

Bratislava Stock Exchange



Annual Report 2006

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INTRODUCTION

The year 2006 was relatively rich in events that affected the capital market in various degrees. It was also a year of anniversary for the Bratislava Stock Exchange (BSSE) – in March 2006, the Stock Exchange commemorated 15 years since its founding.

The BSSE ended the accounting year with a gross profit of 5,886 million SKK, which is an increase by 1,286 million SKK against the profit projected in the budget for the year 2006.

The financial volume of transactions closed on the BSSE last year amounted to 992.1 billion SKK in 24 522 transactions. In comparison with the year 2005, the total traded volume slightly decreased by 1%, whereas the number of transactions rose by 126.8%. The ratio between the volumes of share transactions and bond transactions did not change. Transactions in government bonds continued to dominate, representing a 99.2-percent share in the total volume of transactions. The Slovak share index (SAX) ended the year 2006 at 415.61 points, slightly strengthening by 0.6% on a year-on-year basis. SAX performed the best in the period preceding the dates of record (the decisive dates for exercise of the right for dividend payment), which are an impulse for growth of the closing prices of base issues. It was within this period, namely on 25 April 2006, when the index recorded the year's high of 439.15 points. The year's low of 372.43 points was recorded on 16 June 2006.

From a society-wide perspective, the attention focused on the preliminary parliamentary elections, the Manifesto of the new government coalition and, in particular, the draft of the state budget that was passed by the Slovak Republic's National Council in December 2006. The capital market did not react in a significant way to any of those events, and the course of trading was not affected in a substantial manner.

Effective from 1 January 2006, the National Bank of Slovakia (NBS) started performing complex supervision over the capital market. The Slovak Republic has thus joined the countries that have applied the option of an integrated regulator in order to institutionally organise the supervision. The main reason for the integration of supervision was the overlapping of activities of individual financial market participants as well as the emergence of financial conglomerates operating simultaneously in the areas of the capital market, banking and insurance industry.

From a perspective of consolidation of the capital market infrastructure, implemented were further processes related to the fulfilment of objectives of the 'Strategy of Competitiveness of the Slovak Republic until the Year 2010'. By its Resolution No 25 from 11 January 2006, the Slovak Government decided to privatise a state property interest in the enterprise of the Central Securities Depository of the Slovak Republic (CDCP)



Marián Šedo
Chairman
of BSSE Executive Board



Mária Hurajová
BSSE Director General

property interest into the registered capital of the business company BSSE. The General Meeting of the BSSE shareholders decided on the privatisation on 10 March 2006. In the next phase, the state share was supposed to be sold to a strategic partner through an international competition before the end of June 2006. Due to the preliminary parliamentary elections, however, the competition did not take place as originally planned. The intention to finalise the consolidation of the capital market infrastructure was confirmed by the new government coalition in the Slovak Government Manifesto, passed in August 2006 by the National Council of the Slovak Republic.

In the course of the year 2006, several substantial changes were made in the legislation that affects the capital market. Most of those changes were made due to implementation of the European Union directives, namely Directive 2004/25/EC on Takeover Bids, Directive 2006/49/EC on Capital Adequacy of Investment Firms and Credit Institutions, Directive 2004/25/EC on Markets in Financial Instruments ('MiFID') and Directive 2004/109/EC on Harmonisation of Transparency Requirements. At the end of the year, amendments were made to the Act No 431/2002 (Coll.) on Accountancy, which now clearly defines the companies that are required to compile the financial statements according to IFRS as well as those that can decide whether to continue compiling the financial statements according to the Slovak standards or switch to compilation according to IFRS. The legislative changes included proposals resulting from the discussions of workgroups established by the Ministry of Finance in order to improve the conditions of operation of the capital market. One of the most important changes is the option of administration of holder accounts for securities dealers, which extends the original group of legal entities where the holder account could be formerly administered only for a foreign central depository.

Further proposals of the capital market participants will be included in the legislation this year. Those concern the conditional trading of securities on the Stock Exchange before their issuance (in the case of an IPO) - including the conditions for admission of such securities to the Stock Exchange market, the performance of activities by the Stock Exchange and the Central Depository other than their main activities provided that such activities are related to the main activity and do not endanger the performance of the main activities, as well as the Stock Exchange's obligation to allow its members remote access to trading.

The BSSE's plans for the year 2007 have also resulted from the new legislative options. One of the top priorities this year will be the implementation of legislative changes into the regulations and activities of both BSSE and CDCP, in order to achieve a greater level of efficiency in the operation of the two institutions. The Stock Exchange will present all changes implemented to the benefit of issuers of securities in the year 2006 or, respectively, at the start of the year 2007 separately to various groups of potential issuers, with the aim of bringing to the Stock Exchange markets new companies and issues attractive to both domestic and international investors. The BSSE will also utilise the space provided by the amended legislation and focus, in the course of the year 2007, on development of new products and services for the capital market participants. The BSSE will participate in the fulfilment of international obligations resulting from the signing of the 'European Code of Conduct for Clearing and Settlement', the emergence of which was initiated by the European Commission last year.



Marián Šedo
Chairman of BSSE Executive Board



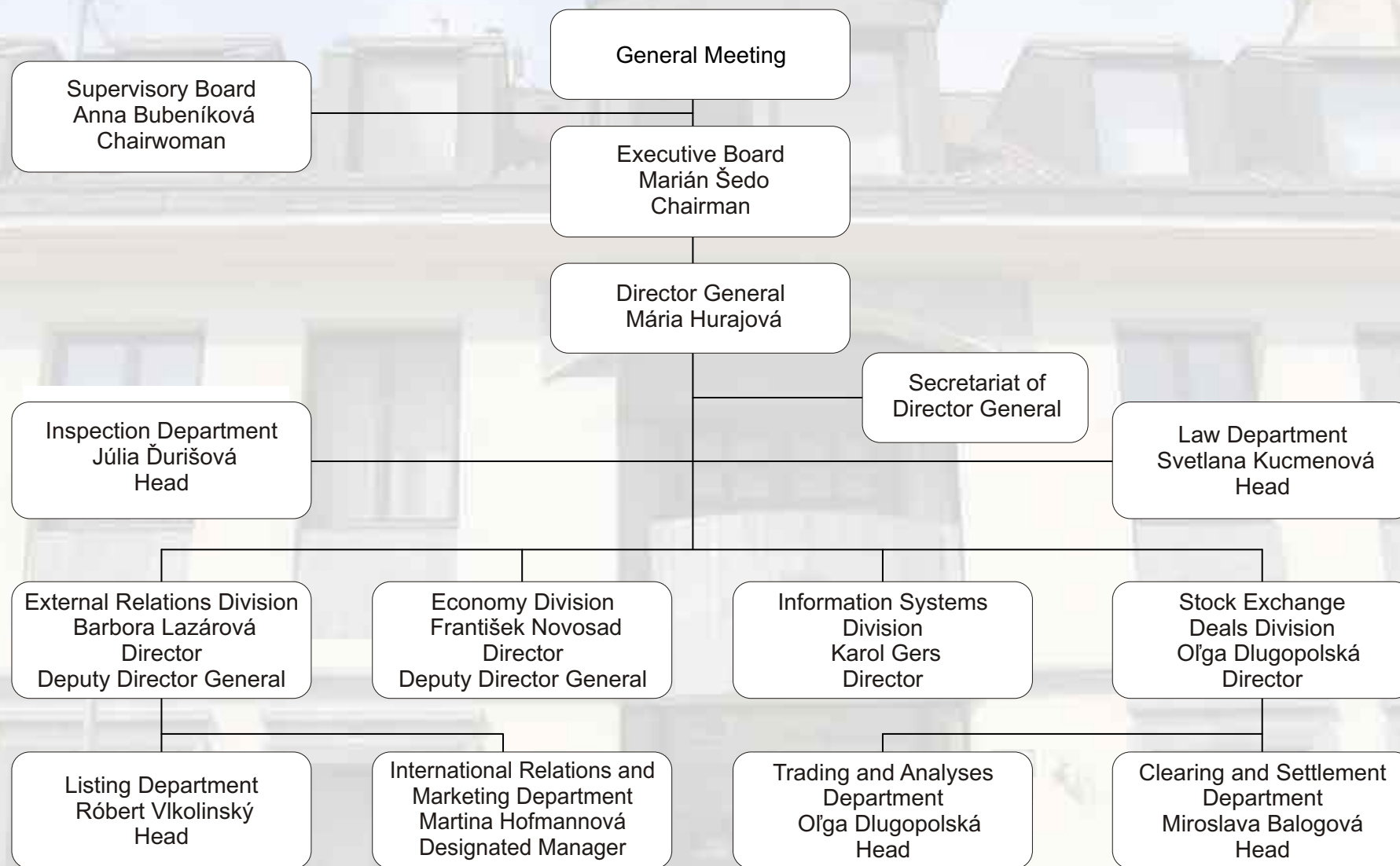
Mária Hurajová
BSSE Director General

BASIC INFORMATION

Bratislava Stock Exchange was founded on 15 March 1991 in compliance with a Decree of the Ministry of Finance of the Slovak Republic, issued in the year 1990. The Stock Exchange is a legal entity registered in the Companies Register of the County Court Bratislava I. The Stock Exchange's commercial activity started on 6 April 1993. At present the Stock Exchange performs its activity on the basis of a licence to function as an operator of the public market of securities, issued by the Financial Market Authority (from January 1, 2006 NBS) on 25 June 2001. On 28 March 2006, the BSSE's registered capital was increased from the original amount of 113 850 000 SKK to 343 584 000 SKK by means of a non-monetary deposit of its shareholder - the National Property Fund of the Slovak Republic. The non-monetary deposit comprised the shares of the Central Securities Depository ('CDCP' hereinafter), which has thus become a subsidiary company of the BSSE. As of 31 December 2006, the Stock Exchange had 18 shareholders. As of the end of the year 2006, the Stock Exchange had 34 employees.

