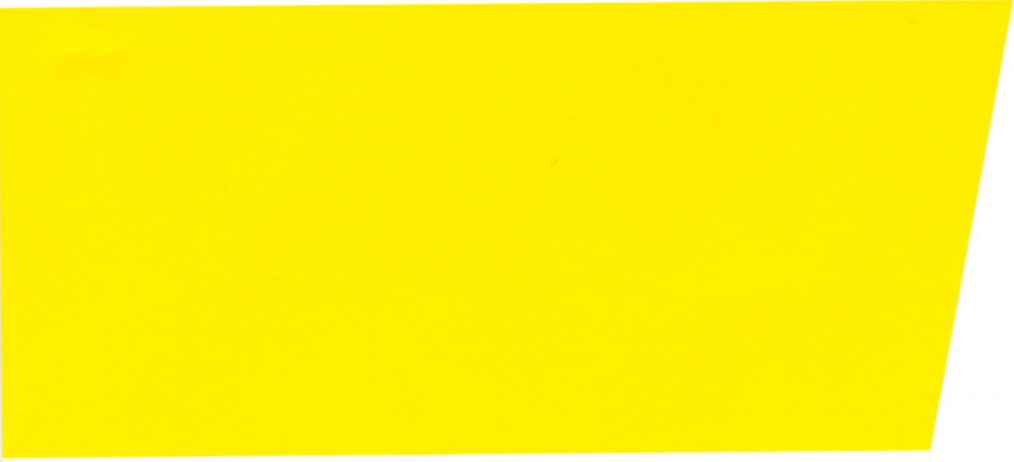


Appendix to the auditor's report on the consistency
of the Report on Results of Operations of the
National Bank of Slovakia
for the year 2011 with the financial statements
and

Report on Results of Operations of the National
Bank of Slovakia for the year 2011



**Appendix to the auditor's report
on the consistency of the Report on Result of Operations of the National Bank of
Slovakia for the year 2011 with the financial statements**

To the Bank Board of the National Bank of Slovakia:

- I. We have audited the financial statements of the National Bank of Slovakia ("the Bank") as at 31 December 2011 presented in the report for the National Council of the Slovak Republic. We issued the following audit report dated 13 March 2012 on the financial statements:

"Independent Auditors' Report"

To the Bank Board of the National Bank of Slovakia:

We have audited the accompanying financial statements of the National Bank of Slovakia ('the Bank'), which comprise the balance sheet as at 31 December 2011, the profit and loss account for the year then ended and a summary of significant accounting policies and other explanatory information.

Responsibility of the Bank Board of the National Bank of Slovakia for the Financial Statements

Bank Board of the National Bank of Slovakia is responsible for the preparation and presentation of financial statements that give a true and fair view in accordance with the Guideline of the European Central Bank of 11 November 2010 on the legal framework for accounting and financial reporting in the European System of Central Banks No. ECB/2010/20, as amended ('the ECB Guideline') and with Act No. 431/2002 Coll. on Accounting, as amended ('the Act on Accounting') and for such internal control as the Bank Board of the National Bank of Slovakia determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from 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 the auditors' 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, the auditor considers internal control relevant to the Bank's preparation of financial statements that give a true and fair view 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 Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Bank Board of the National Bank of Slovakia, 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 audit 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 2011 and of its financial performance for the year then ended in accordance with the ECB Guideline and the Act on Accounting.

13 March 2012

Bratislava, Slovak Republic

Ernst & Young Slovakia, spol. s r.o.
SKAU Licence No. 257

Ing. Dalimil Draganovský
SKAU Licence No.893"

- II. We have also audited the consistency of the Report on Result of Operations of the National Bank of Slovakia for the year 2011 ("Report on Result of Operations") with the above-mentioned financial statements. The Bank Board of the National Bank of Slovakia is responsible for the accuracy of preparation of the Report on Result of Operations. Our responsibility is to express an opinion on the consistency of the Report on Result of Operations with the financial statements, based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the accounting information presented in the Report on Result of Operations and derived from the financial statements is consistent, in all material respects, with the financial statements. We have verified that the information presented in the Report on Result of Operations is consistent with the information contained in the audited financial statements as at 31 December 2011. We have not audited information that has not been derived from the audited financial statements or the Bank's accounting records. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit, the accounting information presented in the Report on Result of Operations is consistent, in all material respects, with the financial statements of the Bank as at 31 December 2011.

13 March 2012

Bratislava, Slovak Republic



Ernst & Young Slovakia, spol. s r.o.
SKAU Licence No. 257



Ing. Dalimil Draganovský
SKAU Licence No.893

Report on Result of Operations of the National Bank of Slovakia for the year 2011

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1. Profit/Loss of the NBS

1.1. Executive Summary

In 2011, the NBS reported an overall loss of EUR 76,734 thousand, wherein total costs and total revenues reached EUR 1,443,854 thousand and EUR 1,367,120 thousand, respectively (refer to Table 1 and Chart 1).

The overall loss of the NBS was influenced by the loss in the monetary area of EUR 10,793 thousand, net operating costs of EUR 60,073 thousand and net costs for the issue of currency and collector coins of EUR 5,868 thousand.

