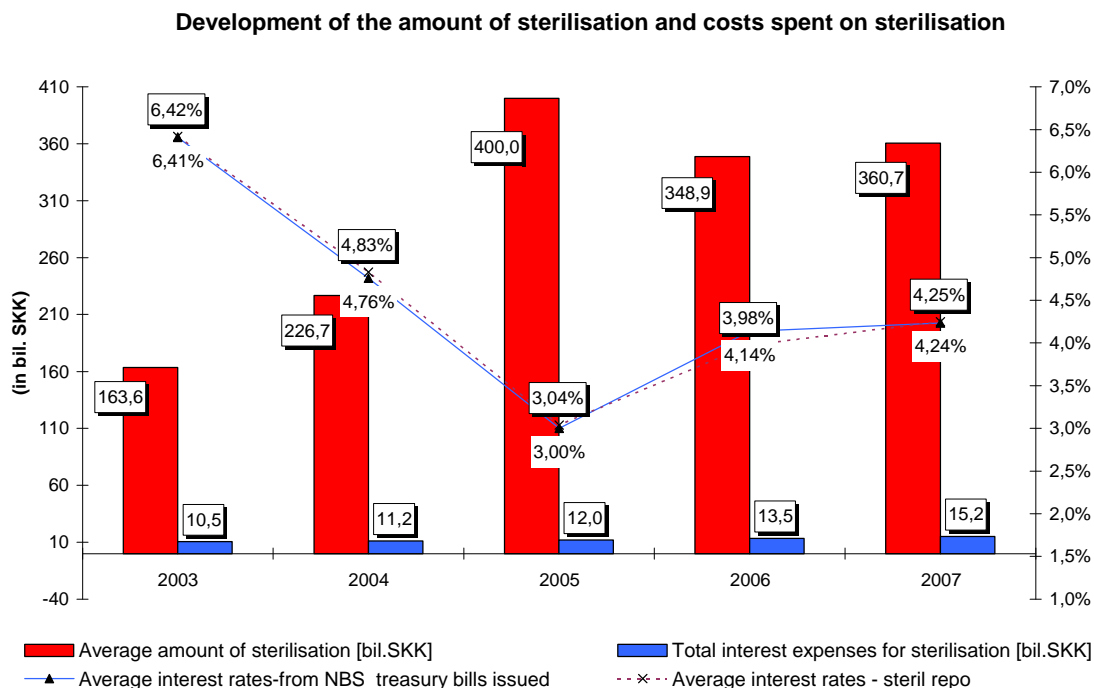
	Line no.	Actual figure 2007			Actual figure 2006 Total	Index <u>2007</u> 2006
		Total	of which:			
			FC	SKK		
Performance of monetary policy	1					
Costs of interest on NBS treasury bills issued	2	-1 903	0	-1 903	-404	4,71
Interest paid on sterilisation repo tenders	3	-12 934	0	-12 934	-12 867	1,01
Interest paid on O/N deposits	4	-382	0	-382	-186	2,05
Interest paid on minimum reserves	5	-366	0	-366	-340	1,06
Interest received on O/N - refinancing repo	6	24	0	24	144	0,17
Penalty interest received for non-fulfilment of minimum reserves	7	0	0	0	0	.
Costs for performance of monetary policy	8	-15 585	0	-15 585	-13 797	1,13
Revenues from performance of monetary policy	9	24	0	24	144	0,17
Profit/loss from performance of monetary policy (profit +/-loss -) (l. 8 and 9)	10	-15 561	0	-15 561	-13 653	1,14

Another instrument of daily liquidity management used is O/N deposits in the NBS (so called overnight deposits). The average daily amount of absorbed liquidity from the banking sector using O/N deposits was 13.510 bil. SKK at the interest rate from 3.25 % to 2.25 %. In 2007, the NBS spent 382 mil. SKK on O/N deposits, which represents a year-on-year increase in costs by an index of 2.05 %. In 2006, the NBS spent 186 mil. SKK on O/N deposits, when the average daily sterilisation was 6.752 bil. SKK, and the interest rate was 2.00 % to 3.25 %.

In the context of daily liquidity management of banks, in comparison with 2006, overnight refinancing repo operations were used less, from which the NBS received interest in the amount of 24 mil. SKK. The average daily amount of refinancing accounted for 0.406 bil. SKK at the interest rate 6.25% to 5.75 %. In 2006, the NBS received interest amounting to 144 mil. SKK (average daily amount of refinancing accounted for 2.833 bil. SKK, and the interest rate was 4.0 % to 6.25 %). Interest received from overnight refinancing operations dropped by an index of 0.17.