BSSE SHAREHOLDER STRUCTURE AS OF 31 DECEMBER 2006

No.	Name of shareholder	Share in registered capital (SKK)	Number of shares	Share in registered capital (%)
1	National Property Fund of the Slovak Republic	254 934 000	2520	74,2
			229 734	
2	Všeobecná úverová banka, a.s.	23 000 000	2300	6,69
3	Allianz - Slovenská poisťovňa, a.s.	17 430 000	1743	5,07
4	OTP Banka Slovensko, a.s.	17 430 000	1743	5,07
5	Slovenská sporiteľňa, a.s.	12 500 000	1250	3,64
6	Capital Partners Development, a.s.	4 000 000	400	1,16
7	Oost-Europa Participaties, B.V.	3 000 000	300	0,87
8	Poštová banka, a.s.	2 660 000	266	0,77
9	KORUNA Invest, a.s.	2 000 000	200	0,58
10	ING Bank N.V., pobočka zahraničnej banky	1 000 000	100	0,29
11	Slovenská kreditná banka, a.s. (v konkurze)	1 000 000	100	0,29
12	Tatra CREDITTAX s.r.o.	1 000 000	100	0,29
13	Všeobecná investičná spoločnosť, a.s.	1 000 000	100	0,29
14	Československá obchodní banka, a.s., pobočka zahraničnej banky v SR	740 000	74	0,22
15	KOOPERATIVA poisťovňa, a.s.	720 000	72	0,22
16	UniBanka, a.s. (change of name to 'UniCredit Bank Slovakia, a.s.' effective from 1 April 2007)	670 000	67	0,20
17	Tatra banka, akciová spoločnosť	300 000	30	0,09
18	UNIQA poisťovňa, a.s.	200 000	20	0,06
	TOTAL	343 584 000	241 119	100



EXECUTIVE BOARD AS OF 31 DECEMBER 2006

Executive Board Chairman

Marián Šedo, , Istrobanka, a.s., Board of Directors Member (until September 2006)

Executive Board Vice Chairman

Peter Huňor, National Property Fund of the Slovak Republic, Vice Chairman of Executive Committee (until August 2006)

Members

Ján Valko, Jadrová vyraďovacia spoločnosť, a.s., Executive Board Member

Róbert Kopál, Association of Securities Dealers, Director

Ivan Gránsky, CAIB Financial Advisors, a.s., Executive Board Chairman

Jozef Mihalik, National Property Fund of the Slovak Republic, Vice Chairman of Executive Committee (until August 2006)

Rastislav Matejsko, OTP Banka Slovensko, a.s., Head of Business Policy and Controlling Department

Róbert Herbec, Slovenská sporiteľňa, a.s., Head of New Issues and Corporate Finance Department

Marián Matušovič, PhD., VÚB Asset Management, správ. spol, a.s., Executive Board Chairman

SUPERVISORY BOARD AS OF 31 DECEMBER 2006

Chairwoman

Anna Bubeníková, National Property Fund of the Slovak Republic, Supervisory Board Chairwoman

Members

Marek Jankovič, Allianz – Slovenská poisťovňa, a.s., Executive Board Vice Chairman and Vice-President for Economy

Roman Klaban, Všeobecná úverová banka, a.s., Director of Financial and Capital Markets and Board of Directors Member (until October 2006)

Chairman

Marián Šedo, , Istrobanka, a.s., Board of Directors Member (until September 2006)

Members

Jozef Šnegoň, Československá obchodní banka, a.s., Slovak branch of foreign bank

Jaroslav Hora, OTP Banka Slovensko, a.s.

Peter Šuba, Poštová banka, a.s.

Adrián Málek, Slovenská sporiteľňa, a.s.

Stanislav Figlár, Všeobecná úverová banka, a.s.

Svetlana Kucmenová, Bratislava Stock Exchange, a.s.

Júlia Ďurišová, Bratislava Stock Exchange, a.s.

SECURITIES LISTING COMMITTEE AS OF 31 DECEMBER 2006

Chairman

Ivan Gránsky, CAIB Financial Advisors, a.s.

Members

Peter Polák, Československá obchodní banka, a.s., Slovak branch of foreign bank

Stanislav Štít, ISTROASSET MANAGEMENT, a.s.

Andrej Sinicyn, Komerční banka, a.s.

Rastislav Matejsko, OTP Banka Slovensko, a.s.

Ingrid Kolečusová, Poštová banka, a.s. – until 23 November 2006

Eva Sárázová, Poštová banka, a.s. - from 24 November 2006

Rudolf Lachkovič

Ivana Čičatková, Slovenská sporiteľňa, a.s.

Dana Rudkovská, Tatra banka, a.s.

Richard Belyus, UniBanka (change of name to 'UniCredit Bank Slovakia', effective from 1 April 2007)

Soňa Kundrátová, Všeobecná úverová banka, a.s.

Barbora Lazárová, Bratislava Stock Exchange, a.s.

Róbert Vlkolinský, Bratislava Stock Exchange, a.s.

Chairman

Róbert Kopál, Association of Securities Dealers

Members

Miloš Labaj, Československá obchodní banka, a.s., Slovak branch of foreign bank

Roman Hedera, Dexia banka Slovensko, a.s.

Ivan Hrušovský, HVB Bank Slovakia, a.s.

Martin Koska, ING Bank N.V, Slovak branch of foreign bank

Mojmír Hojer, Istrobanka, a.s. – until 25 January 2006

Marián Svoreň, Istrobanka, a.s. - from 26 January 2006

Michal Holík, J & T SECURITIES (SLOVAKIA), o.c.p., a.s.

Bohuslav Ukropec, Poštová banka, a.s.

Peter Lachkovič, Slovenská sporiteľňa, a.s.

Milan Čavojec, Tatra banka, a. s.

Tomáš Perďoch, UniBanka, a.s., (change of name to 'UniCredit Bank Slovakia', effective from 1 April 2007)

František Ravinger, V BROKERS, o.c.p., a.s., (change of name to 'BHS Slovakia', effective from 2 March 2007)

Andrej Ungvarský, Všeobecná úverová banka, a.s.

Oľga Dlugopolská, Bratislava Stock Exchange, a.s.

Peter Šály, Bratislava Stock Exchange, a.s.

As of the end of the year 2006, the BSSE registered on its markets a total of 358 issues of securities (shares, share certificates and bonds), including 32 issues on the main listed market, 73 issues on the parallel listed market, no issues on the new listed market and 253 issues on the free market.

Issues Admitted in the Year 2006

In the course of the year 2006, a total of 32 new issues of domestic debt securities (28.7 billion SKK) were admitted to the BSSE markets. No new share issues were admitted in the same period. In addition to the newly admitted bond issues, the influx of new capital to the Stock Exchange markets included new tranches of the already registered government bonds. In the course of the year 2006, the issued volume of 4 issues of government bonds thus increased by 26.2 billion SKK (in total nominal value). The total financial value of the capital newly admitted to the capital market in 2006 amounted to 54.9 billion SKK. Out of all newly admitted issues, 31 issues were admitted to the market of listed securities (including 1 government bond, 5 corporate bonds, 3 bank bonds and 22 mortgage bonds) a 1 issue of corporate bonds entered the regulated free market.

Issues That Ended Trading in the Year 2006

In the year 2006, the Stock Exchange ended trading of the following issues on the listed market: 3 share issues of one company, following the general meeting's decision, and 4 bond issues (including 1 issue of government bonds, 2 issues of mortgage bonds and 1 issue of corporate bonds) due to their maturity.

On the regulated free market of, the Stock Exchange ended trading of 42 share issues, 5 issues of share certificates (due to transformation of closed-end unit trusts to open-end unit trusts) and 1 issue of municipal obligations due to its redemption. The trading of share issues was ended due to deletion of the issuer from the Companies Register (1 issue), due to cancellation of issues in the CDCP (3 share issues) and based on the issuer's request (27 share issues – including 26 share issues following the general meeting's resolution and 1 share issue due to transformation into paper-form securities). Eleven share issues were excluded from trading due to the issuer's failure to fulfil the obligation to inform.

An overview of securities listed on the BSSE can be found in Annex 1.



In the year 2006, the Stock Exchange's trading system was open to members in 239 days. The financial volume of closed transactions did not manage to surpass the 1-billion SKK level as in the previous year and, at the end of the year 2006, it stopped close to that level at 992.1 billion SKK. That amount was achieved in 24 522 transactions, in which investors exchanged 11.6 million units of securities. In comparison with the year 2005, the total traded volume slightly decreased by 1%, whereas the number of transactions rose by 126.8%. The increased trading activity was mainly due to successful fulfilment of the public offers to take over that were announced in the course of the year 2006. This is further proven by the fact that the number of transactions closed within the public offers to take over rose by a factor of 16.8 year on year, as well as by the 58.9-percent share these transactions achieved in the total number of transactions.

A major part of the yearly volume of transactions is represented by negotiated deals, in which securities worth 985.2 billion SKK were transferred in 3 575 transactions (-15.7% year on year). In terms of volume, it is a decrease by 0.9% on a year-on-year basis. The number of electronic order book (i.e. price-setting) transactions amounted to 20 947 (+218.6% year on year), with the financial volume of transferred securities totalling 6.9 billion SKK (-16.0% year on year). In the year 2006, the volume of electronic order book transactions represented 0.7% of the total financial volume.

The financial volume of REPO transactions in 2006 amounted to 136.9 billion SKK, which is a year-on-year decrease by 60.5%. That volume was achieved in 46 transactions, of which 24 transactions represented the purchase or sale of equity securities in the financial amount of 94.8 million SKK.

Transactions closed by non-residents in 2006 represented 49.4% (490.1 billion SKK) of the total volume of transactions, of which the buy side accounted for 50.2% and the sell side for 48.6%.

Trading of Shares

On the last trading day of the year, transactions could be closed in 256 share issues (of 188 issuers), including 46 issues of share certificates. That includes 5 issues on the main listed market, 5 issues on the parallel listed market and 246 issues on the regulated free market.

The market capitalisation of all negotiable issues of equity securities registered on the Stock Exchange markets rose on a year-on-year basis by 0.9% to 153.0 billion SKK. The real market capitalisation, i.e. the market capitalisation of that part of shares with which at least one electronic order book transaction had been closed (excluding the shares of investment funds plus share certificates), increased by 3.4% and amounted to 145.7 billion SKK (95.2% of the total capitalisation) on the last day of the year. The market capitalisation of the listed market totalled 85.5 billion SKK, increasing by 8.5% year on year.

Equity securities did not attract much investor attention in the year 2006. The total financial value (achieved in 22 045 transactions) amounted to 2.6 billion SKK and represented 0.3% of the total volume of transactions. In a year-on-year comparison, the financial value of traded securities and the number of closed transactions rose by 22.0% and by 178.9%, respectively.

From a perspective of financial volume achieved, the most successful share issues in 2006 (excluding the obligatory offers to take over) were Istrokapitál (350.7 million SKK; 7 transactions), Všeobecná úverová banka (234.5 million SKK; 1 119 transactions) and Istrokapitál 2 (155.9 million SKK; 2 transactions). The regulated free market was dominated, in terms of volume, by the issue of 1. garantovaná 02 (355.2 million SKK). With 1 777 closed transactions, this issue also ranked as the most frequently traded share issue of the year 2006.

In the year 2006, the BSSE executed a total of 29 new obligatory public offers to take over. The financial volume of transactions closed within those offers amounted to 739.0 million SKK in 14 451 transactions, representing 28.4% of the total volume and 65.6% of the total number of share transactions.

The SAX Index – the main share indicator of the Slovak capital market – ended the calendar year of 2006 at 415.61 points, strengthening by 0.6% against the end of the year 2005. In absolute numbers, the index has appreciated by 2.3 points.

