



OESTERREICHISCHE NATIONALBANK

EUROSYSTEM

FINANCIAL STATEMENTS FOR THE YEAR 2003



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Balance Sheet as at December 31, 2003

Assets

	December 31, 2003 EUR	December 31, 2002 EUR
1 Gold and gold receivables	3,372,242,953.48	3,336,169,087.69
2 Claims on non-euro area residents denominated in foreign currency	6,535,718,790.90	8,964,563,163.—
2.1 Receivables from the IMF	1,003,176,673.28	998,506,293.06
2.2 Balances with banks and security investments, external loans and other external assets	5,532,542,117.62	7,966,056,869.94
3 Claims on euro area residents denominated in foreign currency	876,766,003.17	788,121,132.87
4 Claims on non-euro area residents denominated in euro	827,413,460.35	1,268,490,067.32
4.1 Balances with banks, security investments and loans	827,413,460.35	1,268,490,067.32
4.2 Claims arising from the credit facility under ERM II	—	—
5 Lending to euro area credit institutions related to monetary policy operations denominated in euro	2,896,906,773.—	2,851,119,297.—
5.1 Main refinancing operations	2,414,278,263.—	2,679,245,467.—
5.2 Longer-term refinancing operations	482,628,510.—	171,873,830.—
5.3 Fine-tuning reverse operations	—	—
5.4 Structural reverse operations	—	—
5.5 Marginal lending facility	—	—
5.6 Credits related to margin calls	—	—
6 Other claims on euro area credit institutions denominated in euro	108,785.47	81,554.11
7 Securities of euro area residents denominated in euro	1,862,961,571.09	2,015,082,547.10
8 General government debt denominated in euro	368,843,680.31	351,366,342.42
9 Intra-Eurosystem claims	2,829,032,357.67	4,175,873,646.22
9.1 Participating interest in ECB	117,970,000.—	117,970,000.—
9.2 Claims equivalent to the transfer of foreign reserves	1,179,700,000.—	1,179,700,000.—
9.3 Claims related to promissory notes backing the issuance of ECB debt certificates ¹	x	x
9.4 Net claims related to the allocation of euro banknotes within the Eurosystem	—	—
9.5 Other claims within the Eurosystem (net)	1,531,362,357.67	2,878,203,646.22
10 Items in course of settlement	88,458,230.92	86,106,011.07
11 Other assets	9,614,454,782.05	9,836,252,296.47
11.1 Coins of euro area	265,217,658.85	345,879,860.37
11.2 Tangible and intangible fixed assets	158,410,572.90	146,872,313.85
11.3 Other financial assets	7,843,816,244.29	7,316,249,229.68
11.4 Off-balance-sheet instruments' revaluation differences	9,282,874.57	12,065,471.25
11.5 Accruals and prepaid expenditure	300,090,443.66	325,957,680.22
11.6 Sundry	1,037,636,987.78	1,689,227,741.10
	<u>29,272,907,388.41</u>	<u>33,673,225,145.27</u>

¹ Only an ECB balance sheet item.

