

**Report on the Result  
of Operations of the  
National Bank of Slovakia  
for 2009**



## Contents of the Report

<b>1. Costs and revenues of the NBS</b>	p. 2. 2
<b>1.1. Executive summary</b>	p. 2. 2
<b>1.2. Monetary area</b>	p. 2. 4
1.2.1. Performance of monetary policy	p. 2. 4
1.2.2. Administration of foreign exchange reserves	p. 2. 7
1.2.3. Transactions with clients and interbank payment system	p. 2. 8
<b>1.3. Issue of banknotes and coins</b>	p. 2. 9
<b>1.4. Operating costs and revenues</b>	p. 2.10
1.4.1. Staff costs and social costs	p. 2.11
1.4.2. Administrative and operating costs and revenues	p. 2.11
<b>2. Distribution of profit/loss</b>	p. 2.13

## 1. Costs and revenues of the NBS

### 1.1. Executive summary

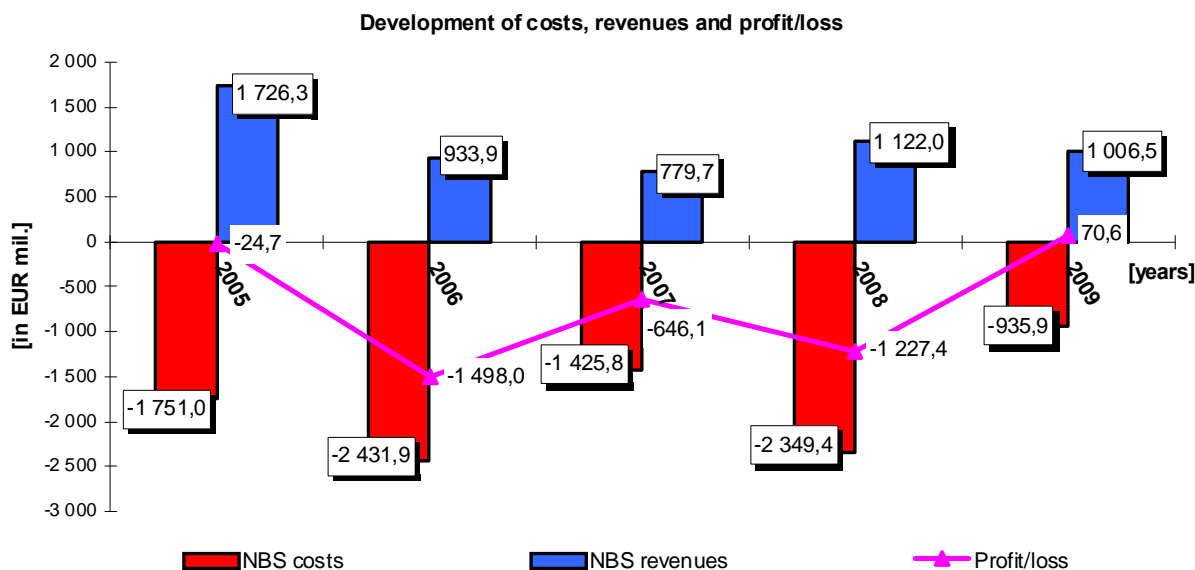
In 2009 the NBS reported for the first time since 2002 total profit in the amount of EUR 70,588 ths., when total costs reached EUR 935,932 ths. and total revenues reached EUR 1,006,520 ths.(see Table No.1 and Chart No.1).

Total profit of the NBS was influenced mainly by profit from the administration of foreign exchange reserves in the amount of EUR 255,331 ths. of which, from the point of view of new NBS investment policy, considerable impact was exerted mainly by revenues from the administration of investment assets and only minimally from exchange rate differences. The development of exchange rate differences especially depends on the development of the EUR:USD exchange rate and on the size of the open foreign exchange position. The introduction of the common euro currency as well as the decision to restructure the currency composition of foreign exchange reserves led to a minimizing of the exchange rate risk influence. Another positive influence was the decreasing of the loss from monetary policy performance against 2008 by an index of 0.23, because of a change from the sterilisation position of the NBS to a refinancing position. Lower operating costs (index 0.87) and costs for currency issue positively influenced the total costs and revenues (index 0.14), which was due to the reduction of costs connected with the process of euro introduction (euro info campaign and the mint of euro currency coins in 2008).

