

|  |   |
|--|---|
| 1. <i>T-Bills Auctions</i> .....   | 1 |
| 2. <i>T-Bills Outstanding</i> .....  | 1 |
| 3. <i>Government Bonds Auction</i> .....   | 1 |
| 4. <i>Government Debt Securities Buybacks</i> .....  | 1 |
| 5. <i>Government Bond Lines Available for Tapping</i> .....                                | 2 |
| 6. <i>Government Loans</i> .....   | 2 |
| 7. <i>State Financial Liabilities</i> .....  | 2 |
| 8. <i>State Budget Balance</i> .....   | 2 |
| 9. <i>Outlook for January 2020</i> .....   | 3 |
| 10. <i>State Debt Securities Ownership – Share of Domestic and Foreign Investors</i> ..... | 3 |
| 11. <i>Secondary market of the Slovak government bonds at the MTS Slovakia</i> .....       | 4 |
| 12. <i>Other information</i> .....   | 4 |

## 1. T-Bills Auctions

There was no auction of T-Bills in the current month or in the whole year 2019.

## 2. T-Bills Outstanding

There were no T-Bills issued as of the end of the year.

## 3. Government Bonds Auction

Considering the existing cash buffer and needs of the issuer, no auction of government bonds took place in December.

In 2019 the sum of nominal amounts of issued government bonds via auctions and the syndicated sale reached EUR 3,021.5 million. The amount sold in auctions reached EUR 2,021.5 million and the amount via syndicated sale was EUR 1,000 million.

| Auctions of the government bonds in 2019 |       |       |       |       |       |       |       |       |       |        |        |        |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|
| Auction date                             | 21.1. | 18.2. | 18.3. | 15.4. | 20.5. | 17.6. | 15.7. | 19.8. | 16.9. | 21.10. | 18.11. | 16.12. |
| Settlement date                          | 23.1. | 20.2. | 20.3. | 17.4. | 22.5. | 19.6. | 17.7. | 21.8. | 18.9. | 23.10. | 20.11. | 18.12. |

## 4. Government Debt Securities Buybacks

There were buyback trades of government bonds (direct trades) in the current month.

| Settlement date | Security | ISIN         | Maturity   | Nominal Amount (EUR million) | Deal Price in % |
|-----------------|----------|--------------|------------|------------------------------|-----------------|
| 12.12.2019      | 214      | SK4120007204 | 27.04.2020 | 11.4                         | 101.7           |
| 20.12.2019      | 214      | SK4120007204 | 27.04.2020 | 10.0                         | 101.6           |
| 20.12.2019      | 214      | SK4120007204 | 27.04.2020 | 60.0                         | 101.6           |
| 20.12.2019      | 214      | SK4120007204 | 27.04.2020 | 0.9                          | 101.6           |
| 20.12.2019      | 214      | SK4120007204 | 27.04.2020 | 54.1                         | 101.6           |
| <b>Total</b>    |          |              |            | <b>136.4</b>                 |                 |

## 5. Government Bond Lines Available for Tapping

There are 7 bond lines available for further auctioning at the end of the year.

| Bond         | ISIN         | Issue date | Maturity   | Coupon interest (% p.a.) | Outstanding (EUR million) | Available (EUR million) |
|--------------|--------------|------------|------------|--------------------------|---------------------------|-------------------------|
| 227          | SK4120009762 | 16.01.2014 | 16.01.2029 | 3.625                    | 2,794.6                   | 205.4                   |
| 229          | SK4120011420 | 21.01.2016 | 21.01.2031 | 1.625                    | 2,549.2                   | 450.8                   |
| 232          | SK4120012691 | 09.03.2017 | 09.03.2037 | 1.875                    | 2,806.8                   | 193.2                   |
| 233          | SK4120013400 | 17.10.2017 | 17.10.2047 | 2.000                    | 1,695.0                   | 3,305.0                 |
| 234          | SK4120014150 | 12.06.2018 | 12.06.2028 | 1.000                    | 2,006.9                   | 993.1                   |
| 235          | SK4120014184 | 12.06.2018 | 12.06.2068 | 2.250                    | 500.0                     | 4,500.0                 |
| 236          | SK4120015173 | 09.04.2019 | 09.04.2030 | 0.750                    | 1,390.3                   | 1,609.7                 |
| <b>Total</b> |              |            |            |                          | <b>13,742.8</b>           | <b>11,257.2</b>         |