Liabilities

	December 31, 2003 EUR	December 31, 2002 EUR
1 Banknotes in circulation	11,691,232,000.—	10,237,504,457.54
2 Liabilities to euro area credit institutions related to monetary policy operations denominated in euro	4,255,393,088.81	3,541,818,388.57
2.1 Current accounts (covering the minimum reserve system)	4,254,943,088.81	3,541,468,388.57
2.2 Deposit facility	450,000.—	350,000.—
2.3 Fixed-term deposits	—	—
2.4 Fine-tuning reverse operations	—	—
2.5 Deposits related to margin calls	—	—
3 Other liabilities to euro area credit institutions denominated in euro	—	—
4 Debt certificates issued¹	x	x
5 Liabilities to other euro area residents denominated in euro	18,485,317.36	32,894,322.56
5.1 General government	16,669,332.60	10,666,110.91
5.2 Other liabilities	1,815,984.76	22,228,211.65
6 Liabilities to non-euro area residents denominated in euro	2,377,747.85	1,731,293.20
7 Liabilities to euro area residents denominated in foreign currency	76,491,601.88	92,137,718.11
8 Liabilities to non-euro area residents denominated in foreign currency	372,099,005.07	583,590,178.92
8.1 Deposits, balances and other liabilities	372,099,005.07	583,590,178.92
8.2 Liabilities arising from the credit facility under ERM II	—	—
9 Counterpart of Special Drawing Rights allocated by the IMF	210,915,010.—	232,096,033.50
10 Intra-Eurosystem liabilities	3,063,716,155.—	7,403,756,720.—
10.1 Liabilities equivalent to the transfer of foreign reserves ¹	x	x
10.2 Liabilities related to promissory notes backing the issuance of ECB debt certificates	—	—
10.3 Net liabilities related to allocation of euro banknotes within the Eurosystem	3,063,716,155.—	7,403,756,720.—
10.4 Other liabilities within the Eurosystem (net)	—	—
11 Items in course of settlement	7,326,392.62	85,345,638.01
12 Other liabilities	785,886,706.52	1,405,665,367.63
12.1 Off-balance-sheet instruments' revaluation differences	4,108,930.56	13,921,305.80
12.2 Accruals and income collected in advance	33,281,888.71	206,904,633.25
12.3 Sundry	748,495,887.25	1,184,839,428.58
13 Provisions	2,159,747,078.41	2,295,146,397.91
14 Revaluation accounts	2,369,447,875.54	3,448,891,071.01
15 Capital and reserves	4,212,581,524.28	4,212,554,582.22
15.1 Capital	12,000,000.—	12,000,000.—
15.2 Reserves	4,200,581,524.28	4,200,554,582.22
16 Profit for the year (of which profit brought forward in 2003: EUR 177,761.25) (of which profit brought forward in 2002: EUR 118,388.57)	47,207,885.07	100,092,976.09
	<u>29,272,907,388.41</u>	<u>33,673,225,145.27</u>

¹ Only an ECB balance sheet item.

Profit and Loss Account for the Year 2003

		Financial year 2003	Financial year 2002
		EUR	EUR
1.1	Interest income	737,663,078.36	1,024,920,983.44
1.2	Interest expense	-270,576,156.83	-430,736,433.01
1	Net interest income	467,086,921.53	594,184,550.43
2.1	Realized gains/losses arising from financial operations	317,282,184.04	863,199,704.61
2.2	Writedowns on financial assets and positions	-698,963,294.91	-139,989,135.82
2.3	Transfer to/from provisions for foreign exchange and price risks	726,445,196.43	125,471,349.28
2	Net result of financial operations, writedowns and risk provisions	344,764,085.56	848,681,918.07
3.1	Fees and commissions income	2,398,562.96	1,713,055.22
3.2	Fees and commissions expense	-2,148,589.65	-2,097,981.23
3	Net income from fees and commissions	249,973.31	-384,926.01
4	Income from equity shares and participating interests	100,663,842.13	242,848,036.33
5	Net result of pooling of monetary income	11,119,729.18	199,010.51
6.1	Income from the release of reserves		
	General reserve fund	955,000,000.—	
	Freely disposable reserve fund	545,000,000.—	
		1,500,000,000.—	
	Expense in connection with the appropriation to the OeNB Anniversary Fund for the endowment of the National Foundation for Research, Technology and Development	-1,500,000,000.—	—
6.2	Other income – other	8,120,102.87	84,483,298.22
6	Other income	8,120,102.87	84,483,298.22
	Total net income	932,004,654.58	1,770,011,887.55
7	Staff cost	-98,084,228.08	-98,103,441.50
8	Administrative expenses	-94,048,735.46	-100,158,690.79
9	Depreciation of tangible and intangible fixed assets	-13,902,434.67	-21,882,518.83
10	Banknote production services	-11,314,432.50	-33,042,822.48
11	Other expenses	-2,077,190.19	-2,057,936.33
	Total expenses	-219,427,020.90	-255,245,409.93
		712,577,633.68	1,514,766,477.62
12	Corporate income tax	-242,276,395.45	-515,020,602.39
		470,301,238.23	999,745,875.23
13	Central government's share of profit	-423,271,114.41	-899,771,287.71
14.1	Net income	47,030,123.82	99,974,587.52
14.2	Profit brought forward	177,761.25	118,388.57
14	Profit for the year	47,207,885.07	100,092,976.09

Notes to the Financial Statements 2003

General Notes to the Financial Statements

Accounting Fundamentals and Legal Framework

The OeNB is committed (pursuant to Article 67 paragraph 2 of the Federal Act on the Oesterreichische Nationalbank 1984 as amended and as promulgated in Federal Law Gazette I No. 60/1998 – Nationalbank Act) to prepare its balance sheet and its profit and loss account in conformity with the policies established by the Governing Council of the ECB under Article 26.4 of the Statute of the European System of Central Banks and of the European Central Bank (Statute of the ESCB). These policies are laid down in the Guideline of the European Central Bank of 5 December 2002 (the Accounting Guideline).¹ The OeNB's financial statements for the year 2003 were prepared fully in line with the provisions set forth in the Accounting Guideline. In cases not covered by this guideline, the generally accepted accounting principles referred to in Article 67 paragraph 2 second sentence of the Nationalbank Act were applied.