Table 1: Profit/Loss of the NBS

	L. No.	Note	Actual figure		Index <u>2011</u> 2010	Year-on-year change
			2011	2010		
Monetary area	1					
Result from monetary policy operations (profit+/loss-)	2	1.2.1.	67,310	49,701	1.35	17,609
Result from administration of foreign exchange reserves (profit+/loss-)	3	1.2.2.	-104,153	-523,675	0.20	419,522
Profit/loss from transactions with ECB (profit+/loss-)	4	1.2.3.	26,003	27,631	0.94	- 1,628
Result from transactions with clients and from interbank payment system (profit+/loss-)	5	1.2.4.	47	512	0.09	-465
Result from monetary area (profit+/loss-)	6	1.2.	-10,793	-445,831	0.02	435,038
Issue of currency and collector coins	7					
Result from issue of currency and collector coins (profit+/loss-)	8	1.3.	-5,868	-12,337	0.48	6,469
Operations	9					
Result from operations (profit+/loss-)	10	1.4.	-60,073	-57,005	1.05	-3,068
Total costs for NBS	11	1.1.	-1,443,854	-1,442,971	1.00	-883
Total revenues for NBS	12	1.1.	1,367,120	927,798	1.47	439,322
Profit/loss from NBS operations (profit+, loss-)	13	1.1.	-76,734	-515,173	0.15	438,439

Note: 2010 data are retranslated to 2011 methodology.

Chart 1

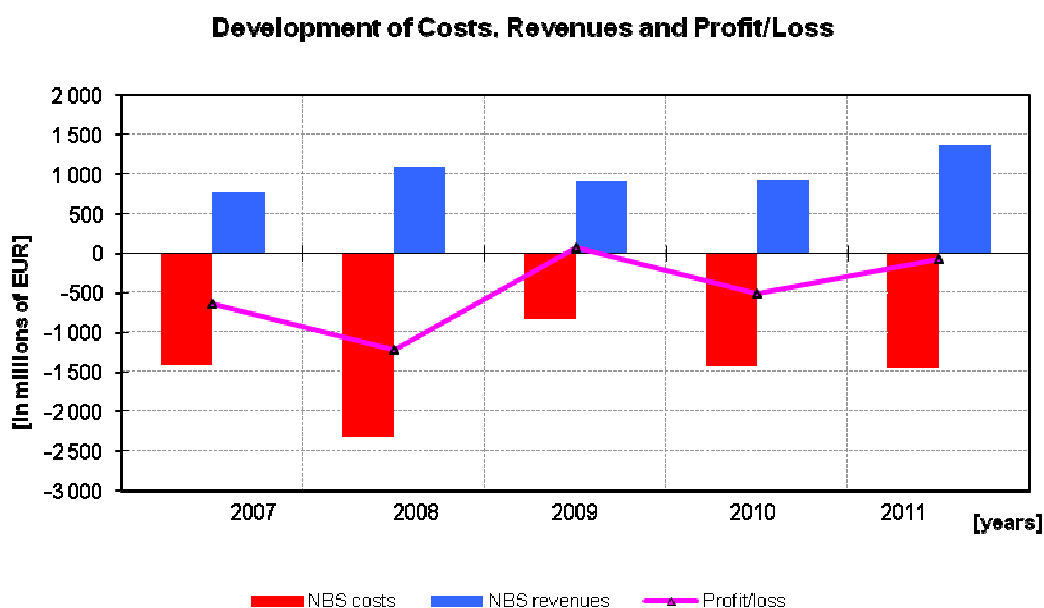
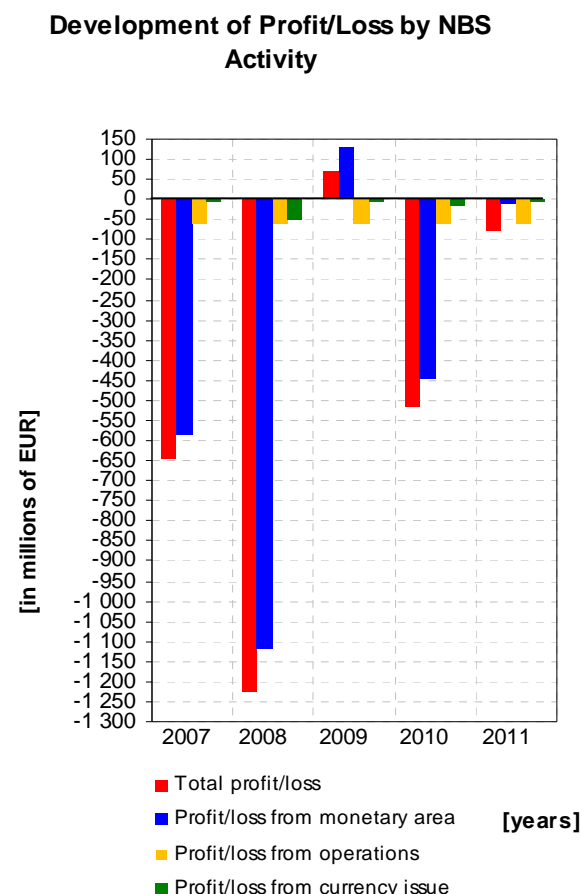


Chart 2 displays the impact of individual activities on the overall profit/loss of the bank.

