

Annual Report 2013



Annual report for 2013



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Chairman'S Statement



2013 was the year when Slovenská pošta, a. s., celebrated the 20th anniversary of its establishment. However, the postal history dates back to a much more distant past. Up to 1993, we were a single joint company with telecommunications and Poštová novinová služba (Postal Newspaper Service). Before that, we had been a part of the company Československá pošta (The Czechoslovak Post), and even earlier a part of Rakúsko-Uhorská pošta (The Austro-Hungarian Post). SP has a rich history built on the several hundred years' history of postal services in the territory of Slovakia. Despite this history, the present for SP has been its significant milestone. Will SP vindicate its existence from the historical point of view, thus confirming its all-society nature, or will SP be continually pushed to a historical position by the computerisation and internetisation of services?

Maybe it was a symbolic act, but SP was awarded the "National Quality Award of the Slovak Republic 2013" – the very year of the postal service's jubilee. We were awarded this unique prize thanks to, among other factors, our ambitious objectives in the field of employment maintenance, economic result improvement, and the implementation of the Programme of Changes. We entered the competition in order to receive an unbiased feedback on our efforts aimed at progress as a contemporary, flexible, and competitive organisation. Winning the "National Quality Award of the Slovak Republic 2013" confirmed that our direction was right. I am glad that we managed to vindicate the procedures, culture, and set direction of the transformation of SP to become a multi-functioning company able to provide value-added services.

But not only did we celebrate in the past year; we also worked very hard to get SP back into the black. We achieved this, and by the end of 2013, we made a profit of more than EUR 4 million before taxation. We started the recovery Programme of Changes, giving answers to concrete fields of solution by individual projects of the programme. The main objective is to adjust the company to the current market and external environment. Simultaneously, we want to create new ways for SP to maintain its all-society influence and importance, and to also implement these changes without any notable impact on the employment rate.

The postal market is shrinking - the number of postal



items falls every year, resulting in a loss of income for SP. By the end of 2013, a total of 23 postal operators were registered in Slovakia, along with Slovenská pošta, a. s.; seven of them provided services interchangeable with the universal service. This is why we want to keep implementing new postal products that are interesting for our partners and customers in addition to our traditional services. In 2013, we managed to transfer securities on behalf of the National Property Fund of the Slovak Republic free of charge at 185 post offices. Integrated Service Points workplaces which provide selected public administration services (such as extracts from the Commercial Register for legal purposes and extracts from the Cadastre Plan, or Criminal Records in the near future) have appeared already at 213 post offices. Our company has also launched a successful project of cooperation with the Ticket portál company. Thanks to this, customers can buy tickets for various sports and cultural events at selected 55 post offices. In 2013, we also opened the first four contact points for tax offices. Besides providing basic information on taxes, workers at the

contact points have provided tax forms and received and checked forms of all types of declarations of taxes, notifications, or reports. We extended the scope of our services in the field of the energy sector. In cooperation with the SPP – distribúcia, a. s. company, our employees were doing reports on natural gas consumption at the end of the year.

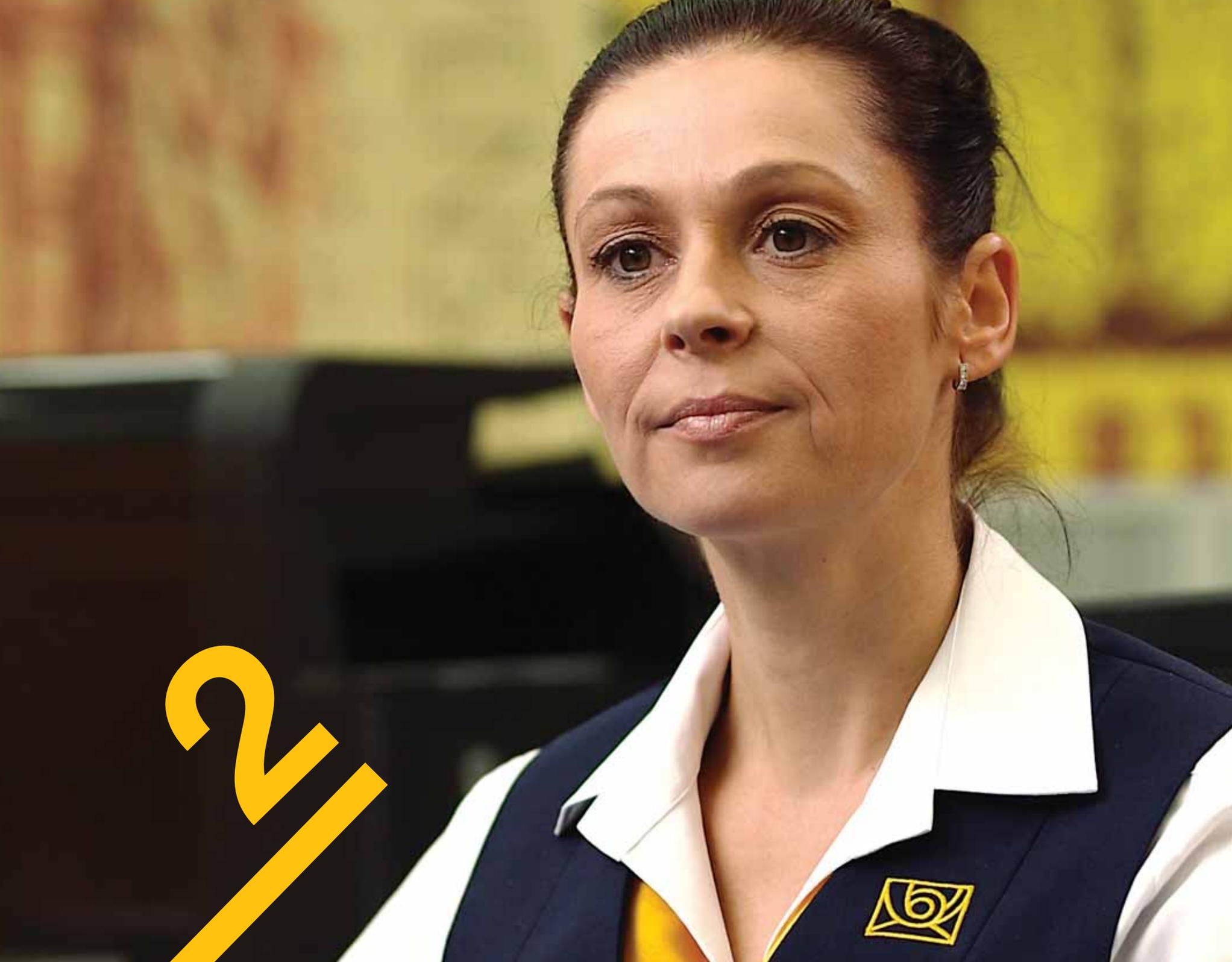
The transformation from a predominantly mail service provider to a predominantly parcel service provider in the field of postal service logistics has been the key scope of interest of our company. Therefore, in the following years, we plan to upgrade our parcel sorting workplaces in a significant way.

We successfully made it through 2013. I believe that similarly in 2014, we will bring our customers the traditional, as well as less traditional services that make their lives simpler. Opinion polls say Slovaks perceive SP as a traditional, stable, and trustworthy institution, with employees available to help them, so I believe that our objective to become a nationwide postal operator will more and more come to fruition.



Ing. Tomáš Drucker

Chairman of the Board of Directors and Chief Executive Officer of Slovenská pošta, a.s.



Corporate Profile and Organisational Chart

Basic Characteristics

Name and Registered Office:

Slovenská pošta, a.s. (hereinafter as "SP")
Partizánska cesta 9
975 99 Banská Bystrica

Legal Form: joint-stock company

Company Shareholder: The Slovak Republic, represented by the Ministry of Transport, Construction, and Regional Development of the Slovak Republic

Incorporation: October 1, 2004

Company Registration Number: 36 631 124

VAT Identification Number: SK2021879959

The company is incorporated in the Commercial Register of the District Court in Banská Bystrica, Section Sa, File No. 803/S.

The legal predecessor of SP, Slovenská pošta, a state-owned enterprise, was incorporated on January 1, 1993. Since March 1, 1996, Slovenská pošta, a state-owned enterprise, has had its registered office in Banská Bystrica. The transformation of Slovenská pošta from a state-owned enterprise into a joint-stock company fully controlled by the State on October 1, 2004 paved the way for the company to become an economically independent and competitive entity. SP has been financially independent since it was established; i.e. it does not receive any subsidies from the state budget.



Subject of Business

1. Provision of a universal postal service within the scope laid out in the Postal Licence pursuant to special legislation;
2. Provision of postal services;
3. Performance of postal operations throughout the Slovak Republic within the following scope:
 - transport and delivery of letters, parcels, and postal money orders, including electronic mail;
 - collection, transport, and delivery of postal items, including payment services in international service;
4. Express and courier carriage of postal items, including documents, with time-certain delivery, including international service;
5. Building, running, and developing of a uniform postal network throughout the Slovak Republic;
6. Publication of specialized literature, operational regulations, printed aids, forms, promotional and information materials relating to the company's business;
7. Issuance of postage stamps;
8. Archiving of postage stamps and forms and related work, including the production of commemorative postmarks;
9. Postmark agenda, the establishment of temporary post offices, including franking machine advertisement;
10. Running the Postal Museum.

The company has no organisational unit abroad.

The company has not performed any activities in the area of research and development.

Main Objectives of SP

- Ensure that the requirements for universal service provision at the level specified in the Postal Licence are met,
- Develop new services in maximizing the geographic distribution of our postal network,
- Maintain and improve postal security,
- Ensure a motivating environment, contribute to increasing productivity, efficiency, and quality of work performed,
- Apply an effective management style,
- Incorporate criteria and requirements for environmental protection in all activities.



Market Position and Share

The position of SP and the scope of its provided postal services in 2013 proceeded from Act No. 324/2011 Coll., on postal services and on amendments and supplements to certain acts (hereinafter as “Act on Postal Services”).

Since January 1, 2012, the new Act brought a full liberalization of the postal market, and also a cancellation of reserved postal services; meaning that apart from SP, any registered postal operator may deliver letters and direct mail up to 50 g, as well as official items. This Act also changed the system of creation of postal service provision authorization for postal operators and introduced the registration of postal operators.

In early September 2012, SP, as the sole universal service provider, was granted the Postal Licence for additional 10 years, i.e. to December 31, 2022. By that decision, SP continues to guarantee the acceptance and delivery of letters, parcels, and money orders 5 days a week across Slovakia under equal conditions for all.

By the end of 2013, a total of 23 postal operators, including SP, were registered under Act No. 324/2011 Coll., on Postal S. Of the remaining 22 registered postal operators, 7 operators provide services interchangeable with the universal service.

Customer Satisfaction Survey for 2013

In 2013, an independent survey of customer satisfaction with the universal service provision was executed for SP. The customer satisfaction level was evaluated out of 1,061 interviewed people who expressed 72.25 % satisfaction with the quality of the universal service provision. The level of 72.25 % is generally viewed as a high level of customer satisfaction.



Quality Transit Time Performance

Delivery of items at the stated transit time limits is an important aspect perceived by the customer in the providing of services. For this reason, SP provided measurements of transit times for selected postal products. Measurements were carried out by external organisations to ensure the objectivity of achieved results. The results were compared to

the quality standards set for individual products by the Postal Regulatory Office. The methodologies of measurements and the results of measurements in the table below were approved by the Postal Regulatory Office. In 2013, SP met the quality standards of all the postal products set by the regulator.

Results of Measurements:

Category of Postal item	Transit time limit (D + n)	Quality standard for 2013 (in %)	Result achieved (2013) (v %)
1 st Class letters	D + 1	93	94,65
2 nd Class letters	D + 2	93	93,42
2 nd Class registered letters	D + 2	93	95,81
1 st Class parcels	D + 2	93	99,34
2 nd Class parcels	D + 3	93	99,17

(D + n) – Number of days from the posting of an item to its delivery

D – The day of posting of an item until the latest posting time

n – Number of days after the posting of an item



Complaints

In 2013, the number of complaints received by SP decreased. Customers submitted 51,607 complaints, which is by 3,413 less than in 2012. SP assessed 11,878 of them as justified. Clients submitted 45,389 complaints about the universal service which are 1,248 less than in 2012. 9,682 of these were justified.

In 2013, SP accepted, transported, and delivered a total of 209,800,755 letters and parcels of the 1st and 2nd class, direct mail, and postal money orders.

SP registered and dealt with complaints under the Claims Procedure approved by the Postal Regulatory Office in Žilina.



Important Definitions

Postal services – services provided for the purpose of the delivery of a postal items, namely the collection and distribution of the postal items.

Postal item – a written communication or other article to be delivered to an addressee and which is marked with an addressee's address. The final form of an arrangement of a collected and distributed postal item is determined by the postal operator in the Postal Terms and Conditions. The postal item is a) a letter, in particular, correspondence, direct mail, or literature for the blind, b) a parcel, c) a postal item with periodical or d) a postal money order.

Universal postal service – an offer of postal services which ensures the minimal satisfaction of all postal service users' needs in the Slovak Republic so that the accessibility of public postal network access points and public postal network contact points is ensured under the same conditions, in a determined quality, at an affordable price, and with at least one collection and delivery each business day. The universal service provider is one or more postal operators, obliged to provide the universal postal service on the basis of the Postal License and under conditions and in a manner pursuant to the Act on Postal Services, as amended. The universal service includes: a) the collection and distribution of postal items weighing up to 2 kg, including, b) the collection and distribution of literature for the blind, c) the collection and distribution of parcels weighing up to 10 kg, including, d) the distribution of parcels weighing up to 20 kg, including, if they are collected abroad by a foreign universal postal service provider, e) the collection and distribution of registered and insured items, f) the

collection and distribution of official items, g) services connected with registered postal items no more than in the extent of supplementary services according to the rules for international postal service, and h) the return of a found postal item to a sender. The universal postal service is provided in domestic postal services as well as in international postal services, whereas in international postal services, it is provided according to the rules applicable to international postal services.

Postal Regulatory Office - was a state-budgeted organisation with its headquarters in Žilina. The Postal Regulatory Office performed a) state regulation of postal services and postal payment service, b) state supervision of the provision of postal services and postal payment service, c) cooperation with the regulatory authorities of other states in the field of postal services, d) function of a notifying authority in the field of state regulation towards authorities of the European Union and respective authorities of the European Union Member States and the European Free Trade Association members, e) statistical findings for the postal service area and f) other activities pursuant to Act No. 324/2011 Coll., on postal services, as amended. The Postal Regulatory Office was repealed by Act No. 402/2013 Coll. on the Regulatory Authority for Electronic Communications and Postal Services and on the Transport Authority and on amendments to certain acts. On January 1, the Regulatory Authority for Electronic Communications and Postal Services (the "Authority"), a nation-wide state administrative body for the field of electronic communications and postal services, became its successor.