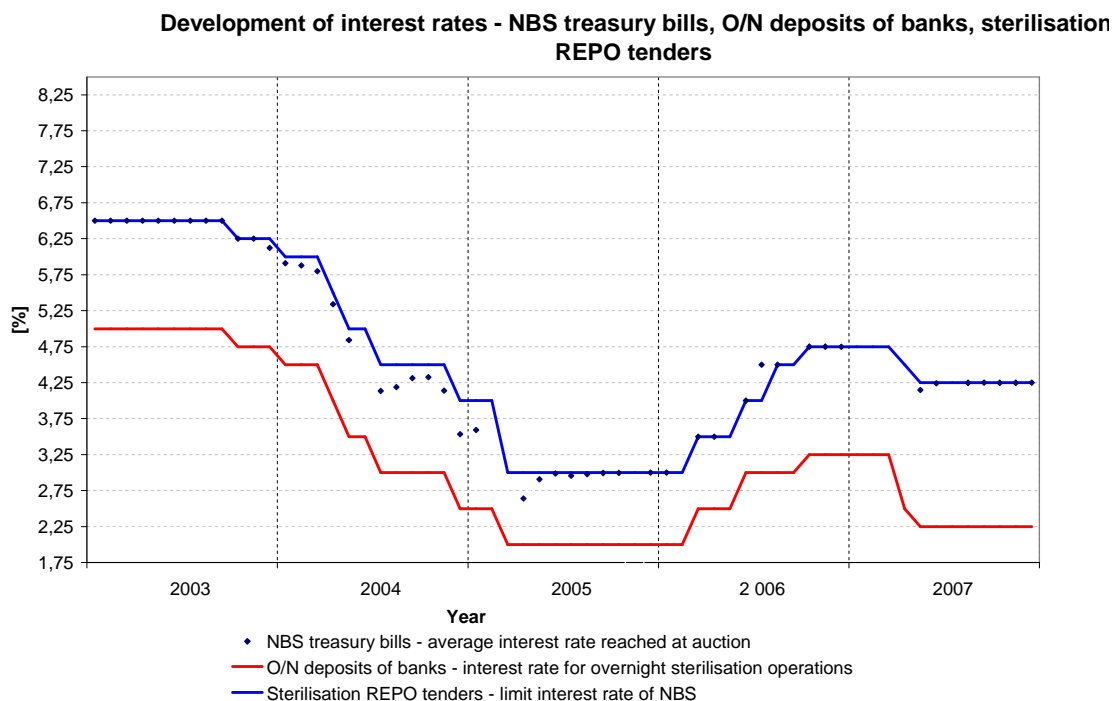
In 2007, the NBS paid interest to banks on minimum reserves in the amount of 366 mil. SKK (in 2006 it was 340 mil. SKK), whereas the interest rate was on the level of the year 2006, i.e. 1.5 % p.a.

Chart No. 2



Development of changes in interest rates is stated in Chart No. 3.

Chart No. 3



1.2.2. Administration of foreign exchange reserves

Administration of foreign exchange reserves means the management of foreign exchange reserves as well as of public funds of the Slovak Republic by the central bank in fulfilling the requirements imposed on security, liquidity and profits. In 2007, the NBS reported a loss of 2 108 mil. SKK from the administration of foreign exchange reserves, mainly as a result of foreign exchange losses (see Table No. 4).