Chart 2



1.2. Monetary area

In the monetary area, the NBS ensures activities related to execution of the monetary policy within the euro area, the administration of investment reserves, transactions with the ECB, transactions with the Slovak Republic and other clients, and operation of the interbank payments system.

The results in the monetary area significantly influence the overall profit/loss of the bank generated in the current year (refer to Chart 2). In 2011, a loss of EUR 10,793 thousand was reported in the monetary area (2010: loss of EUR 445,831 thousand), which was substantially affected by unrealized losses from the valuation of financial assets to market prices recognized in the profit/loss of EUR 461,988 thousand. A favorable impact largely resulted from a year-on-year increase in interest income from securities and derivatives from the Bank's investment reserves, whereas total costs for the monetary area remained at the 2010 level.

Table 2: Profit/Loss from Monetary Area

	L. No.	Note	Actual figure		Index 2011/2010	Year-on-year change
			2011	2010		
Monetary area	1					
Result from monetary policy operations (profit+/loss-)	2	1.2.1.	67,310	49,701	1.35	17,609
Result from administration of foreign exchange reserves (profit+/loss)	3	1.2.2.	-104,153	-523,675	0.20	419,522
Profit/loss from transactions with ECB (profit+/loss-)	4	1.2.3.	26,003	27,631	0.94	-1,628
Result from transactions with clients and from interbank payments system (profit+/loss-)	5	1.2.4.	47	512	0.09	-465
Costs for monetary area	6	1.2.	-1,369,135	-1,366,693	1.00	-2,442
Revenues from monetary area	7	1.2.	1,358,342	920,862	1.48	437,480
Result from monetary area (profit+/loss-)	8	1.2.	-10,793	-445,831	0.02	435,038

1.2.1. Execution of Monetary Policy

For 2011, the NBS reported a profit from execution of monetary policy of EUR 67,310 thousand (2010: profit of EUR 49,701 thousand). Compared to the prior

year, the favorable result was largely due to higher interest income received from structural operations (index 1.75).

Table 3: Profit/Loss from Execution of Monetary Policy

	L. No.	Note	Actual figure		Index 2011/2010	Year-on-year change
			2011	2010		
Execution of monetary policy	1					
Open market operations total (I. 3, 6, 8, 11):	2		76,442	57,113	1.34	19,329
Main refinancing operations (I. 4, 5)	3		1,496	1,071	1.40	425
- interest received	4		1,496	1,071	1.40	425
- interest paid	5		0	0	x	0
Longer-term refinancing operations (I. 7):	6		2,369	14,517	0.16	-12,148
- interest received	7		2,369	14,517	0.16	-12,148
Fine-tuning operations (I. 9, 10)	8		-489	-275	1.78	-214
- interest received	9		0	0	X	0
- interest paid	10		-489	-275	1.78	-214
Structural operations (I. 12, 13):	11		73,066	41,800	1.75	31,266
- interest received	12		73,066	41,800	1.75	31,266
- interest paid	13		0	0	X	0
Standing facilities (I. 15, 16):	14		-256	-462	0.55	206
- interest received	15		3	1	3.00	2
- interest paid	16		-259	-463	0.56	204
Compulsory minimum reserves (I. 18, 19):	17		-8,884	-6,951	1.28	-1,933
- interest received	18		0	0	X	0
- interest paid	19		-8,884	-6,951	1.28	-1,933
Monetary policy operations ('MPO') in USD (I. 21, 22):	20		0	0	X	0
- interest received	21		22	0	X	22
- interest paid	22		-22	0	X	-22
Charges, contractual fines from MPO (I. 24, 25):	23		8	1	8.00	7
- charges received	24		10	4	2.50	6
- charges paid	25		-2	-3	0.67	1
Costs for execution of monetary policy	26	1.2.1.	-9,656	-7,692	1.26	-1,964
Revenues from execution of monetary policy	27	1.2.1.	76,966	57,393	1.34	19,573
Profit/loss from execution of monetary policy (profit+/loss-) (I. 26 and 27)	28	1.2.1.	67,310	49,701	1.35	17,609

Net profit from structural operations represented EUR 73,066 thousand (2010: net profit of EUR 41,800 thousand). Structural operations include the Covered Bond Purchase Programme (hereinafter only "CBPP") and the Securities Markets Programme (hereinafter only "SMP").