The following are year-on-year changes of the SAX index base issues in 2006: Biotika (+86.0%; 372 SKK), OTP Banka Slovensko (-25.5%; 400 SKK), SES Tlmače (+3.4%; 455 SKK), Slovnaft (+13.2%; 3 635 SKK), VÚB (+5.3%; 3 950 SKK).

At its meeting held on 25 January 2006, the SAX Index Commission decided to not apply any changes to the current base of the index. On 31 January 2006, regular modifications were applied to the base issues in order for the weight of one company to not exceed the 30-percent limit. The dividends of the following companies were paid out by the end of the year and factored in the index: Slovnaft (377.50 SKK; date of record: 3 May 2006) and VÚB (285 SKK; date of record: 5 May 2006).

Trading of Bonds

As of the end of the year 2006, transactions in 102 bond issues could be closed on the Stock Exchange markets. That includes 27 issues on the main listed market, 68 issues on the parallel listed market and 7 issues on the regulated free market.

As of the last trading day of the year 2006, the market capitalisation of debt issues amounted to 428.7 billion SKK (+1.6% on a year-on-year basis), including the listed issues worth 408.9 billion SKK (+2.1% year on year).

The total financial volume of bond transactions last year amounted to 989.5 billion SKK, representing a 1.0-percent decrease compared to the year 2005. A total of 2 477 transactions were closed, representing a 14.9-percent decrease against the year 2005. The volume of electronic order book transactions in bonds amounted 5.7 billion SKK (353 transactions), whereas the volume of negotiated deals in bonds totalled 983.8 billion SKK (2 124 transactions).

Transactions in government bonds represented 99.5%, and amounted to 984.6 billion SKK in 2 145 transactions. The most frequently traded were the government bonds of series 143 (359.4 billion SKK), series 188 (195.9 billion SKK) and series 144 (139.3 billion SKK). Among the listed non-government bonds, the most successful were mortgage bonds VÚB XVII (1.1 billion SKK) and bank bonds Slovenská sporiteľňa 01 (747.8 million SKK). On the regulated free market, the only traded issue were the bonds of company 1. garantovaná, which were traded in the volume of 9.2 million SKK (in 152 transactions). The government bonds of series 200 recorded the highest number of transactions (334) in the period under review. Within the framework of electronic order book transactions, the largest volume of transactions was achieved by the government-bond issue of series 201 (1.2 billion SKK; 19 electronic order book transactions).

The SDXGroup Index

The SDXG for public sector, represented by government bonds, ended the year at 104.241 (price) and 118.875 (performance), with a 4.178-percent yield to maturity and duration of 5.06 years. The short-term sub-index SDXG(≤ 5) closed at 101.858 (price) and 115.197 (performance), with a yield to maturity of 4.232% and duration of 2.23 years. The long-term sub-index SDXG(> 5) ended the year at 106.620 (price) and 122.746 (performance), with a 4.166-percent yield to maturity and duration of 7.05 years.

The SDXG for private sector, represented by corporate/mortgage bonds, ended the year at 99.005 (price) and 117.664 (performance) with a yield to maturity of 4.827% and duration of 3.44 years. The value of the short-term sub-index SDXG(≤ 5) at the end of the year equalled 98.105 (price) and 117.624 (performance), offering a yield to maturity of 5.264% and duration of 1.59 years. The long-term sub-index SDXG(> 5) ended the year at 103.100 (price) and 117.584 (performance), with a 4.695-percent yield to maturity and duration of 5.33 years.

Trading Volume Statistics in the year 2006 can be found in Annex 2.

SAX INDEX DEVELOPMENT IN 2006



SDXG SECTOR PUBLIC



SDXG SECTOR PRIVATE



CLEARING AND SETTLEMENT OF TRANSACTIONS

The total number of securities transferred through the BSSE decreased, in comparison with the year 2005, by 41.4 % from 19 783 935 units to 11 585 398 units.

In the year 2006, 200 transactions were suspended. Out of that, 199 transactions were settled in the T+4 term and 1 transaction in the T+5 term. In most cases, the reason for suspension was a delayed transfer of financial means or a delayed cancellation of the disposal right suspension. Nevertheless, the resources of the Guarantee Fund were not drawn. The number of securities delivered with delay represented 28 767 units (an increase by 26 207 units against the year 2005), in the volume of 29 928 013 SKK (an increase by 23 852 112 SKK against the previous year).

MEMBERSHIP

As of 31 December 2006, the BSSE had 22 regular members. The National Bank of Slovakia is an entity authorised to stock exchange trading by the law. In the course of the year 2006, the following three companies ended their regular membership on the BSSE: CALYON BANK SLOVAKIA, Stredoeurópsky makléřský dom and Capital Partners.

The list of members can be found in Annex 3.

INSPECTION

The Stock Exchange Deals Inspection Department continued to perform the BSSE inspection in the year 2006. Its activity and the duties of its staff are governed by the Act No 429/2002 (Coll.) on the Stock Exchange in the wording of later legislation, the Stock Exchange Rules and internal regulations of the BSSE.

In the course of the year 2006, the Stock Exchange Deals Inspection Department performed systematic and complex inspection in the registered offices of 8 BSSE members, investigated an instigation (initiated by a financial market participant) for one stock exchange transaction and continuously monitored all stock exchange transactions. One member took measures to remedy imperfections found during the systematic and complex inspection on its own initiative, before the inspection was completed. Therefore the Stock Exchange decided not to impose sanctions on that member. The Stock Exchange did not take any measures against other members, as the inspection did not find serious imperfections in their activity.

The inspection activities included the preparation of information based on the requirements of the National Bank of Slovakia. In the course of the year under review, the Stock Exchange Deals Inspection Department satisfied – among other things – 27 requests for provision of background papers and statements, submitted by various sections of the Police Force of the Slovak Republic, tax offices of the Slovak Republic, distrainer and attorney's offices.

In compliance with the Act on the Stock Exchange, the Department submitted a report on its activity to the National Bank of Slovakia after the end of every calendar quarter.

From a perspective of the Stock Exchange's international activities an important event of the year 2006 was the signing of the 'European Code of Conduct for Clearing and Settlement'. The Code, initiated by the European Commission, was signed on 31 October 2006 by all members of the Federation of European Securities Exchanges (FESE), the European Association of Central Counterparty Clearing Houses (EACH) and the European Central Securities Depositories Association (ECSDA). By signing the Code, said Associations expressed mutual interest in achieving higher efficiency and integration of the European capital markets. The compliance with the Code will, in conformity with the goals of the European Commission, allow investors the choice to trade any European security within a consistent, coherent and cost-efficient European framework. The first phase of the Code's objectives – the application of price transparency - was implemented by the BSSE within the agreed term by 31 December 2006. The next two phases – establishing access/interoperability conditions and unbundling services and implementing accounting separation – are due on 30 June 2007 and 1 January 2008, respectively. The full wording of the Code is available on the BSSE's website.

Representatives of the BSSE last year attended the meetings of the Central European Stock Exchanges, initiated by the Vienna Stock Exchange. In order to foster closer co-operation, six workgroups were established where the Stock Exchanges can analyse the possibilities for harmonisation of individual stock exchange activities as well as development of new stock exchange products.

In the year 2006, the BSSE succeeded in attracting another subscriber of real-time trading information – company FT Interactive Data Ltd (FTID). This has increased the number of companies subscribing to this type of information to 4: Reuters SA, Bloomberg LP, Thomson Financial Ltd and FTID. The Stock Exchange reduced the interval of provision/publication of delayed data from 60 to 20 minutes. In order to harmonise its distribution policy with foreign Stock Exchanges, the BSSE allowed the clients of the subscribers of real-time trading information to re-distribute the data delayed by 20 minutes. In the course of the year, the Stock Exchange continued to organise training courses with a focus on the financial market. Last year the BSSE also issued 2 handbooks for issuers: Issuance of Securities and Conditions for Their Admission to BSSE and Issuance of Municipal Bonds and Conditions for Their Admission to BSSE, both of which are available on the BSSE's website.

ECONOMIC RESULTS OF THE YEAR 2006

Review of the Year 2006; Development Projected for the Year 2007

Following the Resolution No 25 of the Slovak Government on Privatisation of State Property Interest in Company the Central Securities Depository of the Slovak Republic, dated 11 January 2006, an increase of the Stock Exchange's registered capital through a non-monetary deposit of the National Property Fund was carried out in the year 2006. This transaction enabled the BSSE to acquire a 100-percent business share in the CDCP. The projected economic result – a pre-tax profit of 4 600 000 SKK – was exceeded and amounted to 5 886 000 SKK.

For the year 2007, the BSSE projects revenues of 47.180 million SKK and expenses of 44.380 million SKK. Profit before tax is projected in the amount of 2.8 million SKK. Following the changes in legislation, measures aimed at streamlining the operation of both BSSE and CDCP are to be applied in the year 2007. From a perspective of influence of the external environment, we expect the Stock Exchange to continue its operation under the same conditions as in the year 2006.

The Year 2006 Financial Statements of the BSSE compiled according to IFRS can be found in Annex 4.

PROPOSAL FOR DISTRIBUTION OF PROFIT OF THE YEAR 2006

Profit after tax	5 206 635,-SKK
Contribution to the Reserve Fund (10% of profit after tax - §217 of Commercial Code No 513/91 Coll.)	520 664,- SKK
Dividends (11 385 share units at 130 SKK/share 10 000 SKK)	1 480 050,- SKK
Dividends (229 734 share units at 13 SKK/share 1 000 SKK)	2 986 542,- SKK
Retained earnings from previous years	219 379,- SKK
Total profit distribution	5 206 635,- SKK

BONDS – MAIN LISTED MARKET:

Name of issue	ISIN	Date of listing
1. Štátny dlhopis 133	SK4120002601	22.08.2000
2. Štátny dlhopis 134	SK4120002627	25.09.2000
3. Štátny dlhopis 143	SK4120002742	31.01.2001
4. Štátny dlhopis 144	SK4120002759	31.01.2001
5. Štátny dlhopis 151	SK4120002833	30.03.2001
6. Štátny dlhopis 152	SK4120002841	30.03.2001
7. Štátny dlhopis 161	SK4120002932	13.07.2001
8. Štátny dlhopis 163	SK4120002965	21.09.2001
9. Štátny dlhopis 166 *	SK4120003120	18.01.2002
10. Matador, a.s. 04	SK4120002973	24.01.2002
11. Štátny dlhopis 170 *	SK4120003187	15.02.2002
12. Štátny dlhopis 174	SK4120003229	15.03.2002
13. Štátny dlhopis 184	SK4120003336	14.06.2002
14. ISTROBANKA, a.s. – HZL I.	SK4120003021	25.10.2002
15. Štátny dlhopis 188	SK4120003658	24.01.2003
16. Štátny dlhopis 189	SK4120003674	07.02.2003
17. Štátny dlhopis 191	SK4120003740	07.03.2003
18. Štátny dlhopis 192	SK4120003799	28.03.2003
19. VÚB, a.s. - 7. emisia HZL	SK4120003724	04.06.2003
20. Štátny dlhopis 199	SK4120003997	04.07.2003
21. Štátny dlhopis 200 *	SK4120004201	21.01.2004
22. Štátny dlhopis 201	SK4120004219	28.01.2004
23. Štátny dlhopis 202	SK4120004227	13.02.2004
24. Štátny dlhopis 203	SK4120004284	16.04.2004
25. Štátny dlhopis 204	SK4120004318	14.05.2004
26. Štátny dlhopis 205	SK4120004565	05.05.2005
27. Štátny dlhopis 206	SK4120004987	11.05.2005
28. Štátny dlhopis 207 **	SK4120005331	07.02.2007

