

ANNUAL REPORT

STREDOSLOVENSKÁ
VODÁRENSKÁ
PREVÁDZKOVÁ
SPOLOČNOSŤ, a. s.

2013 contents



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data^{basic}

Trade Name:
Stredoslovenská
vodárenská prevádzková
spoločnosť, a. s.

Identification No: 36 644 030

Seat:
Partizánska cesta 5,
974 01 Banská Bystrica

VAT REG NO: SK 2022102236

Capital Stock: 34 000,- €

Legal Form:
Joint-stock company

TradeRegister
of District Court
in Banská Bystrica,
Section: Sa, Insert No.: 840/S

Registered on: 01. 01. 2006

object of activities

- operation of the public water supply systems of 1st up to 3rd category,
- operation of the public sewer systems of 1st up to 3rd category,
- consulting, technical and professional assistance in the area of production, treatment and supply of drinking and industrial water, operation of the water supply systems, sewer systems and wastewater treatment plants,
- cleaning of water pipelines and sewer lines,
- execution of inspections of sewer systems by instrumental techniques,
- detection of hidden water leaks by correlation and electro-acoustic techniques,
- setting of water supply and sewer systems and armatures, determination of contact points for connecting of instrumental techniques,
- measurement of wastewater volumes on measuring objects and sewer systems with determination of immediate or cumulative flow by instrumental techniques,
- physical-chemical, radiological, microbiological and hydro-biological analyses of drinking, industrial and waste waters, including technological analyses of water,
- execution of water tightness tests of water management objects and equipment
- business activities in the area of disposal of non-dangerous waste,
- execution of technical inspections of pipelines,
- repairs and installations of water meters,
- task designing, solutions and evaluation of hydro-geological survey, engineering-geological survey and geological environment survey,
- electricity production in small hydro-electric power station with the output up to 5 MW,
- power distribution
- purchase of goods for the purpose of its sale to other trade license holders (wholesale trade),
- purchase of goods for the purpose of its sale to final consumer (retail trade),
- intermediation in trade and services,
- elaboration of documentation and projects of simple buildings, small buildings and changes of these buildings,
- realization of simple buildings, small buildings and their changes
- realization of buildings and their changes,
- execution of water management and engineering buildings,
- realization of activities of a site manager,
- realization of building inspection activities,
- engineering construction,
- supply and installation of chlorine equipment and dosing devices for chemicals,
- repairs, service, maintenance and execution of professional inspections and professional testings of chlorine equipment and dosing devices for chemicals,
- rental of machines, instruments and equipment,
- public procurement,
- national freight road transport,
- rental of real estates.

The Company has no organizational unit abroad.



profile of the company

statutory
bodies of the
company on

31ST December 2013



board
of directors

**CHAIRMAN
OF THE BOARD OF DIRECTORS**
Philippe Guitard

**MEMBERS OF THE BOARD
OF DIRECTORS**
Ing. Martin Bernard, MBA
Ing. Róbert Tencer
Ing. Peter Martinka
JUDr. Soňa Šáliová

SUPERVISORY BOARD
Tomáš Paclík
Ing. Pavol Badinský
Ing. Jozef Barabas
Etienne Petit
Ing. Jozef Hegeduš
Jiří Pěč

executive
management of
the company

MANAGING DIRECTOR
Ing. Peter Martinka

ECONOMIC DIRECTOR
Ing. Peter Dobrý

**DIRECTOR FOR PRODUCTION-
OPERATING ACTIVITIES**
Ing. Robert Javorčík

COMMERCIAL DIRECTOR
Ing. Mária Vicianová

DIRECTORS OF PLANTS
Ing. Pavol Badinský
závod 01 Banská Bystrica

Ing. Ladislav Solkový
závod 02 Lučenec

Ing. František Oravčík -
poverený vedením
závod 03 Prievidza

Ing. Branislav Jurík
závod 04 Rimavská Sobota

PaedDr. Zoltán Balla
závod 05 Veľký Krtíš

Ing. Milan Vlček
závod 06 Zvolen, Žiar nad Hronom

key

data



Turnover of the Company	55 881 285 €
Profit after taxation	2 668 123 €
Number of supplied residents	657 315
Number of employees	1 111
Total production of own water	41 402 thousand m ³
Quantity of treated waste water	47 750 thousand m ³
Length of operated water supply system including connections	5 217 km
Length of operated sewerage network including connections	948 km
Number of pumping stations	25
Number of waste water treatment plants	40
Number of contracted customers	97 949
Number of charging water meters	113 878
Number of phone calls done on Customer Line	2 032
Number of visits in the Customer Centers /monthly average/	4 738



Dear Madams,
Dear Sirs,

editorial

What means the recapitulation at the end of the year for the individual, that is the preparation and proposing of the annual report for the company. In the following lines I will outline what the company Stredoslovenská vodárenská spoločnosť, a.s. made in 2013.

We provided the production of drinking water supply of 41,499 thousands m³, what makes 1,693 thousands m³ less, comparing the year 2012. This reflected the reality of decreasing of the water delivery. The trend of lowering the water consumption has been still retained what corresponds with other indicators of the water production and supplies. However, we have seen a significant annual increase of cleaned water in the volume of 12,217 th m³.

The one of the priorities of each waterwork company is to lower the water losses in the conduits. We were focusing our activities for decreasing the water losses mainly with reconstruction and repairing on the water conduits. We still have been using the latest high-technology machinery in the field of sewer survey and connected producers survey.

In the field of our company's environmental programs, we carried several projects in 2013. We finished the intensification and reconstruction of the sewage disposal plant in Veľký Krtíš. The sewage disposal plant in Detva and the sewage disposal plant in Handlová have been launched to testing operation. The sewage disposal plant in Tisovec and Filákovovo started their permanent operations.

We testify our commitments in the field of the environmental protection and biodiversity with the implementation of some school educational activities and public educational events. We prepared in cooperation with the civic association ŽIVICA the

educational project „Water modernism“, we took part in the exhibition with the name „The water is life“, and we have been cooperating with the Slovak Fishermen's Union for a long time in a project on the genotype of native fish recovery.

As regards the customer service, we have been continuing at improving and extending the services. In 2013, the main goal was to provide the technical support for the customer service, what meant the implementation of a new informational customer service system. This allows to upgrade the customer database and help with widening the electronic communication possibilities.

I highly appreciate the results in the field of employment. In the period when many companies come to restrictive practice, we did not perform any enormous reduction of the number of our employees. We started to take advantage of the latest software solutions in the field of the human resource controlling and we introduced the electronic payslips.

Dear madams, dear sirs, I have mentioned only the main fields, which attracted our attention last year. You can find out more in the following sections of this annual report.

In the conclusion, I would like to thank the colleagues and collaborators, customers and business partners for their manifested satisfaction and also for their improvement suggestions, shareholders, members of the managing board and board of trustees for their confidence, which is a support at the crucial decisions.

I believe that the following year 2014 will be prosperous and contributive year for our company.



Ing. Peter Martinka
Managing Director StVPS, a. s.

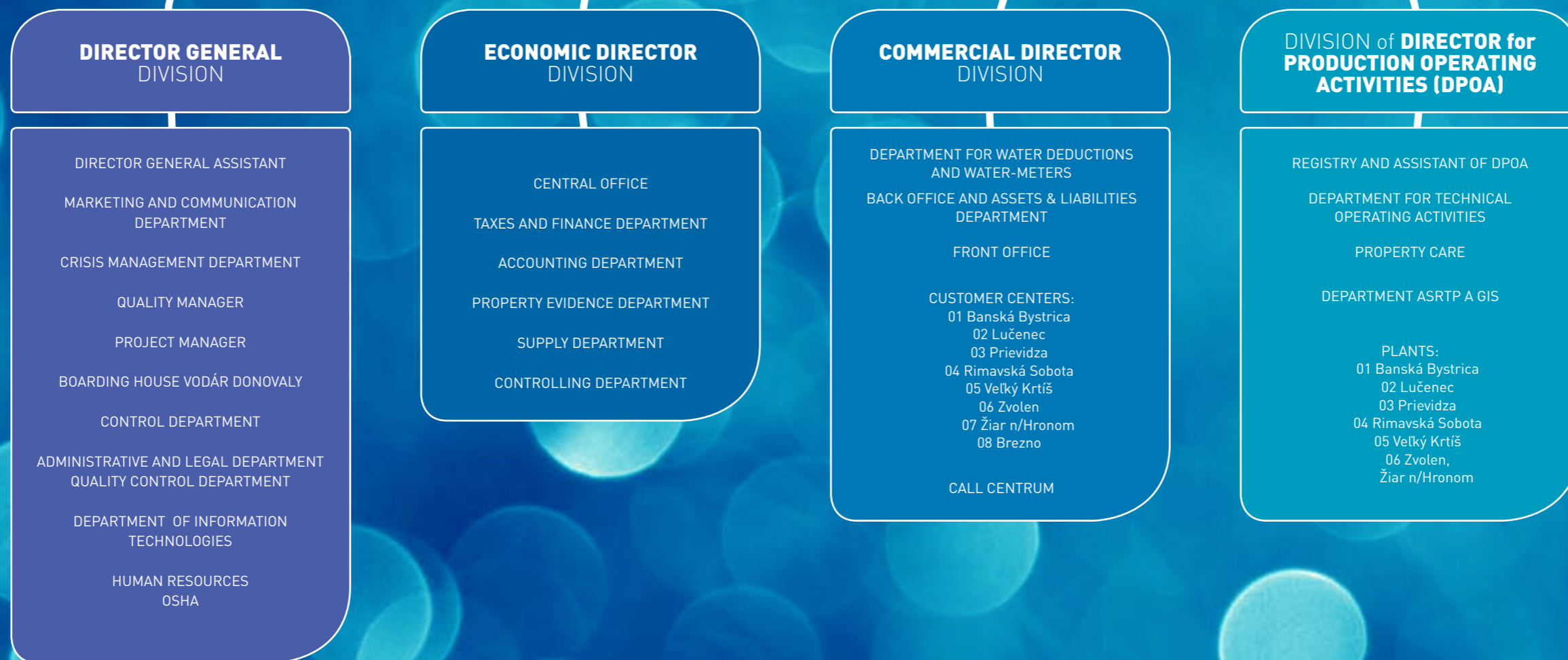
organizational structure

GENERAL ASSEMBLY

SUPERVISORY BOARD

BOARD OF DIRECTORS

DIRECTOR GENERAL



our



STREDOSLOVENSKÁ VO-
DÁRENSKÁ PREVÁDZKOVÁ
SPOLOČNOSŤ, A.S. PROVI-
DES THE OPERATING AND
MAINTAINING DISTRIBUTION
SYSTEM AND SEWERAGE
SYSTEM IN THE WHOLE AREA
OF THE BANSKÁ BYSTRICA
REGION, PARTLY IN REVÚCA
COUNTY, IN THE COUNTY
OF PRIEVIDZA AND PARTLY
IN THE TRENČÍN REGION.
WE SUPPLY THE DRINKING
WATER TO MORE THAN 657
549 RESIDENTS. THE QUALI-