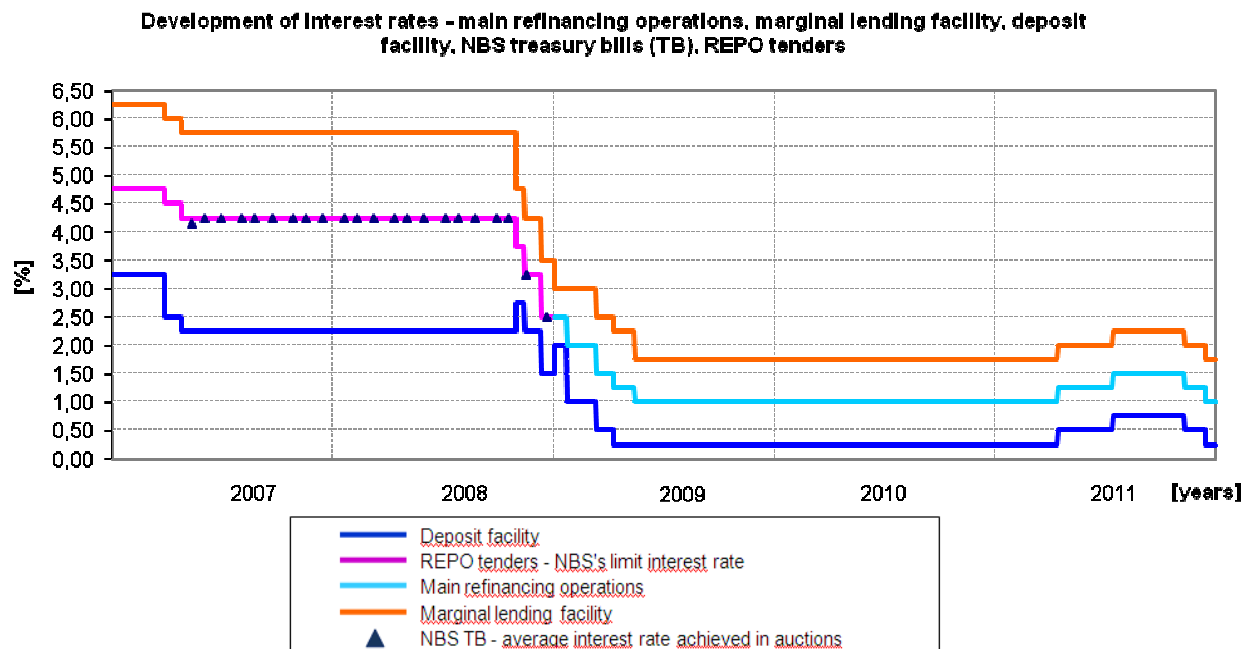
As at 31 December 2011, under the CBPP the NBS recognized purchased covered bonds at amortized cost totaling EUR 552.4 million (of which net interest received and recognized amounted to EUR 17,918 thousand) and under the SMP securities at amortized cost of EUR 1,863.7 million (of which net interest received and recognized amounted to EUR 55,148 thousand). The SMP's main

objective is to restore the monetary policy mechanism through interventions in capital markets with public issues of securities which meet the defined criteria as specified by the ECB. Purchases of securities under the CBPP were terminated in 2010.

The main refinancing operations are performed via reverse transactions and provide refinancing facilities against collateral. They are realized on a weekly basis in the form of standard tenders for all contractual parties with a usual maturity of one week. At interest rates ranging from 1.00% to 1.50% p.a. (refer to Chart 3) the NBS received interest amounting to EUR 1,496 thousand (in 2010, the interest rate

was 1.00% p.a. and interest received totaled EUR 1,071 thousand).

Chart 3



Longer-term refinancing operations are performed via reverse transactions, provide refinancing facilities against collateral and are realized in the form of standard tenders for all contractual parties with maturity of more than 28 days. From these operations, the NBS received interest of EUR 2,369 thousand at interest rates ranging from 1.00% to 1.50% p.a. (in 2010 the interest rate was 1.00 % p.a. and interest received totaled EUR 14,517 thousand).

The fine-tuning operations focus on smoothing the effects of unexpected liquidity fluctuations on interest rates. They are characterized by irregularity and are executed in the form of quick tenders or bilateral procedures. From these transactions, the NBS paid out interest of EUR 489 thousand (2010: EUR 275 thousand), wherein an increase by an index of 1.78 was recorded, which resulted from higher interest rates provided for these operations and a decline in the volume of transactions realized for the period under review by an index of 0.69.

In 2011, the management of daily liquidity by means of standing facilities was

used to a minor extent compared to 2010. There was a decrease in the use of deposit facility, for which the NBS paid interest of EUR 259 thousand at interest rates ranging from 0.25% to 0.75% p.a. (in 2010, the NBS used EUR 463 thousand on deposit facility at the interest rate of 0.25% p.a.). The share of marginal lending facility was negligible, despite its increase by an index of 3.00.

In 2011, the NBS paid interest to banks from compulsory minimum reserves of EUR 8,884 thousand (2010: EUR 6,951 thousand) at interest rates ranging from 1.00% to 1.50% p.a. (2010: interest rate of 1.00% p.a.).

The result from monetary policy operations (hereinafter only "MPO") realized in USD did not influence the execution of monetary policy (interest received and interest paid of EUR 22 thousand and EUR 22 thousand, respectively). The interest received represents interest from MPO which were realized by the Slovak contractual parties on the basis of a framework agreement on execution of refinancing operations in foreign currency. Interest paid represents interest paid by the

NBS to the ECB from a short-term swap

concluded with the aim of securing USD.

1.2.2. Administration of Foreign Exchange Reserves

The administration of reserves means the management of investment portfolios held for trading, which consist of, specifically, securities, currency swaps, interest rate swaps, repo transactions, gold repo transactions and transactions on nostro accounts.