Table No. 1. Profit/loss from NBS operations

	L. No.	Note	Actual figure		Index 2009 2008
			2009	2008	
<b>Monetary area</b>	1				
Result from monetary policy operations (profit+/loss-)	2	1.2.1.	-124 707	-531 096	0,23
Issue of money and commemorative coins	3	1.2.2.	255 331	-584 009	x
Result from transactions with clients and from interbank payment system (profit+/loss-)	4	1.2.3.	597	-544	x
<b>Result from the monetary area (profit+/loss-)</b>	<b>5</b>	<b>1.2.</b>	<b>131 221</b>	<b>-1 115 649</b>	<b>x</b>
<b>Issue of money and commemorative coins</b>	6				
Result from the issue of money and commemorative coins (profit+/loss-)	7	1.3.	-3 651	-50 944	0,07
<b>Operations</b>	8				
Result from operations (profit+/loss-)	9	1.4.	-56 982	-60 783	0,94
<b>Total costs for the NBS</b>	<b>10</b>	<b>1.1.</b>	<b>-935 932</b>	<b>-2 349 421</b>	<b>0,40</b>
<b>Total revenues for the NBS</b>	<b>11</b>	<b>1.1.</b>	<b>1 006 520</b>	<b>1 122 045</b>	<b>0,90</b>
<b>Profit/loss from the NBS operations (profit+, loss-)</b>	<b>12</b>	<b>1.1.</b>	<b>70 588</b>	<b>-1 227 376</b>	<b>x</b>

Chart No. 1



In the monetary area in 2009 the NBS reported a profit of EUR 131,221 ths., which comprised profit from the administration of foreign exchange reserves, profit from transactions with clients and interbank payment system, and of a loss from monetary policy operations that the NBS carries out in the currency of the Eurosystem by means of monetary policy operations with acceptable contractual parties (see Table No.2, par 1.2).

The loss from monetary policy performance in the amount of EUR 124,707 ths. has decreased by an index of 0.23 against 2008 (EUR 531,096 ths. – see Table No. 3, par. 1.2.1.). This decrease was recorded due to a change from the sterilisation position of the NBS in 2008 to the refinancing position in 2009, which is characteristic for the Eurosystem. Costs for the sterilisation of the banking sector in 2009 reached EUR 13,191 ths., whereas in 2008 the sum was EUR 517,651 ths. One part of the costs for sterilisation of the banking sector in 2009 is also an aliquot part of the cost interests paid from three sterilisation repo tenders carried out in 2008 (falling due in 2009), and an aliquot part of cost interests for the last emission of NBS treasury bills (falling due 21 January 2009). Revenues from banking sector refinancing in 2009 amounted to EUR 10,807 ths., and EUR 81 ths. in 2008.

From the administration of foreign exchange reserves a profit of EUR 255,331 ths. was reported (in 2008 a loss of EUR 584,009 ths., see Table No. 4, par. 1.2.2.). In 2009, the net foreign exchange loss (i.e. realized foreign exchange gains and losses from terminated transactions and unrealized foreign exchange losses from revaluation) reached EUR 932 ths. (in 2008 EUR 1,165,994 ths.). As from 2009 a negligible part of NBS reserves is held in a currency other than EUR, exchange rate differences contribute to the appreciation or depreciation of foreign exchange assets only negligibly. A favourable influence on the profit reported from foreign exchange reserves administration was exerted by profit from operations with securities amounting to EUR 527,848 ths.

From transactions with clients and from the interbank payment system, the NBS reached a profit of EUR 597 ths.

From the issue of banknotes, circulating, and commemorative coins the NBS reported net costs (costs less revenues) in the amount of EUR 3,651 ths. (in 2008 EUR 50,944 ths.) whereas their year-to-year decrease by an index of 0.07 was recorded due to lower costs for the minting of circulating euro coins, which in 2008 contributed the greatest sum to total costs from issuance activity (see Table No. 6, par. 1.3).

In 2009 net costs for NBS operations (i.e. operating costs less revenues from operations) reached EUR 56,982 ths. with year-to-year decrease of operating loss by an index of 0.94, mainly because of lower drawing of administrative and operating costs, which were influenced in 2008 by the costs of euro introduction (see Table No. 8, par. 1.4).

## 1.2. Monetary area

In the monetary area, the NBS ensures activities related to the performance of monetary policy within the framework of the euro area, the administration of foreign exchange reserves, transactions with the Slovak Republic and other clients, and the performance of interbank payment system.

For 2009 profit in the monetary area was reported in the amount of EUR 131,221 ths. (in 2008 a loss of EUR 1,115,649 ths. was reported). The most significant effect on the reported profit was profit from operations with securities (more detail in par. 1.2.2.).

Table No. 2. Profit/loss from the monetary area

	L. No.	Note	Actual figure		Index 2009 2008
			2009	2008	
<b>Monetary area</b>	1				
Result from monetary policy operations (profit+/loss-)	2	1.2.1.	-124 707	-531 096	0,23
Result from administration of foreign exchange reserves	3	1.2.2.	255 331	-584 009	x
Result from transactions with clients and from interbank payment system (profit+/loss-)	4	1.2.3.	597	-544	x
Costs for monetary area	5	1.2.	-866 434	-2 226 352	0,39
Revenues from monetary area	6	1.2.	997 655	1 110 703	0,90
<b>Result from the monetary area (profit+/loss-)</b>	<b>7</b>	<b>1.2.</b>	<b>131 221</b>	<b>-1 115 649</b>	<b>x</b>