TY OF THE DRINKING WA-
TER IS MONITORED IN THE
AUTHORIZED LABORATORIES
IN BANSKÁ BYSTRICA, LU-
ČENEC AND PRIEVIDZA. THE
RESIDENTS OF THE AMOUNT
OF 416 692 ARE CONNECTED
TO THE SEWERAGE SYSTEM
OF STREDOSLOVENSKÁ
PREVÁDZKOVÁ SPOLOČNOSŤ
A.S., WHICH IS 984 KM LONG
AND THE TREATMENT OF
SEWAGE IS PERFORMED AT
FOURTY SEWAGE DISPOSAL
PLANTS.



services

Water production

In 2013, our company produced the total amount of 41 499 thousands m³ of drinking water, of which 12 981 thousands m³ were surface water and the 28 518 thousands m³ were the groundwater. Comparing the year 2012, it is a decline in production by 1693 thousands m³. This fact is related to the decrease of supplied water, in other words subscribed invoiced water. The water quality for the customers was according to the valid legislation and was provided in 22 water treatment plants for surface water and groundwater. The big water treatment plants in Hriňová, Málinec, Klenovec and Tuček have been used to treat the surface water for the drinking water supplies. According to the needs, some smaller water treatment plants were used for watercourses and when the quality of groundwater was insanitary also the plants for treatment of groundwater were used. In 2013, the amount of 15,021 th m³ of the raw water was treated in the water treatment plants.

Water managing

Declining trend in water consumption and thus invoiced water continued in 2013, which also corresponds with the decline of other indicators of the production and water supply. In comparison with the previous year, the noticeable decrease of the invoiced water occurred – 3.9% in total. The water amount of 25,985 th m³ was invoiced, what is in comparison with the year 2012 (27,038 th m³) less by 1,053 th m³. This decrease of the amount of the invoiced water effected the specific water consumption in households. The water consumption was 77.10 liters for a person a day in 2013, which is a decrease by 1.9 l (person) a day compared to 2012.

the main indicators of production and supply of drinking water:

Length of water distribution network in km	4,453
Number of water junctions	114,073
Water transferred in thousands m ³	110
Length of water junctions in km	764
Number of pumping devices	222
Number of water treatment plants	22
Number of residents	657,315
Water for implementation in thousands m ³	41,402
Water invoiced in thousands m ³	25,985
Not invoiced water in thousands m ³	15,417
Water losses in the pipe network in thousands m ³	13,957
The volume of water loss from the water to be implemented in %	33.7

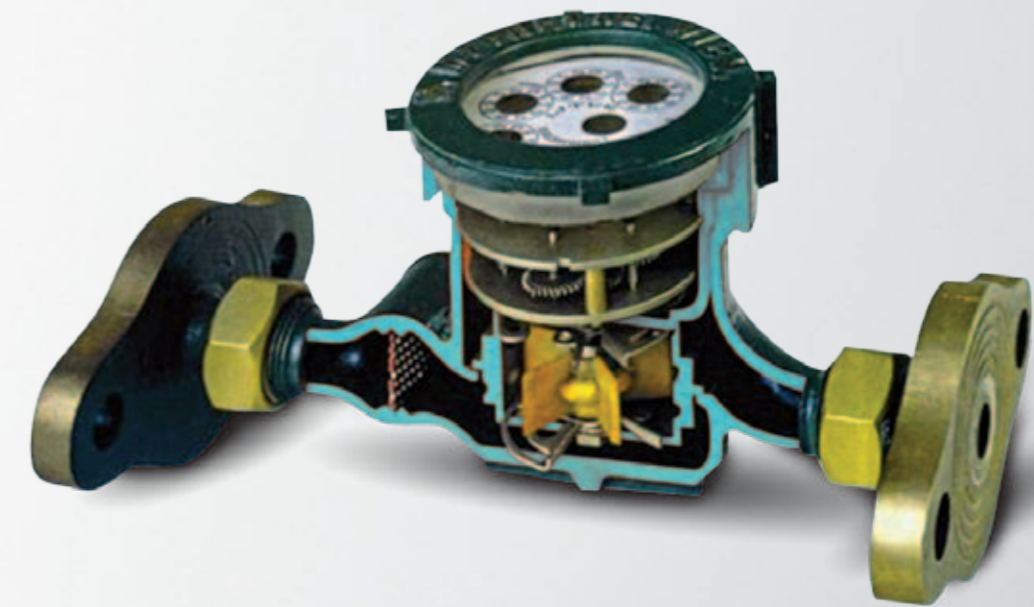
water losses >

The decreasing of the water losses in water distribution network is one of the main long-term goal of our company. The activities in the field of water losses were oriented mainly to reconstructions and repairing of water pipeline system, because the most frequent water losses occur in the old pipes. The biggest share of water losses are hidden water leaks, and their detecting is complicated and requires the use of the latest technology and methods for the most accurate localization. The

centralized search management of hidden water leaks and the purchase of the top technical equipment for this activity had a large share in the process of decreasing of water losses. After the localization of water leaks by the workers from Brakedown Searching Department, the defects were mended according to their importance. The workers from the independent Brake-down Searching Department checked 1812 km of water networks and localized 934 hidden water leaks in 2013.

water meters

Up to 31st December 2013, the billing water-meters were setted in amount of 114,533 pieces and exchanged 22,343 pieces, of which the periodic exchanges were 21,553 pieces and 790 pieces were exchanged for other reasons, eg.: meter damage, unworkable water meter, exchange on the customer request and other. On the customers' request, 62 water meters were removed and sent to the official verification. In 2013, a total amount of 24,884 pieces water-meters were repaired, the amount of 15,214 pieces were repaired by the external contractor and 9,670 pieces as our own repairs.



water supply system breakdowns

Comparing the previous year, there were less registered breakdowns in the water distribution network. The increasing level of prevention and favourable weather conditions were the main reason for the downturn in the number of the breakdowns. The smaller number of the breakdowns was registered in winter months, whereas the number of the breakdowns in other months of the year was steady. There were 2,659 breakdowns solved together, of which 1,813 were on the supply and

distribution pipelines and 846 on the junctions. Within the bounds of breakdown prevention with the aim to decrease the water losses in water flowing breakdowns, we regularly monitor the minimum night flows within the supervisory control and also within direct search of the hidden water leaks in the terrain. In the field of decreasing the breakdowns, the company was focused especially on the reconstruction of the most defective networks.

diversion and treatment of wastewater

There are 416,692 inhabitants connected to sewerage Stredoslovenská vodárenská prevádzková spoločnosť, a. s. with a total length of 948 km. A significant increase was recorded in the amount of purified water compared to 2012 when an annual increase by 12,217 th m³ was recorded, which is 26.83%.



the main indicators collection and treatment of wastewater

Length of sewer system in km	948
Number of sewer laterals	29,661
Length of sewer laterals in km	239
Number of pumping stations	33
Number of wastewater treatment plants	40
Number of inhabitants connected to sewer system	416,692
Number of inhabitants connected to WWTP	391,412
Invoiced wastewater in thousand m ³ /year	21,707
Treated wastewater in thousand m ³ /year	57,750

survey and measurement of the sewer network

In the field of survey of the sewer networks and investigation of connected producers, the technology of smoke testing of sewer networks were successfully used. This technology can detect breakdowns of sewer pipes and sewers facilities, and can localize unauthorized real estate adjunc-tions, as well as rainwater adjunc-tions into the sewage system.

In 2013, two TV camera systems for a

technical condition survey of the sewer pipelines were mostly used in the operating and new building. The new system IPEK was efficient in the new construction and enabled to measure the pipeline inclina-tion and deformation of flexible pipelines. The older system did not allow this and carried out only the video recordings made with a rotating video camera, which recorded only the technical conditions of the pipelines without a possibility to measure the pipeline parameters. Thanks to the measuring the deformation of the pipelines and their inclinations, there is a possibility to evaluate the quality of new sewer buildings in the process of approval and also specify the quality of the condi-tions for investment in the construction of the sewers for designers and investors.



sewer system breakdowns

The most common cause of breakdowns on the sewerage network are seals that occurred in winter and spring months as a result of washing off the grit on roads, but also as a cause of bad technical condi-tions of some of the sewer system. The collisions are also often caused because some users throw the stuffs that do not

belong to the public sewer system. Other reasons for collisions were leaks that occurred as a result of damage of the pipe-line network due to earth movements and a load of the traffic. In 2013, there were 99 breakdowns removed on the sewerage network, of which 96 were directly in the network and 3 on the junctions.

water quality

drinking water

During the year 2013, we were monitoring the water quality in the reservoirs, in the network and the quality of supplied water by the microbiological, biological and physical-chemical indicators.