In 2011, the NBS reported a loss of EUR 104,153 thousand from the administration of foreign exchange reserves (refer to Table 4), resulting from the settlement of unrealized losses from the valuation of financial assets to profit/loss of EUR 461,988 thousand.

In 2011, the NBS reported a net profit from transactions with securities amounting to EUR 347,350 thousand (2010: profit of EUR 48,447 thousand), which was mainly influenced by net interest income from securities of EUR 556,565 thousand. The result from transactions with securities was unfavorably affected by the recognition of unrealized losses from the valuation of securities to the profit/loss account of EUR 221,795 thousand as at 31 December 2011 (2010: EUR 440,520 thousand), resulting from the decline in market prices of securities experienced in 2011.

Reported loss was influenced also by interest paid from remuneration of the debit position in TARGET2 of EUR

143,684 thousand, which increased slightly compared to the previous year by an index of 1.01 (EUR 141,974 thousand in 2010) due to the increase of the interest rate for main refinancing operations in 2011 in the range from 1.00% to 1.50% p.a. (2010: interest rate of 1.00% p.a.). The interest was paid for using funds from TARGET2 mainly for the purposes of administration of foreign exchange reserves and execution of monetary policy operations under the CBPP and SMP.

To reduce the exposure to derivative contracts based on the development of the gold price, the option contracts were terminated which, in the amount of EUR 24,874 thousand, mainly contributed to the result from transactions with gold (refer to Table 4, I. 7). Transactions with gold include also repo transactions with gold (gold swaps). As at 31 December 2011, the NBS had four long-term repo transactions with gold with a maturity of ten years and ten short-term repo transactions with gold with a maturity up to three months. The interest paid from repo transactions with gold amounted to EUR 6,267 thousand, whereas the interest received totaled EUR 2,304 thousand (Table 4, part of I. 8, 9).

Table 4: Profit/Loss from Administration of Foreign Exchange Reserves

	L. No.	Note	Actual figure		Index 2011/2010	Year-on-year change
			2011	2010		
Administration of foreign exchange reserves	1					
Securities (I. 3 to 6):	2		347,350	48,447	7.17	298,903
- revenues from interest	3		556,565	375,507	1.48	181,058
- cost of interest	4		0	-3	X	3
- revenues from operations with securities	5		16,760	136,123	0.12	-119,363
- costs of operations with securities and unrealized losses from revaluation	6		-225,975	-463,180	0.49	-237,205
Transactions with gold (I. 8 to 11)	7		-28,867	-63,512	0.45	-34,645
- interest received	8		2,305	2,407	0.96	-102
- interest paid	9		-6,298	-4,842	1.30	-1,456
- revenues from transactions with gold	10		502	0	X	502
- costs of transactions in gold and unrealized losses from revaluation	11		-25,376	-61,077	0.42	35,701
Transactions with derivatives (I. 13 to 16):	12		-260,071	-360,428	0.72	100,357
- interest received	13		309,616	174,207	1.78	135,409
- interest paid	14		-453,694	-386,911	1.17	-66,783
- revenues from transactions in derivatives	15		148,357	96,637	1.54	51,720
- costs of transactions in derivatives and unrealized losses from revaluation	16		-264,350	-244,361	1.08	-19,989
Credit operations (I. 18, 19):	17		-25,975	-1,222	21.26	-24,753
- interest received	18		237	253	0.94	-16
- interest paid	19		-26,212	-1,475	17.77	-24,737
Current accounts and deposits (I. 21, 22):	20		943	591	1.60	352
- interest received	21		966	594	1.63	372
- interest paid	22		-23	-3	7.67	-20
Foreign exchange rate differences (I. 24 to 26):	23		4,933	-6,998	-0.70	11,931
- realized exchange rate gains	24		212,583	44,122	4.82	168,461
- realized exchange rate losses	25		-200,786	-44,855	4.48	-155,931
- unrealized exchange rate losses from revaluation	26		-6,864	-6,265	1.10	-599
Receivables/payables against TARGET2 (I. 28, 29):	27		-143,684	-141,974	1.01	-1,710
- interest received	28		0	0	X	0
- interest paid	29		-143,684	-141,974	1.01	-1,710
Fees for administration of foreign exchange reserves (I. 31, 32):	30		1,218	1,421	0.86	-203
- fees received	31		2,445	2,516	0.97	-71
- fees paid	32		-1,227	-1,095	1.12	-132
Costs of administration of foreign exchange reserves	33	1.2.2.	-1,354,489	-1,356,041	1.00	1,552
Revenues from administration of foreign exchange reserves	34	1.2.2.	1,250,336	832,366	1.50	417,970
Profit/loss from administration of foreign exchange reserves (profit+/loss-) (I. 33 and 34)	35	1.2.2.	-104,153	-523,675	0.20	419,522

From trades with derivatives, a loss of EUR 260,071 thousand was reported (2010: loss of EUR 360,428 thousand). The negative amount reflects the need to manage interest rate risk in relation to the portfolio of securities.