Table No. 4 Profit/loss from administration of foreign exchange reserves

	Line no.	Actual figure 2007			Actual figure 2006	Index 2007 / 2006
		Total	of which:		Total	
			FC	SKK		
Administration of foreign exchange reserves	1					
Revenues from interest on securities in foreign currency	2	15 427	15 427	0	14 263	1,08
Costs of interest on securities in foreign currency	3	-426	-426	0	-1 475	0,29
Revenues from transactions with securities in foreign currency	4	256	256	0	179	1,43
Costs of transactions with securities in foreign currency	5	-524	-524	0	-4 132	0,13
Result from securities in foreign currency (profit +/-loss -) (l. 2 to 5)	6	14 733	14 733	0	8 835	1,67
Interest received on operations in gold and derivatives	7	1	1	0	1	1,00
Interest paid on operations in gold and derivatives	8	0	0	0	0	.
Revenues from operations in derivatives and gold	9	386	386	0	387	1,00
Costs of operations in derivatives and gold	10	-1 382	-1 382	0	-953	1,45
Result from operations in gold and derivatives (profit +/-loss -) (l. 7 to 10)	11	-995	-995	0	-565	1,76
Interest received on repo in foreign currency	12	1 616	1 616	0	1 048	1,54
Interest paid on repo in foreign currency	13	-295	-295	0	-332	0,89
Interest received on loans in foreign currency	14	1	1	0	1	1,00
Interest paid on loans in foreign currency	15	-2	-2	0	-3	0,67
Decrease in value of receivables from banks	16	0	0	0	0	.
Result from loans in foreign currency (profit +/-loss -) (l. 12 to 16)	17	1 320	1 320	0	714	1,85
Interest received on current accounts and deposits in foreign currency	18	206	206	0	375	0,55
Interest paid in the Slovak Republic in foreign currency	19	0	0	0	-5	0,00
Interest paid on current accounts and deposits in foreign currency	20	0	0	0	0	.
Result from current accounts and deposits in foreign currency (profit +/-loss -) (l. 18 to 20)	21	206	206	0	370	0,56
Realized foreign exchange gains	22	5 113	5 113	0	11 150	0,46
Realized foreign exchange losses	23	-6 215	-6 215	0	-10 621	0,59
Unrealized foreign exchange gains from valuation ¹⁾	24	0	0	0	0	.
Unrealized foreign exchange losses from valuation	25	-16 429	-16 429	0	-39 825	0,41
Result from foreign exchange differences (profit +/-loss -) (l. 22 to 25)	26	-17 531	-17 531	0	-39 296	0,45
Fees received from banking operations in foreign currency	27	174	174	0	109	1,60
Fees paid from banking operations in foreign currency	28	-15	-15	0	-22	0,68
Result from fees in foreign currency (profit +/-loss -) (l. 27 and 28)	29	159	159	0	87	1,83
Costs of administration of foreign exchange reserves	30	-25 288	-25 288	0	-57 368	0,44
Revenues from administration of foreign exchange reserves	31	23 180	23 180	0	27 513	0,84
Profit/loss from administration of foreign exchange reserves	32	-2 108	-2 108	0	-29 855	0,07

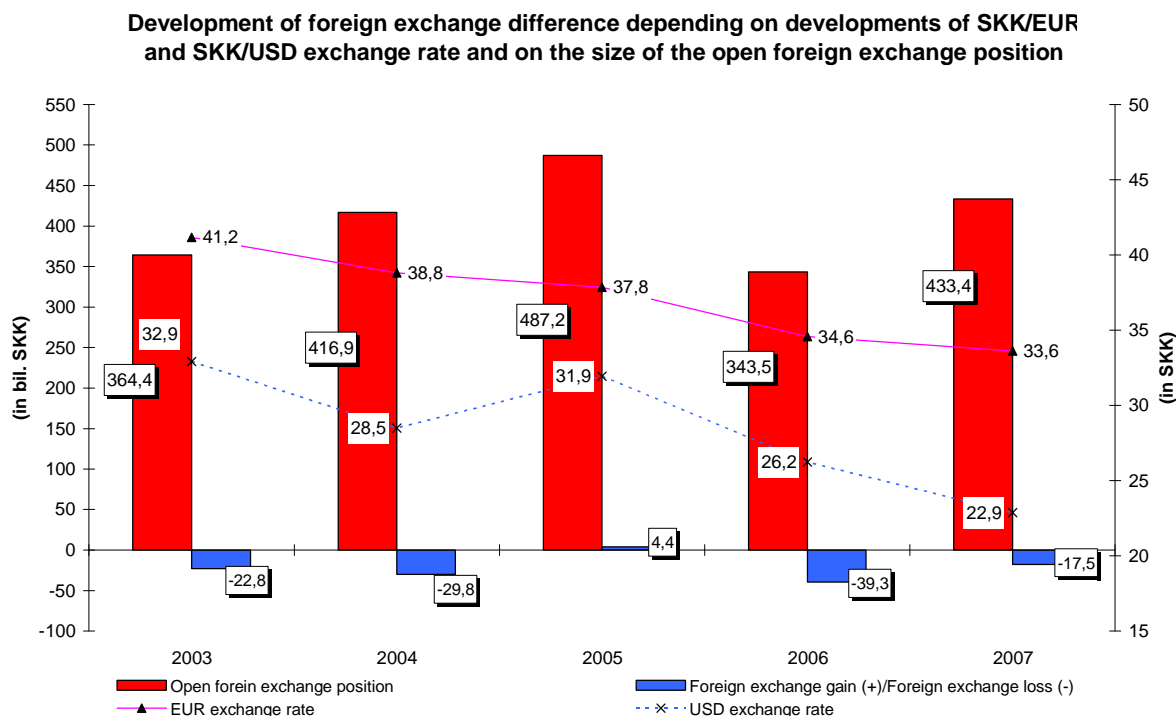
¹⁾ Note: From 1.1.2006 posted in 'Equity' – see Table No. 11, item 4.

The NBS is exposed to currency risk. Currency risk is related to the size of the open foreign exchange position (difference between foreign exchange assets and foreign exchange liabilities) and to the level of volatility of the SKK/EUR and SKK/USD exchange rates. As at 31 December 2007, the open foreign exchange position increased compared to 31 December 2006 by 26 % from 343 534 mil. SKK to 433 423 mil. SKK (see Chart No. 4). The contribution of USD to open foreign exchange position is kept based on decision of the Bank Board of the NBS on the level of 30 % +/-2 %, maximum 3,1 bil. USD. The remaining part of foreign exchange reserves is denominated in EUR.