Microbiological and biological analyses:

From the beginning of the year, totally 2,994 samples have been taken for microbiological and biological analyses, of which 251 were impure, what represents the impurity of 8.3%. In the year of 2013, there were 36,708 biological and microbiological analyses carried out, of which 335 were impure, what represents the impurity of 0.91%.

Physical-chemical analyses:

From the beginning of the year, tota-

ly 2,995 samples have been taken for physical-chemical analyses, of which 290 were impure, what represents the impurity of 9.68%. In the year of 2013, there were 60,009 physical-chemical analyses carried out, of which 490 were impure, what represents the impurity of 0.82%.

The total impurity by the samples amounted to 9,03 % from the beginning of the year 2013. The permitted level of impurities made by the samples what is 15,14 % was not overdrawn. The total impurity by the analyses in the year of 2013 amounted to 0.85 % . The permitted level of impurities, what is 2.00 % was not overdrawn.

sewage

During the whole year, the analysis of technological parameters of the sewage treatment plants were carried out regularly in a compliance with the Regulation No. 315/2004 and within the resolutions for discharge water. In each wastewater treatment plant managed by our company, we met all the required parameters in compliance with the

discharge water resolutions. We also inspected a compliance of the Regulation for outlets without treatment, which are currently in figure of 39. The permitted limits are often exceeded because they are not linked by the owners of Stredoslovenská vodárenská spoločnosť, a. s. to the existing sewage disposal plants. At the beginning of the year 2011, new

regulations were issued with limits as to wastewater treatment plants and these are difficult to comply without further purification. In 2013, 975 samples have been taken from these outlets, while 183 did not meet the limits which makes 18.77%.

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realisation of investments

The realization of investments has brought annual profit of 1.98 mill. € for the parent company, apart 17 buildings completed. These buildings in addition to the expanding the infrastructure also deal with some urgent operational problems. Financially the most significant event in the year 2013 for our Company was the building „Malachov - sewer, II. Stage .., where the financing was provided by the

European Union with the Cohesion Fund. The aim of the project was to extend the previous stage and solve the issue of the sewerage of the village Malachov in order to comply with current legislation. We started with this building already at the end of 2011 and the contract of finishing date of submission and the whole construction was given on November 2013. We met the deadline and the building was successfully delivered to the investor and we passed the building as capable. Total length of sewer pipelines in this construction Malachov comprises 2,622.11 meters of profile DN315 and 25.81 m of

profile DN160. Thanks to sewerage realization, the sewerage system is provided for 126 households in the total length of connections of 533.56m. We have reached with the investment realization in 2013 apart from increasing the company's revenues as an economic goal, also the improvement of the operating infrastructure, which will certainly contribute to smoother operation of the infrastructure in the future and thus the satisfaction of our customers or producers.

customers

TO THE CUSTOMERS FOR THE SERVICES OF STREDOSLOVENSKÁ VODÁRENSKÁ SPOLOČNOSŤ, A.S. BELONGS MORE TYPES OF CUSTOMERS: INDUSTRIAL CUSTOMERS, SUBSCRIBERS AND MUNICIPALITIES / TOWNS AND VILLAGES/.

AS A CUSTOMER-ORIENTED COMPANY WE CONTINUE IN IMPROVING OUR SERVICES. BESIDES THE MAIN ACTIVITY, PRODUCTION AND DISTRIBUTION OF DRINKING WATER, TREATMENT OF SEWAGE, WE ADMINISTER MORE ADDITIONAL SERVICES. WE EXECUTE LABORATORY ANALISES, SURVEY AND MEASUREMENT IN SEWERAGE SYSTEM, DERATIZATION, ETC. THE QUALITY OF THE SERVICES PROVIDED ARE GUARANTEED BY CERTIFICATION SYSTEMS.

approach to a customer

Stredoslovenská vodárenská prevádzková spoločnosť, a. s. provides its services in eight customer centers during the opening hours, which are uniformly arranged. The helpline Call Center non-stop line 0850 111 234 is available for customers who prefer telephone and electronic communi-

cations. All information datas for customers are transparently published on the company's internet pages www.stvps.sk. Project Customer Service Commitments ensures services to our customers according to their requirements. We have conformed our customers with opening

hours of the Call Centers and the helpline is available for customers 24 hours a day non-stop. To help our customers with revealing of over consumption or water leaks, we monitor the water consumption and inform the customers about unusual deviation.

customer services

The condition for widening our services and their quality improvement is the monitoring of the customers communication trends and also the building of technical support. In 2013, we started the process of

implementation of new customer service, that enable the customer database upgrading and thus will mirror into the enlarging of the electronic communication possibilities. SMS and internet communi-

cation is quick and the implementation of the new informational system has condition for such service widening.

SMS info service

Customers can get free information about water supplies cuts and collisions in sewerage directly into their mobile phones with activation of the SMS service. The service SMS INFO is possible to activate through the registration form on the internet page www.stvps.sk, by phone on the helpline 0850 111 234, or by sending a SMS message.

Sending invoices electronically

By activation of this service, customers receive invoices for the water supply and sewerage in electronic form to their e-mail address. There are more then one advantages of a sending invoices electronically. The service of sending electronic invoices to customers is free of charge, the customers get an easy and comfortable access to the invoices, invoices are sent in PDF format and so the customers have complete archives of invoices available in their e-mail inboxes. The company and customers contribute the environment protection with using such type of sending the invoices.

Personal customer account

Setting up the personal customer account allows the customer an easy transmission of the requirements relating to changes of deposit, self-reporting of water-meter quantity status, an invoice complaint and reporting failures. Thanks to the personal account, the customer gets an overview of his or her water consumption, the amount of the invoices and reports about the water-meters consumption status at their point of delivery.



customer satisfaction survey

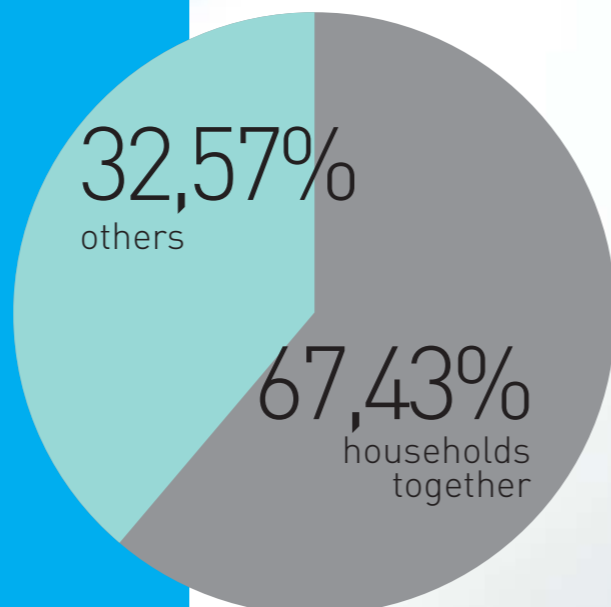
The quality of the provided services are increased also by regular customer satisfaction survey. We carry out the internal survey of the customer satisfaction with the services provided at eight customer centres by filling the questionnaire. The questionnaire serves for collecting the data and it is available at each customer centre, and consists of three questions. The customer puts the filled questionnaire into the sealed up box. The sample of the respondents are made of the customers, who fill the questionnaire no matter which customer centre they have visited.

The latest evaluation of the survey shows that the customers prefer the personal contact as the most effective kind of communication (66.05%), the phone calls follow (16.98%). The customers are the most interested in information about the invoices and price for water and sewer (34.89%), then the information related to the contracts – change of the owner, change of the deposit price,...(31.85%) and about the water quality and the water pressure. There were 99.67% satisfied customers with the employees approach to the customers.

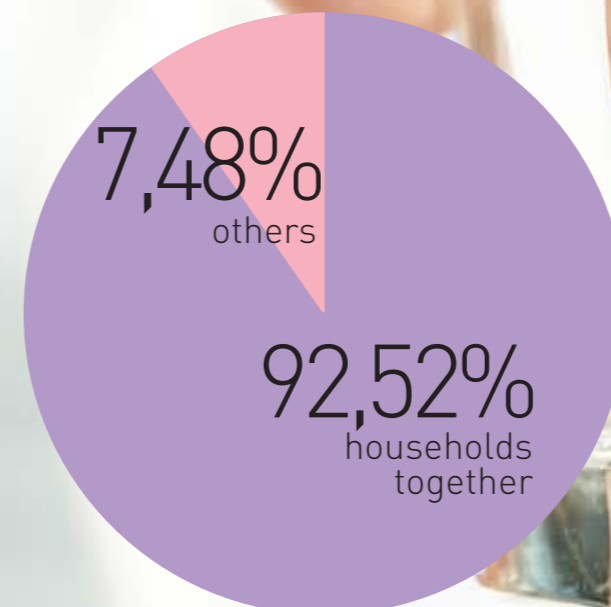
Average number of the whole contacts of the customers in the month: 8,082
 Average number of the visits of the customers in the month: 4,738
 Average number of the calls of the customers to the Call centre in the month: 2,032
 Average number of the invoiced water meters in the month: 113,872

	Number of customers		Proportion	
	to 31.12.	%	invoiced €	%
The number of customers altogether	97 949	100,00%	52 225 596	100,00%
thereof the households individual customers	88 472	90,32%		
thereof the households- housing associations	2 150	2,20%		
thereof households altogether	90 622	92,52%	35 214 423	67,43%
thereof the others	7 327	7,48%	17 011 173	32,57%

Structure according to the volumes of sales



Structure according to the numbers of the customers



10

top customers

for the
Year 2013

1

Cooperative Building Society
Banská Bystrica

2

Housing Owners according
to Point of Supply represent-
ed by Cooperative Building
Society Zvolen

3

District Cooperative Building
Society Prievidza

4

District Cooperative Building
Society Rimavská Sobota

5

Cooperative Building Society
Žiar nad Hronom

6

Cooperative Building Society
Lučenec

7

Faculty Hospital with Policlin-
ic of F. D. Roosevelt, Banská
Bystrica

8

BYTOS – Housings Adminis-
tration PRIEVIDZA, Ltd.