The reported loss of EUR 25,975 thousand from credit transactions

consisted mainly of interest paid from repo transactions of EUR 26,173 thousand and interest received on a redistribution loan from Slovenská záručná a rozvojová banka, a.s. granted in the amount of EUR 219 thousand (Table 4, part of I. 18, 19) for housing construction.

1.2.3. Transactions with ECB

Transactions with the ECB are realized in accordance with the Protocol on the Statute of the European System of Central Banks and of the European Central Bank and the ECB's decisions. From these

transactions, the Bank reported a net profit of EUR 26,003 thousand (refer to Table 5).

The profit reported from the transactions with the ECB decreased by an index of 0.94. This resulted from a year-on-

year decrease in the ECB's net profit for the previous year (EUR 1,697 thousand and EUR 14,565 thousand for 2010 and 2009, respectively), wherein the NBS had a 0.9910% share. The total income from the Eurosystem's monetary income (resulting from the performance of ESCB's monetary policy tasks) of EUR 15,601 thousand increased by an index of 2.81 and had a favorable impact on the profit reported from transactions with the ECB. It largely consisted of monetary income of EUR 15,408 thousand recognized for 2011 (Table 5, part of I. 8) and net income from the

correction of the monetary income for 2009 (income of EUR 190 thousand) and 2010 (cost of EUR 2 thousand). By the decision of the Governing Council from 21 December 2011 on partial redistribution of the ECB's income from euro banknotes in circulation among the national central banks, the NBS recognized its share in the amount of EUR 6,461 thousand (in 2010, the ECB's income from euro banknotes in circulation was not redistributed among the national central banks and was fully used for creation of the ECB's provisions).

Table 5: Profit/Loss from Transactions with the ECB

	L. No.	Note	Actual figure		Index 2011 2010	Year-on-year change
			2011	2010		
Transactions with ECB	1					
Receivables from transfer of foreign exchange reserves to ECB (I. 3):	2		4,301	3,442	1.25	859
- interest received	3		4,301	3,442	1.25	859
Receivables/payables from issue of banknotes (I. 5 to 7):	4		4,404	4,073	1.08	331
- Seigniorage/minting	5		6,461	0	x	6,461
- interest received	6		237	4,240	0.06	-4,003
- interest paid	7		-2,294	-167	13.74	-2,127
Share in Eurosystem's monetary income (I. 9, 10):	8		15,601	5,551	2.81	10,050
- income	9		15,603	6,202	2.52	9,401
- cost	10		-2	-651	0.00	649
Share in ECB's profit from previous year	11		1,697	14,565	0.12	-12,868
Costs from transactions with ECB	12	1.2.3.	-2,296	-818	2.81	-1,478
Revenues from transactions with ECB	13	1.2.3.	28,299	28,449	0.99	-150
Profit/loss from transactions with ECB (profit+/loss-) (I. 12 and 13)	14	1.2.3.	26,003	27,631	0.94	-1,628

1.2.4. Transactions with Clients and Interbank Payment System

This area covers costs and revenues generated by the Bank in transactions with clients, in ensuring the interbank payment system and other transactions with domestic banks not associated with the execution of the monetary policy. Net profit reported from transactions with clients and interbank payments system amounted to EUR 47 thousand (refer to Table 6). The above amount comprised mostly fees received for SIPS of EUR 1,900 thousand (2010: EUR 1,788 thousand), which are related to ensuring performance of the

interbank payments system in the Slovak Republic.

Interest of EUR 2,552 thousand was paid mainly from the deposit accounts of clients administered by the NBS. The increase by an index of 1.29 compared to 2010 (EUR 1,984 thousand) resulted from an increase in interest paid to auxiliary financial institutions due to an increase in the principal on their deposit accounts.

Table 6: Profit/Loss from Transactions with Clients and Interbank Payment System

	L. No.	Note	Actual figure		Index 2011 2010	Year-on-year change
			2011	2010		
Transactions with clients and interbank payment system	1					
Current accounts and deposits of clients (l. 3 to 5):	2		-2,431	-1,873	1.30	-558
- interest received	3		121	117	1.03	4
- interest paid	4		-2,552	-1,984	1.29	-568
- interest paid to the Slovak Republic	5		0	-6	0.00	6
Fees from transactions with clients, interbank payments system and other banking operations (l. 7 to 11):	6		2,478	2,385	1.04	93
- fees received	7		375	405	0.93	-30
- fees paid	8		-104	-115	0.90	11
- SIPS financial fees received	9		1,900	1,788	1.06	112
- TARGET2 financial fees received	10		345	344	1.00	1
- TARGET2 financial fees paid	11		-38	-37	1.03	-1
Cost of transactions with clients on interbank payments system	12	1.2.4.	-2,694	-2,142	1.26	-552
Revenues from transactions with clients and from interbank payments system	13	1.2.4.	2,741	2,654	1.03	87
Result from transactions with clients and from interbank payments system (profit+/loss-) (l.12 and 13)	14	1.2.4.	47	512	0.09	-465

1.3. Issue of Banknotes and Coins

Table 7: Profit/Loss from Issue of Banknotes and Coins

	L. No.	Note	Actual figure		Index 2011 2010	Year-on-year change
			2011	2010		
Issue of currency and collector coins	1					
Costs of printing banknotes and minting coins	2		-9,734	-14,442	0.67	4,708
Revenues from issue of banknotes and coins	3		3,866	2,105	1.84	1,761
Result from issue of currency and collector coins (profit+/loss-)	4	1.3.	-5,868	-12,337	0.48	6,469

In 2011, total costs of currency issue represented EUR 9,734 thousand and they decreased by an index of 0.67 compared to the year 2010, largely due to a decrease in costs of printing euro banknotes (by an index of 0.32). In 2011, the NBS ensured the production and distribution of 74.5 million banknotes with the nominal value of EUR 20 and EUR 5, for the needs of the Eurosystem (2010: 218.5 million items).