### 1.2.1. Performance of monetary policy

For 2009, the NBS reported a loss from the performance of monetary policy of EUR 124,707 ths. (in 2008 a loss of EUR 531,096 ths.). Compared to the previous year, the favourable result (index 0.23) was caused by a changeover from the NBS sterilisation position to the refinancing position. Refinancing is carried out by the drawing of the means through debit position in Target 2. The NBS, in accordance with the rules valid for the Eurosystem from 1 January 2009, for monetary policy purposes uses main refinancing operations, longer-term refinancing operations, fine-tuning operations, structural operations, and automatic operations. On 4 July 2009 the ECB Governing Council reached a decision on the implementation of the covered bonds purchase programme within the framework of monetary policy operations. The NBS participation in this programme was approved at the 21<sup>st</sup> meeting of the Bank Board of the NBS. For commercial banks with their seat in the Slovak Republic eligible for taking part in monetary policy operations, the NBS offered the option to purchase covered bonds fulfilling the criteria stipulated by the programme. These operations are reported as being part of structural operations.

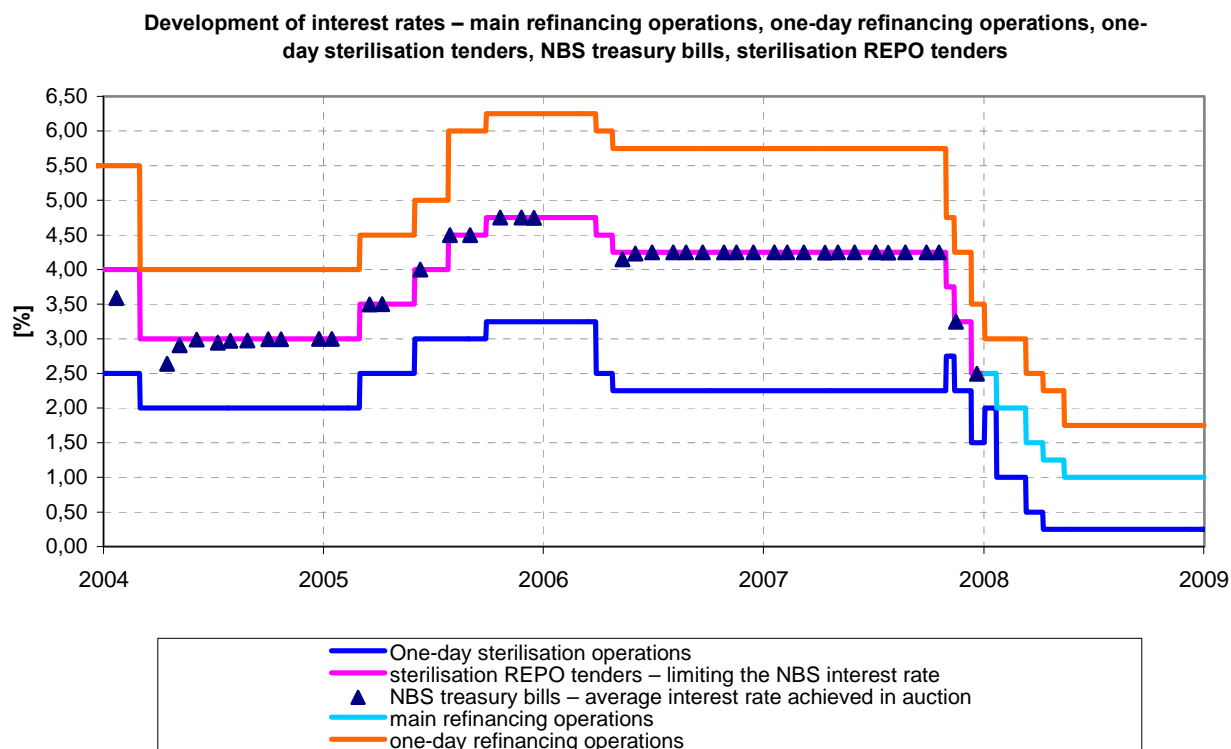
Table No. 3 Profit/loss from the performance of monetary policy