The other Nationalbank Act provisions that govern the OeNB's financial statements (Articles 67 through 69 and Article 72 paragraph 1 of the Nationalbank Act) as well as the relevant provisions of the Commercial Code as amended remained unchanged from the previous year. In

accordance with Article 67 paragraph 3 of the Nationalbank Act, the OeNB continued to be exempt in 2003 from preparing consolidated financial statements as required under Article 244 et seq. of the Commercial Code.

To enable the OeNB to provide a steady stream of funding for Austrian research, the extraordinary General Meeting of December 11, 2003, voted to appropriate OeNB funds to the National Foundation for Research, Technology and Development (National Foundation) established by the Austrian government.²

On the basis of the legal powers inherent in Article 4 paragraph 5 of the Act on the Establishment of the National Foundation for Research, Technology and Development, a total of EUR 1.5 billion was released from the *general reserve fund* (EUR 955 million) and from the *freely disposable reserve fund* (EUR 545 million) and was transferred to the *OeNB Anniversary Fund for the Promotion of Scientific Research and Teaching* (OeNB Anniversary Fund reserve) retroactively to January 1, 2003.³

The OeNB has earmarked the transferred total of EUR 1.5 billion as part of the OeNB Anniversary Fund reserve and has invested it separately on behalf of the National Foundation. In addition, the OeNB was vested with the power (according to Article 4 paragraph 5 of the Act on

¹ Guideline of the European Central Bank of 5 December 2002 on the legal framework for accounting and financial reporting in the European System of Central Banks (ECB/2002/10).

² The National Foundation for Research, Technology and Development (Nationalstiftung für Forschung, Technologie und Entwicklung – FTE-Nationalstiftung) was established on the basis of Federal Law Gazette I No. 133/2003.

³ The ECB did not object to the provisions of the Act on the Establishment of the National Foundation for Research, Technology and Development applicable to the OeNB (Opinion of the European Central Bank of 2 December 2003 at the request of the Austrian Federal Ministry of Finance on a draft Federal law on the National Foundation for Research, Technology and Development (CON/2003/27)).

the Establishment of the Foundation on Research, Technology and Development) to disburse EUR 75 million a year to the National Foundation. The distribution to the National Foundation shall take place once a year after the OeNB's financial statements have been approved by the General Meeting.

The release of part of the *general reserve fund* and of part of the *freely disposable reserve fund* and the transfer to the OeNB Anniversary Fund are also recognized in the profit and loss account under item 6 *Other income*, subitem 6.1.

The earmarking of the *reserve for nondomestic and price risks* (contained in liabilities item 15.2 *Reserves*) was expanded to include exchange rate risk when the financial statements for 2003 were drawn up.⁴

The financial statements for the year 2003 were prepared in the format laid down by the Governing Council of the ECB.

The ECB and the 12 participating national central banks (NCBs), which together comprise the Eurosystem, have issued euro banknotes as from January 1, 2002.⁵ The total value of euro banknotes in circulation is allocated on the last working day of each month in accordance with the banknote allocation key.⁶ The ECB has been allocated a share of 8% of the total value of euro banknotes in circulation, whereas the remaining 92% have been allocated to the NCBs. The share of banknotes allocated to each NCB is disclosed under the balance sheet liability item 1 *Banknotes in circulation*.

The difference between the value of the euro banknotes allocated to each NCB in accordance with the banknote allocation key and the value of the euro banknotes that it actually puts into circulation gives rise to remunerated intra-Eurosystem balances. In the OeNB's financial statements, the difference is disclosed under liabilities item 10 *Intra-Eurosystem liabilities*, subitem 10.3 *Net liabilities related to the allocation of euro banknotes within the Eurosystem*.