Postal Licence – a decision issued by the “Authority” by which: a) a right is granted or an obligation is laid to provide a universal service, b) conditions and scope of provision of a universal service are established, and c) an obligation to perform postal payment service can be set.

Universal postal service quality requirements –established by the “Authority”, mainly with regard to the regularity, reliability, and availability of universal service provision and transit times for delivery of postal items within the universal service. The Postal Regulatory Office publishes quality requirements and their every change in the bulletin and on its website.

Compensation Fund – a special account in the State Treasury opened and administered by the “Authority”. Its purpose is the universal service funding. If the universal service provider incurs net costs by providing the universal service during a calendar year, and these costs pose an unfair financial burden to the universal service provider, the universal service provider is entitled to reimbursement of these costs from the Compensation Fund. The inadequacy of the financial burden is assessed by the regulatory

authority acting in the proceedings of determination of preliminary universal service net costs and universal service net costs. The unfair financial burden is considered to occur if the universal service net costs rise to an amount that is impossible to be rightfully required from the universal service provider to bear it with respect to his economic situation. Along with the release of the universal service preliminary net costs, the “Authority” determines by decision a duty to pay a contribution to the Compensation Fund to each postal operator providing interchangeable postal services during this calendar year.

Universal service net costs comprehend all expenditures related to or necessary for the universal service provision. They are calculated as a difference between the net costs of the universal service provider and the net costs of the same universal service provider as if he had not provided the universal service. The cost effectiveness of the universal service provision and revenues and intangible and market benefits, that the universal service provider would not have obtained if he had not provided the universal service, are also taken into account when determining universal service net costs.

Board of Directors



Mgr. Ing. Tomáš Drucker
Chairman of the Board of Directors



Ing. Peter Kapusta
Deputy Chairman of the Board of Directors



Ing. Róbert Gálik, MBA
Member of the Board of Directors

Supervisory Board

Ing. Edita Angyalová, Member of the Supervisory Board until September 2, 2013

Žofia Lehotská, Member of the Supervisory Board

JUDr. Marta Kužnárová, Member of the Supervisory Board

Ing. Martin Čatloš, Member of the Supervisory Board

Ing. Branislav Kušík, Member of the Supervisory Board

Mgr. Kornélia Šrámková, Member of the Supervisory Board, acting from September 3, 2013





Ing. Michal Lieskovský

Member of the Board of Directors



Ing. Peter Blaškovič

Member of the Board of Directors

Top Management

Chief Executive Officer

Mgr. Ing. Tomáš Drucker

Finance and Assets Management Director

Ing. Michal Lieskovský

Sales and Marketing Director

Ing. Peter Kapusta

Information Technology Director

Ing. Peter Blaškovič

Operations Director

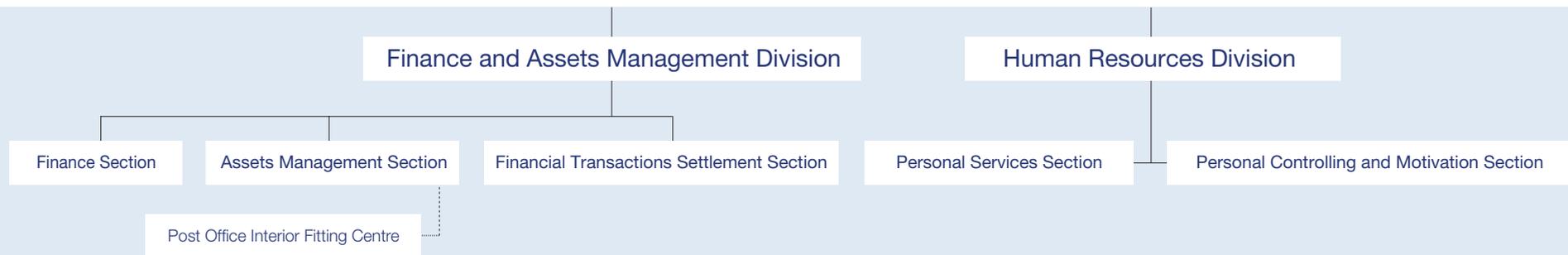
Ing. Róbert Gálik, MBA

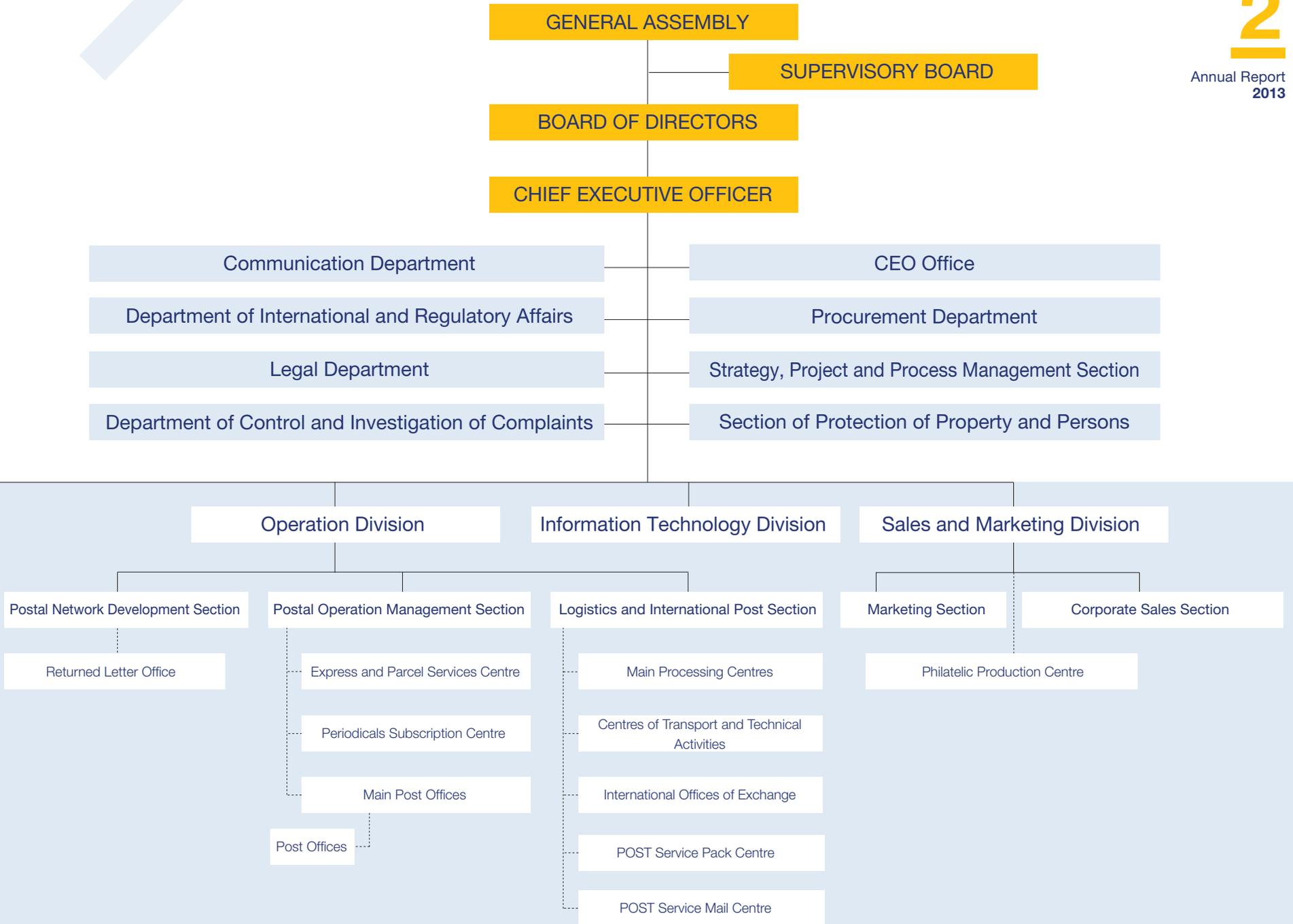
Human Resources Director

JUDr. František Michvocík

Organisational Chart Of Slovenská Pošta, A. S.,

as of 31 December 2013







3

Company strategy

In 2013, the new “Concept of Development of Slovenská pošta, a.s., for 2013-2016” was approved with the vision to develop SP as a strong and trustworthy company, managing its significant functioning as a national universal branch infrastructure, with elements of a strong, stable and, pro-career employer, perceived as a company managing a complete set of services for the State, businesses, and citizens. Important objectives of the Concept include the economic stabilisation and maintenance of social peace.

SP's management initiated the “Programme of Changes” in order to implement this vision. The Programme is a set of strategic and development projects aimed at the transformation of SP into a contemporary dynamic company that will be a postal and non-postal services provider, as well as an attractive partner for citizens, businesses, and public administration.

The projects of the Programme of Changes focus on increasing revenues through the implementation of new products or through the innovation of existing products, cooperation with the private sector, and public administration. Other projects deal with the optimisation and development of logistics and technologies. A part of these projects has a supportive and system role. These are mainly projects from the field of IT, assets management as well as human resources.

Especially important are the projects focused on developing partnerships with the public sector within the framework of the e-government performance and development of new services with commercial entities:

- **Prepaid Electronic Services** – a new electronic system of payments for public administration services,
- **ePO (Postal Card)** – establishment of a new payment scheme, loyalty system, and support tool for various programmes in the field of public administration social services,
- **Social and Welfare Benefit Services** – finding solutions for the long-term trend of preferred non-cash payments between the public administration and citizens, so that SP would remain a partner at their provision,



- **IOS/IOM** – Integrated Service Points – building up a network of contact points at the post offices and the development of services offered by the public and private sectors so that they would be closer to citizens (e.g. extracts from the Commercial Register, Title Deeds, Criminal Records, etc.),
- **eKonto** (eAccount) – a unified platform for customers using the electronic services of SP
- **Insurance Services** - using the branch network of SP to provide a range of insurance products for individuals, and the public and private sectors,
- **Bond** – using the potential of the postal branch network as a network of assisted workplaces focused on the implementation of operations related to securities, in cooperation with the subsidiary company of the National Property Fund,
- **Ticketing** – a project focused on the sale of tickets for various events and development of new commercial activities in cooperation with the company partner, TicketPortal,
- **Energetics** – new activities in the field of cooperation with network industries,
- **Energy Consumption Deductions** – widening the range of activities in cooperation with the company SPP - distribúcia, a.s.,
- **Position Strengthening in the Parcel Market** – a new product range of parcel services in response to market demands and competitive activities.

Special attention is paid to those projects creating assumptions and support mechanisms for building the universal branch network, which will be prepared for implementing new products, facing new challenges, improving quality of service, and increasing customer satisfaction:

- **Customer Care Service** – creating universal counter workplaces to simplify, improve, and accelerate the process of satisfying customer and to, make the handling of complaints and claims easier and more effective,
- **New Branch Network** – more effective management of the branch network from the point of view of costs and revenues, as well as a personnel and business strategy,
- **Modernisation of Education** – a new system of education
- **SEPA** – implementing the EU legislation aimed at the creation of a newly integrated area for non-cash payments in the EU.

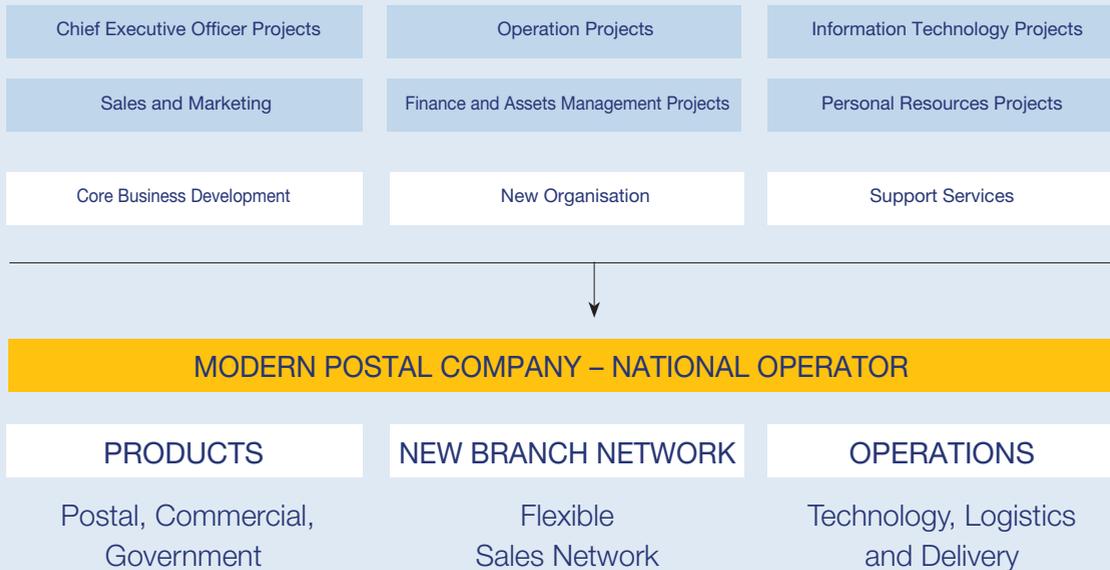
The objective of the following projects is the creation of an effective, contemporary, and flexible technological and logistics platform for the provision of traditional as well as innovative postal services:

- **Logistics and Delivery** – a new logistics network that flexibly responds to the current customer needs and provides a wide range of services at optimal costs,
- **Technology** – a new technology model for SP, from the point of view of localisation, increasing efficiency, and reducing operational costs.