	L. No.	Note	Actual figure		Index 2009 2008
			2009	2008	
<b>Performance of monetary policy</b>	<b>1</b>				
<b>Free market operations together (l. 3, 6, 8, 11):</b>	<b>2</b>		<b>5 693</b>	<b>-512 455</b>	<b>x</b>
<b>Main operations (l. 4, 5):</b>	<b>3</b>		<b>-4 538</b>	<b>-422 176</b>	<b>0,01</b>
- interest received	4		1 074	38	28,26
- interest paid	5		-5 612	-422 214	0,01
<b>Longer-term refinancing operations (l. 7):</b>	<b>6</b>		<b>9 722</b>	<b>0</b>	<b>x</b>
- interest received	7		9 722	0	x
<b>Fine-tuning operations (l. 9, 10):</b>	<b>8</b>		<b>-279</b>	<b>0</b>	<b>x</b>
- interest received	9		0	0	x
- interest paid	10		-279	0	x
<b>Structural operations (l. 12, 13, 14, 15):</b>	<b>11</b>		<b>788</b>	<b>-90 279</b>	<b>x</b>
- interest received	12		2 407	0	x
- interest paid	13		-1 619	-90 279	0,02
- revenue	14		0	0	x
- costs	15		0	0	x
<b>Automatic operations (l. 17, 18):</b>	<b>16</b>		<b>-5 831</b>	<b>-5 115</b>	<b>1,14</b>
- interest received	17		11	81	0,14
- interest paid	18		-5 842	-5 196	1,12
<b>Compulsory minimum reserves (l. 20, 21):</b>	<b>19</b>		<b>-9 610</b>	<b>-13 618</b>	<b>0,71</b>
- interest received	20		0	2	0,00
- interest paid	21		-9 610	-13 620	0,71
<b>Receivables from transfer of foreign exchange reserves to the</b>	<b>22</b>		<b>4 374</b>	<b>0</b>	<b>x</b>
- interest received	23		4 374	0	x
<b>Receivables/obligations against Target 2 (l. 25, 26):</b>	<b>24</b>		<b>-163 967</b>	<b>0</b>	<b>x</b>
- interest received	25		0	0	x
- interest paid	26		-163 967	0	x
<b>Receivables/obligations from banknotes issuance (l. 28, 29):</b>	<b>27</b>		<b>31 785</b>	<b>0</b>	<b>x</b>
- interest received	28		31 785	0	x
- interest paid	29		0	0	x
<b>Monetary revenue from ECB (l. 31, 32):</b>	<b>30</b>		<b>12 818</b>	<b>0</b>	<b>x</b>
- revenue	31		12 819	0	x
- cost	32		-1	0	x
<b>Charges, contractual fines from MPO (l. 34, 35):</b>	<b>33</b>		<b>31</b>	<b>92</b>	<b>0,34</b>
- charges and fines received	34		35	92	0,38
- charges paid	35		-4	0	x
Costs for performance of monetary policy	36	1.2.1.	-186 934	-531 309	0,35
Revenues from performance of monetary policy	37	1.2.1.	62 227	213	x
<b>Profit/loss from performance of monetary policy (profit+/loss-) (l. 36 and 37)</b>	<b>38</b>	<b>1.2.1.</b>	<b>-124 707</b>	<b>-531 096</b>	<b>0,23</b>

Monetary policy operations, which the NBS started to use only upon entry to the Monetary Union on 1 January 2009, were primarily main refinancing operations and longer-term refinancing operations.

Main refinancing operations are the most important operations on the free market carried out in Eurosystem, they fulfil a key role in achieving the aims of controlling interest rates, the liquidity situation on the market, and conveying signals of monetary policy intentions. They are carried out in the form of standard tenders for all contractual parties to the NBS. Due to interest rates from 1.00 % up to 2.50 % (see Chart No.2), the NBS received interest amounting to EUR 1,074 ths.

Chart No. 2



Longer-term refinancing operations are supplementary operations on the free market carried out in the Eurosystem. Their aim is the additional and longer-term refinancing of the financial sector. They are carried out in the form of standard tenders for all contractual parties to the NBS. From these operations, the NBS received interest in the amount of EUR 9,722 ths. at interest rates from 1.00 % to 2.50 %.

The least used refinancing instrument within the framework of automatic operations was one-day refinancing operations, from which the NBS received interest amounting to EUR 11 ths.; whereas the year-to-year drop was by an index 0.14.

From 7 July 2009 the European Central Bank started implementing a programme of the purchase of covered bonds in the euro area for supporting financial market recovery in which the NBS and other euro area central banks participated. To 31 September 2009 the NBS purchased covered bonds in total acquisition price of EUR 268.1 mil., from which it reported interest received amounting to EUR 2,407 ths.

In 2009, compared to 2008, for daily liquidity management the NBS made use of one-day sterilisation operations to a larger extent within the framework of automatic operations at the interest rate from 0.25 % to 2.00 %, whereas the NBS used EUR 5,842 ths., which represents a year-to-year increase in costs by an index of 1.12 (in 2008 the NBS used EUR 5,196 ths. for one day sterilisation operations, when the interest rate fluctuated from 1.50 % to 2.75 %).

A new instrument in connection with the liquidity management of banks was fine-tuning term-deposits, from which the NBS paid out interest amounting to EUR 279 ths.

In 2009, the NBS paid interest to banks on compulsory minimum reserves in the amount of EUR 9,610 ths. (in 2008 EUR 13,620 ths.), whereas the interest rate ranged from 1.00 % up to 2.50 % (in 2008 the fixed interest rate was set at the level of 1.5 % p.a.).

A favourable influence on the profit/loss from monetary policy performance was also interest received from receivables from banknote issuance amounting to EUR 31,785 ths., and monetary revenue cleared to the accounts from the ECB in the amount of EUR 12,819 ths.