9

SBD
Brezno

10

SPOOL, a. s.
Lučenec



public communication

Stredoslovenská vodárenská prevádzková spoločnosť, a. s. Cultivated the relationship with various groups of the public. We use all the accessible tools as the specific events, personal meetings, media contribution, informational printed publicity material or excursions. The main communicative topics with the public are except the latest offered services, the environmental protection and biodiversity with the focusing on the water protection, water sources and water savings.

In 2013, we prepared the following activities:

- cooperation on the international project Earth hour
- events on the occasion of the World Water Day:
 - art competition Water calendar
 - school presentations Water days
 - presentations in public in the shopping centres
 - excursions, open days
 - Free analyses of individual water sources to determine the presence of nitrates.
- cooperation on the conference Flood protection
- participation in regional exhibition BB BAU – informational stand
- partnership in exhibition Water is Life
- Customer magazine „Voda pre vás“ / Water for you/ published twice a year
- Newsletters with themes of water quality, chlorine in drinking water, color of the water, are available in all customer centres.
- Latest informations are regularly published on our website www.stvps.sk.

responsibility



WE MAINTAIN THE STABLE EMPLOYMENT, INTRODUCED A LOT OF MODERN SOFTWARE ARRANGEMENTS FOR IMPROVEMENT OF HUMAN RESOURCES, ACTIVELY SUPPORT THE ENVIRONMENTAL PROTECTION AND BIODIVERSITY. WE EDUCATE THE YOUNG PEOPLE, INFORM THE PUBLIC, COOPERATE WITH CIVIC ASSOCIATIONS, TOWNS AND VILLAGES.



employees

The year 2013 was, from the viewpoint of human resources in Stredoslovenská vodárenská prevádzková spoločnosť, a.s., a year of keeping the stable employments and modernization. We introduced the electronic payslips, we started to use modern software arrangements in the field of human resources and increasing the

staff care. Throughout 2013 there has not been a greater reduction in numbers of the staff. The Company management, just the opposite, is focused on increasing the satisfaction of their employees through the optimization of provided benefits. On 31st December 2013, we employed 1,111 employees.

structure of employees



700

Category Workers

328

Category Administrative Staff

83

Category Managing Staff

development of the number of the employees from the year 2009



1229

2009

1208

2010

1118

2011

1110

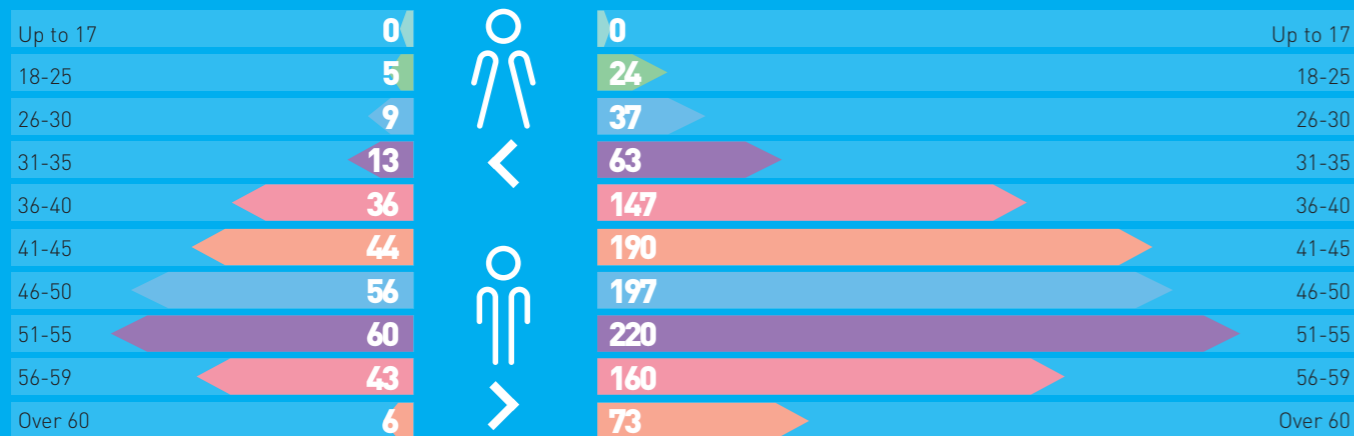
2012

1111

2013

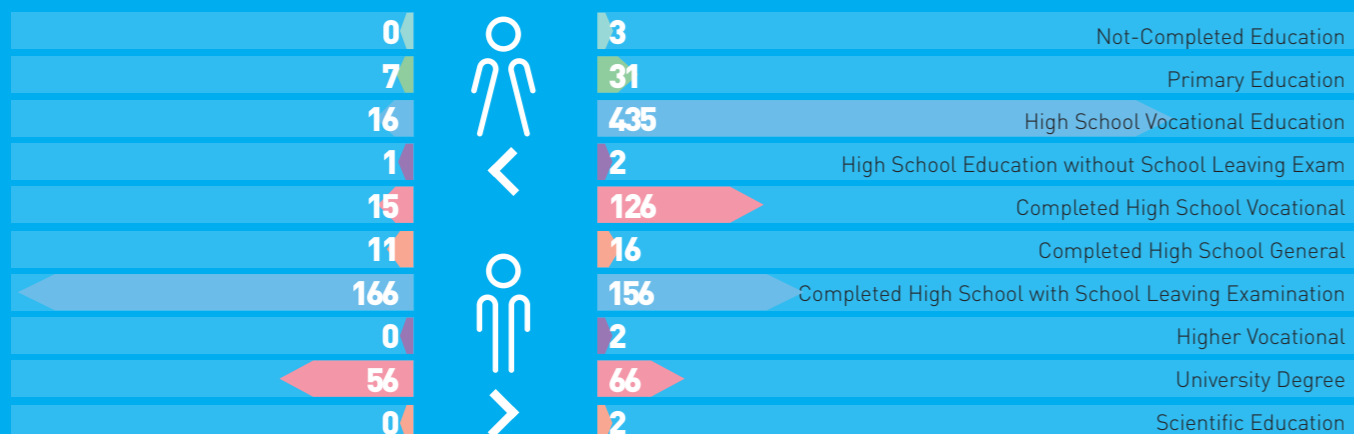
age structure of employees:

Age structure	Alltogether	Women	Men
Up to 17	0	0	0
18-25	24	5	19
26-30	37	9	28
31-35	63	13	50
36-40	147	36	111
41-45	190	44	146
46-50	197	56	141
51-55	220	60	160
56-59	160	43	117
Over 60	73	6	67
Together	1111	272	839



educational structure of employees:

Education	Together	Women	Men
Not-Completed Education	3	0	3
Primary Education	38	7	31
High School Vocational Education	451	16	435
High School Education without School Leaving Exam	3	1	2
Completed High School Vocational	141	15	126
Completed High School General	27	11	16
Completed High School with School Leaving Examination	322	166	156
Higher Vocational	2	0	2
University Degree	122	56	66
Scientific Education	2	0	2
Totally	1111	272	839