BONDS – PARALLEL LISTED MARKET :

Name of issue	ISIN	Date of listing
1. Slovenská sporiteľňa, a.s. – 1. emisia HZL	SK4120003294	04.07.2002
2. Tatra banka, a.s. HZL II.	SK4120003518	27.06.2003
3. Slovenská sporiteľňa, a.s. – 2. emisia HZL	SK4120003971	15.10.2003
4. Slovenská sporiteľňa, a.s. – 3. emisia HZL	SK4120004045	15.10.2003
5. Slovenská sporiteľňa, a.s. – 4. emisia HZL	SK4120004128	15.10.2003
6. B.O.F., a.s. – 5. emisia	SK4120003955	04.11.2003
7. I.D.C. Holding, a.s. - 4. emisia	SK4120004094	08.12.2003
8. ISTROBANKA, a.s. – HZL II.	SK4120003757	12.12.2003
9. OTP Banka Slovensko, a.s. HZL I.	SK4120004060	20.01.2004
10. VÚB, a.s. - 8. emisia HZL	SK4120003914	08.03.2004
11. VÚB, a.s. - 9. emisia HZL	SK4120004011	08.03.2004
12. UniBanka, a.s. - 1. emisia HZL	SK4120004169	25.05.2004
13. CAC Leasing Slovakia, a.s. - 2. emisia	SK4120004177	26.05.2004
14. HVB Bank Slovakia a.s. – HZL 1	SK4120004078	28.06.2004
15. VÚB, a.s. - 12. emisia HZL	SK4120004268	29.06.2004
16. OTP Banka Slovensko, a.s. HZL II.	SK4120004243	02.07.2004
17. Československá obchodní banka, a.s. HZL I.	SK4120004086	07.07.2004
18. Slovenská sporiteľňa, a.s. – 5. emisia HZL	SK4120004359	22.12.2004
19. Slovenská sporiteľňa, a.s. – 6. emisia HZL	SK4120004375	22.12.2004
20. B.O.F., a.s. – 6. emisia	SK4120004334	22.12.2004
21. ISTROBANKA, a.s. – HZL III.	SK4120004110	14.02.2005
22. OTP Banka Slovensko, a.s. HZL IV.	SK4120004425	14.02.2005

BONDS – PARALLEL LISTED MARKET :

Name of issue	ISIN	Date of listing
23. ĽUDOVÁ BANKA, a.s. HZL I.	SK4120004417	17.03.2005
24. Československá obchodní banka, a.s. HZL II.	SK4120004441	08.04.2005
25. OTP Banka Slovensko, a.s. HZL V.	SK4120004433	15.04.2005
26. VÚB, a.s. - 10. emisía HZL	SK4120004250	09.05.2005
27. VÚB, a.s. - 11. emisía HZL	SK4120004391	09.05.2005
28. VÚB, a.s. - 13. emisía HZL	SK4120004409	09.05.2005
29. VÚB, a.s. - 14. emisía HZL	SK4120004458	09.05.2005
30. Slovenská sporiteľňa, a.s. – 7. emisía HZL	SK4120004466	18.05.2005
31. OTP Banka Slovensko, a.s. HZL III.	SK4120004367	06.06.2005
32. UniBanka, a.s. - 2. emisía HZL	SK4110001217	01.07.2005
33. VÚB, a.s. - 15. emisía HZL	SK4120004540	07.07.2005
34. I.D.C. Holding, a.s. - 5. emisía	SK4120004730	04.10.2005
35. Slovenská sporiteľňa, a.s. – 8. emisía HZL	SK4120004524	05.10.2005
36. Slovenská sporiteľňa, a.s. – 1. emisía dlhopisov	SK4120004573	06.10.2005
37. OTP Banka Slovensko, a.s. HZL VI.	SK4120004607	19.12.2005
38. VÚB, a.s. - 10. emisía dlhopisov	SK4120004748	22.12.2005
39. Slovenská sporiteľňa, a.s. – 9. emisía HZL	SK4120004656	02.02.2006
40. HVB Bank Slovakia a.s. – HZL 2	SK4120004474	08.02.2006
41. OTP Banka Slovensko, a.s. – 1. emisía dlhopisov	SK4120004805	14.02.2006
42. ĽUDOVÁ BANKA, a.s. HZL II.	SK4120004755	16.02.2006
43. UniBanka, a.s. - 3. emisía HZL	SK4110001316	03.03.2006
44. VÚB, a.s. - 16. emisía HZL	SK4120004615	08.03.2006

BONDS – PARALLEL LISTED MARKET :

Name of issue	ISIN	Date of listing
45. VÚB, a.s. - 17. emisía HZL	SK4120004813	08.03.2006
46. B.O.F., a.s. – 7. emisía	SK4120004581	08.03.2006
47. Tatra banka, a.s. – 5. emisía HZL	SK4120003880	21.03.2006
48. Tatra banka, a.s. – 6. emisía HZL	SK4120004003	21.03.2006
49. Tatra banka, a.s. – 7. emisía HZL	SK4120004136	21.03.2006
50. Tatra banka, a.s. – 8. emisía HZL	SK4120004276	21.03.2006
51. Tatra banka, a.s. – 9. emisía HZL	SK4120004342	21.03.2006
52. Tatra banka, a.s. – 11. emisía HZL	SK4120004532	21.03.2006
53. HVB Bank Slovakia a.s. – 3. emisía dlhopisov	SK4120004680	31.03.2006
54. OTP Banka Slovensko, a.s. HZL VII.	SK4120004896	10.04.2006
55. VÚB, a.s. - 18. emisía HZL	SK4120004870	20.04.2006
56. VÚB, a.s. - 19. emisía HZL	SK4120004888	20.04.2006
57. VÚB, a.s. - 20. emisía HZL	SK4120004946	20.04.2006
58. VÚB, a.s. - 21. emisía HZL	SK4120004938	20.04.2006
59. Slovenská sporiteľňa, a.s. – 10. emisía HZL	SK4120004961	29.05.2006
60. OTP Banka Slovensko, a.s. HZL VIII.	SK4120004979	28.06.2006
61. ISTROKAPITÁL, a.s. – 1. emisía dlhopisov	SK4120004847	04.07.2006
62. I.D.C. Holding, a.s. – 6. emisía	SK4120005000	04.07.2006
63. Leasing Slovenskej sporiteľne, a.s. - 1. emisía dlhopisov	SK4120005034	21.07.2006
64. Leasing Slovenskej sporiteľne, a.s. - 2. emisía dlhopisov	SK4120005166	29.11.2006
65. OTP Banka Slovensko, a.s. HZL IX.	SK4120005109	08.12.2006
66. UniBanka, a.s. - 4. emisía HZL	SK4110001423	15.12.2006

BONDS – PARALLEL LISTED MARKET :

Name of issue	ISIN	Date of listing
67. VÚB, a.s. - 24. emisia HZL	SK4120005174	19.12.2006
68. Slovenská sporiteľňa, a.s. – 2. emisia dlhopisov	SK4120005117	19.12.2006
69. Tatra banka, a.s. – 13. emisia HZL ***	SK4120004789	17.01.2007
70. Tatra banka, a.s. – 14. emisia HZL ***	SK4120004953	17.01.2007
71. B.O.F., a.s. – 8. emisia ***	SK4120005083	24.01.2007
72. B.O.F., a.s. – 9. emisia ***	SK4120005075	24.01.2007
73. ĽUDOVÁ BANKA, a.s. HZL III. ***	SK4120005133	02.02.2007

SHARES – MAIN LISTED MARKET:

Name of issue	ISIN	Date of listing
1. Slovnaft a.s.	CS0009004452	28.01.1993
2. Slovnaft a.s. - 2. emisia	SK1120001369	22.09.1995
3. Slovnaft a.s. - 3. emisia	SK1120005949	04.10.2002
4. Všeobecná úverová banka, a.s.	SK1110001437	11.05.1995
5. SLOVENSKÉ ENERGETICKÉ STROJÁRNE (SES) a.s. Tlmače	SK1120008034	05.08.1998

SHARES – PARALLEL LISTED MARKET:

Name of issue	ISIN	Date of listing
1. Biotika a.s.	CS0009013453	26.03.1993
2. Biotika a.s. - 2. emisia	SK1120004009	03.07.1997
3. OTP Banka Slovensko, a.s.	SK1110001452	15.01.2002
4. NOVITECH a.s.	SK1120006053	07.01.2003
5. OTP Banka Slovensko, a.s. – 2. emisia	SK1110004613	27.04.2004

* Due to redemption of bonds, their listing was cancelled and trading ended on 8 January 2007 (ŠD 200), 9 January 2006 (ŠD 166) and 6 February 2007 (ŠD 170).

** Due to fulfilment of the listing criteria, the issue of government bonds (ŠD 207) was admitted to the main listed market on 8 February 2007.

*** Due to fulfilment of the listing criteria, the following issues were admitted to the parallel listed market: mortgage bonds 13 and 14 of company Tatra banka on 17 January 2007, bond issues 08 and 09 of company B.O.F. on 24 January 2007 and mortgage bonds III of company ĽUDOVÁ BANKA on 2 February 2007.