## 1.2.2. Administration of foreign exchange reserves

The administration of foreign exchange reserves means the management of foreign exchange investment reserves, as well as the public funds of the Slovak Republic by the central bank, in fulfilling the requirements imposed on security, liquidity and profits. In 2009, the NBS reported profit amounting to EUR 255,331 ths. (see Table No. 4), the height of which was influenced by the new NBS investment strategy as well as by the euro introduction. By creating a single-currency euro investment portfolio with a simultaneous change of limits for open foreign exchange position for individual currencies, a termination of open foreign exchange positions in foreign currencies took place (the difference between foreign exchange assets and foreign exchange liabilities). The share of investment portfolio denominated in EUR represented 99.2 % (98.6 % towards 31 December 2008), whilst the remaining part of foreign exchange reserves was denominated in USD. That is why the exchange rate differences contributed towards the appreciation or depreciation of foreign exchange assets only negligibly. In 2009, the NBS reported a total foreign exchange loss amounting to EUR 932 ths. (in 2008 a loss of EUR 1,165,994 ths. was reported).

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

	L. No.	Note	Actual figure		Index 2009 2008
			2009	2008	
<b>Administration of foreign exchange reserves</b>	<b>1</b>				
<b>Securities (I. 3 up to 6):</b>	<b>2</b>		<b>527 848</b>	<b>590 627</b>	<b>0,89</b>
- revenues from interest	3		460 057	532 330	0,86
- cost of interest	4		-95 609	-29 847	3,20
- revenues from operations with securities	5		177 912	144 872	1,23
- costs of operations with securities and unrealized losses from revaluation	6		-14 512	-56 728	
<b>Operations in gold (I. 8 up to 10):</b>	<b>7</b>		<b>148</b>	<b>307</b>	<b>0,48</b>
- interest received	8		148	307	0,48
- revenues from operations in gold	9		0	0	x
- costs of operations in gold	10		0	0	x
<b>Operations in derivatives (I. 12 up to 15):</b>	<b>11</b>		<b>-267 044</b>	<b>-36 598</b>	<b>7,30</b>
- interest received	12		72 476	103	x
- interest paid	13		-174 928	-21	x
- revenues from operations in derivatives	14		168 022	57 476	2,92
- costs of operations in derivatives and unrealized losses from revaluation	15		-332 614	-94 156	3,53
<b>Credit operations (I. 17, 18):</b>	<b>16</b>		<b>-4 089</b>	<b>16 970</b>	<b>x</b>
- interest received	17		1 074	21 536	0,05
- interest paid	18		-5 163	-4 566	1,13
<b>Current accounts and deposits (I. 20, 21):</b>	<b>19</b>		<b>207</b>	<b>2 175</b>	<b>0,10</b>
- interest received	20		665	2 189	0,30
- interest paid	21		-458	-14	32,71
<b>Foreign exchange rate differences (I. 23 up to 25):</b>	<b>22</b>		<b>-932</b>	<b>-1 165 994</b>	<b>0,00</b>
- realized exchange rate gains	23		52 095	340 533	0,15
- realized exchange rate losses	24		-50 739	-347 626	0,15
- unrealized exchange rate losses from revaluation	25		-2 288	-1 158 901	0,00
<b>Fees for administration of foreign exchange reserves (I. 27, 28):</b>	<b>26</b>		<b>-807</b>	<b>8 504</b>	<b>x</b>
- fees received	27		359	9 171	0,04
- fees paid	28		-1 166	-667	1,75
Costs of administration of foreign exchange reserves	29	1.2.2.	-677 477	-1 692 526	0,40
Revenues from administration of foreign exchange reserves	30	1.2.2.	932 808	1 108 517	0,84
<b>Profit/loss from administration of foreign exchange reserves (profit+/loss-) 29 a</b>	<b>31</b>	<b>1.2.2.</b>	<b>255 331</b>	<b>-584 009</b>	<b>x</b>

In 2009, the NBS reported net profit from operations with securities amounting to EUR 527,848 ths. (in 2008 profit amounted to EUR 590,627 ths.), which was influenced mainly by interest revenues from securities in the amount of EUR 460,057 ths. Because of the new investment strategy, the predominant majority of securities which were purchased to the NBS portfolios was denominated in EUR. The portfolio denominated in USD was

at a minimal level and was connected with covering obligations resulting from golden swaps (reported as repo trades in gold). The amount of revenues from securities was also influenced by the moderate increase of the yield curve of euro area government securities in the period of over 6 months, and that mainly at higher maturities.

From trades with derivatives, a loss was reported amounting to EUR 267,044 ths., whereas in comparison with 2008 mainly interest received and interest paid from trades with derivatives rose considerably (see Tab. No. 4), to which interest swaps contributed most of all.

A loss amounting to EUR 4,089 ths. was reported by the NBS from credit operations, mainly interest from repo trades in gold. In 2008 this mainly derived from revenues from classical repo trades, tri-party reverse repo trades, and interest received from credits granted (redistribution credit for housing construction, credits TSL II, III and AGL II). Classical repo trades were not used in 2009, and all AGL II credits were repaid on 30 September 2009. TSL II and TSL III credits are in their final repayment phase. The greatest share of interest received from NBS contractual credit operations took interest was received from redistribution credit for housing construction which amounted to EUR 306 ths.