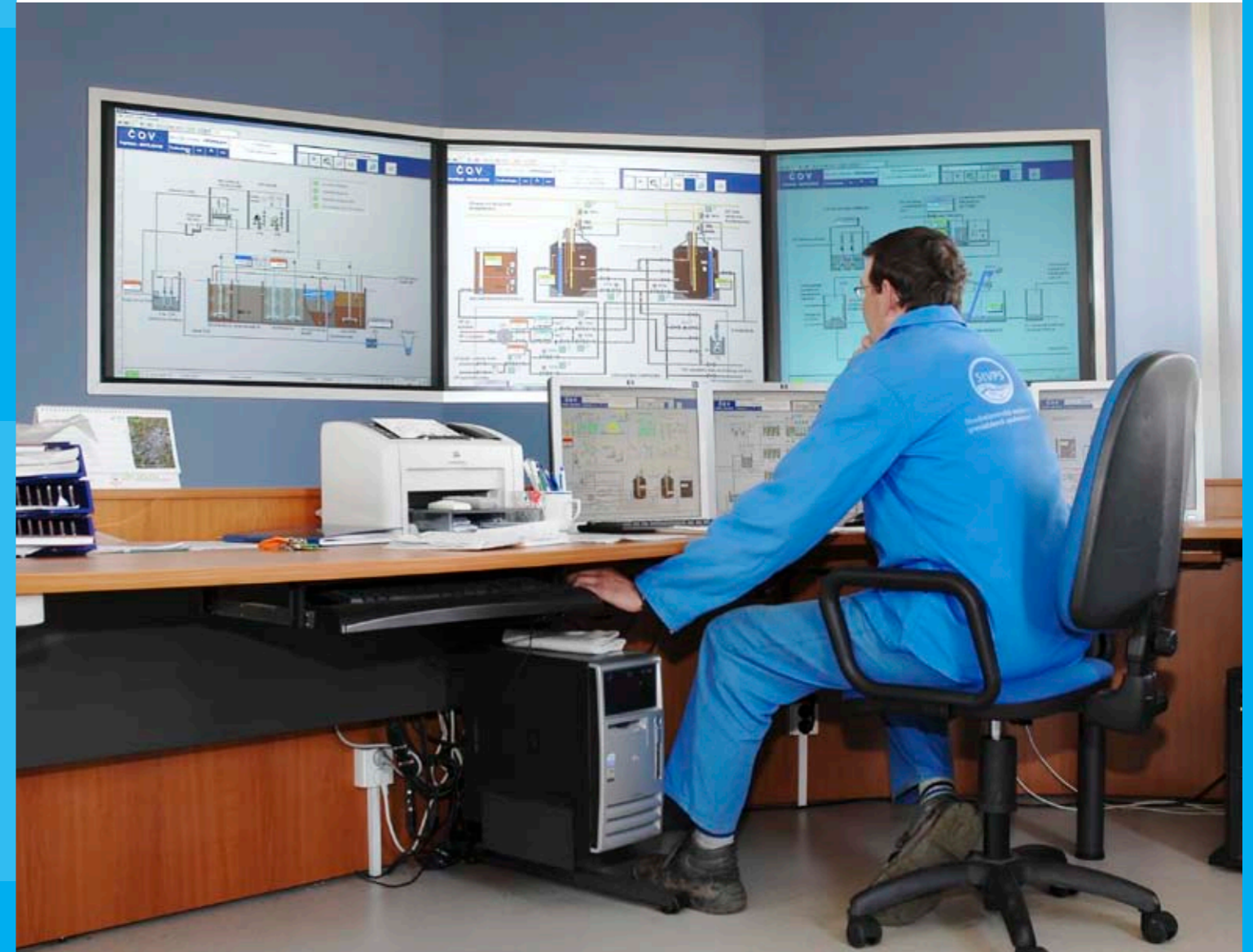


internal communication

The first-rate internal communication is one of the basic principles of effective functioning of the organization. Not only it influences the work performance but also the external firm image. It is realized by more than one communicative tools in Stredoslovenská vodárenská prevádzková spoločnosť, a.s. We publish the employees' magazine "Voda je život" "Water is life,

four times a year. The magazine informs about current events at the company, there are some competitions for the staff and there is a place for staff inquiries. We have published the magazine for seven years co-operatively with Podtatranská vodárenská prevádzková spoločnosť, a. s. The intranet is used for efficient communication within the company. It provides sim-

ple and comfortable access to the working documents, guides, instructions and other information through the web. Under the terms of internal communication, we organize social and sport occasions for the staff with the Union cooperation, for example christmas party, trips and sport games.



training of employees

We devote much attention to the professional and personal growth of our Employees, which is provided by means of corporate training by force of The Human Resource Development. Each job position requires a specific approach for selecting the educational acti-

vities to get improvement and upgrading of the staff's skills. We realize that, if we want to achieve the setted goals, we must invest in the skills of the employees and their potentiality, because only highly qualified and motivated staff can bring the company success in the future. Apart from

the training focused on specific positions, we try to develop the language skills of our staff, therefore we have been providing the English language education in the form of group or individual courses.

social dialogue

In cooperation with our social partner, as in previous years, we managed to find a social settlement in collective negotiations, which resulted in the consent of a Collective Agreement in 2013.

The most significant changes agreed in the social dialogue were:

- valorization of wages
- increasing of minimum wage rates

- increasing of extra charges for emergency services, driving of a motor vehicle, etc.
- meal tickets for the holiday days
- providing a differentiated amount of remuneration when retiring.

Part of the collective agreement is Supplement no. 1 - Rules on the use of social fund. The social fund is one of the basic

sources of applied social policy in the company. The creation of the social fund is fixed at the maximum legal limit of 1,5% of accounted gross wages and the company manifests a social responsibility to its employees with such adjusting of the social fund. In 2013, the social fund achieved an amount of 130 thousands €.

A DETAILED OVERVIEW OF CREATION AND SPENDING OF THE SOCIAL FUND IS IN THE FOLLOWING TABLE:

Social Fund Budget of StVPS, a.s.	Plan for 2013	Draw in € 31. 12. 2013
Initial status to the date of 1.1.2013	16 685,28	16 685,28
Social fund creation (1,5%)	128 968,50	129 775,35
Incomes in 2013 (from profit in 2012)	0,00	0,00
Social fund in total	145 653,78	146 460,63
Contributions at live anniversaries (50)	2 230,00	2 235,00
Contributions at retirement	3 585,00	2 235,00
One-off non-returnable aid	1 660,00	332,00
Contribution to catering	73 260,00	78 233,40
Contribution to recovery and culture	16 650,00	0,00
Contribution to transport to work	30 000,00	27 945,00
Contribution for blood-donors	1 000,00	1 002,00
Contribution by child birth	700,00	735,00
Contribution to activities for children	3 000,00	2 930,00
Sport games /competitions, VEOLIA/	0,00	0,00
Total Expenses	132 085,00	115 647,40
Reserve/presumptive balance 31.12.2013	13 568,78	30 813,23



According to various working processes and the numerosity of operating activities, we lay emphasis on systematic providing and improving of the employer's commitments in the field of healthcare. The basic goal here is a prevention in the emergence of undesirable accidents and elimination of the working injuries, and with this is closely connected the settings of favourable working conditions. It is clear that each employee has his or her own part in the healthcare system and detecting the possible danger, if it is from the managing position or at the operating position, and that is why we put a lot of effort into the educational activities, which are provided by our professionals or by supplier organizations. Such our putting pressure on a prevention proved last year in reducing of

the accident frequency and magnitude of the injuries. When talking about health prevention, the employees of our company participate in regular preventive medical examinations, and according to their job position they get another preventional health care, which are often over standards. Our company uses a safety management system and health protection at work, which is helpful in transparency and responsibilities of fulfilling the tasks of healthcare and on the grounds of control activities made by the auditorial bodies, we can be proud of

increasing quality of the managing system and implementing of the healthcare staff conditions in our company.

health and safety

of the staff



public education

As a big and responsible company we consider the investment in supporting the education in the field of environmental protection and biodiversity as obvious. In 2013, we carried out several educational activities and informational events:

- Educational project for the primary and secondary schools „Water modernism“ in cooperation with the civic association „ŽIVICA“ (developing the software for the interactive board with the topic of water and water resources protection, trainings of the teachers, school competition).
- Organization of the events on the world day of water:

- art competition we took „The water calendar“,
- school presentation „The water days“,
- public presentations in the shopping centres
- excursions, open days, free water analyses of the wells for nitrates
- Support for Ekocentrum Poľana in Zvolen.
- Educational activities within the project „Restoring the fish in our rivers“ with cooperation of the Slovak fishing union.
- Taking part at the international meeting „Danube Delta“ in Romania, specialized in biodiversity protection.
- School project „Following the water prints“ (internet questionnaire, excursions, discussions).
- Cooperation with Matej Bel University in Banská Bystrica, working out and announcing the final bachelor works, assuming the continuation on the diploma works focused on the support of the biodiversity increasing in some of StVPS,a.s. 's plants.

protecting the environment and biodiversity

As a result of increasing the amount of operating stationary resources of air pollutants, the 35.5 tons of emissions were produced, what represents the increase of 2.5 tons of produced emissions when comparing the year 2012. As the reconstructions and intensification of the sewage treatment plants, the reduction of treated wastewater is continuously executed on those which do not meet permissible limits set by the EU and by Regulation of the State Water Management Authority. In 2013, the reconstruction and intensification of the Sewage Treatment Plant Veľký Krtíš, STP Detva and STP Handlová were completed and put into a trial operation. In 2013, the STPs Tisovec and Filákovo went through process of approval and were put into a permanent operation. For the purpose

of the optimal consumption of natural gas for winter heating in Areál pod Rybou 1, Banská Bystrica, the old operating system SOFTERM III was replaced with freely programming system of local operating and control of regulated heating system.

waste management

In relation with the environmental policy of our company, we guaranteed the waste recovery, which had been previously liquidated through landfilling. The saved resources were reused to improve the environment, particularly in the area of waste storing in our facilities.

Other activities in the field of waste management were focused mainly on strict separation of waste and on the improvement of the opportunities to gather the waste in our plants.

Total waste production 56 tons, of which:

Hazardous waste:	13 t
Other waste:	43 t
Sludge:	
total production of sludge:	18 504 t
sludge from wastewater treatment:	18 007 t
sludge from clarification of water:	497 t

Another 10 types of waste from production:

excavated soil:	6 304 t
waste from grit catchers:	2 324 t
waste from sewage cleaning:	537 t
bituminous mixtures:	511 t
rakings from bar screens:	488 t
mixtures of municipal waste:	53 t
grease & oil mixture from separator:	19 t
mixed waste from construction:	18 t
metal waste:	7 t
plastics:	3 t



the quality policy

Our company is very interested in customer satisfaction, and that is why we constantly try to optimise the inner processes and with this to increase the quality of our services. Nowadays the integrated managing system is an indivisible part of the managing of our company and we use it in all operating processes and activities. This system has become the basic progressive element in the relation to the customers

and also the database for the permanent improvement. In 2013, our company successfully participated in supervisory audit of Quality Management System STN EN ISO 9001:2009, the Environmental Management System STN EN ISO 14001:2005, the Safety and Health Management System STN OHSAS 18001:2009 and the Energy Management System STN EN ISO 50001:2012. The selected articles of stan-

dards ISO, OHSAS were reviewed by the audit, and again our system was assessed in a full compliance with the requirements. The audits were carried out in plants' facilities and premises in Zvolen, Žiar nad Hronom and Veľký Krtíš. By purchasing and using PEFC certificated paper our company demonstrates its commitment to supporting responsible entrepreneurship. This commitment was accepted by signing



the „Memorandum of the support for the permanent sustained forest cultivability“ and we declare it by our environmental policy. The logo of the association PEFC Slovakia is allowed to use on our printed matters.



innovations

WE ARE MINIMIZING THE NEGATIVE IMPACTS OF OUR ACTIVITIES ON THE INDIVIDUAL COMPONENTS OF THE ENVIRONMENT BY USING NEW TECHNOLOGIES OR BY RESPONSIBLE AND SAFE OPERATING OF OUR EXISTING FACILITIES. WE IMPROVE AND INNOVATE THE WORKING PROCESS AND METHODS, WE ACCEPT PRECAUTION WITH THE AIMING OF BETTER ENERGY EFFECTIVITY AND DECREASING THE ENERGY DEMANDS IN THE PROCESSES.



innovations

water treatment

IN THE FIELD OF THE TECHNOLOGY OF DRINKING WATER TREATMENT AND THE OPERATION OF WATER TREATMENT, IN 2013 WE CONTINUED WITH REALIZATION OF MORE INNOVATIVE PROCESSES AND TOOK SOME MEASURES:

- the building „WT Hriňová - modernization of water treatment technology“ was completed and put into permanent operation. Within this building some technological devices for direct water hardening with using of hydrated lime and CO₂, were installed. The results of the pilot operation confirmed the anticipated benefits of new technology, especially the reduction of the content of secondary iron in supplied drinking water and at the extended lifetime of steel pipes.
- The trial operation of the „Modernization of the technologies for drinking water treatment - Lom nad Rimavicou“ was completed and put into permanent operation, in which the existing technologies were modernized and new technology for removing radon, aggressive CO₂ and reduction of secondary iron content in the supplied water was set up. The results confirmed the satisfactory efficiency of the technology for reaching the required parameters.
- WT Klenovec – a new kind of slow mixing stirrers on the I. stage of WT was

installed and verified with satisfactory results, all done under the warranty claim. Subsequently, all 6 stirrers were changed.