In 2007, the NBS reported a total foreign exchange loss of 17 531 mil. SKK (in 2006 the loss of 39 296 mil. SKK was reported). In comparison with 2006, in 2007 the Slovak

koruna appreciated more slightly. The exchange rate of the Slovak koruna against the US dollar appreciated by 12.9 % from 26.246 as at 31 December 2006 to 22.870 as at 31 December 2007 (in 2006 the exchange rate appreciated by 17.9 %). The exchange rate of the Slovak koruna against the EUR appreciated by 2.8 % from 34.573 as at 31 December 2006 to 33.603 as at 31 December 2007 (in 2006 the appreciation was by 8.7 %).

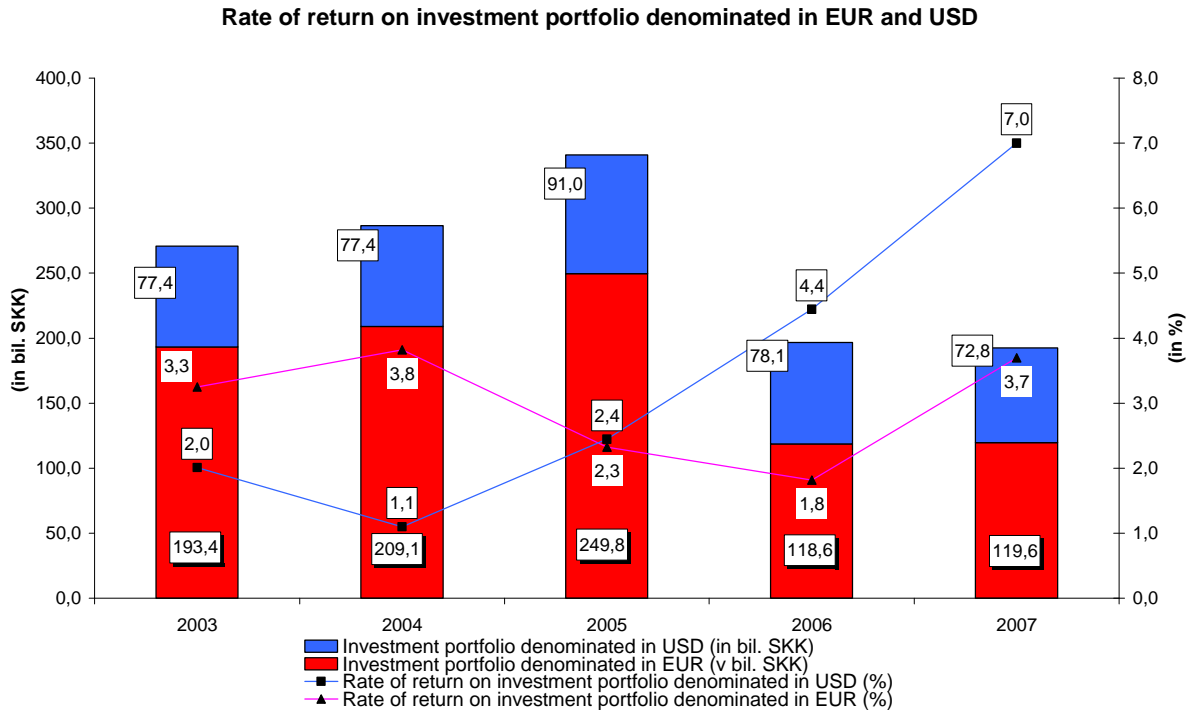
Chart No. 4



For 2007, the NBS reached the net profit of 14 733 mil. SKK from transactions with securities (in 2006 the profit was 8 835 mil. SKK). The total revenues were influenced mainly by more than a 20% increase in the value of foreign exchange reserves over the course of 2007. The key interest rates set by the Central Bank of the USA experienced a drop over the course of 2007, and the interest rates set by the European Central Bank experienced a slight increase. The rate of return on NBS portfolios was positive (see Chart No. 5).

For repo transactions in foreign currency the profit of 1 320 mil. SKK was reached. Primarily tri-party repo transactions were used.

Chart No. 5



1.2.3. Transactions with clients and interbank payment system

This area covers costs and revenues generated to the Bank in transactions with the Slovak Republic, with clients and in ensuring the interbank payment system.

Interest received amounting to 92 mil. SKK consists of interest on redistribution loan for building construction in the amount of 75 mil. SKK, interest on loans received from foreign banks, which are intended for the support of small and medium enterprises and for the support of certain economic sectors in the Slovak Republic, and of NBS employees.