### 1.2.3. Transactions with clients, the interbank payment system and other banking operations

This area covers costs and revenues generated to the Bank in transactions with clients, in ensuring the interbank payment system and other operations with domestic banks which are not associated with the performance of monetary policy. Net profit reported from transactions with clients and from the interbank payment system was in the amount of EUR 597 ths. (see Table No.5, par. 1.2.3). Of this, fees received for SIPS related to ensuring interbank payment system performance in Slovak Republic were in the amount of EUR 1,731 ths. (in 2008 EUR 1,439 ths.)

Interest amounting to EUR 1,855 ths. was paid mainly to non-profit and other organizations, 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.

Table No. 5 Profit/loss from transactions with clients, the interbank payment system and other banking operations

	L. No.	Note	Actual figure		Index 2009/2008
			2009	2008	
<b>Transactions with clients, interbank payment system and other banking operations</b>	<b>1</b>				
<b>Current accounts and deposits of clients:</b>	<b>2</b>		<b>-1 738</b>	<b>-2 254</b>	<b>0,77</b>
- interest received	3		121	133	0,91
- interest paid	4		-1 855	-2 387	0,78
- interest paid to the Slovak Republic	5		-4	0	x
<b>Other banking operations</b>	<b>6</b>		<b>-2</b>	<b>-44</b>	<b>0,05</b>
- other revenues	7		0	0	x
- other costs	8		-1	-2	0,50
- decrease (-)/increase (+) of value of receivables against clients	9		-1	-42	0,02
<b>Fees from transactions with clients, interbank payment system and other banking operations</b>	<b>10</b>		<b>2 337</b>	<b>1 754</b>	<b>1,33</b>
- fees received	11		425	401	1,06
- fees paid	12		-124	-86	1,44
- received financial fees SIPS	13		1 731	1 439	1,20
- received financial fees Target2	14		343	0	x
- paid financial fees Target2	15		-38	0	x
Cost of transactions with clients on interbank payment system	16	1.2.3.	-2 023	-2 517	0,80
Revenues from transactions with clients and from interbank payment system	17	1.2.3.	2 620	1 973	1,33
<b>Result from transactions with clients and from interbank payment system (profit+/-/loss-) (L.16 and 17)</b>	<b>18</b>	<b>1.2.3.</b>	<b>597</b>	<b>-544</b>	<b>x</b>

### 1.3. Issue of banknotes and coins

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

	L. No.	Note	Actual figure		Index 2009 2008
			2009	2008	
<b>Issue of money and collector coins</b>	1				
Costs of banknotes printing and coin minting	2		-7 548	-52 148	0,14
Revenues from issue of banknotes and coins	3		3 897	1 204	3,24
<b>Result from the issue of money and collector coins (profit+/-)</b>	4	1.3.	<b>-3 651</b>	<b>-50 944</b>	<b>0,07</b>

In 2009, the NBS expended total costs of EUR 7,548 ths. for issue activities, of which for the minting of circulation and commemorative euro coins EUR 6,150 ths. (including costs for concepts and leaflets), for the minting of collector coins EUR 1,002 ths., (including costs for concepts and leaflets), and for the destruction of Slovak currency circulation coins EUR 396 ths. The total costs decreased in comparison with 2008 by an index of 0.14, primarily due to a decrease in costs connected with the process of the introduction of the euro (costs for minting of euro coins). In 2009 revenues from issue amounted to EUR 3,897 ths., which represents an increase against 2008 by an index of 3.24. This comprised mainly sales revenues for material from destroyed Slovak currency coins, and profit from the issue of unchanged Slovak coins in nominal value of 10 and 20 Heller, the validity of which ended on 31 December 2003.

In the course of 2009, 74.6 mil. euro coins were delivered to the NBS, of which 856.2 ths. were delivered into yearly sets of circulation euro coins.

According to the 2009 issue plan of collector and commemorative circulation coins, 3,545,900 coins were minted (see Table No. 7).

Development of costs for the printing of banknotes and the minting of coins is documented in Chart No. 3.