- WT Málinec – the trial operation of the intensification of water disinfection was carried out by fitting of the equipment for water disinfection with UV radiation from the manufacturer Siemens (Wallace-Tiernan) type Barrier M 2000. After the putting it into operation in 2013, we reached the 100% effectiveness of the treated water in biological and microbiological indexes, comparing the previous cca 80-90% non-effectiveness of the treated water.
- the water disinfection was improved and modernized in several user sites, for example Krupina, SV Behynce, V. Krtíš, Brezno. In the period 01-12/2013, twelve pieces of chlorination devices were replaced and three pieces of devices for the gauge of free chlorine, including the related data transmission to the dispatching and ASRTP.
- On the base of the suitable results and experiences in WT Málinec, we started to verify the possibility and suitability of recycling sedimentation of the washing water to get the washing water back to the drinking water production process, which will result in costs saving, especially for raw water and chemicals.
- In WT Jasenie, WT Klenovec and WT Málinec we started the technological and laboratory testing, which are focused to increase the water treatment effectiveness and also focusing on lowering the operation costs, that will be used as the basis for the project documentations.



industrial wastewater treatment

IN THE WASTEWATER TREATMENT TECHNOLOGY AND OPERATION OF WASTEWATER TREATMENT PLANTS (WWTP) IN 2013, THE FOLLOWING MEASURES AND INNOVATION WERE IMPLEMENTED:

- after the reconstruction site „WWTP Veľký Krtíš – intensification“ had been completed, it was put into a trial operation. The reconstruction was co-financed from EU funds and is focused on wastewater treatment in compliance with the current legislation.
- the constructions „WWTP Handlová- intensification“ and „WWTP Detva – intensification“ were completed, which were co-financed from EU funds and their aim is to increase the capacity of the WWTP and to ensure the waste water treatment in compliance with current legislation.
- WWTP Filakovo and WWTP Tisovec were put into the permanent operation after the trial operation. Both works were co-financed from EU funds and their aim was to increase the capacity of the WWTP and ensure waste water treatment in accordance with current legislation.
- the building project „WWTP Ružiná - completing technology“ was put into the permanent operation after the trial operation. Within this building project the step screenings were installed, the second line of biological level was put

into operation and the reliever chamber reconstructed.

- The project preparation works „Podbrezová WWTP - intensification“ was done and the planning permission for the construction will start in 2014 and it is aimed to build a new technological line WWTP to ensure the high quality of treated waste water in compliance with current legislation.
- The building preparation for the sand separator in WWTP Rimavská Sobota was done, the supply and installation of the sand separator will be installed in 2014.
- In WWTP Brezno the submersible drainer pump was installed to the input of WT as a replacement for the screw pump to save the electric energy.
- The contracting technical assistance in the WWTP PSA Peugeot Trnava for Sloveo Company has continued.
- In 2013 we started the contract co-operation with the company Marius Pedersen in the field of the permeate water treatment from the municipal dumps in the chosen WWTP run by our company.

pumping stations and reservoirs

IN THE PROCESS OF INNOVATION AND MODERNIZATION IN THE OPERATION OF THE PUMPING STATIONS AND RESERVOIRS, THE FOLLOWING ACTIONS HAVE BEEN IMPLEMENTED:

- The repairs of the building of the water reservoirs in the town of Banská Bystrica (RU-SA III and Bánoš), Brezno (Križmanovo), Lučenec (Vajanského) and in the villages of Králiky, Lom nad Rimavicou,

- Pohorelá, Lovinobaňa, Šíd and Chanava.
- the reconstruction of the building in Motyčky, the building for chemical and sediment management in the water regulation in Málinec.
- The reconstruction and modernization of water disinfection in the water tanks in Vrchdolinka in Brezno, in the pumping station Šíd, 2x1500 in Veľký Krtíš and in the water reservoir 2x1200 in Krupina.
- The reconstruction and modernization of water disinfection and the assembly of the continual analysers for chlorine in the water tanks Vajanského and Čurgov in Lučenec and in Poltár.

- A supply and assembly of the turbidity-meter in pumping station Jastrabá with a transmission to the dispatching.
- In the water tanks in Rimavské Jánovce, Jesenské, Ožďany, Kružno and Harachovo – replacement of the servo seals.
- The replacement of the electrical connection at the pumping station Svetlá in Harachov.
- In the water tank Vinica in town Lučenec, the assembly of the electric flaps in the water conduit.
- In the water tanks in Malá Čausa, Veľká lehôtka, Vinica, Veľký Krtíš, Jastrabá and in the pumping stations in Lipník and Jastrabá the supply and assembly ASRTP, connecting to dispatching included.

To reduce the infiltration and exfiltration of wastewater, the trenchless technologies were used in the II. Stage of the reconstruction of the main sewer collector F on the public sewerage Zvolen – Sliač – Kováčová in 2013.

In a partnership with Stredoslovenská vodárenská spoločnosť, a. s., the process of preparing and implementing the reconstruction of the relief buildings on the

sewerage networks started to increase the share of treated wastewater at WWTP to relief wastewater. The reconstruction of the relief buildings started on the public sewers in Handlová and in Zvolen, and the reconstruction of the relief buildings in Brezno was completed. The project planning of the documentations for the following stage of the premises in Zvolen and in Prievidza also started.

The II. stage of the construction in Brezno was completed and passed the process of approval, and is aimed to cancel the untreated outfalls. All the waste water in sewage network in Brezno is treated in WWTP Brezno.

The relief building in the public sewerage system in Detva was built to protect the part of the town, which had been flooded from overloaded sewers.

sewerage network



The consumption of the electric energy and natural gas in Stredoslovenská prevádzková spoločnosť, a. s. in the year of 2013 was run according the business contracts made on the basis of the financial offers.

THE SHARE OF THE PARTICULAR ENERGY COMPONENTS IN THE TOTAL ENERGY COSTS AND FUELS:

- 89.4 % electric power
- 9.4 % natural gas and heat
- 1.2 % other fuels

To improve the energy efficiency and

reduce the energy intensity of the processes in the monitored period, some tasks have been adopted as short-term and long-term energy goals, corrective and preventive measures.

In 2013, our company organized the Energy Committee with participation of the power engineering staffers of the companies VEOLIA WATER from Czech republic, Slovak republic and Poland. The committee focused on the presentation of the individual water companies, the unification of the legislation in the field of energy and recoverable resources, collective purchasing of the energies and the introduction of the new modern and more economical technologies for the WWTPs, pumping stations and water preparation premises.

From 2013 the internal audits have been introduced executed by the own requalified auditors from the human sources of energy, whose purpose is to control the fulfilling the legal regulations when using the sources of energies. By application of the recoverable sources at the production of the electric power from biogas by the cogeneration units in WWTP Banská Bystrica, WWTP Zvolen and WWTP Lučenec in the amount of 591.672 MW, we reached the cost savings on electricity cca 75,000.00€. By modernization and optimization of technological processes in WWTP, which were focused on the savings on the electricity costs, the index of the measure unit €/m³ turn down immensely when comparing the year of 2012, from 0.044 to 0.029.



financial

part

comments

on financial results for 2013

The economic result of our company after taxation decreased by 17.42% when comparing the year 2012. The decrease of the economic result was caused by the decreasing yields by 1.01% comparing the year 2012. The company reached the profit after taxation for the year 2013 in the amount of 2,668.12 th €. The company reached this result at the total yields of 55,881.29 th € and total expenses of 52,367.14 th €. The payable tax from the revenue was in the amount of 627.46 th €, the deferred tax was in the amount of 218.55 €.

Also in this year the biggest cost item was the other costs 20,268.17 th €, of which the biggest portion accounts for rentals of infrastructure and subcontracts.

Among the other significant cost items belongs the personal costs 15,302.71 th €, energy consumption 4,091.87 th €, material costs 4,308.51 th €, and repair and maintenance costs 3,994.32 th €.

Within the group the company made the cost of Management fees – trademark and administration.

The total revenues of the company was 18,980.10 th €, of which non-circulating assets was in the residual value of 4,549.26 th €. The investments were in the amount of 1,108 th € and were spent on moder-

nization of the tangible property with the aim to increase the customer satisfaction. The company has still been drawing the bank overdraft credit in the amount of 2,598.20 th € for the financing the operating needs.