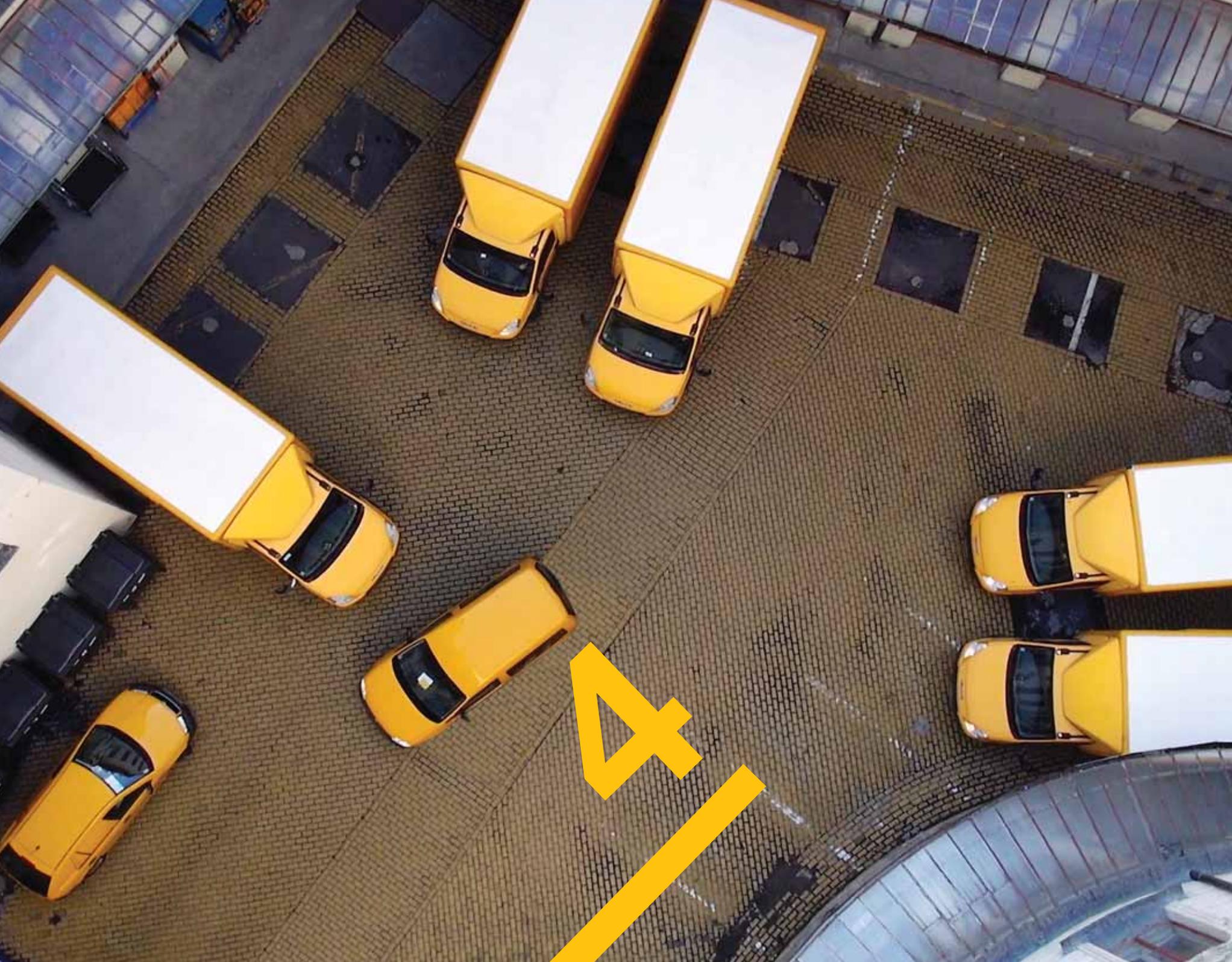




Programme of Changes Nástroj transformácie spoločnosti



The implementation of the “Programme of Changes” should support the transformation of SP and its adaptation to the current market trends. One of the main programme objectives is also the seeking and creation of new opportunities to help SP preserve its position as a significant and trustworthy service provider while avoiding any remarkably negative impact on employment and positive management.



4

Economic Development

Economic Situation

SP drew its business activities from the Business Plan of Slovenská pošta a.s., for 2013, taking into account the perspectives of 2014 and 2015. The Plan was approved by the decision of the sole shareholder no. 16/RA-2013, as of March 11, 2013. The priority of SP management has been to secure a balanced economy. This has been fulfilled. SP closed 2013 with a pre-tax profit of EUR 4,370,000 and after the calculation of dues and deferred taxes, a profit of EUR 2,106,000.

Act No. 324/2011 Coll., on Postal Services, besides other changes, introduced a cancellation of reserved postal services, new model of universal service financing via the Compensation Fund, and obligation of the universal service provider to allow other postal operators an access to the public postal network. In the proceedings on the granting of a Postal Licence (No. 546/2012), on August 15, 2012, the Postal Regulatory Office granted SP the Postal Licence for universal service provision (No. 815/001/2012) and simultaneously, it obliged SP to render postal payment service with effect from January 1, 2013 to December 31, 2022.

In 2013, 22 operators were registered in the Postal Operators Register. Out of these, 7 operators provided interchangeable services and the enrolment of one of the companies expired mid - year.

In 2013, SP succeeded in reaching a positive economic result before taxation – EUR 4,370,000 -- under the conditions of the ongoing negative impacts of the world economic and financial crisis on the Slovak economy and subsequently, on the economy of SP.

For SP, reaching this goal means that one of its most important strategic financial objectives has been met. In previous periods, negative economic results before taxation were reported (see the graph below).



The major factor influencing this positive economic result was a growth in revenues in the fields of contractual mail-order services (by +47%), universal letter and parcel services (by +3%), and international postal service (by +15%).

The implementation of the projects based on the “Concept of Development of Slovenská pošta, a. s., for 2013-2016” also contributed significantly to the

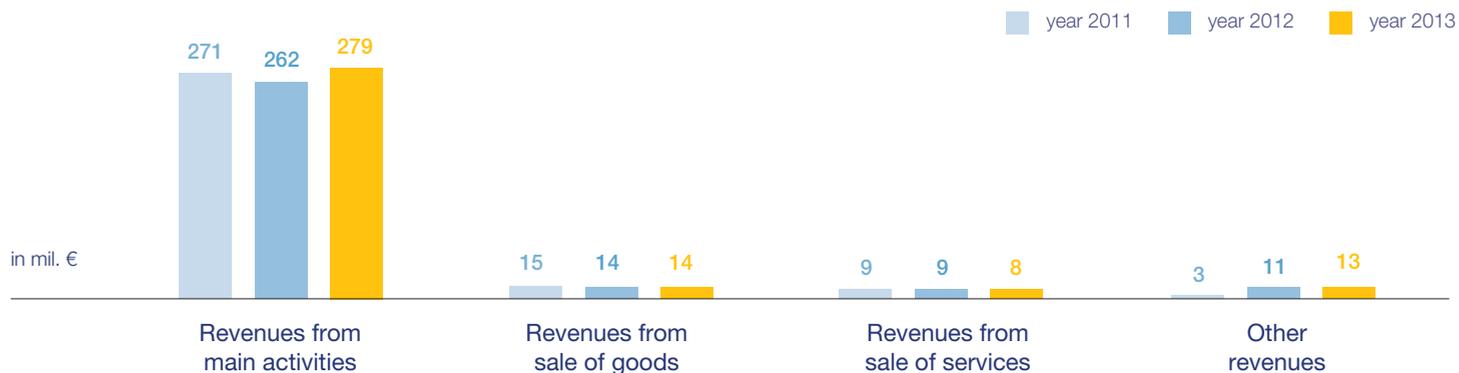
achievement of this positive economic result. The projects of Prepaid Electronic Services in cooperation with the Ministry of Finance of the Slovak Republic, and Integrated Service Points / IOM in cooperation with the public sector aimed at providing services for eGovernment are worth highlighting. The Energetics, Bond or Ticketing projects were implemented to meet the objectives of using our nation-wide branch network and widening the range of services provided to citizens.





Revenue Development by Types (in 000 EUR)	year 2011	year 2012	plan for year 2013	actual year 2013
Revenues from main activities	271,287	261,822	264,099	278,942
Revenues from the sale of services	8,803	8,680	8,896	8,041
Receipts from the sale of goods	14,689	14,447	14,685	14,290
Other revenues	3,261	10,572	14,306	13,178
Financial revenues	628	288	245	423
Total	298,668	295,809	302,231	314,874

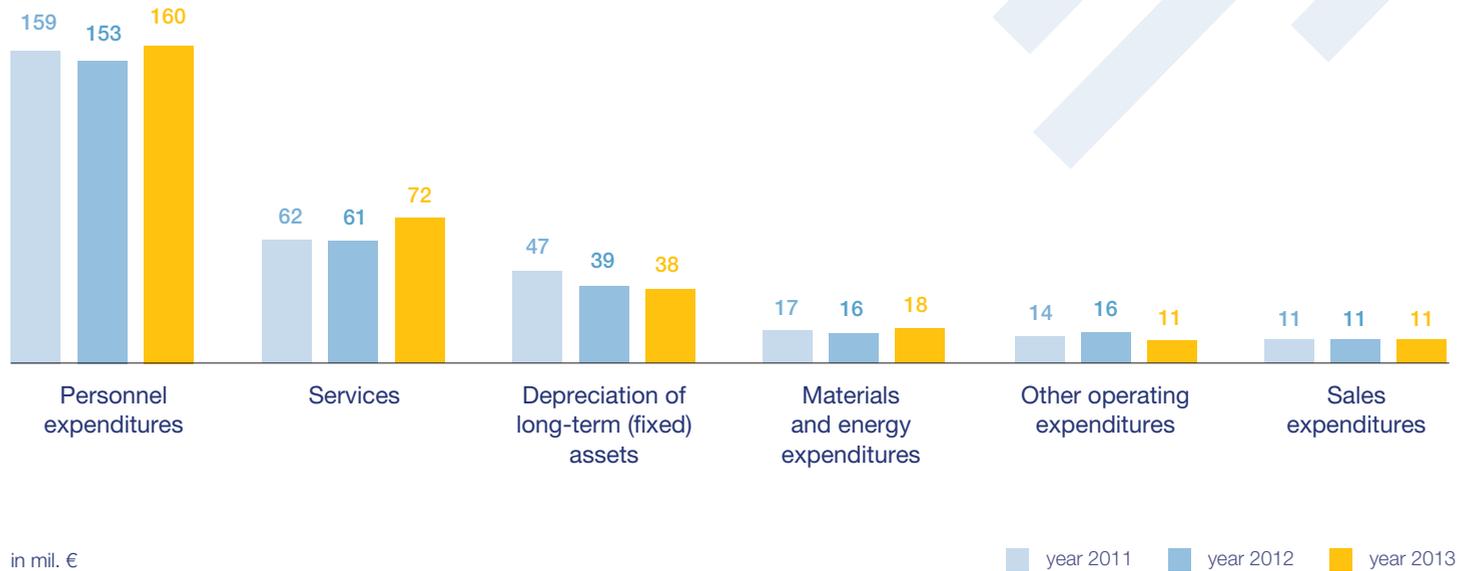
Selected revenues



Cost Development by Types (in 000 EUR)	year 2011	year 2012	plan for year 2013	actual year 2013
Materials and energy expenditures	17,221	16,418	18,587	17,826
Services	61,649	61,406	64,512	71,895
Sales expenditures	11,413	11,059	11,232	10,933
Personnel expenditures	158,963	152,742	152,955	159,679
Depreciation of long-term (fixed) assets	47,141	39,217	39,610	37,624
Creation of provisions	-4,080	-51	0	-551
Other operating expenditures	13,672	15,987	14,210	11,223
Financial expenditures	2,439	1,784	1,125	1,875
Total	308,418	298,562	302,231	310,504



Selected expenditures



Profit Distribution of SP for 2013

Based on the International Financial Reporting Standards (IFRS), SP achieved a positive economic result after taxation – a profit of EUR 2,106,000 for 2013. The profit could be distributed as follows:

in 000 EUR	year 2013
Compulsory contribution to the Reserve Fund	106
Transfer to the account of undistributed profits of past years	2,000

Significant Events after the End of the Accounting Period

The following financial statements contain all events which occurred after the date of the submission of financial statements, and provide additional information on the company's financial situation as of December 31, 2013 (events having an influence on data in the financial statements). Other events (events not having an influence on data in the financial statements) are listed in the notes to the financial statements only if they are significant. No significant events occurred after the end of the accounting period to the date of the drawing up the Annual Report.

Change of the Statement of Comprehensive Income as of December 31, 2012 (in 000 EUR)

Loss before tax originally allocated as of December 31, 2012	(2,535)
Change of personnel expenditures due to actuarial gains/losses from determined employee benefits	(218)
Loss before tax after correction as of December 31, 2012	(2,753)
Income tax allocated as of December 31, 2012	1,247
Deferred tax originally allocated as of December 31, 2012	(1,049)
Change of deferred tax	(51)
Profit/loss for the accounting period after tax	(2,900)
Other parts of comprehensive income	
Adjustment based on the revaluation of financial assets	2
Actuarial gains/losses from determined employee benefits	218
Deferred tax for other components of comprehensive income	51
Other comprehensive income after tax	169
Comprehensive income after tax	(2,731)



Change of the Statement of Financial Position as of December 31, 2012 (in 000 EUR)	originally reported	modified	difference
Actuarial gains/losses from determined employee benefits	0	167	167
Economic result – current year	(2,733)	(2,900)	(167)

SP accepted all new and revised standards and interpretations applicable to its activities issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB which were approved for use in the EU and which came into effect on January 1, 2013, or earlier.

The adoption of these new and revised standards and interpretations had no effect on the financial statements of the company. SP did not apply any of the IFRS standards not requiring its acceptance on the date on which Financial Statements were compiled earlier.

There were no changes in accounting principles and methods in 2013. They were consistently applied in the same way as in 2012, with the exception of the application of the amended standard IAS-19 Employee Benefits with effect from January 1, 2013, which requires reporting actuarial gains/losses only in other parts of the comprehensive income. Therefore, in accordance with the IAS 8, the immediately preceding reported period was modified in the financial reports in the same way.



skyline

BA 289VE

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Sales and Marketing

Products and Services

In 2013, SP continued to improve its products and services so that they would be even more convenient, easier, and more practical for customers. Particularly beneficial new products included paperless cash on delivery when posting parcels, registered and insured letters with cash on delivery service. Simultaneously, the amount of insurance increased to EUR 1,000 for express postal items.

SP also implemented a new additional service, “Do Not Deliver” for parcels and express items. The service is suitable for customers who are not present at the address of delivery on a given day and prefer picking up their postal items at the post office rather than having them delivered by a courier. This new service includes SMS/e-mail notification if the sender provides the addressee’s telephone number or e-mail when posting items.

Promotion of Products and Services

Throughout the year, promotion of products and services was carried out to highlight the changes implemented within our products and services using SP’s extensive branch network (leaflets, posters, advertisements in ePOP-s). The company focussed mainly on informing business clients who had been regularly informed about SP news via direct mails.

At the end of the year, SP launched a marketing campaign concerning the sale of express items. The main objective of this campaign was to present

Some innovations were also implemented within the ePosting Sheet; in the first six months, a new application was run, bringing such advantages as: address management, traceability of postal items directly in the application, automatic saving of item addressees to contacts, or confirmation of item posting signed by an electronic signature directly in the application.

In addition to traditional postal services, SP, in cooperation with the Government or other business partners, provided some popular services, such as free transferring securities on behalf of the National Property Fund of the Slovak Republic. In 2013, this service was provided at 185 post offices. Another such service is the Integrated Service Point (IOM) workplace where the customer can obtain an extract from the Commercial Register for legal purposes. In 2013, SP provided this service at 213 post offices.

express items in a simple, playful form, using the positive figure of a “postal courier” offering a solution for everyone who needs to send anything anywhere.