	2006	2005	Change (%)
NUMBER OF TRADING DAYS	239	242	
TOTAL VOLUME OF TRANSACTIONS (SKK)	992 055 813 752	1 001 876 428 022	-1,0%
AVERAGE DAILY VOLUME OF TRANSACTIONS (SKK)	4 150 861 145	4 139 985 240	0,3%
SHARES AND SHARE CERTIFICATES			
TOTAL VOLUME OF TRANSACTIONS (SKK)	2 600 481 270	2 130 759 423	22,0%
AVERAGE DAILY VOLUME OF TRANSACTIONS (SKK)	10 880 675	8 804 791	23,6%
NUMBER OF ISSUES	256	306	-16,3%
MARKET OF LISTED SECURITIES	10	13	-23,1%
MARKET OF UNLISTED SECURITIES	246	293	-16,0%
BONDS			
TOTAL VOLUME OF TRANSACTIONS (SKK)	989 455 332 482	999 745 668 599	-1,0%
AVERAGE DAILY VOLUME OF TRANSACTIONS (SKK)	4 139 980 471	4 131 180 449	0,2%
NUMBER OF ISSUES	102	75	36,0%
MARKET OF LISTED SECURITIES	95	68	39,7%
MARKET OF UNLISTED SECURITIES	7	7	0,0%

No.	Name of member or entity authorised to trade on the BSSE
1	CAPITAL INVEST, o.c.p., a.s.
2	Československá obchodní banka, a.s. (ČR) prostredníctvom pobočky Československá obchodní banka, a.s., pobočka zahraničnej banky v SR
3	Dexia banka Slovensko a.s.
4	DLHOPIS, o.c.p., a.s.
5	HVB Bank Slovakia a.s.
6	ING Bank N.V. (Holandsko) prostredníctvom pobočky ING Bank N.V., pobočka zahraničnej banky
7	ISTROBANKA, a.s.
8	J&T SECURITIES (SLOVAKIA), o.c.p., a.s.
9	Komerční banka Bratislava, a.s.
10	ĽUDOVÁ BANKA, a.s.
11	Národná banka Slovenska*
12	OTP Banka Slovensko, a.s.
13	PALČO BROKERS, o.c.p., a.s.
14	Poštová banka, a.s.
15	RM-S Market, o.c.p., a.s.
16	SEVISBROKERS FINANCE o.c.p., a.s.
17	SLÁVIA CAPITAL, a.s., obchodník s cennými papiermi
18	Slovenská sporiteľňa, a.s.
19	Sympatia Financie, o.c.p., a.s.
20	Tatra banka, akciová spoločnosť
21	UniBanka, a.s. (od 1.4.2007 zmena mena na UniCredit Bank Slovakia a.s.)
22	V BROKERS, o.c.p., a.s. (od 2.3.2007 zmena mena na BHS Slovakia, o.c.p., a.s.)
23	Všeobecná úverová banka, a.s.

* Entity authorised to trade on the BSSE



Burza cenných papierov v Bratislave, a.s.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of Burza cenných papierov v Bratislave, a.s.:

1. We have audited the accompanying separate financial statements of Burza cenných papierov v Bratislave, a.s. (the "Company"), which comprise the balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

The Board of Directors' Responsibility for the Financial Statements

2. The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with the Slovak Act on Accounting. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

3. 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 that the financial statements are free of 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 auditor's 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 Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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

4. In our opinion, the separate financial statements present fairly, in all material respects, the financial position of Burza cenných papierov v Bratislave, a.s. as of 31 December 2006, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Emphasis of matter

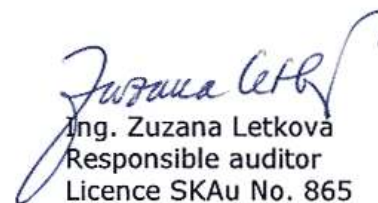
5. Without qualifying our opinion we draw attention to the Note 5 to the accompanying financial statements. The Company is the single shareholder of Centrálny depozitár cenných papierov SR, a.s., which is involved in several significant litigations the ultimate result of which is uncertain and could impact the valuation of this subsidiary in the future.

Bratislava 12 April 2007



Deloitte Audit s.r.o.
Licence SKAu No. 014

Audit • Tax • Consulting • Financial Advisory.



Ing. Zuzana Letková
Responsible auditor
Licence SKAu No. 865

Member of
Deloitte Touche Tohmatsu

BALANCE SHEETS 31 DECEMBER 2006 AND 2005 (IN THOUSANDS OF SKK)

ASSETS

	Note	2006	2005
NON-CURRENT ASSETS			
Property, plant and equipment, net	3	64 910	69 072
Intangible and other assets, net	4	699	1 177
Investments in subsidiaries	5	229 734	-
Total non-current assets		295 343	70 249
CURRENT ASSETS			
Trade receivables, net	6	4 522	2 632
Income tax asset		672	152
Other current assets	7	851	994
Cash and cash equivalents	8	70 537	64 843
Total current assets		76 582	68 621
TOTAL ASSETS		371 925	138 870

EQUITY AND LIABILITIES

	Note	2006	2005
EQUITY			
Registered capital	9	343 584	113 850
Capital funds	9	11 570	11 215
Accumulated profit and profit for current year		6 355	3 565
Total equity		361 509	128 630
NON-CURRENT LIABILITIES			
Deferred tax liability	17.3	1 345	1 196
Total non-current liabilities		1 345	1 196
CURRENT LIABILITIES			
Trade payables	10	2 292	1 441
Other payables and accruals	11	6 779	7 603
Total current liabilities		9 071	9 044
Total liabilities		10 416	10 240
TOTAL EQUITY AND LIABILITIES		371 925	138 870

STATEMENTS OF PROFIT AND LOSS YEARS ENDED 31 DECEMBER 2006 AND 2005 (IN THOUSAND OF SKK)

REVENUES

	Note	2006	2005
Core revenues		43 430	48 442
Other revenues		931	1 040
Total revenues	12	44 361	49 482

OPERATING COSTS

	Note	2006	2005
Consumables and services	13	(9 910)	(9 894)
Labour and related expenses	14	(28 187)	(27 815)
Depreciation and amortisation	3, 4	(4 995)	(6 557)
Other costs, net	15.1	(1 362)	(975)
Total costs and expenses		(44 454)	(45 241)
OPERATING PROFIT/LOSS		(93)	4 241

FINANCIAL (EXPENSE)/INCOME

	Note	2006	2005
Interest income	16	2 374	1 315
Dividends	5	4 740	-
Other financial income, net		50	-
Other financial expenses, net	15.2	(1 185)	(939)
Total financial (expense)/income, net		5 979	376
PROFIT BEFORE TAX		5 886	4 617
INCOME TAX	17	(679)	(1 127)
PROFIT AFTER TAX		5 207	3 490

STATEMENTS OF CHANGES IN EQUITY YEARS ENDED 31 DECEMBER 2006 AND 2005 (IN THOUSAND OF SKK)

	Registered Capital	Capital funds	Accumulated profit/(loss)	Total
As at 1 January 2005	113 850	11 099	2 698	127 647
Contribution to legal reserve fund	-	116	(116)	-
Dividends paid	-	-	(2 507)	(2 507)
Net profit for the year	-	-	3 490	3 490
As at 31 December 2005	113 850	11 215	3 565	128 630
Issue of new shares	229 734	-	-	229 734
Contribution to legal reserve fund	-	355	(355)	-
Dividends paid	-	-	(2 062)	(2 062)
Net profit for the year	-	-	5 207	5 207
As at 31 December 2006	343 584	11 570	6 355	361 509

STATEMENTS OF CASH FLOWS YEARS ENDED 31 DECEMBER 2006 AND 2005 (IN THOUSAND OF SKK)

CASH FLOWS FROM OPERATING ACTIVITIES:

	Note	2006	2005
Profit before tax		5 886	4 617
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortisation		4 995	6 557
Interest revenue and dividends		(7 114)	(1 315)
Interest expense		-	-
(Profit)/loss on sale of tangible assets		-	(3)
Provision for assets, net		10	44
Operating profit before working capital changes		3 777	9 900
Changes in working capital:			
Trade receivables		(1 894)	1 115
Income tax assets			3 482
Payables		737	674
Other		(620)	56
Cash generated from operations		2 000	15 228
Interest received		2 374	1 315
Income taxes paid		(1 202)	(1 138)
Net cash provided by operating activities		3 370	15 404

CASH FLOWS FROM INVESTING ACTIVITIES:

	Note	2006	2005
Additions to property, plant and equipment		(354)	(644)
Proceeds from sale of property, plant and equipment		-	3
Dividends received		4 740	-
Net cash used in investing activities		4 386	(641)

STATEMENTS OF CASH FLOWS YEARS ENDED 31 DECEMBER 2006 AND 2005 (IN THOUSAND OF SKK)

CASH FLOWS FROM FINANCING ACTIVITIES:

	Note	2006	2005
Dividends paid and other		(2 062)	(2 506)
Net cash used in financing activities		(2 062)	(2 506)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		5 694	12 257
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		64 843	52 586
CASH AND CASH EQUIVALENTS, END OF PERIOD	8	70 537	64 843

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1. GENERAL (1)

1.1. DESCRIPTION OF BUSINESS

Business name and seat	Burza cenných papierov v Bratislave, a.s., Vysoká 17, 811 06 Bratislava
Date of establishment	8 January 1991
Date of incorporation	15 March 1991
(according to the Commercial Register)	00604054
Company identification number	2020804390
Tax identification number	Organisation of trading in securities and performance of related activities, distribution of data, editorial and publishing activities, organisation of professional trainings

The activities of Burza cenných papierov v Bratislave, a.s., are governed by Act 429/2002 Coll. as amended.

1.2. STAFF

Average number of employees as at 31 December 2006	33
thereof: managers	5

1.3. APPROVAL OF THE 2005 FINANCIAL STATEMENTS

On 12 May 2006, the General Meeting approved the 2005 financial statements of the Company.

1.4. MEMBERS OF THE COMPANY'S BODIES

Body	Function	Name
Board of Directors	Chairman	Ing. Šedo Marián
	Vice-Chairman	Ing. Huňor Peter
	Member	Ing. Gránsky Ivan
	Member	Ing. Herbec Róbert
	Member	Ing. Kopál Róbert
	Member	RNDr. Ing. Matušovič Marián, PhD.
	Member	Ing. Mihalik Jozef
	Member	Ing. Valko Ján
	Member	Ing. Matejsko Rastislav
Supervisory Board	Chairman	Ing. Bubeníková Anna
	Member	Ing. Klaban Roman
	Member	Ing. Jankovič Marek
Executive Management	General Director	Ing. Hurajová Mária
	Director of Division of Public Relations	Ing. Lazárová Barbora
	Director of Economic Division	Ing. Novosad František
	Director of Division of Stock Exchange Transactions	Mgr. Ing. Dlugopolská Oľga
	Director of IT Division	Ing. Gers Karol

1.5. SHAREHOLDERS' STRUCTURE AND THEIR SHARES IN REGISTERED CAPITAL

The shareholder's structure and their shares in registered capital as of 31 December 2006 were as follows:

No.	Shareholders	Share in registered capital		Voting rights in %
		SKK '000	%	
1	Fond národného majetku Slovenskej republiky	254 934	74,20	75,28
2	Všeobecná úverová banka, a.s.	23 000	6,69	6,79
3	Allianz – Slovenská poisťovňa, a.s.	17 430	5,07	5,15
4	OTP Banka Slovensko, a.s.	17 430	5,07	5,15
5	Slovenská sporiteľňa, a.s.	12 500	3,64	3,69
6	Capital Partners Development, a.s.	4 000	1,16	1,18
7	Oost-Europa Participaties, B.V.	3 000	0,87	0,89
8	Poštová banka, a.s.	2 660	0,77	0,79
9	ING Bank N.V., pobočka zahraničnej banky	1 000	0,29	0,30
10	ČSOB, a.s. pobočka zahraničnej banky v SR	740	0,22	0,22
11	Kooperatíva, a.s.	720	0,22	0,21
12	UniBanka, a.s.	670	0,20	0,20
13	Tatra banka, a.s.	300	0,09	0,09
14	UNIQA poisťovňa, a.s.	200	0,06	0,06
15	KORUNA invest, a.s.	2 000	0,58	-
16	Slovenská kreditná banka, a.s. (v konkurze)	1 000	0,29	-
17	Tatra Credittax, spol. s r.o.	1 000	0,29	-
18	Všeobecná investičná spoločnosť, a.s.	1 000	0,29	-
	Total	343 584	100,00	100,00

The shareholders with serial no. 15 – 18 are not entitled to vote at the General Assembly subject to Article 68 par. 10 of Act 429/2002 Coll.