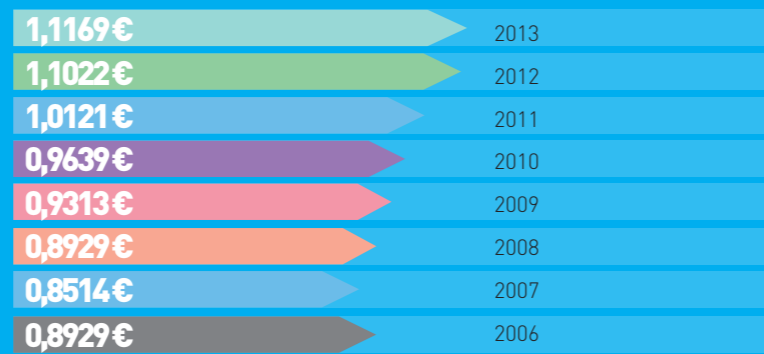
The total financial situation of the company during the year was stable and the company met all their financial obligations on time. The obligations were mainly to the staff, private and state institutions, partners and other contractors.

The achieved economic result contributed the increasing own assets 9,552.23 th €, what represents the increase by 14% compared with the year 2012. The basic stock of the company remained unchanged at 34 th €.

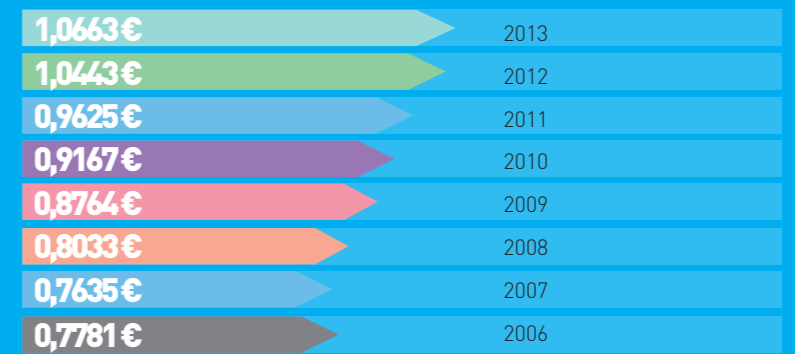
The plenary assembly will make decision about the division of the economic result for 2013 in the amount of 2,668,123€.

- The company did not proceed any activities in the field of the research and development.
- The company during the year 2013 did not acquire the own share of stocks, provisional letters, business shares and stocks, provisional letters and business shares of the parent company.
- After the 31st December 2013 no occurrences have happened, which could influenced the faithful representation of the facts, which are the object of the accounting.

development of
price for water utility
without VAT in the
Years 2006 – 2013



development of
price for wastewater
without VAT in the
Years 2006 – 2013



comments on maximum prices for the year 2013

The prices for the production, distribution and delivery of the drinking water and diverting and treating the wastewater from the public sewerage are determined according the regulation n.217/2011 of the Regulatory Office for Network Industries, which regulate the extent, structure and the amount of the authorized costs, the method of the determination of the adequate profit, price proposal, the method for submitting the price proposal, the method of the maximum price calculation for the production, the distribution and delivery of drinking water and diverting and treating the wastewater and the amount of the adequate profit and also the conditions for price applying.

According the determination made by the Regulatory Office for Network Industries n. 0096/2013/V on 16th November 2012 the maximum prices were ratified (without VAT) valid from 01.01.2013 to 31.12.2013:

- the maximum price for the production and delivery of the drinking water by means of public water networks

• **1,1169 €/m³**,

- the maximum price for the distribution of the drinking water by means of public water networks

• **0,6622 €/m³**,

- the maximum price for the distribution of the drinking water by means of public water networks

• **1,0663 €/m³**.

BALANCE SHEET 31ST December 2013 (in EUR)

Code	ASSETS	Line	Current Accounting Period Immediate		Previous Accounting Period
			1 Gross- Part 1	Correction- Part 2	Nett 3
a	b	c	1	Nett 2	Nett 3
	Total assets l.002 + l.030 + l.061	001	28 367 865	18 980 103	19 881 799
A.	Non-current assets l.003 + l.011 + l.021	002	12 516 783	4 549 259	4 827 200
A.I.	Total long-term intangible fixed assets (l. 004 to l. 010)	003	1 287 891	354 716	358 401
2.	Softwer	005	933 175	354 716	358 401
A.II.	Long-term intangible fixed assets in acquisition (l. 012 to l. 020)	011	1 287 891	4 172 685	4 446 941
2.	Buildings	013	7 034 349	5 531	6 119
3.	Individual movable assets and sets of movable assets	014	7 050	4 129 050	4 082 454
7.	Tangible fixed assets	018	1519	38 104	358 368
A.III.	Non-current financial assets total (l.022 to l.029)	021	21 858	21 858	21 858
A.III.1	Shares and participations in subsidiaries	022	16 858	16 858	16 858
2	Shares and ownership interests with substantial influence	023	5 000	5 000	5 000
B.	Current assets l.031 + l.038 + l.046 + l.055	030	15 761 264	14 341 026	14 978 862
B.I.	Inventory total (l.032 + l.037)	031	1 420 238	588 282	565 331
B.I.1.	Material	032	601 436	581 044	528 077
5.	Goods	036	13 154	6 362	36 888
6.	Advance payments for inventory	037	13 154	876	366
B.II.	Long-term receivables total (l.039 až l.045)	038	133 412	133 412	175 693
B.II.1.	Trade accounts receivable	039	133 412	133 412	57 643
7.	Deferred tax assets	045			118 050
B.III.	Current receivables total (r.047 až r.054)	046	14 399 084	12 992 000	12 602 110
B.III.1.	Trade accounts receivable	047	1 407 084	12 787 901	12 504 268
2.	Net value of contract	048	14 194 985	23 080	25 715
7.	Tax receivable and grants	053	1 407 084	156 699	
8.	Other receivables	054	24 320	24 320	72 127
B.IV.	Total financial accounts (l.056 to l.060)	055	627 332	627 332	1 635 728
B.IV.1.	Cash in hand	056	15 735	15 735	103 162
2.	Bank acconts	057	611 597	611 597	1 532 566
C.	Total accruals and deferrals (l.062 to l.065)	061	89 818	89 818	75 737
C.1.	Long-term prepaid expenses	062	11 038	11 038	3 199
2.	Short-term prepaid expenses	063	78 780	78 780	72 538

Code	EQUITY AND LIABILITIES	Line Number	Current accounting period	Immediately preceding accounting period
			4	5
a	b	c	4	5
	TOTAL EQUITY AND LIABILITIES l. 067 + l. 088 + l. 121	066	18 980 103	19 881 799
A.	Equity capital l. 068 + l. 073 + l. 080 + l. 084 + l. 087	067	9 552 228	8 384 105
A.I.	Total registered capital (l. 069 to l. 072)	068	34 000	34 000
A.I.1.	Registred capital	069	34 000	34 000
A.II.	Total capital funds (l. 074 to l. 079)	073	3 271 876	3 271 876
A.II.1.	Capital surplus	074	3 320	3 320
2.	Other capital funds	075	4 444 123	4 444 123
3.	Legal reserve fund from capital deposit	076	3 319	3 319
4.	Valuation differences from revaluation of property and liabilities	077	-1 178 886	-1 178 886
A.III.	Total funds from profit (l. 081 to l. 083)	080	3 481	3 481
A.III.1.	The statutory reserve fund	081	3 481	3 481
A.IV.	Profit/Loss from previous years l.085 + l.086	084	3 574 748	1 843 969
A.IV.1.	Previous years retained profit non-devided	085	3 574 748	1 843 969
A.V.	Profit for the period after taxation (+/-) l.001 - (l.068+l.073+l.080+l.084+l.088+l.121)	087	2 668 123	3 230 779
B.	Liabilities l. 089 + l. 094 + l. 106 + l. 117 + l. 118	088	9 427 354	11 497 256
B.I.	Provisions total (l. 090 to l. 093)	089	2 487 713	2 315 800
2.	Legal short term reserves	091	1 817 763	916 026
4.	Other short term reserves	093	669 950	1 399 774
B.II.	Long-term liabilities total (l. 095 to l. 105)	094	142 133	27 501
B.II.1.	Long-term trade liabilities	095	10 816	10 816
9.	Social fund liabilities	103	30 813	16 685
11.	Deferred tax assets	105	100 504	0
B.III.	Short-term liabilities total(l. 107 to l. 116)	106	4 199 309	5 881 102
B.III.1.	Trade payables	107	1 520 843	3 273 149
3.	Uninvoiced supplies	109	220 436	163 405
7.	Liabilities to employees	113	668 813	672 510
8.	Social insurance payables	114	482 250	468 031
9.	Tax liabilities and subsidies	115	1 243 117	1 300 738
10.	Other payables	116	63 850	3 269
B.IV.	Short-term borrowings	117	0	0
B.V.	Bank loans l. 119 + l. 120	118	2 598 199	3 272 853
B.V.1.	Long-term banks loans	119	0	0
2.	Current bank loans	120	2 598 199	3 272 853
C.	Total accruals and deferrals (l. 122 to l. 125)	121	521	438
4.	Deferred revenue short term	125	521	438

Profit and Loss Account Statement to 31ST December 2013 (in EUR)

