

Balance sheet at 31 December 2005

(In thousands of Slovak crowns)

a	b	2005	2004
		1	2
x	Assets	x	x
1.	Cash and balances with central banks repayable on demand	2,518,366	2,104,808
2.	Balances with other banks repayable on demand	1,891,714	2,372,124
3.	Loans and advances to banks	27,131,631	46,453,981
a)	Gross	27,131,874	46,454,021
b)	Impairment	(243)	(40)
4.	Financial assets held for trading	4,586,834	8,083,079
5.	Derivative financial instruments	1,850,050	2,425,672
a)	Trading	1,850,050	2,425,672
b)	Hedging	–	–
6.	Available-for-sale financial assets	631,361	211,422
7.	Loans and advances to customers	83,195,569	70,464,739
a)	Gross	87,610,570	75,026,625
b)	Impairment	(4,415,001)	(4,561,886)
8.	Debt securities held to maturity	94,121,562	79,245,802
a)	Government	85,471,091	72,409,719
b)	Other	8,650,471	6,836,083
b1	Gross	8,826,611	7,149,717
b2	Impairment	(176,140)	(313,634)
9.	Associates and joint ventures	218,317	292,780
a)	Financial sector entities	218,317	292,780
a1	Gross	218,317	292,780
a2	Impairment	–	–
b)	Other	–	–
b1	Gross	–	–
b2	Impairment	–	–
10.	Subsidiaries	1,820,410	284,000
a)	Financial sector entities	1,820,410	284,000
a1	Gross	1,820,410	284,000
a2	Impairment	–	–
b)	Other	–	–
b1	Gross	–	–
b2	Impairment	–	–
11.	Assets in progress	565,712	565,649
a)	Gross	565,712	610,741
b)	Impairment	–	(45,092)
12.	Intangible assets	840,358	754,365
a)	Gross	3,832,127	3,472,152
b)	Accumulated amortization and impairment	(2,991,769)	(2,717,787)
b1	Accumulated amortization	(2,991,769)	(2,717,787)
b2	Impairment	–	–

Balance sheet at 31 December 2005

(In thousands of Slovak crowns)

a	b	2005	2004
		1	2
x	Liabilities and shareholders' equity	x	x
I.	Liabilities (sum of 1 to 11)	205,996,559	200,557,185
1.	Deposits from central banks payable on demand	2,283,593	512,707
2.	Deposits from other banks payable on demand	3,252,581	5,184,108
3.	Deposits from banks	16,301,895	12,433,609
4.	Deposits from customers	162,302,493	166,902,346
a)	Payable on demand	60,707,254	68,587,935
b)	Other	101,595,239	98,314,411
5.	Liabilities from repurchase agreements	–	–
6.	Derivative financial instruments	2,035,855	2,972,294
a)	Trading	2,035,855	2,972,294
b)	Hedging	–	–
7.	Debt securities in issue	14,695,888	8,048,061
a)	Agreed maturity up to 1 year	934,036	781,990
b)	Agreed maturity over 1 year	13,761,852	7,266,071
8.	Other liabilities	2,781,496	2,040,053
9.	Provisions	1,782,163	2,078,207
10.	Subordinated debt	–	–
11.	Current income tax liabilities	560,595	385,800
II.	Shareholders' equity (sum of 12 to 19)	20,957,979	19,879,277
12.	Share capital	12,978,108	12,978,108
a)	Paid	12,978,108	12,978,108
b)	Unpaid	–	–
13.	Own shares	–	–
14.	Capital funds	411,271	411,271
a)	Share premium	402,737	402,737
b)	Other capital funds	8,534	8,534
15.	Legal reserve fund	2,536,561	2,222,649
16.	Revaluation of:	(25,081)	–
a)	Property and equipment	–	–
b)	Available-for-sale financial assets	(25,081)	–
c)	Hedging derivatives	–	–
d)	Foreign equity investments	–	–
e)	Subsidiaries, associates and joint ventures	–	–
17.	Retained earnings	1,200,404	1,128,129
18.	Net profit from previous period to be approved	–	–
19.	Net profit for the year	3,856,716	3,139,120
	Total liabilities and shareholders' equity	226,954,538	220,436,462

Income statement for the year ended 31 December 2005

(In thousands of Slovak crowns)