1.6. BASIS OF PRESENTATION

Legal basis for preparing the financial statements

These financial statements are the annual separate financial statements of Burza cenných papierov v Bratislave, a.s. (“BCPB” or “the Company”). The financial statements were prepared for the reporting period from 1 January 2006 to 31 December 2006 in accordance with International Financial Reporting Standards (“IFRS”) as adopted by European Union (“EU”).

The purpose of the preparation of these separate financial statements in the Slovak Republic is to comply with Act on Accounting No. 431/2002 Coll. According to paragraphs 17a) and 20 of Act on Accounting No. 431/2002 Coll., effective from 1 January 2006, Burza cenných papierov v Bratislave has been required to prepare its separate financial statements and annual report under special regulations - Regulation (EC) 1606/2002 of the European Parliament and of the Council on the Application of International Accounting Standards (IFRS). As a result, separate financial statements prepared in accordance with IFRS have effectively replaced financial statements prepared under Slovak Accounting Standards.

BCPB is a parent company of Centrálny depozitár cenných papierov SR, a.s., however since the business size criteria were not fulfilled under Article 22 of Act 431/2002 Coll. on Accounting as amended, BCPB is not required to prepare consolidated financial statements. This procedure fully complies with the document Comments on Certain Articles of Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the Application of International Financial Reporting Standards and the Fourth Council Directive 78/660/EEC of 25 July 1978 and Seventh Council Directive 83/349/EEC of 13 June 1983 on Accounting. Pursuant to Note 2.2.2. herein, the decision on whether the reporting entity is not required to prepare its consolidated financial statements shall be further adopted in accordance with the requirements of the Seventh Council Directive, which is reflected in the statutory legislation.

Since Centrálny depozitár cenných papierov SR, a.s. is not required to be consolidated in the separate financial statements according to national legislation, which is in compliance with Seventh Council Directive 83/349/EEC of 13 June 1983 on Accounting, it's the European Commission's view that the IAS 27 requirements to prepare consolidated financial statements do not apply under IFRS as adopted by EU.

Statement of compliance

The separate financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”). IFRS as adopted by the EU do not currently differ from IFRS as issued by the International Accounting Standards Board (IASB), except for portfolio hedge accounting under IAS 39 and specific criteria for consolidation (this legislation specifies size criteria for the obligation of preparing annual accounts, which the Company does not meet). The Company has determined that portfolio hedge accounting under IAS 39 would not impact on the financial statements had it been approved by the EU at the balance sheet date.

At the date of the authorisation of these financial statements, the following Standards were in issue but not yet effective and not applied

by the Company:

- IFRS 7 „Financial Instruments: Disclosures” (effective 1 January 2007),
- Amendments to IAS 1 “Presentation of Financial Statements - Capital Disclosures” (effective 1 January 2007),
- IFRS 8 „Operating Segments” (effective 1 January 2008)
- IFRIC 7 „Applying the Restatement Approach under IAS 29” „Financial Reporting In Hyperinflationary Economies”,
- IFRIC 8 „Scope of IFRS 2”,
- IFRIC 9 „Reassessment of Embedded Derivatives”,
- IFRIC 10 „Interim Financial Reporting and Impairment”
- IFRIC 11 „Interpretation of IFRS 2 - Group and Treasury Share Transactions”
- IFRIC 12 „Service Concession Arrangements”.

The adoption of these standards in future periods is not expected to have a material impact on the reported profit or equity of the Company.

Basis of preparation

The financial statements have been prepared on the accrual basis, under which transactions and other matters are recognised when occurred and recorded in the financial statements in the period to which they relate under the assumption of going concern.

The financial statements comprise balance sheet, profit and loss statement, statement of changes in equity, cash flow statement and notes.

The financial statements have been prepared under the historical cost convention with financial assets and liabilities revalued in accordance with IAS 39 (Revised). The fair values of financial assets approximate their net book values. When measuring assets and liabilities, prudent policy principles are followed, i.e. all risks, losses and impairments relating to assets and liabilities and known as at the balance sheet date are used as a basis.

The Company maintains its own accounting records in line with the accounting procedures for business in force in the Slovak Republic. The accompanying financial statements are based on the Company's accounting records and are modified accordingly for the purpose of true and fair presentation in accordance with IFRS as adopted by EU.

The preparation of IFRS, as adopted by EU, financial statements requires that the management makes estimates and assumptions that have an impact on the values of assets and liabilities included and on the recognition of contingent assets and liabilities as at the date of the financial statements and on the amounts of revenues and expenses recorded for the given accounting period. These estimates are based on the information available as the date of the financial statements. The actual results may differ from these estimates.

These financial statements are presented in thousands of Slovak crowns, as the Company carries out majority of transactions in this currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Non-current assets – Property, plant and equipment and intangible assets are valued at cost less accumulated depreciation and provisions for impairment. Cost includes acquisition prices and the relevant expenses related to acquisition (transportation, installation, customs duties). Maintenance and repair expenses are expensed as incurred. For accounting purposes these assets are depreciated on the straight-line basis over estimated useful lives from the moment of their putting into use. For tax purposes the company depreciates the assets using the depreciation rates under the income tax act in force.

Estimated useful lives stated by the Company are the same as established by Slovak tax law. The estimated useful lives as established by Slovak tax law provide a reasonable estimate of the assets' lives in accordance with IFRS, as adopted by EU. The estimated useful lives for the major classifications of property, plant and equipment and intangible assets are as follows:

Group of assets	Useful life (years)	Rate (%)
Group 1 – non-current intangible assets (SW)	4	25%
Group 1 – non-current tangible assets (office and IT equipment)	4	25%
Group 2 – non-current tangible assets (machines and equipment, fixtures and fittings)	8	12,5%
Group 3 – non-current tangible assets (air-condition devices)	15	6,9%
Group 5 – non-current tangible assets (building)	40	2,5%

Intangible assets at cost up to SKK 50 000, and non-current tangible assets at cost up to SKK 30 000 are recorded in the Company's books and charged directly to expenses.

Gains and losses on the disposal of property, plant and equipment are fully recognised in the statement of profit and loss.

Subsequent expenditure – subsequent expenditure incurred to replace a component of non-current tangible assets that is accounted for separately, including inspections and overhaul expenditure, is capitalised, if it is probable that the future economic benefits embodied with the item will flow to the Company exceeding its original performance, and the cost of the item can be measured reliably. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of assets exceeding their original performance. All other expenditure made, after the acquisition of non-current tangible assets, to restore or maintain the extent of future economic benefits is recognised as an expense when incurred.

Investments in subsidiaries - subsidiary undertakings are those companies in which the Company directly or indirectly has an interest of more than 50% of the voting rights, or otherwise has power to exercise control over operations. They are measured in accordance with IAS 27 and IAS 28 at cost less impairment losses on decrease in realizable value. The impairment losses are recognised through profit or loss. Dividend income is recognized in statement of profit and loss when the Company's right to receive payment has been established.

Cash and cash equivalents – Cash and cash equivalents consist of cash in hand and balances with banks, cash equivalents and time deposits with insignificant risk of changes in value and original maturities of three months or less at the date of acquisition. The accruals of interests are recognized in other assets.

Guarantee fund – The Company does not recognise the guarantee fund in their assets; the fund is designed to cover payables and receivables of members resulting from stock-exchange transactions, and as of 31 December 2006 it amounted to SKK 4 895 thousand (2005: SKK 5 898 thousand) and was recognized in the off balance sheet accounts of the Company.

Receivables and payables – trade and other receivables are measured at expected realizable value, including provisions for bad and doubtful receivables. Trade and other payables are initially measured at fair value and subsequently at amortised cost using the effective interest rate method.

Non-current and current receivables, payables, loans and interest-bearing borrowings – Receivables and payables are disclosed on the balance sheet as either long-term or short-term following their residual maturities as at the balance sheet date. Part of long-term receivables and part of long-term payables due within one year of the balance sheet date is disclosed on the balance sheet as short-term receivable and/or short-term payable.

Provisions for impairment – At each balance sheet date, the Company reviews the carrying amounts of its tangible and non-current intangible assets to determine whether there is any indication that those assets have suffered impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of assets sold or value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized directly in the profit and loss statement.

The recoverable amount of a receivable or group of receivables is calculated as the present value of expected future cash flows, discounted by the original effective interest rate inherent in the asset. Short-term receivables are not discounted. The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market value of the future value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Provisions for liabilities – Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. A provision is measured on the basis of the best estimate made by the Management of the cost of the liability settlement as at the balance sheet date. If the effect is material, provisions are determined by discounting the expected future cash flows by a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Accruals – The Company makes an estimate of expenses and liabilities that have not been invoiced at the balance sheet date. These expenses and liabilities are accrued.

Revenues – Revenues from the provision of services are recognized when the respective services are rendered. Revenues are recognised under the accrual basis of accounting. Fees for trading are accounted for in the moment of the transaction realisation. Initial fees were recognized in revenues immediately.

Interest income – Interest income is recognized in the statement of profit and loss as it incurs using the effective yield method.

Dividends – dividends are recognized as a liability in the period in which they are declared.

Income taxes – Income tax for the year comprises current and deferred tax. Income tax is calculated in accordance with the provisions of the relevant legislation of the Slovak Republic, based on the profit or loss recognized in the income statement. Current tax is calculated from the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustments to current tax in respect of previous years.

Deferred income tax is calculated, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax is calculated at the income tax rates that are expected to apply to the period when the asset is to be realized or the liability settled. Deferred tax is charged or credited to the statement of profit and loss, except for those items of receivables and payables that are credited or charged with a counter entry directly to equity, in which case the deferred tax is also recorded with a counter entry in equity.