The campaign was supported by TV spots on selected TV channels, by banners on external portals, as well as by printed advertisements in selected dailies and weeklies. The success of the campaign was reflected in more frequent posting of express items at post offices.

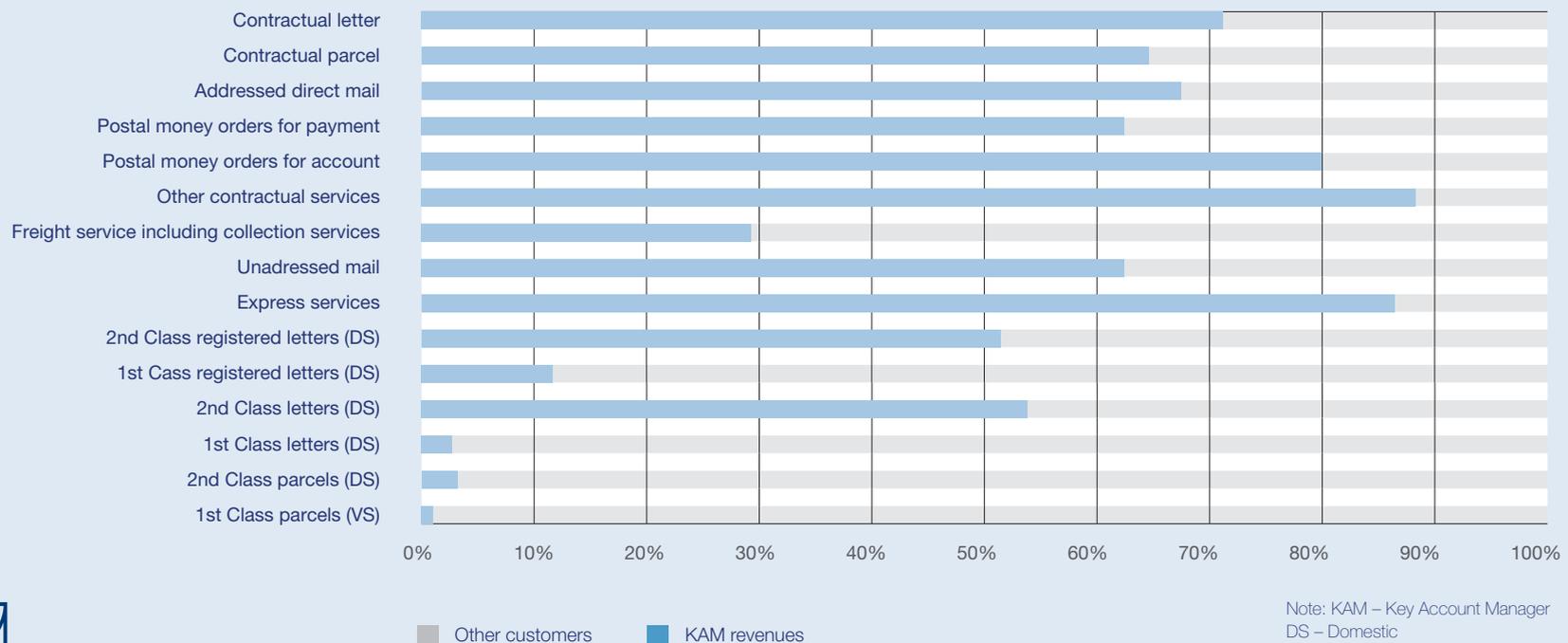
Corporate Sales Section

A priority in 2013 was to provide a targeted support to ever-widening range of customers via comprehensive solutions to their postal requirements.

In addition to traditional postal services, SP focused on increasing awareness and the use of innovations in the range of its products and services, mainly use of electronic accompanying documents when posting letter and parcel items. Increased use of these documents appeared within the segment of small and medium companies. Another priority in this

field included searching for additional potential to sell innovative services in the distribution of parcel items. SP continues to strengthen partnerships with major customers, not only in the field of providing postal products, but also in adapting to current market needs to be able to react to the trend of electronic substitution in all business areas.

Key Customer's Revenue Share on Income of Selected Products of Slovenská pošta, a. s. – 2013 (in 000 EUR)





Public Relations/Communication

In 2013, SP hosted plenty of activities for employees as well as for the public and clients of the company which were marked by 20th anniversary of the company.

Cooperation with Dobrý anjel

After last year's successful project of "Dobrá ZOO Dobrého anjela" (The Good ZOO of Good Angel), this year SP also distributed postcards on which people from throughout Slovakia could once again draw animals. On International Children's Day on Saturday, June 1, 2013, all of the drawn animals were brought to the paediatric oncology units in Bratislava, Banská Bystrica, and Košice by representatives of Dobrý anjel and SP.

The cooperation of SP and Dobrý anjel was marked by the motto: If children cannot get to the ZOO, let us bring the ZOO to them! More than 26,000 people took advantage of the opportunity to draw an animal and send a greeting.

All in all, the ZOO-postcards confirmed once again that the uniqueness and power of a simple greeting on a postcard cannot be substituted by any e-mail or SMS.

"Detský čin roka"

The project "Detský čin roka" (Child's Act of the Year) project was designed to motivate people to do good and help children as well as adults to get

an overview of values. This project gave people a chance to understand good and bad through real stories. The key themes of the stories included the value of human life, health and disease, helping within the family, helping friends and foreigners, the integration of people with and without disabilities, protection of the environment, responsibility, cooperation, unselfishness, and fellowship.

SP began participating in this project in 2013, and helped to make it known at all primary schools in Slovakia. 1,205,058 children have participated in the project over the past 13 years. In 2013, every fifth school had participated in the project.

Christmas Mail

2013 was the 15th Christmas Mail jubilee annually organised by SP. This year Baby Jesus received a record number of letters from abroad. 1,728 children from 40 countries around the world wrote to Baby Jesus. The number of letters, drawings, and wishes from children and adults exceeded 80,000 for the first time since 2010.

In previous years, Baby Jesus received approximately 500 letters per year from children from all corners of the world. This year, however, we had a boom of letters from Taiwan (907), Hong Kong (270), and many came from the Czech Republic, Germany or Belorussia. Baby Jesus also received letters from Malaysia, Macau, China, Australia, Canada, and from throughout Europe.

Baby Jesus replied abroad in English and to blind and visually-impaired children in Braille. Free postcards with Christmas Mail visuals were available at all post offices to support the writing of wishes to Baby Jesus.

The Most Beautiful Letter

SP and the Slovak Ministry of Transport, Construction and Regional Development held a competition for the most beautiful letter related to the theme: Water. Children were to provide advice on how to protect WATER: for example, do not let the water run when brushing your teeth, prefer having a shower to a bath, and do not wash cars in rivers! The commission acknowledged the top ten letters.

A total number of 976 children and young people from all over Slovakia participated in this competition. The most beautiful letter of 2013 was written by nine-year old Alexandra Šarmírová from Bohdanovce nad Trnavou.

Celebration of SP's 20th Anniversary

SP organised three special events for employees in Nitra, Banská Bystrica, and Prešov. More than 800 employees took part. During the year of celebration, SP restored the company's sports games. Hundreds of sports enthusiasts took part in five towns. SP also prepared a special Christmas edition of Poštové zvesti (Postal News), a magazine for its employees.

SP organised special celebration for its customers, too, where a prize was awarded to the "Legend of Post". For them and for the general public, SP prepared a do-

umentary about the history and the present-day experience of SP, as well as a "Príd' na poštu a vyhraj" (Come to the Post Office and Win) competition resulting in 1,500 post office visitors winning various prizes.

Media

SP regularly provided the media with positions (255) and issued press releases (61) during 2013.

eZvesti (eNews)

eZvesti is an electronic news medium of SP consisting of a newsletter issued in the case of events worthy of immediate sharing. The latest information from SP is sent to all employee e-mail addresses.

SP issued eZvesti 40 times in 2012.





Assessment of Activities

Operations

Postal Network Modernisation

As of December 31, 2012, SP operated a total of 1,570 automated post offices and partnership post offices.

In 2013, SP focused on:

- solution for the automation of post offices with inaccessible communication infrastructures,
- innovation and development of the information system, and
- universality of post office counters.

In 2013, the automation of postal operations via the APONET system was provided at remaining non-automated post offices. Following the changes in the postal network, as of December 31, 2012, there were operated a total of 1,583 post offices and partnership post offices with the APONET system. At most of the post offices, the universal post office counters was ensured that accelerated the customer servicing.

In November 2013, the postal branch network underwent a reorganisation, changing the management of 1,500 post offices via 8 directorates of post offices to the direct management of post offices by so-called main post offices. A total of 137 main post offices manage operations in their districts and 8 directorates of sale are responsible for support and sale management in a region. At the same time, the Centre of Express and Parcel Services was decentralised, making the management of parcel delivery more effective in 8 newly created regional centres for delivery of express parcel services. These changes resulted in the centralisation of management, homogenisation of the postal network, integration of middle-level management, centralisation of sale management, and partial centralisation of processes.



Postal Network

SP provides its services through a network of access and contact points. In Slovakia, as of December 31, 2012, there were 1,539 post offices of which 173 were posting offices and 1,368 were delivery offices, 5 mobile post offices, 75 sub offices, 45 partnership post offices, and 15 contracted vendors.

In comparison with 2012, the number of post offices increased by two. Two post offices were closed, one was established, and one post office had its change of character approved to be transformed from a delivery office to a posting office.

SP provided collection of letter-post items from 5,654 mailboxes, as well.

Postal Transportation

A significant portion of the transport of postal items was provided by postal road routes (PRR) which run through main, regional, and local transportation networks. The total number of kilometres travelled in 2013 was 14,361,877, of which 371,636 kilometres were international.

Selected types of postal items were transported also via the railway on the basis of a contract between SP and Železničná Spoločnosť Slovensko, a. s. (Slovak Rail). The total number of vehicle-kilometres driven amounted to 371,914.

Main Processing Centres and International Offices of Exchange

In 2013, SP provided the processing of postal items at four Main Processing Centres and two International Offices of Exchange. Automated sorting lines sorted the letters for 2,535 delivery areas and 430 P.O. Boxes at 238 offices of delivery. 60 % of the total volume of letters sorted on automated sorting lines were sorted by this means.

In 2013, SP processed and transported 6.2 million of parcels, which is a 7%-increase in the number in comparison to 2012. The company managed to keep the transit times of 1st and 2nd class parcels above the quality standard level of 93.5% required by the regulator. Throughout the year, SP managed to deliver express items within transit times with a success rate of more than 95%. The success rate regarding contractual parcels was even higher, exceeding 97%.



Product	Quality standard	Rate achieved
1 st / D+2 / and 2 nd class / D+3 / Parcels	93.5 % of items	> 94 %
Express items D+1	93.5 % of items	> 95 %
Contractual parcels D+3	93.5 % of items	> 97 %

In November 2013, the Board of Directors of SP approved the Concept of Parcel Processing Automation in the Main Processing Centres (MPC). The objective of the concept is to make the parcel processing in the MPC more effective via the purchase and installation of automated parcel-sorting lines for parcels in the MPC in Bratislava and Košice, as well as by the managing of an automated process of parcel sorting at the existing parcel-sorting line in the MPC in Žilina. Acceleration of parcel processing in the MPC at peak hours of operation assumes increase in the quality of managing a complete logistics chain, increase in the extent of automated

processing and increase in the capacity of the sorting process itself. After the planned launch of the sorting line in Bratislava in the first half of 2014 and the subsequent launch of a sorting line in Košice, SP estimates that the portion of automated processing of postal items will increase to 90% of the total number of parcels processed in all the MPC (except the MPC in Zvolen). The process of parcel sorting will also accelerate significantly, assuming that the speed of automated sorting will increase by 150% in comparison to manual sorting, and the processing quality will increase as well.

International Post

In 2013, SP continuously guaranteed the continuity of commitments that followed from intergovernmental agreements on postal services of the Universal Postal Union and from postal regulations of the European Parliament and the European Council.

The mutual exchange of postal items with more than 190 countries around the world dominated SP's key activities. Organisationally and operationally, they were provided by two International Offices of Exchange – Bratislava 090 and Košice 090. In 2013, there was an increase in volume of postal items from non-EU countries, or so called “third countries”, resulting mainly from the expansion and development of e-commerce. In order to achieve a faster and more effective the process of customs clearance and shorten the process of releasing items to their recipients, SP established two new field workplaces of the customs clearance department in Žilina and Banská Bystrica.

There was an annual increase of 3.47% in the processing of international postal items. The amount of items posted in SR destined to be delivered abroad increased in total by 3.81%, which was reflected mainly in the increase of letters by 11.99 % and the EMS items by 15.33 %. Items from abroad destined for delivery in SR showed a total increase of 3.23%, with the main increase being parcels from the European Parcel Group (hereinafter as “EPG”) at 11.47%, and registered and insured letters, which increased by 11.13 %.

In fulfilling its international quality targets, SP achieved a transit time indicator (D+3) at the level of 94.9 % which fulfils quality standards within the Community for cross-border priority mail (1st class letters in SR). The indicator of reliability of service provided (D+5) reached the quality level of 96.9 %. These indicators are measured by the quality monitoring system (UNEX) operated by the International Post Corporation (hereinafter as “IPC”).

Transit time	Quality standard	Result achieved
D+3	85 % of items	94.9
D+5	97 % of items	96.9

As regards the delivery of registered items, SP fulfilled a declared standard of delivery (D+2) at the level of 98.6 % of all items. SP also ensured an excellent quality level of transit time (delivery of

the item on the next working day after entering the country) in the delivery of cross-border express items, amounting to 95.9 % for the EMS items and 96.8 % for the EPG parcels.



POSTservis

SP offered products and services focused on customers with the higher added value and a unique solution all-in-one in the form of the POSTservis Centre. These services within the area of production and logistics activities fulfil the standard requirements of a current market. Based on customer demands, SP enables an effective outsourcing of production activities and full utilisation of the synergy of its two centres:

- **POSTservis Mail** – correspondence (from preparation of the print of a document, through its enveloping, sorting to distribution for its mailing),
- **POSTservis Pack** - goods and material (from storing and packing to distribution for mailing).

In spite of the negative development of hybrid services on the Slovak market, the costs of the POSTservis centre were kept lower than planned, with a slight decrease of 11% to the plan. At the same time, there were no customer claims, which substantially contributed to the good image of these services within SP.

Express and Parcel Service Centre

In 2013, the Express and Parcel Service Centre (SEBS) continued to increase its revenues from the services offered, compared to the previous period. In comparing the year 2012 and plan for 2013, the SEBS revenues increased by EUR 5,220,000 compared to the performance of 2012, and by EUR 1,835,000 compared to the 2013 plan, which meant 79.4% growth, and 18.4% respectively.