From 2002 to 2007 the intrasystem balances arising from the allocation of euro banknotes are adjusted in order to avoid significant changes in NCBs' relative income positions as compared to previous years. The adjustments are effected by taking into account the differences between the average value of banknotes in circulation of each NCB in the period from July 1999 to June 2001 and the average value of the banknotes that would have been allocated to them during that period under the ECB's capital key. The adjustments will be reduced in annual stages until the end of 2007, after which income on banknotes will be allocated fully in proportion to the NCBs' paid-up shares in the ECB's capital. The interest income and expense on these balances is cleared through the accounts of the ECB and disclosed under item 1 *Net interest income* of the profit and loss account.

The Governing Council has decided that the seigniorage income of the ECB, which arises from the 8% share of euro banknotes allocated to the ECB, shall be distributed sepa-

⁴ Decision of the Governing Board of November 5, 2003, and of the General Council of December 11, 2003.

⁵ Decision of the European Central Bank of 6 December 2001 on the issue of euro banknotes (ECB/2001/15).

⁶ The banknote allocation key designates the percentages that result from taking into account the ECB's share in the total euro banknote issue and applying the subscribed capital key to the NCBs' share in such total.

rately to the NCBs in the form of an interim distribution of profit.⁷ It shall be so distributed in full unless the ECB's net profit for the year is less than its income earned on euro banknotes in circulation and subject to any decision by the Governing Council to reduce this income in respect of costs incurred by the ECB in connection with the issue and handling of euro banknotes. With respect to 2003, the Governing Council decided on December 18, 2003, in the light of their estimate that the full amount of such income should be retained by the ECB.

Accounting Policies

The financial statements of the OeNB are prepared in conformity with the policies governing the accounting and reporting operations of the Eurosystem, which follow accounting principles harmonized by Community law and generally accepted international standards. The key policy provisions are summarized below:

- economic reality and transparency
- prudence
- recognition of post-balance sheet events
- materiality
- going-concern basis
- accruals principle
- consistency and comparability

Transactions in financial assets and liabilities are reflected in the accounts on the basis of the date on which they were settled.

Foreign currency transactions whose exchange rate is not fixed against the accounting currency were recorded at the euro exchange rate

prevailing on the day of the transaction.

At year-end, both financial assets and liabilities were revalued at current market prices/rates. This applies equally to on-balance sheet and off-balance sheet transactions. The revaluation took place on a currency-by-currency basis for foreign exchange positions and on a code-by-code basis for securities. Securities held as permanent investment (financial fixed assets) which are shown under *other financial assets* were valued at cost.

Gains and losses realized in the course of transactions were taken to the profit and loss account. For gold, foreign currency instruments and securities, the average cost method was used in accordance with the daily netting procedure for purchases and sales. As a rule, the realized gain or loss was calculated by juxtaposing the sales price of each transaction with the average acquisition cost of all purchases made during the day.

In the case of net sales, the calculation of the realized gain or loss was based on the average cost of the respective holding for the preceding day.

Unrealized revaluation gains were not taken to the profit and loss account, but transferred to a revaluation account on the liabilities side of the balance sheet. Unrealized losses were recognized in the profit and loss account when they exceeded previous revaluation gains registered in the corresponding revaluation account; they may not be reversed against new unrealized gains in subsequent years. Furthermore, the OeNB's management⁸ determined

⁷ Decision of the European Central Bank of 21 November 2002 on the distribution of the income of the European Central Bank on euro banknotes in circulation to the national central banks of the participating Member States (ECB/2002/9).

⁸ Decision of the Governing Board of November 10, 1999, and of the General Council of November 25, 1999.

that unrealized foreign currency losses that must be expensed were to be covered by the release of an off-setting amount from the *reserve fund for exchange risks* accumulated in the run-up to 1999. Unrealized losses in any one security, currency or in gold holdings were not netted with unrealized gains in other securities, currencies or gold, since netting is prohibited under the Accounting Guideline.

The average acquisition cost and the value of each currency position were calculated on the basis of the sum total of the holdings in any one currency or gold, including both asset and liability positions and both on-balance sheet and off-balance sheet positions. Own funds invested in foreign exchange assets are recorded in a separate currency position.