When calculating deferred tax, the expected method of realization or settlement of the carrying amount of assets and liabilities is also considered. A deferred tax asset is recognized only to the extent that it is probable that the Company will generate sufficient tax base in the future against which the asset can be utilized. Carrying amounts of deferred tax assets are always considered as at the balance sheet date.

Deferred tax assets and liabilities are mutually set off, if a legal title exists to offset the current tax assets with the current tax liabilities and if they relate to an income tax assessed by the same tax authority, and the Company intends to recognise their current tax assets and liabilities on the net basis.

Transactions in foreign currencies – Transactions in foreign currencies are translated at the exchange rate effective on the day of the transaction. At the balance sheet date, assets and liabilities denominated in foreign currencies are converted to Slovak currency using the exchange rates of the National Bank of Slovakia on the balance sheet date. Resulting exchange rate differences are recognized as an expense or income in the statement of profit and loss. Unrealized gains and losses due to fluctuations in exchange rates are fully recognized in the statement of profit and loss.

Social and pension security – The Company makes contribution to legal health, medical, and pension insurance, and contribution to the Employment Fund as a percentage of gross payroll at the rates effective in the current year. Social security expenses are recorded in the profit and loss statement in the same period as the respective wages and salaries. The Company is not obliged to contribute funds from the gross amount of payroll that would exceed the requirement stipulated by law.

Retirement benefit and other long-term employee benefits – The Company has no long-term employee benefit scheme that would exceed statutory requirements, which constitute the liability to pay a retirement benefit to a retiring employee in the amount of average monthly salary. According to Company's estimate, the amount of such liabilities is not significant. The financial statements include no provision in this respect.

3. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are comprised of the following:

Year ended 31 December 2006	Land, buildings & structures	Plant, machinery & equipment	Assets in course of construction	Total
Opening Balance of acquisition cost	78 414	63 860	339	142 613
Additions	-	-	355	355
Disposals	-	(2 103)	-	(2 103)
Transfers	362	138	(500)	-
Closing Balance of acquisition cost	78 776	61 895	194	140 865
Opening Accumulated Depreciation	17 366	56 175	-	73 541
Depreciation charge	1 641	2 876	-	4 517
Disposals	-	(2 103)	-	(2 103)
Transfers	-	-	-	-
Closing Accumulated Depreciation	19 007	56 948	-	75 955
Net Book Value as at 1 January 2006	61 048	7 685	339	69 072
Net Book Value as at 31 December 2006	59 769	4 947	194	64 910

No transfers of assets were realized in 2006.

Additions to non-current tangible assets acquired in 2006 comprise new central heating boilers and IT equipment; disposals comprise disposed obsolete non-current tangible assets.

The cost of non-current assets that were fully written-off but still used by the Company amounted to SKK 45 430 thousand as at 31 December 2006 (2005: SKK 44 470 thousand).

The Company does not have any non-current assets with non-zero carrying amount that are temporarily or permanently not utilized.

4. NON-CURRENT INTANGIBLE ASSETS

Non-current intangible assets consist of the following items:

Year ended 31 December 2006	Software	Assets in course of construction	Total
Opening Balance of acquisition cost	15 071	-	15 071
Additions	-	-	-
Disposals	(344)	-	(344)
Transfers	-	-	-
Closing Balance of acquisition cost	14 727	-	14 727
Opening Balance of accumulated depreciation	13 894	-	13 894
Depreciation charge	478	-	478
Disposals	(344)	-	(344)
Transfers	-	-	-
Closing Balance of accumulated depreciation	14 028	-	14 028
Net Book Value as at 1 January 2006	1 177	-	1 177
Net Book Value as at 31 December 2006	699	-	699

No new non-current intangible assets were acquired in 2006. Disposals comprise disposal of waste non-current intangible assets.

The cost of non-current intangible assets fully written off that are still in use represent SKK 12 814 thousand as of 31 December 2006 (2005: SKK 13 158 thousand).

Type and amount of insurance of non-current intangible and tangible assets

Insured object	Type of insurance	Amount paid		Name and seat of the insurance company
		2006	2005	
Passenger vehicles	against theft, motor hull	80	95	Allianz – SP Bratislava
Building	against natural disasters	279	277	Allianz – SP Bratislava

Based on Decision 25 of the Slovak Government of 11 January 2006 on the privatisation of the state's ownership interest in Centrálny depozitár cenných papierov v SR, a.s. (CDCP), the registered capital of Burza cenných papierov v Bratislave, a.s., increased through a non-monetary contribution of the National Property Fund of the SR by SKK 229 734 thousand, which represented 100% share in Centrálny depozitár cenných papierov v SR, a.s.. Based on the Decision, BCPB acquired a 100% stake in the above-mentioned company. The financial investment was recorded at cost in amount of SKK 229 734 thousand that was based on the valuation of the amount of non-monetary contribution determined based on an two independent expert's opinions. The Company received during the year 2006 dividends from its subsidiary undertaking in amount of SKK 4 740 thousand.

Additional information about total assets, equity, total income and expenses from financial statements of the subsidiary in accordance with Slovak accounting standards for the period ended 31 December 2006, is as follows:

	2006
Total assets	339 435
Total equity	263 094
Total income	202 849
Total expenses	259 120

CDCP is involved in number of legal disputes resulting from transactions performed in previous periods in total claimed amount of SKK 629 040 thousand (free of charges and interest) from which contingent liabilities could arise. Significant amounts relate to the legal cases that are highly complex, have been ongoing for a long period and may not be resolved in several years.

The final outcome of such legal disputes cannot be determined at present. The ultimate negative resolution of legal claims may have an adverse impact on the subsidiary's profit/loss, its liquidity, and its ability to meet legal requirements (limits) applicable to its activities and to continue with its operations as a going concern. In such circumstances the additional funding and support from BCPB and ultimate owner of the subsidiary might be required. The risk of contingent liabilities arising from the legal disputes was partially considered in one of the independent expert's opinions that was used as a base for the initial valuation of investment in the subsidiary. However, the ultimate result of these legal disputes can differ from this estimate and at the same time adjustments to the valuation of investment in subsidiary in the financial statements of BCPB might be determined to be necessary in future periods.

As of 31 December 2006, the subsidiary recorded provisions for risks connected with these legal claims amounting to SKK 44 500 thousand. The estimate of expected loss made by the subsidiary's management was based on the available information on such legal disputes, external legal advisors' counselling and internal assessment of the expected outcome of legal disputes. The amount of provision was estimated by the subsidiary's management only for the cases where conclusion was made that loss is probable. There are also legal cases for which the probability of loss cannot be determined or for which the amount of loss cannot be estimated at this stage. The ultimate amount of the legal settlement can differ from the estimated amount and the difference can be material.

6. TRADE RECEIVABLES

Trade receivables, net are comprised of the following:

	2006	2005
Receivables from stock exchange members	4 422	2 702
Other trade receivables	835	655
Trade receivables. total	5 257	3 357
Provision for doubtful receivables	(735)	(725)
Trade and other receivables, net	4 522	2 632

7. OTHER CURRENT ASSETS

Other current assets consist of the following items:

	2006	2005
Prepayments	807	972
Deferred income	44	22
Other current assets, total	851	994

Deferred expenses mainly include prepaid insurance premium for 2005 in the amount of SKK 166 thousand (2005: SKK 179 thousand), and prepaid software service in the amount of SKK 471 thousand.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include:

	2006	2005
Cash on hand	34	40
Current bank accounts	5 503	14 803
Term deposits	65 000	50 000
Cash and cash equivalents, total	70 537	64 843

The term deposit at the nominal value of SKK 65 000 thousand bears the interest rate of 4.6% p. a. with maturity date on 10 January 2007.

9. EQUITY

The Company's share capital consists of 11 385 shares with the nominal value of SKK 10 thousand per share and 229 734 shares with the nominal value of SKK 1 thousand per share. The subscribed share capital of SKK 343 584 thousand registered with the Commercial Registry has been paid up in full through a monetary contribution of SKK 113 850 thousand and non-monetary contribution of Centrálny depozitár cenných papierov v SR. a.s.. in the amount of SKK 229 734 thousand by the National Property Fund of the SR. The valuation of the amount of non-monetary contribution was determined based on an independent expert's opinion. The National Property Fund of the SR acquired the controlling stake in share capital of BCPB in amount of 74,2% (2005: 22,13%), and the ownership interest of the National Property Fund of the SR in share capital of BCPB shall be subject to further privatisation, while the pre-emption rights of current shareholders of BCPB shall be preserved.

Distribution of statutory profit or settlement of loss for 2005

Allotment	Approved distribution of profit for 2005
Allotment to legal reserve fund	355
Dividends	2 062
Non-distributed profit from previous years	1 135
Profit to be distributed – total	3 552

Capital reserves are comprised of the legal reserve fund which amounts to SKK 8 213 thousand as of 31 December 2006 (2005: SKK 7 858 thousand), share premium which amounts to SKK 3 320 thousand as of 31 December 2006 (2005: SKK 3 320 thousand) and other funds created from profit which amounts to SKK 37 thousand as of 31 December 2006 (2005: SKK 37 thousand). Legal reserve fund is created pursuant to the relevant act and Company's Articles of Association and its use is limited to settlement of losses in line with the Commercial Code in force in the Slovak Republic.

10. TRADE PAYABLES

Trade payables consist of the following items:

	2006	2005
Payables to suppliers	2 244	1 419
Received advances	5	-
Other trade payables	43	22
Trade payables, total	2 292	1 441

The company records no overdue trade payables.

11. OTHER PAYABLES AND ACCRUALS

Other payables and accruals consist of the following items:

	2006	2005
Payables to employees	2 789	3 087
Social security	851	800
Other direct taxes	603	612
Other payables (social fund)	236	351
Deferred income	1 337	2 089
Accrued expenses	963	664
Other payables and accruals, total	6 779	7 603

The company records no overdue other payables.

Social Fund payables

	Amount
Opening balance as at 1 January 2006	351
Total creation:	347
<i>from expenses</i>	347
<i>other creation</i>	-
Total drawing:	462
<i>contribution to catering for employees</i>	207
<i>contribution to transportation to workplace</i>	39
<i>contribution to labour force recovery</i>	216
Closing balance as at 31 December 2006	236

12. REVENUE

Revenue is comprised of the following items:

	2006	2005
Trading fees	23 472	27 754
Listing fees	11 822	11 580
Annual membership fees	4 750	5 650
Fees for information provided	3 386	3 458
Basic membership fees	-	-
Core revenues, total	43 430	48 442
Revenues from organising of trainings	223	370
Software activation	-	-
Sundry revenues	708	670
Other revenues, total	931	1 040
Total revenues	44 361	49 482

In 2006, other operating revenues include: lease of premises (SKK 238 thousand), other operating revenues (billing of specific activities of IT Division for certain members – SKK 247 thousand), fines and penalties from suspended stock exchange transactions (SKK 138 thousand), and clearing of provisions (SKK 35 thousand).