a	b	2005	2004
		1	2
1.	Interest and similar income	9,999,248	10,750,805
a.	Interest expense and similar charges	(3,280,305)	(4,416,472)
I.	Net interest income	6,718,943	6,334,333
2.	Fee and commission income	3,439,510	2,600,540
b.	Fee and commission expense	(784,504)	(481,861)
II.	Net fee and commission income	2,655,006	2,118,679
3.	Dividends	4,784	8,648
3.1	Subsidiaries, associates and joint ventures	–	–
3.2	Other equity investments	4,784	8,648
4./c.	Net trading income	1,021,942	1,039,664
5.	Gains from sale of property	496,213	218,977
6.	Reversal of impairment losses on the sold property	–	–
d.	Losses from sale of property	(307,554)	(167,174)
III.	Net gains from sale of property	188,659	51,803
7.	Reversal of operating provisions	815,207	1,324,677
8.	Reversal of impairment losses	11,197,871	14,999,844
e.	Creation of operating provisions	(580,004)	(930,480)
f.	Creation of impairment losses	(11,607,442)	(15,925,803)
f.1.	Creation of impairment losses on	(10,744,651)	(11,478,101)
f.1.1.	Financial assets	(10,663,049)	(10,860,553)
f.1.2.	Property, equipment and intangible assets	(81,602)	(617,548)
f.2.	Write-offs	(862,791)	(4,447,702)
f.2.1.	Financial assets	(835,006)	(4,447,702)
f.2.2.	Property, equipment and intangible assets	(27,785)	–
f.3.	Revaluation losses	–	–
9.	Other income	408,307	568,716
9.1.	Reversal of other provisions	68,781	395,541
9.2.	Other income	339,526	173,175
g.	Other expenses	(6,239,921)	(6,258,547)
g.1.	Salaries and employee benefits	(2,416,484)	(2,263,839)
g.1.1.	Salaries and social security costs	(2,373,935)	(2,200,978)
g.1.2.	Other personnel expenses	(42,549)	(62,861)
g.2.	Creation of other provisions	(7,653)	(318,615)
g.3.	Depreciation and amortization	(917,465)	(853,233)
g.3.1.	Depreciation	(626,289)	(594,412)
g.3.2.	Amortization	(291,176)	(258,821)
g.4.	Other operating expenses	(2,898,319)	(2,822,860)
10./h.	Share of profit/(loss) of subsidiaries, associates and JVs	(267,244)	59,177
A.	Profit before tax	4,316,108	3,390,711
i.	Income tax	(459,392)	(251,591)
i.1.	Current income tax	(444,685)	(318,306)
i.2.	Deferred income tax	(14,707)	66,715
B.	Net profit for the year	3,856,716	3,139,120

Balance sheet at 31 December 2005

(In thousands of Slovak crowns)

		2005	2004
a	b	1	2
x	Assets	x	x
13.	Property and equipment	5,650,900	5,475,476
a)	Not depreciated	308,130	315,258
a1	Gross	308,130	315,258
a2	Impairment	–	–
b)	Depreciated	5,342,770	5,160,218
b1	Gross	11,037,698	10,820,656
b2	Accumulated depreciation and impairment	(5,694,928)	(5,660,438)
b2a	Accumulated depreciation	(5,149,611)	(5,091,722)
b2b	Impairment	(545,317)	(568,716)
14.	Deferred income tax assets	564,105	578,812
15.	Other assets	1,367,649	1,123,753
a)	Gross	1,399,201	1,153,987
b)	Impairment	(31,552)	(30,234)
	Total assets	226,954,538	220,436,462

Consolidated balance sheet at 31 December 2005

(In millions of Slovak crowns)

	2005	2004
Assets		
Cash and balances with central banks	4,052	3,641
Treasury bills and other eligible bills	3,995	7,131
Loans and advances to banks	25,797	45,836
Financial assets held for trading	646	1,005
Derivative financial instruments held for trading	1,850	2,426
Available-for-sale financial assets	631	211
Non-current assets held for sale	67	–
Loans and advances to customers	85,738	71,159
Held-to-maturity investments	94,122	79,246
Investments in associates and jointly controlled entities	218	314
Intangible assets	1,981	923
Goodwill	570	–
Property and equipment	6,037	5,918
Deferred income tax assets	501	606
Other assets	597	421
	226,802	218,837
Liabilities		
Deposits from central banks	2,296	530
Deposits from other banks	18,656	16,567
Derivative financial instruments held for trading	2,036	2,972
Deposits from customers	162,944	167,182
Debt securities in issue	14,696	8,048
Current income tax liabilities	580	397
Provisions	1,897	2,074
Other liabilities	2,978	1,297
	206,083	199,067
Shareholders' equity		
Share capital	12,978	12,978
Share premium	403	403
Reserves	2,520	2,231
Retained earnings	4,818	4,158
	20,719	19,770
	226,802	218,837

**Consolidated income statement for the year ended
31 December 2005**

(In millions of Slovak crowns)

	2005	2004
Interest and similar income	10,542	10,819
Interest expense and similar charges	(3,281)	(4,388)
Net interest income	7,261	6,431
Fee and commission income	3,406	2,470
Fee and commission expense	(654)	(490)
Net fee and commission income	2,752	1,980
Net trading income	1,022	1,033
Other operating income	653	198
Dividend income	5	16
Operating income	11,693	9,658
Salaries and employee benefits	(2,562)	(2,306)
Other operating expenses	(3,333)	(2,809)
Amortization	(387)	(259)
Depreciation	(591)	(573)
Operating expenses	(6,873)	(5,947)
Operating profit before impairment and provisions	4,820	3,711
Impairment losses and provisions	(449)	(562)
Profit from operations	4,371	3,149
Share of loss of associates and jointly controlled entities	(262)	(46)
Profit before tax	4,109	3,103
Income tax expense	(413)	(240)
Profit after tax	3,696	2,863
Minority interest	–	2
Net profit for the year	3,696	2,865