Code	Item	Line Number	Real status	
			Current accounting period	Immediately preceding accounting period
a	b	c	1	2
I.	Revenue from sale of goods	01	32 011	172 831
A.	Expences of goods sold	02	29 565	160 135
+	Commercial margin l. 01 - l. 02	03	2 446	12 696
II.	Production l. 05 + l. 06 + l. 07	04	55 251 511	56 072 043
II.1.	Incomes from sales of own products and services	05	55 220 836	56 034 361
3.	Own work capitalized	07	30 675	37 682
B.	Production consumption l. 09 + l. 10	08	34 272 396	33 693 145
B.1.	Consumed material, energy and other non-inventory items	09	9 922 520	10 233 866
2.	Services	10	24 349 876	23 459 279
+	Added value l. 03 + l. 04 - l. 08	11	20 981 561	22 391 594
C.	Personnel costs total (l. 13 to 16)	12	15 302 707	14 948 508
C.1.	Wages and salaries	13	10 556 589	10 338 928
2.	Remuneration of board and co-operative members	14	109 990	98 785
3.	Social insurance cost	15	3 837 265	3 752 667
4.	Social costs	16	798 863	758 128
D.	Taxes and charges	17	152 437	135 064
E.	Depreciations and rectifying items to long-term intangible and long-term tangible fixed assets	18	11 386 370	1 435 112
III.	Revenues from sales of fixed assets and inventory	19	3 614	10 523
F.	Net book value of fixed assets and inventory sold	20	59	4 737
G.	Creation and accounting of rectifying items to receivables	21	72 677	122 112
IV.	Other operating incomes	22	593 584	193 790
H.	Other operating expenses	23	1 110 993	1 850 590
*	Operating profit or loss l. 11-l.12-l.17-l.18+l.19-l.20-l.21+l.22-l.23+(-l.24)-(-l.25)	26	3 553 516	4 099 784
X	Interest incomes	38	122	1 033
N.	Interest expenses	39	11 186	70 038
XI.	Exchange rate profits	40	443	29
O.	Exchange rate losses	41	1 745	1 199
P.	Other financial costs	43	27 004	20 766
*	Profit / loss from financing activities l.27-l.28+l.28+l.29+l.33-l.34+l.35-l.36-l.37+l.38-l.39+l.40- l.41+l.42-l.43+(-l.44)-(-l.45)	46	-39 370	-90 941
**	Profit / loss from ordinary activities before tax r. 26 + r. 46	47	3 514 146	4 008 843
S.	Income taxes on ordinary activities l. 49 + l. 50	48	846 023	778 064
S.1.	- current	49	627 469	852 739
2.	- deferred	50	218 554	-74 675
**	Net profit / loss from ordinary activities l. 47 - l. 48	51	2 668 123	3 230 779
T.	Extraordinary costs	53	0	0
*	Profit / loss from extraordinary activities before tax l. 52 - l. 53	54	0	0
*	Profit / loss from extraordinary activities after l. 52 - l. 53	58	0	0
***	Profit / loss for the accounting period before tax(+/-) (l. 47 + l. 54)	59	3 514 146	4 008 843
***	Net profit / loss for the accounting period (+/-) (l. 51 + l. 54 - l. 60)	61	2 668 123	3 230 779

Cash Flow Statement to 31ST December 2013

	2013	2012
Cash flow from operational activities		
Cash flow from current activities	3 532 256	6 985 948
Interests paid	-11 186	-70 038
Interests received	121	1 033
Corporate income tax paid	-1 249 798	-504 057
Dividends paid	-1 500 000	0
Cash flow before extraordinary items	771 393	6 412 886
Net cash flow from operational activities	771 393	6 412 886
Cash flow from investment activities		
Purchase of long-term assets	-1 108 470	-1 065 525
Receipts from sale of long-term assets	3 335	5 194
Net cash flow from investment activities	-1 105 135	-1 060 331
Cash flow from financial activities		
Installments from received credits	0	-3 369 183
Net cash flow from financial activities	0	-3 369 183
Decrease) increase of cash and cash equivalents	-333 742	1 983 372
Cash and cash equivalents at the beginning of the accounting year	-1 637 125	-3 620 497
Cash and cash equivalents at the end of the accounting year	-1 970 867	-1 637 125

Cash Flow from Current Activities

	2013	2012
Net profit (before deduction of interests, taxes and extraordinary items)	3 525 209	4 077 848
Adjustments by non-cash transactions:		
Depreciations of long-term tangible and intangible assets	1 386 370	1 437 659
Rectifying item to receivables	72 677	122 112
Rectifying item to inventories	-69 968	16 263
Reserves	171 914	-989 215
Other non-cash items	144 238	-5 195
Profit from current activities before change in working capital	5 230 440	4 659 472
Change in working capital:		
Decrease (increase) of receivables from business relation and other receivables (including accruals and deferrals of assets)	-431 752	1 368 464
Decrease (increase) of inventories	-47 017	15 653
Decrease (increase) of liabilities (including accruals and deferrals of liabilities)	-1 219 415	942 359
	3 532 256	6 985 948
Cash flow from current activities		

Independent Auditor's Report



KPMG Slovensko spol. s r. o.
Dvořákovo nábrežie 10
P.O. Box 7
820 04 Bratislava 24
Slovakia

Telephone +421 (0)2 59 98 41 11
Fax +421 (0)2 59 98 42 22
Internet www.kpmg.sk

Independent Auditor's Report

To the Shareholder, Supervisory Board and Board of Directors of the Company Stredoslovenská vodárenská prevádzková spoločnosť, a. s.:

We have audited the enclosed financial statement of the Company Stredoslovenská vodárenská prevádzková spoločnosť, a. s. („Company“), which contains the balance sheet of December 31st, 2013, the profit and loss statement for the year ending on December 31st 2013 and the notes.

Responsibility of the statutory body of the Company

The statutory body of the Company is responsible for the preparation of the financial statement which provides a true and faithful description in accordance with the Slovak accounting act and for the internal controls considered to be necessary for the preparation of the financial statement, which does not contain any significant errors, either in consequence of a fraud or a mistake.

Responsibility of the auditor

Our responsibility is to express the opinion on this financial statement based on our audit. We have conducted our audit in compliance with the International standards on auditing. According to these standards we are obliged to observe the ethical requirements, to plan and perform the audit so that we become sure that the financial statement does not contain any considerable errors.

The part of the audit is to make the realization of procedures aimed at acquisition of audit evidence about amounts and data showed in the financial statement. The selected procedures depend on the auditor's judgement, including the consideration of risk of considerable errors in the financial statement, either in consequence of a fraud or a mistake. By consideration of this risk the auditor takes into account the internal controls relevant for the preparation of the financial statement, in order to be able to elaborate the audit procedures reasonable under the given circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the accounting entity. The audit also includes the evaluation of appropriateness of the applied accounting principles and accounting methods and the reasonableness of significant accounting assumptions realized by the statutory body of the company, as well as the evaluation of the presentation of the financial statement as a whole.

We are convinced that the audit evidence we have obtained is sufficient and appropriate as a basis for our conditional verdict.

KPMG Slovensko spol. s r.o., a Slovak limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity.

Obchodný register Okresného súdu Bratislava I, oddiel Sro, vložka č. 4864/B
Commercial register of District court Bratislava I, section Sro, file No. 4864/B

IČO/Registration number: 31 348 238
Evidenčné číslo licence audítora: 96
Licence number of statutory auditor: 96



Reasoning of our Verdict

As stated in Part F of the notes of the financial statement, the Company has depreciated a value of goodwill 24,661 thousand Eur. all at once in expenses in tax period 2010. In our view, the given procedure is not in compliance with the Slovak accounting act, that determines that goodwill has to be depreciated over the estimated period of using according to the corresponding consumption of the future economic benefits from assets. The estimated time of having economic benefits is twentsix years, what is based on the period of the lease and operating contract of the water and sewage infrastructure, and of which valuation arose the goodwill for the Company. By using this lifetime the annual amount of depreciation would amount to 948.5 thousand Eur. Taking into account the necessary adjustments, the value of intangible long-term assets and equity would be increased of the amount 20 867 thousand Eur and profit would be reduced by the annual depreciation of the amount 948.5 thousand on 31st December, 2013.


Conditional Verdict

In our opinion, apart from the effects on the financial statements referred in the part Reasoning of our view, the financial statements give a true and accurate image of the financial position of the Company on 31st December 2013 and the results of its operations for the year ended on 31st December 2013 in compliance with the Slovak accounting act.

28TH March 2014
Bratislava, Slovenská republika

Auditing company:
KPMG Slovakia spol. s r.o.
Licence SKAU n.96




Responsible auditor:
Ing. Marek Žuffa
Licence UDVA n. 1086

Viewpoint of supervisory board

REPORT OF SUPERVISORY BOARD OF THE COMPANY StVPS, a. s.

The Supervisory Board at its meeting examined in the compliance with the Paragraph 198 of the Commercial Code and the Article XII, Clause 4 of the Company Statute the Regular Financial Statement and evaluated the proposal of annual report of the company for the year 2013.

After the examination of the annual financial statement the Supervisory board declares that the company conducts the accounting system in compliance with the accounting act and the other related regulations, except the only depreciation of the goodwill value in the year 2010 on the basis of the decision of the only one shareholder. By investigation of the data listed in the Financial Statement for the year 2013 no objections were found restraining the approval of the annual financial statement and the annual report of the Company.

In the year 2013 the company made a profit after taxation in the amount of 2,668,123.21 EUR.

The Supervisory board also discussed and examined the proposal of the board of directors for the distribution of profit. The supervisory board makes no objections against this proposal and recommend to the general assembly the annual financial statement, the annual report and the proposal for distribution of profit to authorise.

In Banská Bystrica, on 28th April, 2014



Tomáš Paclík
Chairman of the Supervisory

Stredoslovenská vodárenská prevádzková spoločnosť, a. s.

Partizánska cesta 5, 974 01 Banská Bystrica

Tel.: 048/ 4327 111, e-mail: info@stvps.sk, www.stvps.sk

Call centre

0850 111 234

e-mail: cc@stvps.sk | fax: +421 48 4327 888

Customer Centers

Banská Bystrica

Partizánska 73, 974 01 BB

Prievidza

V. Clementisa 52, 971 55 PD

Lučenec

Komenského 4, 984 53 LC

Rimavská Sobota

Duklianskych hrdinov 42, 979 01 RS

Veľký Krtíš

Banícka 39, 990 01 VK

Brezno

Sekurisova 4, 977 01 BR

Žiar nad Hronom

SNP 125, 965 01 ZH

Zvolen

L. Štúra 2208/15, 960 01 ZV