In line with its strategy, SP continued with the project of “Nationwide parcel delivery” (CDB) and from January 1, 2013, the SEBS began providing the delivery of parcels of the universal service, by a so-called courier type of delivery. Since October, the SEBS implemented an organisational change when four regional hubs (Bratislava, Banská Bystrica, Žilina,

and Košice) were replaced by eight Departments of Regional Delivery - DRD (Bratislava, Trnava, Nitra, Trenčín, Banská Bystrica, Žilina, Prešov, and Košice), and the SEBS Department of Quality was established. The primary goal of these changes was to improve the management and control activities within the SEBS from the point of view of the DRD and Department of Quality.

In comparison with the previous period, there was another major change which included the substantial SEBS participation – the implementation of the service of “Paperless COD to Account”, which, together with the service, “Paperless COD to Address”, from April 1, 2014, replaced the previous paper COD for the universal service items.



Finance and Assets Management

Technical and Investment Development

In 2013, SP continued investing in simple and extended reproduction with an emphasis on a harmony between the strategic development and coverage of needs for the inevitable appreciation of buildings, innovation, and renewal of technological equipment.

Simple Reproduction

Means of Transportation

Investment funds for transportation vehicles were not drawn.

As of December 31, 2013, the fleet of SP had 1,510 vehicles (including trailers and semi-trailers) and 99 motorcycles. The average age of vehicles managed by SP is 7.47 years.

Buildings

In 2013, SP implemented investments – buildings in the amount of EUR 3,061,000.

Investment funds were used by SP for the reconstruction of post offices in rented and owned premises and as well, for the settlement of immovable property rights and the purchase of estates.



Pursuance of the Investment Plan for 2013:

in,000,EUR,,VAT,included		
Indicator	No. of line	Fulfilment
1	2	3
Total investment work and deliveries (IWD)	1	23,765
Total IWD for building investments	2	3,061
from line 2:		
- buildings	3	3,038
- purchase of land and properties	4	23,
IWD for development investment activities	5	20,704
from line 5:		
- tangible investments	6	4,322
- extended reproduction and provision, line 15.16	7	16,382
Total purchase plan fulfilment by departments: (from line 1)	8	21,361
from line 1 for:		
structures	9	3,061
computer equipment	10	1,284
- security devices, archive technologies	11	1,859
Mechanisation	12	440
non-current small tangible assets	13	739
means of transportation	14	0
extended reproduction	15	13,978
Provision	16	2,404
Total 9-16	17	23,765

Financial provision consisted of SP's own resources. The implementation of investments amounted to EUR 23,765,000, including the simple reproduction of EUR 7,383,000, extended reproduction of EUR 13,978,000, and reserve of EUR 2,404,000.

Energy Management

In 2013, SP was again one of the main energy consumers in Slovakia. In 2012, electricity was supplied to SP by a single provider to 1,423 points of supply. Consumption was at its lowest in the past 7 years.

Gas consumption was provided through 459 points of supply, water through 664 ones, and heat through

65 ones by the supplier. There were positive changes within the area of energy management, i.e. boiler-room repairs (boiler change) in the premises of the Vehicle Centre in Prešov, Post Offices in Dobšiná and Tatranská Lomnica, Vehicle Centre in Zvolen, and Post Offices in Čadca 1, Žilina, Tvrdošín 3, Námestovo, and Oslany.

Environmental Protection

The activities of SP have not affected and currently do not affect the environment beyond the extent permitted by the Slovak legislative regulations and again in 2013, the company proceeded with environmental protection projects and the process of implementing and applying the environmental management in the company.

From July 9 to 12, 2013, representatives of the SGS Société Générale de Surveillance SA company conducted an external audit of SP. The conclusions provided in the Report from the certification audit of QMS and SEM imply that the company has a well-implemented, well-maintained, and functional management system compliant with the ISO

14001:2004 Standard. By Certificate No.CH11/1215, the SGS company confirmed the vindication of the environmental management system certificate compliant with the ISO 14001:2004 Standard which is valid from August 11, 2011 to August 10, 2014. The audit suggested opportunities for improvement which were accepted and translated into the short-term goals of SEM and included in the Business Plan for 2014.

The environmental management system in SP maintains and improves management through professional management, the setting of objectives, the pursuance of programs for their implementation, and educational activities for SP employees.



Human Resources

Employment and Salaries

In 2013, SP ensured the provision of services through 13,658 employees (FTE). Of the total workforce, women represented 82.80 %. In comparison with the previous year, there was a decrease in employment by 0.6 %.

With the aim of stabilising the employees and strengthening the level of base salaries, SP made an adjustment to the base salaries, while the employer guaranteed an average increase of the base salaries of the employees by 5.47 % as of September 1, 2013. In 2013, the employees were paid salaries in the overall amount of EUR 106,140,000. The year-on-year index of the average monthly salary growth of SP employees affected by the employment development and drawing of financial means reached 101.63 % in 2013; i.e. the average monthly salary reached the level of EUR 647.62.

SP carried out its social policy in the area of employee care in line with the legislative regulations and internal documents of the company. The main goal of SP's social program has been to enhance the quality of life of its employees and their overall personal development. Its implementation has focused mainly on the areas of catering, medical care, revitalisation of the workforce and employee education, increased quality of employee work and life conditions, and organisation of social, cultural, and sports events. The Social Fund was a main tool in the implementation of the social program, the financial coverage of which was secured in line with the Act on Social Funds and the effective Company Collective Agreement for the period of 2012–2014. In compliance with the accepted rules of providing contributions from the Social Fund, employees were provided for catering to a total amount of EUR 744,000, on the

occasions of their work anniversaries to a total amount of EUR 118,000, for non-refundable social assistance to a total amount of EUR 58,000, and for transportation to work to a total amount of EUR 62,000. SP organised a summer camp in the Educational Centre in Belušké Slatiny for the children of employees. In 2013, the Social Fund was also used for the first time for contributing to each parent whose child started school for the first time, the amount of EUR 20. In five Slovak regions, sporting events for employees were organised. During 2013, 688 employees used rehabilitation services ensured by SP in cooperation with eight protected workshops in the respective regions. These services were covered by financial means allocated for the tax payment for non-fulfilment of a compulsory employment of people with disabilities, in accordance with Act No. 5/2004 Coll. on Employment Services.

In 2013, SP recognised 10 employees and a five-member team from the Post Office in Chtelnica who were awarded for their job performances, increased quality of work, significant sharing in company development, meritorious acts, and spreading the good name of SP.

On the occasion of celebrating the 20th Anniversary of its establishment, SP recognised the exceptional personalities who contributed to the company's past development and promoted the good name of the company. "The Legend of the Slovak Post" award was granted to the personalities chosen from SP employees, areas of stamp design and pedagogy.

Five employees received departmental awards from the Minister of Transport, Construction and Regional Development at the end of 2013 – an Honourable Mention from the Minister for Meritorious Act, Honour from the Minister, and a Degree from the Minister.

Education

In 2013, SP prepared and carried out 2,111 educational activities for employees, with 23,594 participants. Costs for the outsourced educational activities amounted to EUR 192,048. 94 internal trainers participated in securing the educational activities.

The education of SP employees was focused on supporting goal achievement following from the SP Business Plan for 2013.

The primary focus of the educational activities was supporting projects of the Program of Changes and fulfilling tasks following from special law regulations within the area of professional competences. The education supporting the projects of the Program of Changes

included educational activities for the following projects: IOS/ISP, Bond, Energetics, CDB, and Ticketing. Within the area of professional education, 1,392 educational activities took place, involving 10,216 employees.

1,438 employees participated in 87 professional educational activities for the employees of postal operations, focused on products and supporting the sales of SP as well as co-operating partners. Furthermore, SP carried out educational activities for technical and economic employees, internal trainers, and computer education focused on extended functionalities of information systems and functional education for managers. 225 educational activities for 2,373 employees took place within this area.

Information Technologies

In 2013, in the IT area, SP focused mainly on these objectives:

- consolidation and integration of core business information systems,
- consolidation of central services,
- security of information and communication technologies,
- support for the development of new electronic products and services.

SP fulfilled the above objectives and since 2013, it has carried out their results.

Investment resources for “Computer Equipment” for 2013 were drawn to renew and complement existing computer equipment. From the planned investment volume, the company purchased predominantly PC work stations and laptops with accessories, peripheral equipment, barcode readers, servers, and operating software for servers needed for renewal of hardware.

Information technologies were a part of many development activities, including:

- direct support of IT for SP's change projects,
- handling IT consolidation projects.

High-quality provision of IT services and support in securing postal services implied that there was not any recorded IT failure threatening the overall provision of services.

In 2013, the SAP Competence Centre defended the granted Certificate – Customer Center of Expertise of April 5, 2011, and was granted a second Certificate – Customer Center of Expertise of April 5, 2013.



IT Projects

SEPA Support – Single EURO Payment Area

Within the project, IT supported the fulfilment of the EU Regulation No. 260/2012 establishing the technical and business requirements for credit transfers and direct debits for the SEPA implementation.

From the SEPA point of view, there were several information systems (SAP, FABASOFT, SIPO, PPS, JSSA, SUBSCRIBER, DONET, APONET, LOGIS ...) and more than 100 integration interfaces identified in the SP environment, which were subsequently subjected to the implementation of necessary changes.

The creation and implementation of a new unified system of Mandates' Register (hereinafter as "MR") as an independent module was a part of the project, which centrally secures all functions related to mandates management for the SEPA direct debit, and provides required related services for the information systems involved. This project influenced the majority of the production information systems of SP.



LOGIS – International Post

In 2013, SP launched the information systems consolidation within the approved concept of consolidation activities of the IT division. The International Post Information System project was the first to be implemented, fully replacing the former Worktrace information system from the foreign supplier. This project was successfully finalised, tested, and implemented in production operations. Its implementation resulted in eliminating the duplication of work activities, decreasing laboriousness, and increasing comfort in the processing of international items. The new information system fulfils all standards for the international processing of postal items.

Central Infrastructure Consolidation

During 2013, another task of the IT division was to ensure the consolidation of central services, innovate the central hardware, and extend archiving to other production systems. Based on the optimization of technical means, deliveries of hardware were realised as well as storage for the data centre in Banská Bystrica, data centre in Tajov, and communication infrastructure. The implementation of such the hardware infrastructure gives technical prerequisites to SP to secure services with high accessibility.

IT Security and Its Expansion

With the aim of increasing the security of the SP environment and operational information systems, as well as access from the environment of public internet and the internal environment, an IT Security Concept was prepared for the forthcoming period. Within the first steps of its implementation, a new security of network perimeter and operational services was installed.

Integrated Service Point IOS/ISP

In 2013, SP maintained its leading position in providing electronic government services:

- by creating 201 new ISP workplaces,
- preparing two new services (Title Deed extract, Criminal Records certificate), which will be available to the public during summer 2014.



Protection of Property and Persons

As an entity of economic mobilization defined by the Ministry of Transport, Construction and Regional Development of the Slovak Republic, pursuant to Act No. 179/2011 Coll. on Economic Mobilization and on amendments and supplements to Act No. 387/2002 Coll. on Governing the State in Crisis Situations Other than War and Wartime, SP continuously secured the adoption of determined measures of economic mobilization. According to Act No. 124/2006 Coll. on Occupational Safety and Health Protection, necessary preventive measures were taken within SP during the year. Within the fire protection area of SP, the fulfilling of duties in the sphere of fire protection was dutifully secured, in line with Act No. 314/2001 Coll., on Protection from Fires, as amended.

Also during 2013, SP executed a thorough control and evaluation of individual payments by postal money orders, and thus secured the fulfilment of duties in line with Act No. 297/2008 Coll. on the Prevention of Legalization of Proceeds of Criminal Activity and Terrorist Financing. 144 controls took place, and 9,004 employees were trained.

The main goals of SP in the area of insurance of property, persons and solution of claims in 2013 were to maximise the revenues - the indemnity for claims, the operation and implementation of new functionalities of the modular programme of Unified Emergencies and Claims Records, as well as the preparation and procurement of the Comprehensive Insurance of SP's property and employees for the

period 2014 - 2016. At the end of the year, SP held a public tender for the comprehensive insurance.

In 2013, continuous operations of the SP Multifunctional Supervisory Centre were provided as a basic tool of centralised management in the area of persons and property protection. Also preparations of the project for monitoring of safety of SP deliverymen and motorised vehicles began.

Within the area of personal data protection supervision, SP ensured the fulfilling of tasks arising from Act No. 428/2002 Coll. on Protection of Personal Data and cooperated with the Office for Personal Data Protection of the Slovak Republic when investigating notifications of involved persons on the suspicion of violation of their rights.

On July 1, 2013, the new Act No. 122/2013 Coll. on Personal Data Protection and on amendment and supplement of certain acts became valid, and SP ensured the fulfilment of duties following from its provisions. SP secured a regular, area-wide elimination and removal of useless paper documents in line with Act No. 395/2002 Coll. on Archives and Registries. During 2013, SP submitted 27 regular and 27 extra proposals for the elimination of registry records of all its organisational units to branch offices of the state archives and the Slovak National Archive.

During 2013, the Strategy of Postal Security for 2013 – 2016 was approved, and its implementation will result in a substantial increase of protection of employees, customers, and the property of SP.

International and Regulatory Affairs

Within an agenda of international affairs, SP focused in 2013 on the harmonization of its internal procedures and operational rules with the outputs of the 25th Universal Postal Congress. With this was connected also a participation of SP's representatives in constitutive sessions of the Universal Postal Union (hereinafter as "UPU") bodies, especially the Postal Operations Council and Council of Administration, and were involved effectively in related activities of the Association of European Public Postal Operators (hereinafter as "PostEurop"), especially its Committee dealing with the UPU and restricted unions matter.

SP supplemented the schedule of planned professional activities with involvement in other PostEurop committees and their working groups, structures of the International Post Corporation (hereinafter as "IPC"), and also in an informal grouping of postal companies - Club Epicure.

With the intention of finding a common approach to solving current operational issues and possibilities, as well as options of further development of mutual cooperation, sessions of the Visegrád Postal Group continued during the year, with one of these sessions held in February in Piešťany, Slovakia, and another in October in Zagreb, Croatia.

During the year, a representative of SP chaired the PostEurop Working Group for Operational Affairs again, and two representatives took roles as consultants for the UPU and PostEurop in their missions in Georgia, Romania, and Kazakhstan. In addition to participation in the preparation of studies within the European Commission workshops, SP initiated a closer (and also informal) cooperation with selected postal operators, mainly in exchanging experience and best practices in the area of domestic and international postal operations, with a focus on

postal security, the processing of postal items, sales support, customer care, etc.