In addition, the NBS ensured the minting of circulating euro coins in 2011 (including two-euro commemorative coin, refer to Table 8) of 41.8 million items (2010:

81.6 million items), of which 0.4 million items (2010: 0.6 million items) were delivered to annual sets of euro coins.

In accordance with the 2011 issue plan, 76,550 collector coins were minted (refer to Table 8).

Revenues from the issue increased by an index of 1.84 compared to 2010 and amounted to EUR 3,866 thousand. They mainly consisted of revenues from sales of collector coins, and their amount was positively influenced by higher market prices for precious metals and the reflection of this increase in the sales price.

Table 8: Collector Coins Issued in 2011

Name of commemorative circulating coin, collector coin	Number of coins in pcs
Two-euro commemorative coin Visegrad Group – 20th anniversary of formation – issued on 10 January 2011	
standard version	1,000,000
Proof	-
Silver collector coin in nominal value of EUR 10 Documents of Zobor – 900th anniversary of the origin of the first of the two documents – issued on 16 March 2011	
standard version	7,300
Proof	8,950
Silver collector coin in nominal value of EUR 10 Memorandum of the Slovak Nation – 150th anniversary of adoption – issued on 17 May 2011	
standard version	9,500
Proof	9,100
Silver collector coin in nominal value of EUR 10 Ján Cikker – commemoration of centenary of birth – issued on 20 July 2011	
standard version	7,900
Proof	8,900
Silver collector coin in nominal value of EUR 20 Conservation Area of Trnava Town – issued on 27 September 2011	
standard version	8,150
Proof	9,950
Gold collector coin of nominal value of EUR 100 Ruler of Nitrian Principality, Pribina – 1150th anniversary of death – issued on 7 December 2011	
standard version	-
Proof	6,800
Total	1,076,550

1.4. Operating Costs and Revenues

The NBS has maintained a stable level of operating costs over the long-term, whereas net costs (i.e. costs less revenues) for securing the operation and administration in 2011 were reported in the amount of EUR 60,073 thousand (refer to Table 9 and Chart 2). The year-on-year growth of 5% was mainly caused by an increase in other operating costs in respect of creation of a

provision for probable liabilities to financial market entities in accordance with the Commercial Code in the amount of EUR 2,519 thousand and reclassification of buildings of closed branches to the category held for sale with an impact on expenses in the amount of EUR 1,019 thousand.

Table 9: Operating Profit/Loss

	L. No.	Note	Actual figure		Index 2011/2010	Year-on-year change
			2011	2010		
Operating costs and revenues	1					
Staff costs	2	1.4.1.	22,242	22,339	1.00	-97
Social costs	3	1.4.1.	11,729	12,026	0.98	-297
Operating and administration expenses	4	1.4.2.	20,672	16,310	1.27	4,362
Depreciation of tangible assets	5	1.4.2.	7,399	7,899	0.94	-500
Amortization of intangible assets	6	1.4.2.	2,943	3,262	0.90	-319
Fees and contributions of financial market entities received	7	1.4.2.	-4,281	-4,054	1.06	-227
Other operating revenues	8	1.4.2.	-631	-777	0.81	146
Operating costs	9	1.4.	64,985	61,836	1.05	3,149
Operating revenues	10	1.4.	-4,912	-4,831	1.02	-81
Operating profit/loss (loss-)	11	1.4.	60,073	57,005	1.05	3,068

1.4.1. Staff Costs and Social Costs

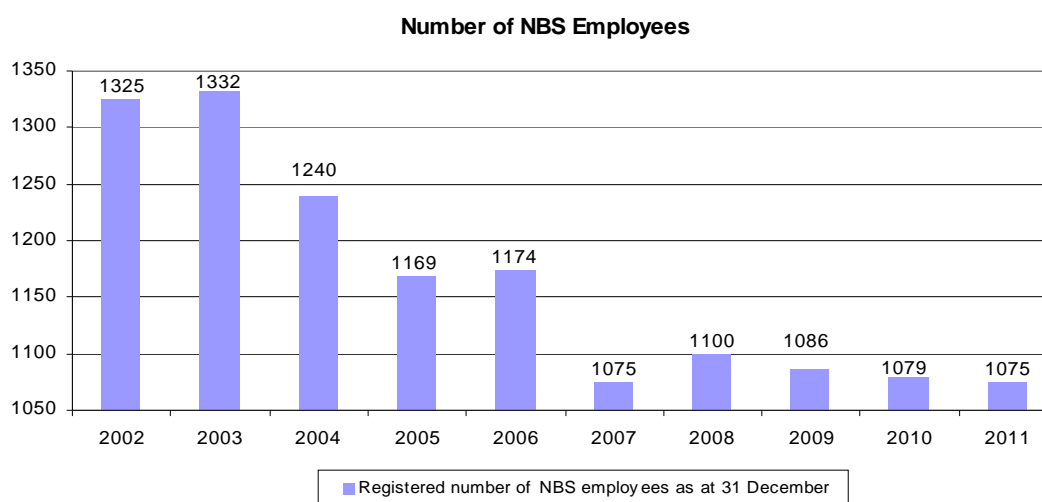
Staff costs include wages and salaries as well as other personnel costs. In 2011, they were drawn in the amount of EUR 22,242 thousand, which represented the 2010 level.