Interest of 65 mil. SKK was paid mainly to non-profit and other organisations, which have accounts operated with the NBS (e.g. Central Union of Jewish Religious Communities, embassies, Deposit Protection Fund, Investment Guarantee Fund), and to NBS employees.

The NBS ensures the performance of interbank payment system in the Slovak Republic (SIPS). As at the end of 2007, fees received for SIPS reached the amount of 49 mil. SKK, which represents an increase compared to 2006 by an index of 1.09. In the period under review, two new active participants of interbank payment system joined the system ABN AMRO Bank N.V, BRE Bank SA and there was the merger of banks HVB Bank Slovakia, a.s. and UniBanka, a.s., in which a new entity originated, UniCredit Bank Slovakia, a.s., which increased the number of participants to 31. The share of using priority payments by all SIPS participants decreased in comparison with 2006, however, the share of standard payments increased, and thus the share of fees for the processing of payments increased.

Table No. 5 Profit/loss from transactions with clients and from interbank payment system

	Line no.	Actual figure 2007			Actual figure 2006	Index 2007/2006
		Total	of which:		Total	
			FC	SKK		
Transactions with clients and interbank payment system	1					
Interest received on loans in SKK	2	88	0	88	89	0,99
Interest paid on loans in SKK	3	0	0	0	0	.
Interest received on current accounts and deposits in SKK	4	4	0	4	4	1,00
Interest paid on current accounts and deposits in SKK	5	-65	0	-65	-48	1,35
Interest paid to the Slovak Republic in SKK	6	0	0	0	-1	0,00
Fees received from SIPS	7	49	0	49	45	1,09
Fees received from banking operations in SKK	8	14	0	14	15	0,93
Fees paid from banking operations in SKK	9	-1	0	-1	-1	1,00
Costs of transactions with clients and of interbank payment system	10	-66	0	-66	-50	1,32
Revenues from transactions with clients and from interbank payment system	11	155	0	155	153	1,01
Result from transactions with clients and from interbank payment system (profit +/-loss -) (I.10 and 11)	12	89	0	89	103	0,86

1.3. Issue of banknotes and coins

Table No. 6 Profit/loss from the issue of banknotes and coins

	Line no.	Actual figure 2007			Actual figure 2006	Index 2007/2006
		Total	of which:		Total	
			FC	SKK		
Issue of money and commemorative coins	1					
Revenues from the issue of banknotes and coins	2	5	0	5	208	0,02
Costs of banknote printing and coin minting	3	-129	-42	-87	-156	0,83
Result from the issue of money and commemorative coins (profit +/-loss -)	4	-124	-42	-82	52	.

In 2007, the NBS spent 42 mil. SKK for banknote printing. 30.676 mil. banknotes in the denomination of 20 SKK, 50 SKK and 1 000 SKK were produced. For the minting of circulation coins the NBS spent 56 mil. SKK, and for the minting of commemorative coins 31 mil. SKK. 44 mil. coins in the denomination of 50 halier, 4.6 mil. coins in the denomination of 1 SKK; 11.8 mil. coins in the denomination of 2 SKK, and 5 mil. coins in the denomination of 5 SKK were supplied to the NBS. In addition, coins of all denominations were supplied into 17 985 sets of circulation coins. From the commemorative coins issue plan 2007, 14 072 commemorative coins were sold (see Table No. 7). In 2007, revenues from the issue of banknotes and coins reached 5 mil. SKK.

Development of banknote printing and coin minting costs is documented by Chart No. 6.