As with other international events, SP participated in professional conferences, workshops, and seminars, i.e. the Annual Conference of the IPC, the AESF Workshop: What.post, the WM World Conference, the Postal Innovation Platform 2013, Internal communication through uncertain times, Matching skills and jobs in the postal sector etc., and also in international exhibitions - Post-Expo 2013, international philatelic exhibitions in Rome, Békéscsaba, and Sindelfingen.

Within autumn events, the PostEurop General Assembly was a very special occasion, with its importance highlighted by accompanying events organised on the occasion of the 20th Anniversary of its establishment.

Toward the end of the year, SP joined the IPC e-Commerce Interconnect Programme (eCIP), supported by PostEurop, which is a collective response to the Green Paper and European Commission Road Map to the development of e-commerce.

In regulatory affairs, SP focused primarily on duties that followed from par. 57 of the Act No. 324/2011 Coll. on Postal Services. In line with this, on May 31, 2013, SP prepared the calculation of the universal service net costs for 2012, amounting to EUR 15.871 million. At the same time, SP presented the calculation of net costs for the first six months of 2013, up till August 31, 2013, amounting to EUR 7.560 million, out of which the Postal Regulatory Office, based on completing the internal audit and approval procedure, determined and published the preliminary net costs of the universal service for 2013 amounting to EUR 7.197 million.



Postal Philatelic Service (POFIS)

In 2013, an issue plan of the Slovak postage stamps was started by the issuance of an occasional postage stamp to mark the 20th anniversary of the establishment of the Slovak Republic as of January 1, 2013. This occasion was connected also with the 20th anniversary of the creation of foreign diplomatic relations, symbolically commemorated on May 24, 2013 through the issuance of the postage stamp series, „Joint Issue with Korea“. The postage stamps were based on manifestations of folklore dramatic art. The Epic Singing Pansori, belonging to the UNESCO world cultural heritage, represented Korea, while the Slovak traditions were embodied by the artistic dance ensemble Lúčnica, celebrating the 65th anniversary of its establishment in 2013.

In January, a new definitive postage stamp, Empire Theatre in Hlohovec, from the issued Cultural Heritage of Slovakia series was issued. At the beginning of February, the postage stamp, dedicated to the significant sports personality, Ján Popluhár, the best Slovak footballer of the 20th century was issued.

Initiated by the Embassy of the United States of America in Bratislava, the Breast Cancer Treatment postage stamp was issued in April. On the grounds of the Memorandum of Understanding made with

the coordinator of this project, the United States Postal Service, SP undertook to donate a part of the financial resources gained through the sale of these postage stamps to the treatment and research of this oncological disease. On the basis of the Donation Contract, the Association of Friends of the National Cancer Institute was granted EUR 36,170, representing approximately 1.5% of the income from two million issued postage stamps. In connection with the issuance of this postage stamp on Daffodil Day, SP participated also in securing an information campaign (printing and distribution of leaflets for the League Against Cancer), and thus, it became one of the main advertising partners of Daffodil Day for the first time.

The highest number of accompanying events was organised on the occasion of the issuance of „The 1150th Anniversary of the Arrival of Ss. Cyril and Methodius to Great Moravia“. This stamp was prepared in cooperation with the Czech Republic, the Republic of Bulgaria, and the Vatican City State. Thanks to this unique deed, sales of the POFIS products increased in July, which was connected especially with the enormous interest of foreign collectors, mainly Italian. A ceremonial introduction of the postage stamp took place during a nationwide pilgrimage organised on





July 5, 2013 in Nitra. All three of the highest Slovak constitutional authorities participated in this event. The ceremonial assessment of the Year of Ss. Cyril and Methodius, organised by the Trnava Self-governing Region (hereinafter referred to as TTSK) on October 3, 2013, under the title „Legacy of the Apostles Cyril and Methodius for Today - assessment of activities of the jubilee year 2012 - 2013“ in the Ján Palárik Theatre in Trnava was attended also by SP representatives. A similar conference with an identical title took place within the Self-governing Region Days of TTSK, during which significant personalities participating in the development of the Trnava region were awarded. The Chairman of TTSK, Tibor Mikuš, awarded the Commemorative Medal of Ss. Cyril and Methodius to the Chief Executive Officer of SP, Tomáš Drucker, and a Commemorative Letter to the Head of POFIS, Martin Vančo, for the development of art and philately. In cooperation with the Ministry of Foreign Affairs of the Slovak Republic, this anniversary postage stamp was also presented in the Saint Madelaine Church in Paris. It was organised by the Slovak Catholic Mission in Paris on October 15, 2013, under the auspice of the Slovak National Council. Finally, this postage stamp became the subject of celebration of the 20th anniversary of the creation of diplomatic

relations between Slovakia and Bulgaria, held on the occasion of the official visit of the President of Bulgaria, Rosen Plevneliev, to Slovakia. SP prepared unique commemorative letters containing postage stamps from the joint issue on the arrival of Ss. Cyril and Methodius for the both presidents.

A postage stamp dedicated to the 150th anniversary of the Matica slovenská Foundation was issued at the beginning of August. At this occasion, the new issue was ceremonially presented by Róbert Gálik, Member of the Board of Directors and SP Operations Director, at the Bible School on Memorandové námestie (Memorandum Square) in Martin. The whole event took place under the auspice of the Chairman of Matica Slovenská, Marián Tkáč.

In cooperation with Pony Express Slovakia, a new postal stationery postcard was issued and introduced to the public on August 17, 2013 for promoting the courier delivery system on 4,000 km route from the Netherlands to Slovakia. At this occasion, the POFIS prepared a reconstruction of the historical manner of postal transportation via a coach from the end of the nineteenth century from the collection of the Agricultural Museum in Nitra. The postal coach transported postal items posted at a commemorative temporary postal counter at the Main Post Office on SNP Square to the Post Office Bratislava 45 in Patrónka. For an accurate imitation of the postal coach, a nineteenth century uniform of a postilion was borrowed from the collection fund of the Postal Museum in Banská Bystrica, and replicas of nineteenth century postal hats were made since they were not available from the collection fund. This event caught the attention of many foreign tourists and commercial television stations. The finale of the cultural program took place in the area of the historical mill, Klepáč, in Železná studienka, in the form of a celebratory departure of the Pony Express couriers to the Czech Republic.



As far as foreign sales exhibitions were concerned, at the beginning of September, the POFIS participated in the philatelic exhibition, "Collector," held in Prague at the Letňany exhibition centre. On September 7, 2013, a ceremonial presentation of the postage stamp, „The 1150th Anniversary of the Arrival of Ss. Cyril and Methodius to Great Moravia," was an accompanying event, with the participation of representatives from the Czech Post, Vatican Post, and the Bulgarian Embassy in Prague. The main attraction proved to be the common issuance of a postage stamp by the Czech Republic, the Vatican City State, and the Republic of Bulgaria, as well as a publication issued to celebrate this anniversary on the occasion of the opening of the exhibition of Cyrilo-Methodian motifs on postage stamps. Compared to the exhibition "Collector", which reached a turnover of CZK 150,000 during the previous year, this year profits increased by 10%, mainly due to the aforementioned stamp issuance. In October, SP participated for the second time in the international philatelic exhibition, ROMAFIL 2013, in Rome. This exhibition presented the newest issuances of postage stamps and visitors showed the greatest interest in „The 1150th Anniversary of the Arrival of Ss. Cyril and Methodius to Great Moravia" issuance. SP's participation in the philatelic exhibition, Internationale Briefmarken Börse, held in Sindelfingen, Germany, can also be considered as commercially successful.

The end of the year has traditionally been connected with the release of Art and Postage Stamp Day postage stamps. On November 29, 2013, a ceremonial inauguration of the postage stamp, Art: Martin Martinček, took place in the Gallery of P. M. Bohůň as the final event of the program of the 100th anniversary of M. Martinček celebrations, initiated by philatelists from the Liptov region. On December 6, the final issuance of the year - Postage Stamp Day: Igor Rumanský - was presented in the Gallery of the Rumanský family in Liptovský Mikuláš,

accompanied by an exhibition of the deceased artist Igor Rumanský and his follower (and the author of the stamp) Rudo Cigánik. Philatelic activities were symbolically concluded with the ceremonial awarding of the best postage stamps of the year at a traditional celebration of Postage Stamp and Philately Day on December 18, 2013, at which awards were granted by the Ministry of Transport, Construction and Regional Development. In the category "The Most Beautiful Postage Stamp of the Year", SP's Chief Executive Officer awarded the Crystal Postage Stamp prize to the academic painter Rudo Cigánik for the issuance of Art: Martin Martinček.

In 2013, SP again received a prestigious award at the Most Beautiful Stamp in the World competition, which is regularly organised in Vienna as the "Grand Prix de l'exposition WIPA." Competing with 70 countries from around the world, SP again proved to be able to land in the TOP 5, behind Switzerland, Hong Kong, and Hungary. This time, the awarded issuance was "Environment protection: Low Tatras National Park," created according to the design of the academic painter, Kamila Štanclová, in cooperation with Martin Činovský and František Horniak.

During 2013, the Postal Museum fulfilled tasks in the field of acquisition activities, stipulated by generally binding legal regulations, as well as other museum activities, within the development of cultural, educational, and presentation activities at home and abroad. In 2013, there were 537 new acquisitions added in the number of 1,323 collection articles into the first-degree register, and 65 publications were added to the library. The Postal Museum focused on fulfilling tasks related to the property and security of the Postal Museum, creation and amendment of internal documents, and preparation for an expert revision of the collection that will take place in 2014 and 2015.

In 2013, the Postal Museum continued to realise the exhi-

Postal Museum

hibition of postage stamp works of the academic painter Igor Piačka, with the subtitle “Illustrations and Postage Stamps,” which was initially opened at the end of 2012. The Postal Museum participated in the travelling charity exhibition, “From Hand to Hand,” prepared in 2012 by the Slovak-Japanese artistic couple - Peter Uchnár and Nana Furia which aimed at collecting sufficient funds for the children, who suffered from the consequences of a disaster of the nuclear power station in Fukushima. In 2013, the exhibition moved from Europe to Japan, where it was presented in Azumi, Tokyo, and Yokohama. SP received a commemorative thank you certificate from the Japanese organisers.

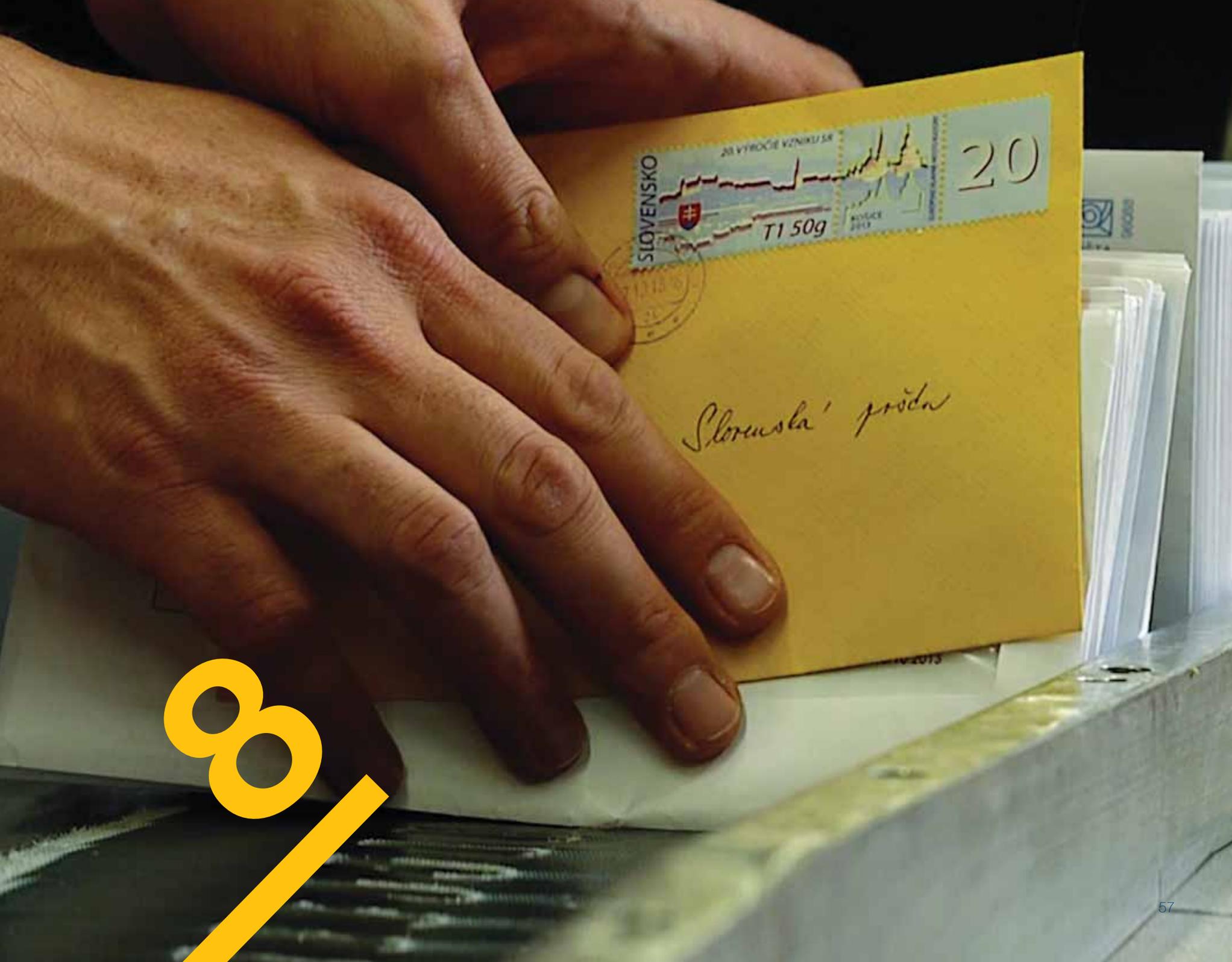
The first exhibition of 2013 that took place in the SP exhibition hall in Banská Bystrica was an exhibition presenting traditional costumes of different nationalities on postage stamps, which was supplemented by authentic parts of traditional costumes from villages in the Horehronie region, lent by the Horehronie Museum in Brezno. The exhibition, “Biennial of Illustrations of Bratislava on Czechoslovak Postage Stamps,” presented the works of the BIB participants from the 1970s-1990s, documenting the mastery of the Czech and Slovak postage stamp creators and their ability to smoothly transfer original illustrations to the reduced size of a postage stamp. Before and during Christmas time, the Postal Museum carried out an exhibition, “On the Wings of an Angel,” in which it presented a spiritual being – an angel - via artistic expression on postage stamps. During the preparation of this exhibition, the Museum cooperated with the Central Slovakian Museum in Banská Bystrica, which lent historical plastic sculptures of angels to SP. A long-term part of collection presentations of the Postal Museum has been the exposition hall of SP in Banská Bystrica, in which the post and postal services are presented as a part of the history of human communication.