Chart No. 3

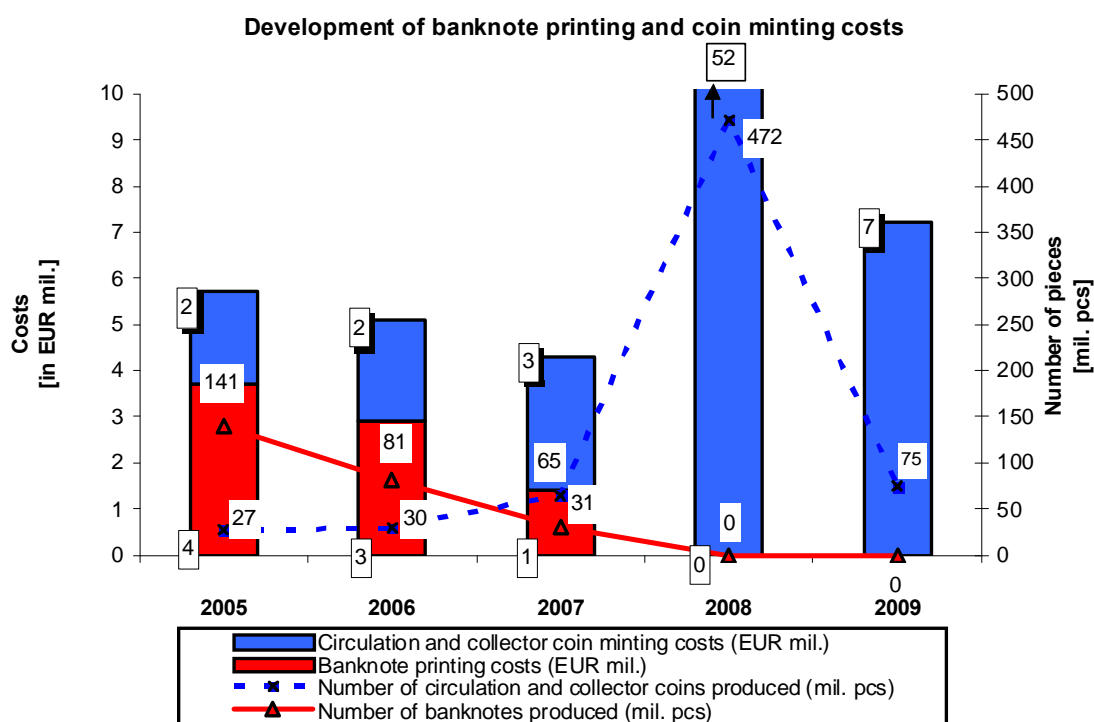


Table No.7 Commemorative circulation and collector coins issued in 2009

Name of commemorative circulation coin, collector coin	Number of coins in pcs
<b>Commemorative two euro coin</b>	
<b>Economic and monetary union – 10th anniversary – issued on 7 January 2009</b>	
standard version	2 500 000
proof	-
<b>Silver collector coin of nominal value 10 euro–</b>	
<b>Aurel Stodola – 150th birth anniversary – issued on 27 April 2009</b>	
standard version	10 100
proof	13 300
<b>Silver collector coin of nominal value 20 euro</b>	
<b>Protection of Nature and Landscape Veľká Fatra National Park – issued on 16 June 2009</b>	
standard version	9 900
proof	12 600
<b>Commemorative two euro coin</b>	
<b>17th November - Day of the Fight for Freedom and Democracy - 20th anniversary - issued on 10 November 2009</b>	
standard version	1 000 000
proof	-
<b>Total</b>	<b>3 545 900</b>

#### 1.4. Operating costs and revenues

The NBS has maintained a stable level of operating costs over the long term (see Table No. 8).

In 2009, net costs (i.e. costs less revenues) for the provision of operation and administration were reported in the amount of EUR 56,982 ths.. The year-to-year decrease against 2008 by an index of 0.94 was influenced by the lower drawing of administrative and operating costs, which in 2008 were influenced by costs connected to the preparation for euro introduction.

Table No. 8. Operating profit/loss

	L. No.	Note	Actual figure		Index 2009 2008
			2009	2008	
<b>Operating costs and revenues</b>	1				
Staff costs	2	1.4.1.	-21 638	-20 180	1,07
Social costs	3	1.4.1.	-9 931	-9 484	1,05
Purchased performance	4	1.4.2.	-18 796	-26 953	0,70
Depreciation of tangible assets	5	1.4.2.	-8 701	-10 981	0,79
Depreciation of intangible assets	6	1.4.2.	-2 884	-3 323	0,87
Received fees and contributions of financial market entities	7	1.4.2.	4 058	3 984	1,02
Other operating revenues	8	1.4.2.	910	6 154	0,15
Operating costs	9	1.4.	-61 950	-70 921	0,87
Operating revenues	10	1.4.	4 968	10 138	0,49
<b>Operating profit/loss (loss-)</b>	<b>11</b>	<b>1.4.</b>	<b>-56 982</b>	<b>-60 783</b>	<b>0,94</b>

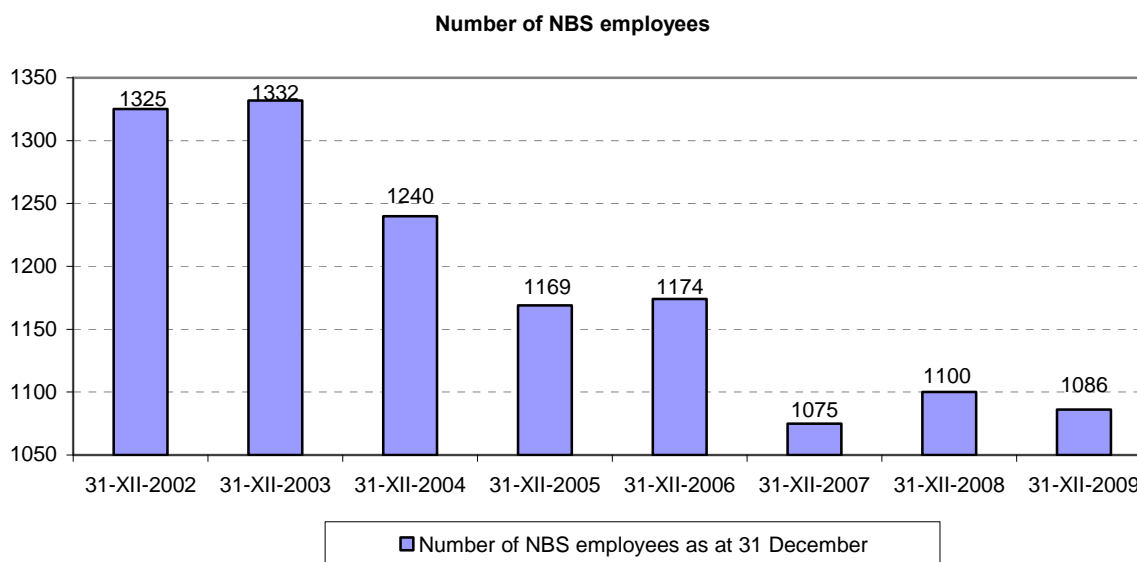
#### 1.4.1. Staff costs and social costs