## 6. Government Loans

No loan was drawdown in the current month. Loans in total amount of EUR 301.0 million were drawdown during 2019.

## 7. State Financial Liabilities

The financial liabilities of Slovakia are presented without the sources from The State Treasury and money market loans as of the end of the year. Contingent liabilities (EFSF bond guaranties) are not included as well.

| Financial liability type | Financial liability value (EUR million) |
|--------------------------|---|
| Government bonds         | 38,165.8                                |
| T- Bills                 | 0.0                                     |
| Government loans         | 2,471.6                                 |
| <b>Total</b>             | <b>40,637.4</b>                         |

## 8. State Budget Balance

The state budget deficit reached EUR 2,201.5 million in 2019.

## 9. Outlook for January 2020

### BOND AUCTION

Based on the PDs survey and issuer's decision, the bonds 229 (11y) a 236 (10.2y) will be offered in the auction on 20 January 2020.

**The non-competitive part of the auction of both bonds will take place on the next day after the competitive part of the auction.** Settlement of trades resulting from both auction parts, competitive and non-competitive, will be on the same day:

- the settlement of trades resulting from the competitive part of the auction D+2;
- the settlement of trades resulting from the non-competitive part of the auction D+1.

| Auction date |                | Settlement | Security | ISIN         | Maturity   | Remaining maturity (years) | Coupon (% p.a.) | Auction type                        | Indicated accepted amount in comp. auction (EUR million) | Coefficient value of non-comp. auction |
|--------------|----------------|------------|----------|--------------|------------|----------------------------|-----------------|-------------------------------------|--|--|
| Comp. part   | Non-comp. part |            |          |              |            |                            |                 |                                     |  |  |
| 20.01.2020   | 21.01.2020     | 22.01.2020 | 229      | SK4120011420 | 21.01.2031 | 11.0                       | 1.625           | <b>American comp. and non-comp.</b> | 150  | <b>20%</b>                             |
| 20.01.2020   | 21.01.2020     | 22.01.2020 | 236      | SK4120015173 | 09.04.2030 | 10.2                       | 0.750           | <b>American comp. and non-comp.</b> | 150  | <b>20%</b>                             |

| Auctions of the government bonds in 2020 |       |       |       |       |       |       |       |       |       |        |        |        |  |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--|
| Auction date                             | 20.1. | 17.2. | 16.3. | 20.4. | 18.5. | 15.6. | 20.7. | 17.8. | 21.9. | 19.10. | 16.11. | 14.12. |  |
| Settlement date                          | 22.1. | 19.2. | 18.3. | 22.4. | 20.5. | 17.6. | 22.7. | 19.8. | 23.9. | 21.10. | 18.11. | 16.12. |  |

### T-BILLS ISSUE AND AUCTION

ARDAL is planning to issue new T-Bill line (TB 17, issue size EUR 1.0 billion) into own portfolio, with maturity of 364 days in January 2020. The T-Bill line will be sold in the competitive auctions in the Q1 of 2020.