Chart No. 6

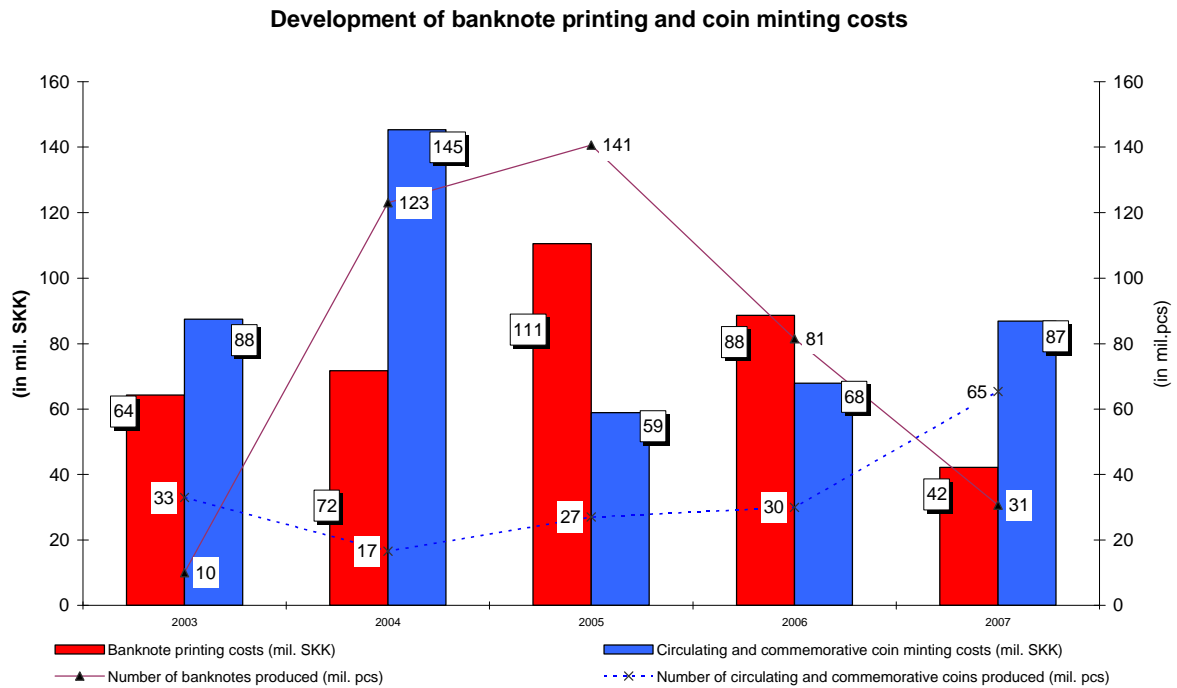


Table No. 7 Commemorative coins issued and sold in 2007

Name of commemorative coin	Number of commemorative coins sold in pcs
200 SKK Commemorative Silver Coin "Jozef Maximilian Petzval - the 200th Anniversary of the Birth"	
- issued on 9.1.2007	6 958
standard version	4 524
proof	2 434
500 SKK Commemorative Silver Coin "The Construction of the Old Fortress at Komarno - the 450th Anniversary"	
- issued on 15.5.2007	7 114
standard version	4 555
proof	2 559
Total	14 072

1.4. Operating costs and revenues

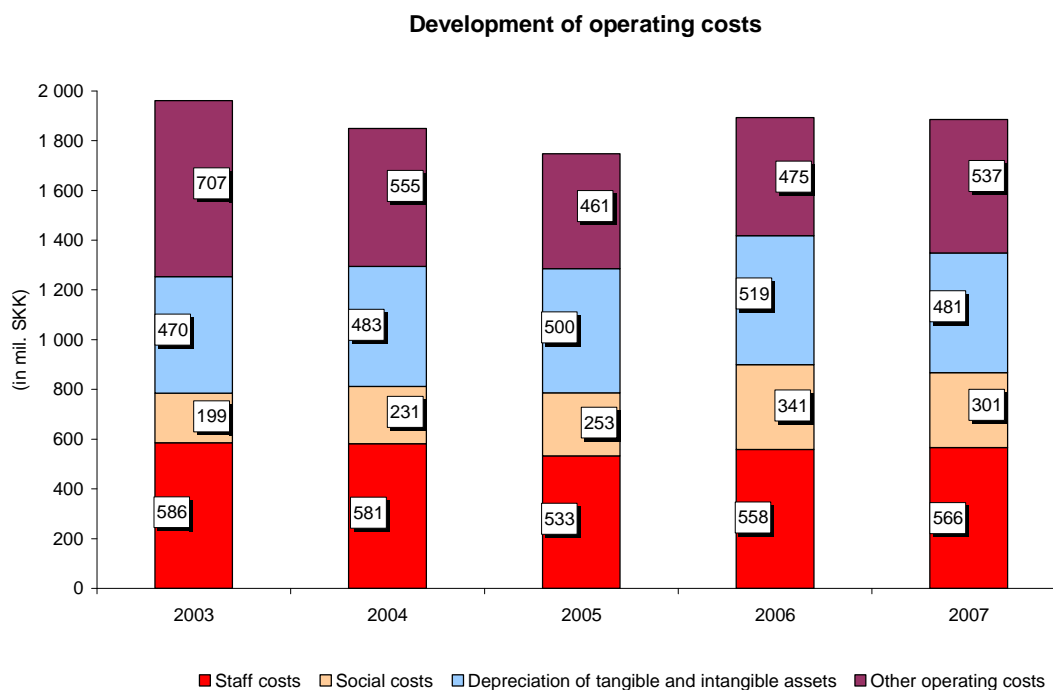
In 2007, net costs (i.e. costs less revenues) for the provision of operation and administration were reported in the amount of 1 760 mil. SKK, which represents a drop compared to 2006 by an index of 0.99.