In 2013, the Postal Museum presented itself via its collection articles in the exhibition premises of several other subjects. At the beginning of 2013, the exhibition, “20 years of Slovak Stamp Creation,” was prepared in the Mlyny Gallery in Nitra, in cooperation with the Association of Slovak Philatelists. There were exhibited not only all post-

ge stamps released during the years 1993-2012 but also the graphic designs of postage stamps, diplomas, and the awards that SP gained for postage stamps in international competitions, as well as the philatelic exhibit, “Stamps Tour Around Slovakia,” which received an important award – a golden medal in the competition class A at the 25th Congress of the Universal Postal Union in Doha in 2012. Based on a long-term cooperation with the Postal Museum in Prague, the exhibition, “The Best of Slovak Stamps Engraving,” was realised. This exhibition gave the Czech public an opportunity to become acquainted with the works of the best Slovak postage stamp engravers - Rudolf Cigánik, Martin Činovský, and František Horniak. On the occasion of the life jubilee of a founder of the creation of Slovak postal stamps, Martin Činovský, the Postal Museum prepared, in cooperation with the Postal Museum in Prague, the exhibition, “Martin Činovský: Stamp Creation,” in the City Gallery of Bratislava. The exhibition was presented also in the Museum of Balneology in Piešťany, where graphic designs and engravings of postage stamps were lent again by the Postal Museum. On the occasion of the 1150th Anniversary of the Arrival of Ss. Cyril and Methodius to Great Moravia, the Postal Museum cooperated on the exhibition, “Cyrilo-Methodian Motifs on Postage Stamps,” which took place at the Nitra Gallery and was enlisted on the official program of the national Cyrilo-Methodian pilgrimage, held under the patronage of the President of the Slovak Republic. Postal history was also presented via collection articles of the Postal Museum during the ceremonial cobble stone placement, Via Magna, in front of the Post Office building in Žabokreky.

The exhibition, “20th Anniversary of Establishment of the Slovak Republic,” was prepared in cooperation with the Ministry of Foreign Affairs of the Slovak Republic in representative premises of the Embassy of the Slovak Republic in Beijing. The exhibition consisted of postage stamps and philatelic products issued to celebrate the important moments of the Slovak statehood since 1993, and from the philatelic exhibit, “Stamps Tour Around Slovakia.”





SLOVENSKO

20. VYROČIE VZNIKU SR



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NOVEMBER 2013

Slovinska' proda'



Report on assets and contracts

Report on the status of priority fixed assets as of December 31, 2013

Par. 15 of Act No. 349/2004 Coll. on the Transformation of Slovenska pošta, state-owned enterprise, defines conditions of treatment regarding priority fixed assets. The priority fixed assets are materially defined in par. 15 (1) of Act No. 349/2004 Coll., as “a minimum composition of premises of the public postal network which is necessary to ensure universal postal services”.

The specification of the priority fixed assets on the basis of par. 15 (3) of Act No. 239/2004 Coll. was made by the Ministry of Transport, Posts and Telecommunications of the Slovak Republic in Decision No. 136 as of September 20, 2004 on the specification of preferred fixed assets for the purposes of the establishment of Slovenská pošta, a.s. The specification of data in line with the specific provision of par. 42 (2) letter c of Act No. 162/1995 Coll. as amended by Act No. 255/2001 Coll. comprised of 37 authorized and main post offices, and 4 main processing centres – located in the premises of SP. According to individual items divided into categories, the priority fixed assets are buildings, land, and assets not registered in the Land Registry, and these form an inseparable part of this decision. The priority fixed assets are part of the non-monetary contribution of the founder to SP. The expertise-based value of these assets was established by Expert Assessment No. 31/2004, drawn up as of the date of the company's establishment by the specialized company, Kontech,

s. r. o., Trenčianske Teplice, pursuant to the Decree of the Ministry of Justice of the Slovak Republic No. 86/2002 Coll., on Establishment of General Value of Assets, as amended by Decree of the Ministry of Justice of the Slovak Republic No. 576/2003 Coll.

The expert assessment of the priority fixed assets as of the date of establishment of SP represents the amount of EUR 61,023,382.00.

Pursuant to par. 15 (6) of Act. No. 349/2004 Coll., in compliance with the requirement of Slovenska pošta, a.s., the Ministry of Transport, Posts, and Telecommunications of the Slovak Republic changed the specification of the priority fixed assets by Decision of the Minister No. 237, as of December 29, 2005, which came into effect from January 2, 2006.

The following property recorded at Title Deed No. 5739 of the Land Registry Office in Trnava was excluded:

- part of the building with descriptive No. 146 – the gatehouse,
- part of land – land area of 37 m² - on the plot No. 7/1 under the above mentioned gatehouse.

Pursuant to par. 15 (6) of Act. No. 349/2004 Coll., the Ministry of Transport, Posts, and Telecommunications of the Slovak Republic changed the specification of the priority fixed assets by Decision of the Minister No. 19/2009, February 19, 2009.



A part of the assets not registered in the Land Registry and not directly connected with the core business – the assets representing a technological part of constructions serving for support activities - was excluded by the Decision in line with the requirements of SP.

Pursuant to par. 15 (6) of Act. No. 349/2004 Coll., the Ministry of Transport, Posts, and Telecommunications of the Slovak Republic changed the specification of the priority fixed assets by Decision of the Minister No. 40/2010, March 18, 2010 as follows:

- I. excluded from the section “Priority fixed assets, parcels of land recorded in the Land Registry Office“ those lands which cannot be defined as a minimum composition of the premises of the public postal network and which are not necessary to ensure universal postal services.

No.:	Land registry Administration	Inventory No.:	Property name	Based in	Land registry area	Title deed	Land parcel No.:	Land area m ²	Type of parcel of land	Common share
69	Považská Bystrica	31000371	Land	Považská Bystrica	Považská Bystrica	352	2465/2	383	Built-up a. & court.	1/1
82	Senica	31000929	Land	Senica n/Myjavou	Senica n/Myjavou	625	642/10	771	Built-up a. & court.	1/1
88	St. Ľubovňa	31000658	Land	Podolinec	Podolinec	2101	87	56	Built-up a. & court.	1/1

- II. added

- a) in the section “Priority fixed assets, buildings recorded in the Land Registry Office“ those facilities, which were identified by the Sales and Marketing Division and Operations Division as strategic post offices.

No.:	Land registry Administration	Inventory No.:	Property name	Based in	Land registry area	Title deed	Land parcel No.:	Inventory No.:	Common share
43	Bratislava 2	21001136	Pošta 214	Bratislava 2	BA Pod. Biskupice	3110	5478/3	5227	1/1
44	Nové Zámky	211002210	Pošta 1	Štúrovo	Štúrovo	2688	628/2	1077	1/1
45	Košice 2	21001254	Pošta 11	Košice	Košice Terasa	14003	958	340	1/1

b) in the section "Priority fixed assets, pieces of land recorded in the Land Registry Office" those lands under buildings included in the priority fixed assets.

No.:	Land registry Administration	Inventory No.:	Property name	Based in	Land registry area	Title deed	Land parcel No.:	Land area m ²	Type of parcel of land	Common share
111	Bratislava 2	311000723	Land	Bratislava 2	BA Pod. Biskupice	3110	5478/3	2759	Built-up a. & court.	1/1
112	Nové Zámky	31000925	Land	Štúrovo	Štúrovo	2688	628/2	443	Built-up a. & court.	1/1
113	Košice 2	31000865	Land	Košice	Košice Terasa	14003	958	635	Built-up a. & court.	1/1

Pursuant to par. 15 (6) of Act. No. 349/2004 Coll., the Ministry of Transport, Construction and Regional Development of the Slovak Republic changed the specification of the priority fixed assets by Decision of the Minister No.: 141/2011, June 8, 2011 as follows:

l. excluded

a) from the section "Priority fixed assets, parcels of lands recorded in the Land Registry Office" the lands of the Post Office Nitra 1, on the basis of a request of SP.

No.:	Land registry Administration	Inventory No.:	Property name	Based in	Land registry area	Title deed	Land parcel No.:	Land area m ²	Type of parcel of land	Common share
61	Nitra	31000917	Land	Nitra	Nitra	4196	1576	15	Built-up a. & court.	1/1
62	Nitra	31000918	Land	Nitra	Nitra	4196	1577	1822	Built-up a. & court.	1/1

b) from the section "Priority fixed assets, buildings recorded in the Land Registry Office" the buildings of the Post Office Nitra 1, on the basis of a request by SP.

No.:	Land registry Administration	Inventory No.:	Property name	Based in	Land registry area	Title deed	Land parcel No.:	Inventory No.:	Common share
19	Nitra	21002122	Postal building – Pošta 1	Nitra	Nitra	4196	1576	128	1/1
19	Nitra	21002122	Postal building – Pošta 1	Nitra	Nitra	4196	1577	128	1/1



By implementing this change as of June 8, 2011, the priority fixed assets comprise of thirty-nine authorized and main post offices, and four Main Processing Centres.

The remaining IFRS value of the priority fixed assets as of December 31, 2013 amounted to:

Buildings	EUR 47,463,776.05
Lands	EUR 8,019,877.20
Total:	EUR 55,483,653.25

Repairs and maintenance of the priority fixed assets of SP as of December 31, 2013:

Buildings	EUR 1,494,051.78
Lands	EUR 0.00
Other assets not recorded in the Land Registry	EUR 0.00
Total:	EUR 1,494,051.78

Investments in the priority fixed assets of SP, as of December 31, 2013:

Buildings	EUR 2,129,953.60
Lands	EUR 0.00
Other assets not recorded in the Land Registry	EUR 0,00
Total:	EUR 2,129,953.60

Rental area and earnings from the rental of the priority fixed assets (PFA) premises of SP of December 31, 2013:

- The number of concluded rental contracts: 315
- Rented area in total: 25,724.52 m²
- Annual earnings from rental land in the PFA premises: EUR 892,145.15
- Fee for services in relation to the rental area in the PFA leased premises: EUR 523,321.62

Rental area and earnings from the rental of the PFA lands of SP, as of December 31, 2013:

- The number of concluded rental contracts: 31
- Rented area in total: 1,022.79 m²
- Annual earnings from rental land in the PFA premises: EUR 22,375.80
- Fee for services in relation to the rental area in the PFA premises: EUR 319.39

The priority fixed assets from the establishment of SP, were not offered for lease for a period exceeding five years, nor was the right to repeated rental stipulated in favour of the tenant in a total length exceeding five years. Pursuant to par. 15 (5) of Act No.349/2004 Coll. for lease contracts to become valid, no need for a prior consent by the Ministry of Transport, Construction and Regional Development of the Slovak Republic was necessary.

Information on the transfer of assets subject to a prior approval of the General Assembly or the Supervisory Board as per special regulations or articles:

A)

1. Pursuant to Articles of the Association of SP – Article 30 par. 30.2. letter f) item 5, the Supervisory Board granted the prior consent to the sale of the following immovable assets:

The plot No. 2465/2 with the area of 383 m², built-up areas and courtyards and buildings with inventory No. 979 built on the plot No. 2465/2, registered at Title Deed No. 8820, c.a. Považská Bystrica, cost of acquisition: EUR 134,500 - VAT-free.

- at the 64th session held on March 27 and May 18, 2012
- real estate transferred on January 25, 2013

2. Pursuant to Articles of the Association of SP – Article 23 par. 23.2. letter k) the Board of Directors submitted at the Supervisory Board meeting and the Supervisory Board took into account the purchase of the following immovable assets:

The plot under the building of the Post Office Bratislava 5 – plot of the “C” registry of the Land Registry, plot No. 4428/3, built-up areas and courtyards, with the area of 2,537 m², registered at Title Deed No. 1748, c.a. Petržalka, cost of acquisition: EUR 439,687.47 - VAT-free.



- at the 72nd session held on August 27, 2013
 - real estate transferred on December 2, 2013
3. Pursuant to Articles of the Association of SP – Article 30 par. 30.2. letter f) item 3, the Supervisory Board granted the prior consent to the lease of immovable assets of the company to a third person for a fixed period exceeding 1 year:

List of Rental Contracts in 2013 with the Prior Approval Granted by the Supervisory Board:

No.:	Contract	Subject of the Contract	Contract valid until	Reason	m ²	Purpose of use	Annual Lease + services (in EUR)	Approval granted on
1	Annex No. 5 to Rental Contract (RC) No. 13938/2008	Main Postal B. Bratislava	31/12/2014	PFA	1 907.84	PB a.s. operation	40,249.35 €	US 17/12/2008
2	Annex No. 6 to RC No. 13938/2008	Main Postal B. Bratislava	31/12/2014	PFA	1 907.84	PB a.s. operation	37,873.41 €	US 17/12/2008
3	Annex No. 1 to RC No. 1661/2012	PTB Tomášikova 54, BA	31/10/2015	PFA	25.90	Office space	2,526.44 €	US 17/12/2008
4	Annex No. 1 to RC No. 1119/2010	Post Office Zvolen 1	30/09/2015	PFA	12.00	Land - parking	226.20 €	US 17/12/2008
5	Contract on the lease of a flat No. 229/2013	Post Office Zvolen 1	31/12/2013	PFA	87.40	Flat	1,771.20 €	US 17/12/2008
6	Contract on the lease of a flat No. 252/2013	Post Office Zvolen 1	31/12/2013	PFA	84.60	Flat	1,568.55 €	US 17/12/2008
7	An. No. 3 to Con. on the lease of a flat No. 1404/2010	Post Office Zvolen 1	30/06/2014	PFA	96.90	Flat	1,982.40 €	US 17/12/2008
8	RC No. 1000/2013	Post Office Zvolen 1	31/05/2018	PFA	28.90	Office space	1,600.01 €	US 17/12/2008
9	RC No. 416/2013	Post Office Zvolen 1	30/06/2018	PFA	3.21	Cashpoint of PB,a.s.	1,379.19 €	US 17/12/2008
10	An. No. 1 to Con. on the lease of a flat No. 229/2013	Post Office Zvolen 1	31/12/2014	PFA	87.40	Flat	1,771.20 €	US 17/12/2008
11	An. No. 1 to Con. on the lease of a flat No. 252/2013	Post Office Zvolen 1	31/12/2014	PFA	84.60	Flat	1,568.55 €	US 17/12/2008
12	RC No. 990/2013	Post Office B.Bystrica 1	30/06/2018	PFA	13.57	Storage	299.30 €	US 17/12/2008
13	An. No. 10 to Con. on the lease of a flat No. 12133/2007	Post Office B.Bystrica 1	30/09/2014	PFA	90.00	Flat	2,102.56 €	US 17/12/2008
14	RC No. 288/2013	Post Office Trnava 1	28/02/2017	PFA	12.50	Services	685.50 €	US 17/12/2008
15	RC No. 962/2013	Post Office Senica 1	31/06/2018	PFA	12.60	Office space	1,005.44 €	US 17/12/2008
16	RC No. 1059/2013	Post Office Senica 1	31/06/2016	PFA	18.70	Office space	1,147.20 €	US 17/12/2008
17	RC No. 1022/2013	Post Office Senica 1	31/06/2018	PFA	18.70	Office space	1,156.57 €	US 17/12/2008
18	RC No. 464/2013	Post Office Senica 1	31/03/2017	PFA	3.00	ATM of PB,a.s.	703.57 €	US 17/12/2008