Staff costs include salaries and other personal costs of staff. In 2009 such amounted to EUR 21,638 ths. by an year-to-year index of 1.07.

For 2009, the average headcount was 1,083. As at 31 December 2009, 1,086 employees in total were recorded, 14 employees less against 31 December 2008, i.e. 1.3 % less (see Chart No.4). In 2009, the number of employees was influenced by organisational changes made within the Bank in the context of the delimitation of the Institute of Banking Education, and of the termination of the euro information campaign.

In 2009, social costs represented EUR 9,931 ths. with a year-to-year index of 1.05. Such consisted of costs for statutory social insurance paid to the Social Insurance Agency and to health insurance companies (EUR 6,689 ths.), and of costs for social policy concerning employees and retired former employees (EUR 3,242 ths.).

Chart No. 4



#### 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 objectives and tasks of the NBS resulting from the NBS Act.

In 2009, administrative and operating costs were spent in the total amount of EUR 30,381 ths. Such included purchased performance in the amount of EUR 18,796 ths. and depreciation of tangible and intangible assets in the amount of EUR 11,585 ths.

Operating revenues amounted to EUR 4,968 ths.

Purchased performance costs (see Table No. 9) decreased on a year-to-year basis by an index of 0.70, which was related to the fact that in 2008 they were influenced by the euro introduction process.

Table No. 9. Purchased performance and other operating costs

Item	L. No.	Note	Actual figure		Index 2009 2008
			2009	2008	
Repairs and maintenance	1		2 718	2 443	1,11
Costs of data transmission, radio networks and postal charges	2		2 610	1 958	1,33
Costs for technical support and maintenance of information systems	3		2 520	3 421	0,74
Energy consumption	4		2 100	2 065	1,02
Travel costs	5		1 357	1 175	1,15
Consumption of material	6		1 211	2 572	0,47
Representation costs	7		497	785	0,63
Cleaning services	8		479	433	1,11
Costs for protection of facilities and protection of transport of currency in circulation	9		423	432	0,98
Telephone costs	10		388	390	0,99
Financial donations	11		340	1 733	0,20
material	12		785	1 821	0,43
Costs for rating, audit	13		220	240	0,92
Costs of transfer of long-term tangible assets	14		180	5 147	0,03
Rent	15		171	135	1,27
Costs for translations and interpreting	16		102	103	0,99
Other purchased performance costs	17		2 695	2 100	1,28
<b>Purchased performance and other operating costs (l. 1 to 17):</b>	<b>18</b>	<b>1.4.2.</b>	<b>18 796</b>	<b>26 953</b>	<b>0,70</b>

## 2. Distribution of profit/loss

According to Article 39 par. 4 of the NBS Act, the NBS generates either a profit or a loss over the accounting period. 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 NBS may settle the loss for the accounting period from the reserve fund or from other funds. The loss on which the Bank Board of the NBS may decide to remain outstanding shall be transferred to the next accounting period.

For 2009, the NBS reached a profit of EUR 70,588 ths. According to a decision of the Bank Board of the NBS form 16 March 2010, the profit for 2009 was settled against the losses of previous years (see Table No. 10).

Table No. 10 Settlement of profit/loss

Item	L. No.	Settlement of profit/loss 2009/2008	
		2009	2008
Profit(+)/Loss(-) of the current year	1	70 588	-1 227 376
Transfer in funds (appropriations (-), transfers form (+))			
Statutory fund	2	0	0
Reserve fund	3	0	0
Capital funds	4	0	0
<b>Profit (+)/Loss (-) of the current year after transfers in funds (item 1 - item 2 up to 4)</b>	<b>5</b>	<b>70 588</b>	<b>-1 227 376</b>
Transfer against losses from previous years	6	70 588	-1 227 376
Profit appropriations to the state budget	7	0	0
<b>Profit (+)/Loss (-) of the current year after settlement (item 5.- item 6.-item 7)</b>	<b>8</b>	<b>0</b>	<b>0</b>

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