Table No. 8 Operating profit/loss

	Line. no.	Note	Actual figure 2007			Actual figure 2006	Index 2007 2006
			Total	of which:		Total	
				FC	SKK		
Operating costs and revenues	1						
Staff costs	2	1.4.1.	-566	0	-566	-558	1,01
Social costs	3	1.4.1.	-301	0	-301	-341	0,88
Purchased performance	4	1.4.2.	-478	0	-478	-417	1,15
Depreciation of tangible assets	5	1.4.2.	-395	0	-395	-460	0,86
Depreciation of intangible assets	6	1.4.2.	-86	0	-86	-59	1,46
Other operating costs	7	1.4.2.	-59	0	-59	-58	1,02
Fees and contributions of financial market entities	8	1.4.2.	105	0	105	85	1,24
Other operating revenues	9	1.4.2.	20	0	20	33	0,61
Operating costs	10	1.4.	-1 885	0	-1 885	-1 893	1,00
Operating revenues	11	1.4.	125	0	125	118	1,06
Operating profit/loss (profit +/loss -)	12	1.4.	-1 760	0	-1 760	-1 775	0,99

In 2007, operating costs were influenced mainly by a change in the organizational structure and a drop of the average counted number of employees by 123 employees. A year-on-year increase of purchased performance by an index of 1.15 was influenced mainly by increased costs for repairs and maintenance, for the packing material for treasuries, and for the technical support and repair of application programming systems. In comparison with 2006, depreciation of intangible assets increased by an index of 1.46 as a result of implementation and putting new modules of the accounting system (SAP) into use – see Chart No. 7.

Chart No. 7



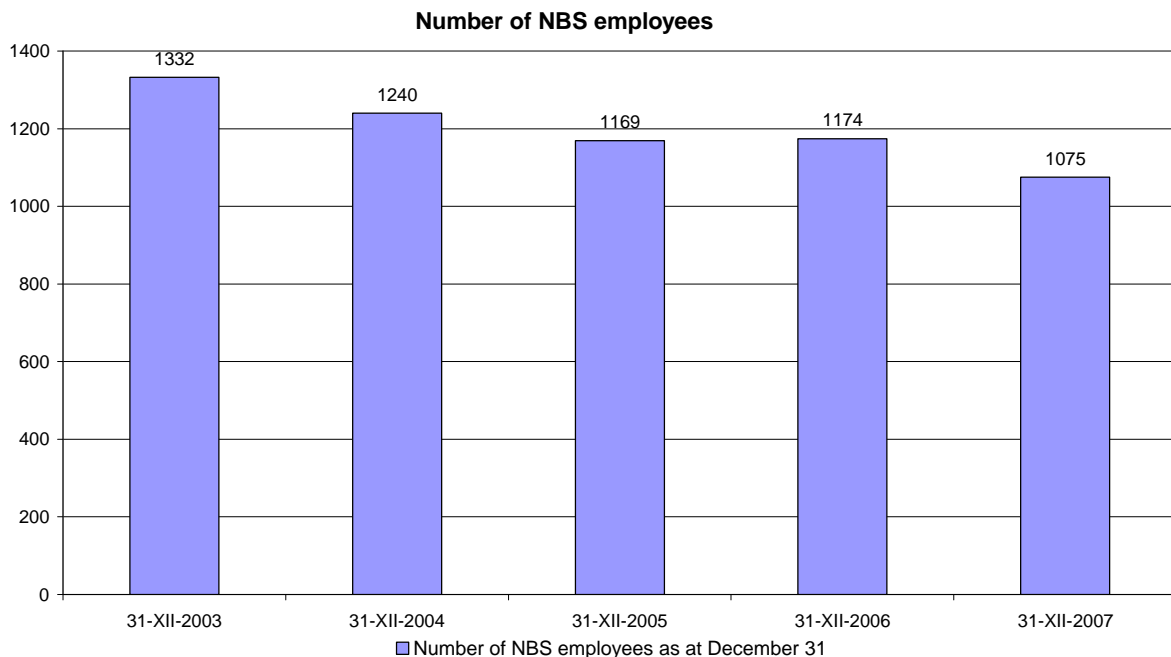
1.4.1. Staff costs and social costs

Staff costs include salaries and other costs of staff. In 2007, they were drawn in the amount of 566 mil. SKK by a year-on-year index of 1.01.

In 2007, the average counted number of employees was 1 081, which is less by 123 employees than in 2006. In 2007, the numbers of employees were influenced by organisational changes made within the Bank as at 1. 2. 2007 and as at 1. 7. 2007. As at 31. 12. 2007 there were 1 075 employees in total in the NBS, which is in comparison with 31. 12. 2006 a drop by 99 employees, i.e. by 8 % (see Chart No. 8). In 2007, the average monthly pay reached 43 420 SKK, which represents real year-on-year growth of 4.9 %.