19	RC No. 1302/2013	Post Office Senica 1	31/08/2018	PFA	25.10	Services	1,327.25 €	US 17/12/2008
20	RC No. 1609/2013	Post Office Senica 1	31/10/2018	PFA	20.40	Services	1,253.04 €	US 17/12/2008
21	RC No. 1605/2013	Post Office Senica 1	31/10/2018	PFA	27.30	Services	1,496.88 €	US 17/12/2008
22	RC No. 1845/2013	Post Office Senica 1	31/10/2018	PFA	13.20	Office space	1,022.37 €	US 17/12/2008
23	RC No. 1238/2013	Post Office Košice 2	30/09/2018	PFA	2.96	ATM and light box	1,135.80 €	US 17/12/2008
24	C. on the lease of a flat No. 1350/2013	Post Office Košice 2	30/09/2014	PFA	81.27	Flat	1,756.20 €	US 17/12/2008
25	RC No. 58/2013	P. Office Košice 12	31/01/2014	PFA	344.13	Telecom device and antenna carrier	21,199.73 €	US 17/12/2008
26	RC No. 1253/2013	P. Office Košice 12	30/09/2018	PFA	5.14	ATM and light box	1,865.82 €	US 17/12/2008
27	RC No. 1410/2013	P. Office Košice 12	30/08/2018	PFA	12.25	Coffee and tea shop	1,472.25 €	US 17/12/2008
28	Annex No. 1 to RC No. 1410/2013	P. Office Košice 12	30/08/2018	PFA	24.82	Coffee and tea shop	2,338.92 €	US 17/12/2008
29	RC No. 1561/2013	P. Office Košice 12	12/31/2014	PFA	304.13	Telecom device	18,595.48 €	US 17/12/2008
30	RC No. 1317/2013	Post Office Štúrovo 1	31/08/2018	PFA	2.10	ATM of PB,a.s.	415.00 €	US 17/12/2008
31	RC No. 33/2013	P. Office L. Mikuláš 1	31/12/2017	PFA	31.50	Florist's shop	5,334.22 €	US 17/12/2008
32	RC No. 429/2013	P. Office L. Mikuláš 1	14/02/2018	PFA	15.00	Parking	300.00 €	US 17/12/2008
33	RC No. 538/2013	P. Office L. Mikuláš 1	31/03/2018	PFA	12.00	ATM of PB,a.s.	920.28 €	US 17/12/2008
34	Annex No.1 to RC No. 478/2011	P. Office L. Mikuláš 1	31/05/2016	PFA	20.83	Office space	1,422.99 €	US 17/12/2008
35	RC No. 1800/2013	P. Office L. Mikuláš 1	30/11/2018	PFA	13.30	Office space	935.00 €	US 17/12/2008
36	RC No. 1884/2013	P. Office L. Mikuláš 1	31/12/2018	PFA	64.21	Bakery	11,788.40 €	US 17/12/2008
37	RC No. 481/2013	P. Office D. Kubín 1	28/02/2018	PFA	24.00	Lamp shop	1,202.00 €	US 17/12/2008
38	RC No. 764/2013	P. Office D. Kubín 1	30/04/2015	PFA	16.00	Real estate agency	848.00 €	US 17/12/2008
39	RC No. 1440/2013	P. Office D. Kubín 1	30/09/2018	PFA	16.00	Pedicure salon	840.12 €	US 17/12/2008

40	RC No. 1690/2013	P. Office R. Sobota 1	30/06/2018	PFA	0.50	Roof area for placement of an antenna	750.00 €	US 17/12/2008
41	RC No. 1311/2013	P. Office R. Sobota 1	30/09/2018	PFA	3.86	ATM of PB,a.s.	1,084.46 €	US 17/12/2008
42	RC No. 829/2013	P. Office R. Sobota 1	31/05/2018	PFA	42.34	Auction and real estate activity	2,706.45 €	US 17/12/2008
43	RC No. 323/2013	P. Office R. Sobota 1	28/02/2018	PFA	17.87	Administrative - transport activity	977.25 €	US 17/12/2008
44	RC No. 915/2013	P. Office Veľký Krτίš	31/03/2016	PFA	45.32	Parking area	543.84 €	US 17/12/2008
45	A. No. 4 to RC No. 2482/2009	P. Office Trebišov 1	31/10/2014	PFA	15.50	Accounting	714.19 €	US 17/12/2008
46	Annex No. 4 to RC No. 872/2011	P. Office Trebišov 1	31/10/2014	PFA	22.50	Trustee in bankruptcy	929.91 €	US 17/12/2008
47	RC No. 74/2013	P. Office Trebišov 1	14/01/2017	PFA	15.00	Administrative services	697.20 €	US 17/12/2008
48	Annex No. 2 to RC No. 489/2010	P. Office Humenné 1	30/04/2014	PFA	23.00	Accounting	1,633.52 €	US 17/12/2008
49	RC No. 1083/2013	P. Office Humenné 1	30/06/2017	PFA	24.60	Provision of services for building society	1,748.41 €	US 17/12/2008
50	RC No. 1084/2013	P. Office Humenné 1	30/06/2017	PFA	24.00	Provision of services for building society	1,669.36 €	US 17/12/2008
51	RC No. 947/2013	P. Office Prievidza 1	30/06/2018	PFA	12.27	Telecom operations + par. antenna	2,343.29 €	US 17/12/2008
52	A. No. 1 to RC No. 1563/2011	P. Office Prievidza 1	28/02/2016	PFA	31.90	Office - cosmetic consultancy	1,743.48 €	US 17/12/2008
53	Annex No. 1 to RC No. 406/2011	P. Office Prievidza 1	31/12/2014	PFA	31.20	Office - Bespoke tailoring	1,552.04 €	US 17/12/2008
54	RC No. 1849/2012	P. Office Martin 1	30/04/2015	PFA	20.15	Office - sales activity	1,282.44 €	US 17/12/2008
55	RC No. 772/2013	P. Office Martin 1	30/04/2018	PFA	41.89	Office - sales activity	2,819.74 €	US 17/12/2008
56	RC No. 948/2013	P. Office Martin 1	30/06/2018	PFA	6.25	Telecom operations + par. antenna	1,999.67 €	US 17/12/2008
57	RC No. 616/2013	P. Office Kremnica	31/05/2018	PFA	49.41	Office - provision of IT services	1,961.99 €	US 17/12/2008
58	RC No. 667/2013	P. Office Kremnica	31/03/2018	PFA	1.00	Placement of par. antenna	750.00 €	US 17/12/2008
59	RC No. 1708/2012	P. Office Topoľčany 1	31/12/2014	PFA	25.74	Language courses	1,456.48 €	US 17/12/2008
60	RC No. 220/2013	P. Office Topoľčany 1	31/03/2018	PFA	36.14	Real estate activity	2,008.23 €	US 17/12/2008

61	RC No. 970/2013	P. Of. Topoľčany 1	31/07/2014	PFA	28.14	Shop and Services	EUR 1,608.80	US 17/12/2008
62	RC No. 884/2012	Žilina 1, MPC	30/11/2017	PFA	2.00	Placement of cameras	EUR 359.60	US 17/12/2008
63	RC No. 106/2013	MPC, Žilina	31/01/2018	PFA	51.28	Office space	EUR 2,012.80	US 17/12/2008
64	RC No. 36/2013	MPC, Žilina	31/01/2018	PFA	56.90	Customs Office	EUR 4,772.00	US 17/12/2008
65	RC No. 1459/2013	P. Office Čadca 1	30/09/2018	PFA	13.00	Office space	EUR 725.50	US 17/12/2008
66	RC No. 1461/2013	P. Office Čadca 1	30/09/2018	PFA	19.50	Office space	EUR 830.35	US 17/12/2008
67	RC No. 472/2013	P. Office Čadca 1	28/02/2018	PFA	44.03	Office space	EUR 2,421.45	US 17/12/2008
68	RC No. 1360/2013	P. Of. P. Bystrica 1	31/08/2016	PFA	12.16	Office space	EUR 1,114.40	US 17/12/2008
69	RC No. 904/2013	P. Of. P. Bystrica 1	30/06/2018	PFA	24.00	Advertising area	EUR 1,248.00	US 17/12/2008
70	RC No. 1115/2013	P. Of. P. Bystrica 1	30/06/2018	PFA	37.24	Services	EUR 2,710.84	US 17/12/2008
71	Annex No. 2 to RC No. 1006/2011	P. Of. P. Bystrica 1	30/09/2016	PFA	90.96	Services	EUR 6,974.07	US 17/12/2008

At its 37th meeting on December 17, 2008, the Supervisory Board of SP, through Resolution No. 37.17, granted the prior (universal) consent to the lease of the priority fixed assets of the company or its part to third parties by means of approved standard contracts concluded for a definite time exceeding one year but not exceeding the period of five years, provided that the total surface of the leased area in each individual rental contract or non-residential premises rental contract does not exceed an area of 100.00 m² and the valid methodology for determining the leasing fee in SP is complied with. This prior consent is binding for all employees of SP who are entitled to conclude the rental contracts or non-residential premises rental contracts on behalf of the company pursuant to the valid Rules of Signature.



B)

1. Pursuant to Articles of the Association of SP, Article 15 par. 15.1, letter o), and the Decision of the only shareholder No. 12/RA-2010, dated April 7, 2010, the consent of the only shareholder was granted for the sale of the following immovable assets:
 - The plot No. 2465/2 with the area of 383 m², built-up areas and courtyards and buildings with the inventory number 979 built on the plot No. 2465/2, registered at Title Deed No. 8820, c.a. Považská Bystrica, cost of acquisition: EUR 134,500 - VAT-free by the decision No. 82/RA-2012, November 7, 2012, point 2
 - real estate transferred on January 25, 2013
2. Pursuant to Articles of the Association of SP, Article 15 par. 15.1, letter o), the consent of the only shareholder was granted for the purchase of the following immovable assets:
 - The plot under the building of the Post Office Bratislava 5 – the land of the “C” registry of the Land Registry, plot No. 4428/3, built-up areas and courtyards with the area of 2,537 m², registered at Title Deed No. 1748, c.a. Petržalka, cost of acquisition: EUR 439,687.47 - VAT-free by the decision No. 45/RA-2012, as of October 10, 2013
 - real estate transferred on December 2, 2013

Information on Remuneration and Contracts on Discharge of Functions Concluded with Members of the Board of Directors and Members of the Supervisory Board of Slovenská pošta, a. s.

In 2013, bonuses to the Board of Directors and Supervisory Board members were paid pursuant to the Remuneration Regulations of the Board of Directors and Supervisory Board members of Slovenská pošta, a. s., approved by the General Assembly.

In 2013, the Board of Directors and Supervisory Board members performed functions within the company bodies based on concluded contracts on discharge of functions of the Board of Directors members and based on concluded contracts on discharge of functions of the Supervisory Board members approved by the General Assembly and based on decisions of the single shareholder by which new Board of Directors and Supervisory Board members were appointed to the positions of the company bodies.

For 2013, bonuses to the value of EUR 147,000 were paid to the Board of Directors and Supervisory Board members pursuant to the Remuneration Regulations, royalties were not paid.



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Independent Auditor's Report

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VGD - AVOS
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**SUPPLEMENT TO THE AUDITOR'S REPORT ON
CONSISTENCY OF ANNUAL REPORT WITH AUDITED
FINANCIAL STATEMENTS**
pursuant to Act No. 540/2007 Coll. Article 23, Par. 5

To the shareholder of Slovenská pošta, a.s.:

I. We have audited the financial statements of Slovenská pošta, a.s., Partizánska cesta 9, 975 99 Banská Bystrica (hereafter referred to as "the company") as at 31 December 2013 presented in the accompanying annual report of the company. We issued following Auditor's report dated March 25, 2014 on these financial statements:

**INDEPENDENT AUDITOR'S REPORT
to the shareholder of Slovenská pošta, a.s. Banská Bystrica**

We have audited the accompanying financial statements of Slovenská pošta, a.s., Partizánska cesta 9, 975 99 Banská Bystrica (further referred to as "the Company"), which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes which include an overview of significant accounting policies and accounting methods and other explanatory information.

Statutory body's Responsibility for the Financial Statements

Statutory body of the Company is responsible for the preparation and fair presentation of the accompanying financial statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and for such internal controls the statutory body of the Company considers are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 opinion.

VGD - AVOS AUDIT s.r.o., IČO: 36254339, DIČ: 2021722967, Obch. reg. Okresného súdu v Bratislave, Oddiel Sro, vložka č. 74696/B, ě. licencie 269

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Opinion

In our opinion, the accompanying financial statements give, in all material respects, a true and fair view of the financial position of the company Slovenská pošta, a.s. as at 31 December 2013 and its income for the year then ended in accordance with the International Financial Reporting Standards as adopted by European Union.

Piešťany, 25 March 2014

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811 08 Bratislava

Office Piešťany, Námestie SNP 4
921 01 Piešťany
Commercial Register of the District court Bratislava I,
File No. 74696/B
SKAu License No. 269





Responsible auditor
Ing. Erik Marek
SKAu License No. 866

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II. We have audited the consistency of annual report with the aforementioned financial statements.

The statutory body of the company is responsible for the accuracy of preparation of the annual report. Our responsibility is audit the consistency of the annual report with the financial statements and based on this issue a supplement to the auditor's report on consistency of annual report with audited financial statements.

We conducted our audit in accordance with International Standards on Auditing. These standards require the auditor to plan and perform the audit to obtain reasonable assurance as to whether the information disclosed in the annual report and presented in the financial statements is consistent, in all material respects, with the relevant financial statements.

We assessed the consistency of the information presented in the annual report with the information presented in the financial statements as at 31 December 2013. We have not audited any data or information other than the accounting information obtained from the financial statements and accounting ledgers. We believe that the performed audit procedures are sufficient and reasonable as a basis for our audit opinion.

In our opinion, the accounting information presented in the annual report of the Company are consistent with the financial statements as at 31 December 2013.

Piešťany, 30 May 2014



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Companies Register, insert No.74698/B
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Responsible auditor
Ing. Erik Marek
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