In 2011, the average headcount was 1,073, which is nine employees fewer than in the previous period. As at 31 December 2011, a total of 1,075 employees was recorded in the NBS, being four employees fewer than as at 31 December 2010, i.e. by 0.4% (refer to Chart 4).

In 2011, the average monthly wage (calculated in accordance with the methodology of the Statistical Office of the SR) amounted to EUR 1,711, which represents a 0.5% year-on-year increase.

In 2011, social costs represented EUR 11,729 thousand with a year-on-year decrease of 2%. They largely consisted of costs of statutory social insurance paid to the Slovak Insurance Agency and the health insurance companies (EUR 7,648 thousand) as well as costs of social policy concerning employees (EUR 4,081 thousand).

Chart 4



1.4.2. Operating and Administration Expenses and Revenues

Administrative and operating costs and revenues relate to activities of individual organizational units of the NBS in performing the primary objective and tasks of the NBS resulting from the NBS Act.

In 2011, administrative and operating costs were drawn in a total of EUR 31,014 thousand. They include costs of EUR 20,672 thousand for operation and administration and of EUR 10,342 thousand for depreciation of tangible and amortization of intangible assets.

Costs incurred for operation and administration (refer to Table 10) increased on a year-on-year basis by an index of 1.27, largely due to the obligation to create provisions for probable liabilities of EUR 2,593 thousand and reclassification of buildings of closed branches to the category held for sale, which influenced expenses by EUR 1,019 thousand.

Operating revenues were EUR 4,912 thousand and largely consisted of contributions from the supervised financial market entities.

Table 10: Operating and Administration Expenses

Item	L. No.	Note	Actual figure		Index 2011/2010	Year-on-year change
			2011	2010		
Costs of IS technical support and maintenance	1		3,486	3,074	1.13	412
Repairs and maintenance	2		3,050	3,134	0.97	-84
Energy consumption	3		1,983	1,816	1.09	167
Telecommunications costs	4		1,609	1,714	0.94	-105
Consumption of material	5		1,468	1,083	1.36	385
Travel costs	6		1,152	1,199	0.96	-47
Contributions to legal entities and membership contributions	7		592	380	1.56	212
Cleaning services	8		465	453	1.03	12
Promotional costs and costs related to books, periodicals, non-periodicals and information materials	9		396	262	1.51	134
Representation costs	10		389	373	1.04	16
Financial donations	11		363	403	0.90	-40
Taxes and fees	12		288	280	1.03	8
Data transmission systems	13		269	343	0.78	-74
Costs of rating and audit	14		228	197	1.16	31
Costs of protection of facilities and protection of transport of currency in circulation	15		210	195	1.08	15
Rent	16		206	206	1.00	0
Insurance paid	17		175	180	0.97	-5
Costs of translation, interpreting and advisory services	18		69	112	0.62	-43
Other administrative and operating costs	19		4,274	906	4.72	3,368
Services purchased and other operating and administration expenses (l. 1 to 19)	20	1.4.2.	20,672	16,310	1.27	4,362

2. Distribution of Profit/Loss

The NBS covers its costs solely from its activities; it is financed neither from the state budget nor from public administration budgets and draws no funds generated by taxes from taxpayers. Similarly, when distributing profit, the NBS may not transfer any available funds to the state budget.

or from other funds. Any loss that the Bank Board of the NBS decides to keep unsettled is transferred to the next accounting period.

In accordance with Article 39 (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 other funds generated from profit, or it is used to settle losses from prior years. The NBS may settle the loss for the accounting period from the reserve fund

In 2011, the NBS generated a loss of EUR 76,734 thousand. By the decision of the Bank Board of the NBS dated 13 March 2012, the loss was settled against the accumulated losses from previous years (refer to Table 11).

Table 11: Distribution/Settlement of Profit/Loss

Item	L. No.	Settlement of profit/loss	
		2011	2010
Profit(+)/Loss(-) for current year	1	-76,734	-515,173
Transfer in funds (appropriations (-), transfers form (+)):			
Statutory fund	2	0	0
Reserve fund	3	0	0
Capital funds	4	0	0
Profit (+)/Loss (-) for current year after transfers in funds (item 1 - item 2 to 4)	5	-76,734	-515,173
Transfer against losses from previous years	6	-76,734	-515,173
Profit (+)/Loss (-) for current year after settlement (item 5 - item 6)	7	0	0


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