In 2007, social costs with a year-on-year drop by 12 % represented the amount of 301 mil. SKK. Social costs consist in particular of costs for statutory social insurance paid to the Social Insurance Agency and to health insurance companies.

Chart No. 8



1.4.2. Administrative and operating costs and revenues

Administrative and operating costs and revenues relate to the activity of individual organizational units of the NBS in performing the primary objective and tasks of NBS resulting from the NBS Act. They include purchased performance, depreciation of long-term tangible and intangible assets, other operating costs and operating revenues.

In 2007, administrative and operating costs were drawn in the amount of 1 018 mil. SKK, and operating revenues accounted for 125 mil. SKK. Depreciation of assets had the highest contribution to administrative and operating costs, in the amount of 481 mil. SKK, and purchased performance in the amount of 478 mil. SKK (see Table 9).

The highest contribution to purchased performance had costs for repairs and maintenance, costs for technical support and for the modification of application programming systems (APS), for energy consumption, for data transmission and radio networks, for travelling and for the consumption of packing material for treasuries. Other purchased

performance included e.g. costs for the service of copying machines, fuel consumption, cable fees, advertising costs, expert's opinions, cost of transportation, etc.

Table No. 9 Purchased performance

Item	Line	Actual figure		Index <u>2007</u> 2006
	no.	2007	2006	
Telephone costs	1	12	14	0,86
Costs for data transmission, radio networks and postal charges	2	49	58	0,84
Travel costs	3	32	32	1,00
Representation costs	4	8	7	1,14
Costs for technical support and modification of APSS	5	73	46	1,59
Costs for protection of facilities and protection of transport of currency in circulation	6	8	7	1,14
Rent	7	9	13	0,69
Repairs and maintenance	8	130	66	1,97
Energy consumption	9	50	51	0,98
Books, periodicals and non-periodicals	10	8	8	1,00
Consumption of forms and teller's cheques	11	1	1	1,00
Consumption of office supplies	12	7	9	0,78
Consumption of packing material for treasuries	13	16	10	1,60
Consumption of registered assets up to 30 thou. SKK	14	3	4	0,75
Other economic material	15	8	9	0,89
Costs for rating, audit	16	16	34	0,47
Costs for information materials	17	3	4	0,75
Cleaning	18	12	11	1,09
Costs for translations and experts' opinion	19	3	4	0,75
Other purchased performance	20	30	29	1,03
Total purchased performance	21	478	417	1,15

2. Distribution of profit/loss

According to Article 38 paragraph 2 of the NBS Act, over the accounting period the Bank generates either a profit or a loss. Profit generated by the NBS is allocated to the reserve fund and to other funds generated from the profit, or to settle losses from previous years. The remaining profit is transferred to the State budget or, based on the Slovak Government's decision, to state financial assets. The NBS may settle the loss for the current period from the reserve fund or from other funds. The loss on which the Bank Board may decide to remain outstanding shall be transferred to the next accounting period.

For 2007 the NBS reached a loss of 19 464 mil. SKK. According to decision of the NBS Bank Board, the loss for 2007 was included in losses of previous years (see Table No. 10).

Table No. 10 Settlement of profit/loss

Item	Line no.	Settlement of profit/loss		Year-on-year change 2007 - 2006
		2007	2006	
Profit (+) / Loss (-) of the current year	1	-19 464	-45 128	25 664
Transfers in funds (appropriations (+), transfers from (-))				
Statutory fund	2	0	0	0
Reserve fund	3	0	0	0
Capital funds	4	0	0	0
Funds generated from profit	5	0	0	0
Profit (+) / Loss (-) of the current year after transfers in funds (item 1 - item 2 to item 5)	6	-19 464	-45 128	25 664
Profit appropriations to the state budget	7	0	0	0
Losses (-) / Profit of previous years (+)	8	-141 829	-122 365	-19 464

The impact of loss shown for 2007 on NBS equity is documented by Table No. 11.

Table No. 11 Equity

Item	Line no.	Balance 2007	Balance 2006	Year-on-year change 2007 - 2006
Statutory fund	1	483	483	0
Reserve fund	2	10 269	10 269	0
Capital funds	3	43	43	0
Differences in valuation from revaluation	4	20 783	16 931	3 852
Losses(-) / Profit (+) of previous years	5	-141 829	-122 365	-19 464
Total equity (item 1 to item 5)	6	-110 251	-94 639	-15 612

As at 31 December 2007, the NBS reported a negative equity of 110 251 mil. SKK. As at 31.12.2007, year-on-year change in equity was influenced by a loss of the current year in the amount of 19 464 mil. SKK and by profits from the valuation of gold, derivatives and securities at the market price in the amount of 3 852 mil. SKK, which are reported in Equity in compliance with the Guideline of the ECB.