The first auction of the TB 17 will take place on Monday, 27 January 2020, one week after the bond auction. There will be no non-comp. part of the auction, the auction will be Dutch type (single price) and settlement will be D+2.

| Date       |            | Security | ISIN         | Maturity   | Remaining maturity (years) | Coupon (% p.a.) | Auction type | Indicated accepted amount in comp. auction (EUR million) |
|------------|------------|----------|--------------|------------|----------------------------|-----------------|--------------|--|
| auction    | settlement |          |              |            |                            |                 |              |  |
| 27.01.2020 | 29.01.2020 | TB 17    | SK4000016655 | 27.01.2021 | 1.0                        | 0.000           | <b>Dutch</b> | 200  |

| Auctions of the treasury bills in 2020 |       |        |        |
|--|-------|--------|--------|
| Auction date                           | 27.1. | 24.02. | 23.03. |
| Settlement date                        | 29.1. | 26.02. | 25.03. |

## 10. State Debt Securities Ownership – Share of Domestic and Foreign Investors

The table shows share of domestic and foreign investors on the state debt securities registered in the CDCP and listed on the Bratislava Stock Exchange. Share as percentage.

| Date                    | 31.12.2014   | 31.12.2015   | 31.12.2016   | 31.12.2017   | 31.12.2018   | 31.12.2019   |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Government Bonds</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| <b>Residents</b>        | <b>50.1</b>  | <b>58.3</b>  | <b>59.3</b>  | <b>50.3</b>  | <b>49.5</b>  | <b>48.7</b>  |
| - banks                 | 32.4         | 42.8         | 44.3         | 44.9         | 44.2         | 44.2         |
| - legal person          | 17.6         | 15.4         | 14.9         | 5.4          | 5.3          | 4.5          |
| - individual person     | 0.1          | 0.1          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Non residents</b>    | <b>49.9</b>  | <b>41.7</b>  | <b>40.7</b>  | <b>49.7</b>  | <b>50.5</b>  | <b>51.3</b>  |
| <b>Treasury Bills</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>100.0</b> | <b>0.0</b>   | <b>100.0</b> | <b>0.0</b>   |
| <b>Residents</b>        | <b>0.0</b>   | <b>0.0</b>   | <b>40.0</b>  | <b>0.0</b>   | <b>37.5</b>  | <b>0.0</b>   |
| - banks                 | 0.0          | 0.0          | 30.0         | 0.0          | 37.0         | 0.0          |
| - legal person          | 0.0          | 0.0          | 10.0         | 0.0          | 0.0          | 0.0          |
| - individual person     | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Non residents</b>    | <b>0.0</b>   | <b>0.0</b>   | <b>60.0</b>  | <b>0.0</b>   | <b>62.5</b>  | <b>0.0</b>   |

## 11. Secondary market of the Slovak government bonds at the MTS Slovakia

MTS Slovakia membership and the active support of the secondary market is one of the main requirements for membership in the group of Primary Dealers, who act as market makers and have access to primary market auctions. More information is published on the ARDAL website:

[MTS Slovakia](#)

## 12. Other information

The Auction and Issues calendar for 2020 is published on ARDAL website:

[Plan of Issues](#)

Rating development of the Slovak Republic liabilities is published on the ARDAL website:

[Rating Development](#)

ARDAL is executing auctions in Bloomberg Auction system. During auction day several auctions can be accomplished at the same time or with different deadlines.

**The non-competitive part of the auction takes place on the next day after the competitive part of the auction.** Settlement of trades resulting from both auction parts, competitive and non-competitive, are on the same day. For more details regarding the auctions please see the auction conditions:

[Auction conditions](#)

Since 1 January 2020 ARDAL has been cooperating with 11 Primary Dealers who have the right to participate in auctions of the Slovak government debt securities. There are currently no Recognized Dealers.

Current Primary Dealers for 2020 are the following institutions:

Barclays Bank plc, Citibank Europe plc, Československá obchodná banka, a.s. (KBC), Deutsche Bank AG, HSBC France, Natixis S.A., Slovenská sporiteľňa (Erste Group), Soci t  G n rale S.A., Tatrabanka, a.s. (RBI Group), UniCredit Bank Czech Republic and Slovakia and V seobecn   verov  banka, (Intesa Sanpaolo Group).

[Primary Dealers](#)