The Company generates all revenues from activities carried out on the territory of the Slovak Republic.

13. CONSUMABLES AND SERVICES

Consumables and services consist of the following items:

	2006	2005
Repairs and maintenance	2 050	2 132
Material and energy consumption	1 622	1 463
Expenses for telecommunication services	922	999
Building's safeguarding	1 229	1 270
Training and consulting	1 139	1 174
Travel expenses	449	459
Entertainment costs	196	148
Other services	2 303	2 249
Total material and services	9 910	9 894

14. PERSONNEL EXPENSES

Personnel expenses are comprised of the following:

	2006	2005
Wages and salaries	18 279	18 648
Remuneration to members of the Company's bodies	4 030	3 703
Social security costs	5 878	5 464
Total labour and related expenses	28 187	27 815

The average number of employees was as follows:

	Management	Other employees	Total
Average number of employees, 31 December 2006	5	28	33
Average number of employees, 31 December 2005	5	28	33

15. OTHER EXPENSES AND OTHER FINANCIAL EXPENSES

15.1. OTHER EXPENSES

Other expenses, net are comprised of the following:

	2006	2005
Other taxes and charges	201	197
Provisions for doubtful amounts	30	45
Non-current assets sold	-	(3)
Other expenses	1 131	736
Total other expenses, net	1 362	975

Other expenses mainly include charges for membership in various organisations.

15.2. OTHER FINANCIAL EXPENSES

Other financial expense, net is comprised of the following:

	2006	2005
Exchange rate differences, net	68	66
Other expenses, net	1 117	873
thereof:		
<i>insurance</i>	781	823
<i>other</i>	336	50
Total other financial expenses, net	1 185	939

Other expenses include expenses for the new issue of shares with regard to the privatisation of Centrálny depozitár cenných papierov v SR, a.s.

16. INTEREST INCOME

Interest income includes:

	2006	2005
Interest income from term deposits	2 213	1 266
Interest income from current accounts	161	49
Interest income, total	2 374	1 315

17. INCOME TAXES

17.1. INCOME TAX RECONCILIATION

Reconciliation between income taxes computed at the statutory rate of 19% to income tax expense provided is as follows:

	2006	2005
Profit before tax	5 886	4 617
Tax calculated at statutory rate applied to profit before tax	1 118	877
Tax effect of:		
Non-deductible expenses	537	166
Non-taxable income	(1 125)	(23)
Impact of temporary differences	149	107
Impact of change in tax rate on deferred tax	-	-
Total income taxes	679	1 127

17.2. INCOME TAX

Income tax expense is comprised of the following:

	2006	2005
Current income tax	530	1 020
Deferred income tax	149	107
Total income tax	679	1 127

17. INCOME TAXES

17.3. DEFERRED TAX

Deferred income tax may be analysed as follows:

	Non-current assets	Provision for repairs	Unpaid expense	Provision for receivables	Total
Balance at 1 January 2005	(902)	(240)	-	53	(1 089)
Income /(expense)	(144)	80	-	(43)	(107)
Balance at 31 December 2005	(1 046)	(160)	-	10	(1 196)
Income /(expense)	(219)	80	-	(10)	(149)
Balance at 31 December 2006	(1 265)	(80)	-	-	(1 345)

18. RELATED PARTIES

Related parties of the Company have been identified as companies under common ownership, shareholders, directors and management of the Company.

18.1. SHAREHOLDERS

Transactions with shareholders as at 31 December 2006 are as follows:

Company	Receivables	Payables	Revenues	Expenses
Fond národného majetku	-	-	-	-
Všeobecná úverová banka, a.s.	275	-	3 462	-
OTP Banka Slovensko, a.s.	36	-	800	-
Slovenská sporiteľňa, a.s.	555	-	5 317	-
Capital Partners, o.c.p., a.s.	-	-	13	-
Poštová banka, a.s.	315	-	900	-

18.1. SHAREHOLDERS

Company	Receivables	Payables	Revenues	Expenses
Devín banka, a.s. (v konkurze)	76	-	-	-
ING Bank N.V., pobočka Bratislava	248	-	4 315	-
Slovenská kreditná banka, a.s. (v konkurze)	22	-	-	-
ČSOB, a.s. pobočka zahraničnej banky v SR	152	-	3 965	-
UniBanka, a.s.	106	-	550	-
Tatra banka, a.s.	257	-	2 170	-
UNIQA poisťovňa, a.s.	-	-	14	-
Total	2 042	-	21 506	-

Transactions with shareholders as at 31 December 2005 are as follows:

Company	Receivables	Payables	Revenues	Expenses
Fond národného majetku	-	-	-	-
Všeobecná úverová banka, a.s.	263	-	3 658	-
OTP Banka Slovensko, a.s.	10	-	883	-
Slovenská sporiteľňa, a.s.	294	-	6 702	-
Capital Partners, o.c.p., a.s.	16	-	452	-
Poštová banka, a.s.	19	-	792	-
Devín banka, a.s. (v konkurze)	76	-	-	-
ING Bank N.V., pobočka Bratislava	264	-	5 473	-
Slovenská kreditná banka, a.s. (v konkurze)	22	-	-	-
ČSOB, a.s. pobočka zahraničnej banky v SR	345	-	5 038	-
UniBanka, a.s.	54	-	649	-
Tatra banka, a. s.	202	-	3 625	-
UNIQA poisťovňa, a.s.	-	-	11	-
Total	1 565	-	27 283	-

18.2. SUBSIDIARY

Transactions with subsidiary as at 31 December 2006 are as follows:

Company	Receivables	Payables	Revenue	Expenses
Centrálny depozitár cenných papierov v SR, a.s.	-	1 799	-	11 444
Total	-	1 799	-	11 444

18.3. MEMBERS OF THE COMPANY BODIES

Salaries and bonuses of members of the Company bodies as of 31 December 2006:

Body	Number	Bonuses
Board of Directors	9	3 122
Supervisory Board	3	759
Stock Exchange Committees		149
Executive Management	5	5 563
Former members of these bodies	-	-
Total		9 593

Salaries and bonuses of members of the Company bodies as of 31 December 2005:

Body	Number	Bonuses
Board of Directors	9	2 759
Supervisory Board	3	780
Stock Exchange Committees		164
Executive Management	5	5 860
Former members of these bodies	-	-
Total		9 563

The Company is not involved in any significant transactions with directors and the Company's management, except for remuneration paid to the persons as described in Part 14, and in the table above.

Members of the Company's bodies and top management in the year 2006 and 2005 were not paid any non-cash remuneration.

19. COMMITMENTS AND CONTINGENCIES

19.1. INVESTMENTS

The investment budgets for 2007 - 2009 are summarized as follows:

Year	Investments
2007	2 260
2008	-
2009	-
Total	2 260

The amount represents expected capital expenditure for acquisition of property.

19.2. LEGAL DISPUTES

Since 2002, the Company faces a lawsuit filed by Drukos. a.s., (in bankruptcy) for SKK 6.3 billion for harm of plaintiff's reputation. Based on the lawyer's assessment, no harm to plaintiff's reputation was done. Therefore, the Company created no provisions for potential losses in accompanying financial statements and it is not likely that the company will pay any financial settlement.

19.3. TAX IMPLICATIONS

Tax declarations for corporate income tax remain open and may be subject to inspection over a five-year period. The fact that a year has been reviewed does not close that year, or any tax returns applicable to that year, from further tax review during the five-year period. Consequently, as of 31 December 2006, the Company's tax returns for the years 2002 to 2006 remain open and may be subject to review. Additionally, income tax rules and regulations have undergone significant changes in recent years and there is little historical precedent or interpretative rulings.

20. FINANCIAL INSTRUMENTS

Management of the Company believes that the carrying values of financial assets, receivables, other current assets and current liabilities approximate their fair values due to their short-term maturity.

As at 31 December 2006 the Company has no open forward or option contracts.

21. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

As at the balance sheet date, the proposal for the distribution of the Slovak statutory profit for the year ending 31 December 2006 was not approved.

Prepared on:

12 April 2007

**Signature of a member
of the statutory body
of the reporting enterprise
or a natural person acting
as a reporting enterprise:**



**Signature of the person
responsible for
the preparation
of the financial statements:**



**Signature
of the person
responsible
for bookkeeping:**



Approved on:

22.6.2007

STATEMENT

of the Supervisory Board of the Bratislava Stock Exchange (BSSE) on the BSSE's Ordinary Individual Financial Statements for the Year 2006 and on the Proposal for Distribution of Profit for the Year 2006.

The Supervisory Board:

1. Has examined the Ordinary Individual Financial Statements for the year 2006 and states that they are compiled according to the International Financial Reporting Standards, and that they are in compliance with the Act No 431/2002 (Coll.) on Accountancy in the wording of later legislation as well as with the Methodical Directive of the Ministry of Finance of the Slovak Republic governing the disclosure of information in the Notes to Financial Statements. The accounting statements and other underlying documentation within the Ordinary Financial Statements are complete, and the data reported as of 31 December 2006 truthfully present the performance results.
2. States that the company has posted a pre-tax profit of 5 886 000 SKK which includes a profit for accounting period, i.e. the after-tax profit, in the amount of 5 207 000 SKK.
3. States that the Ordinary Individual Financial Statements were audited by auditing company Deloitte Audit Ltd, licence No SKAU 014, which states in the Auditor's Report dated 12 April 2007 that the company's Financial Statements truthfully and accurately express, in all material respects, the amounts of assets, liabilities and equity of the company Bratislava Stock Exchange as of 31 December 2006, as well as the company's performance results for the year 2006 in compliance with the legal regulations in effect.

Based on the aforementioned, the Supervisory Board of the Bratislava Stock Exchange
recommends
to the General Meeting

- a) to approve the BSSE Annual Report for the Year 2006;
- b) to approve the BSSE Ordinary Individual Financial Statements for the Year 2006
- c) to approve the Executive Board's Proposal for Distribution of Profit for the Year 2006 in the following division:

Contribution to the reserve fund (10% of profit after tax)	520 664 SKK
Payout of dividends	4 466 592 SKK
Retained earnings from previous years	219 379 SKK
Total distribution	5 206 635 SKK

Bratislava, 21 May 2007


Ing. Anna Bubeníková
Chairwoman of the Supervisory Board

CONTACT INFORMATION

The 2006 Annual Report of the Bratislava Stock Exchange was issued in an electronic version and it can be found at www.bsse.sk. We can send you the Annual Report for the year 2006 as well as Annual Reports from previous years directly to your e-mail box upon your request.

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