In compliance with Article 69 paragraph 4 of the Nationalbank Act, which stipulates that the *reserve fund for exchange risks* be set up or released on the basis of the risk assessment of the nondomestic assets, the value-at-risk (VaR) method was used to calculate the currency risk. VaR is defined as the maximum loss of a gold or foreign currency portfolio with a given currency diversification at a certain level of confidence (97.5%) and for a given holding period (one year). The potential loss calculated under this approach is to be offset against the *reserve fund for exchange risks*, the *revaluation accounts* and the *reserve for nondomestic and price risks*.

Future market developments, especially interest and exchange rate movements, may entail considerable fluctuations of the income accruing to the OeNB, the other Eurosystem NCBs and the ECB as a result of the harmonized accounting rules with

which they have had to comply since January 1, 1999.

Premiums or discounts arising on securities issued or purchased were calculated and presented as part of interest income and amortized over the remaining life of the securities.

Participating interests were valued on the basis of the net asset value of the respective company (equity method).

Tangible and intangible fixed assets were valued at cost less depreciation. Depreciation was calculated on a straight-line basis, from the quarter after acquisition throughout the expected economic lifetime of the assets according to the following formula:

- computers, related hardware and software, and motor vehicles (4 years)
- equipment, furniture and plant in building (10 years)
- buildings (25 years)

Fixed assets costing less than EUR 10,000 were written off in the year of purchase.

Realized Gains and Losses and Revaluation Differences and their Treatment in the Financial Statements of December 31, 2003

	Realized gains (posted to the profit and loss account) EUR million	Realized losses (posted to the profit and loss account)	Unrealized losses (posted to the profit and loss account)	Change in revaluation accounts
Gold	—	—	—	+36.074
Foreign currency holdings for own account	84.873	25.818	683.607 ¹	−236.206
own funds	0.794	0	—	−6.309
Securities				
holdings for own account	93.525	24.806	10.672 ²	−50.761
own funds	12.520	14.566	2.826 ²	−15.711
IMF euro holdings	192.423	—	—	—
Participating interests	—	—	1.333	−77.316
Off-balance sheet instruments	11.546	13.209	0.525	−2.783
Total	395.681	78.399	698.963	−353.012

¹ This amount did not have an impact on profit because the loss was offset against the reserve fund for exchange risks.

² This amount did not have an impact on profit because the loss was offset against the reserve for nondomestic and price risks.

Post-Balance Sheet Events

In accordance with Article 29.3 of the Statute of the ESCB, the key of NCBs for subscription of the ECB's capital shall be adjusted every five

years. The first quinquennial change took effect on January 1, 2004.⁹ Based on the Council Decision of 15 July 2003,¹⁰ the capital keys of the NCBs were adjusted as follows on January 1, 2004:

Key for Subscription to the ECB's Capital

	Jan. 1, 1999, to Dec. 31, 2003 %	Jan. 1, 2004, to Apr. 30, 2004
Deutsche Bundesbank	24.4935	23.4040
Banque de France	16.8337	16.5175
Banca d'Italia	14.8950	14.5726
Banco de España	8.8935	8.7801
De Nederlandsche Bank	4.2780	4.4323
Nationale Bank van België/Banque Nationale de Belgique	2.8658	2.8297
Oesterreichische Nationalbank	2.3594	2.3019
Bank of Greece	2.0564	2.1614
Banco de Portugal	1.9232	2.0129
Suomen Pankki – Finlands Bank	1.3970	1.4298
Central Bank and Financial Services Authority of Ireland	0.8496	1.0254
Banque centrale du Luxembourg	0.1492	0.1708
Share of the Eurosystem NCBs	80.9943	79.6384
Bank of England	14.6811	15.9764
Sveriges Riksbank	2.6537	2.6636
Danmarks Nationalbank	1.6709	1.7216
Share of the non-Eurosystem NCBs	19.0057	20.3616
Total	100.0000	100.0000

⁹ The capital key was adjusted again on May 1, 2004, upon accession of new EU Member States.

¹⁰ Council Decision of 15 July 2003 on the statistical data to be used for the adjustment of the key for subscription to the capital of the European Central Bank (2003/517/EC).

On January 1, 2004, the capital key share of the OeNB¹¹ decreased from 2.3594% to 2.3019%. Consequently, assets item 9.1 *Participating interest in the ECB* decreased by EUR 2.875 million to EUR 115.095 million¹² as a result of the repayment of part of the capital contribution.

The adjustments to the capital key weightings and the resulting changes in the euro area NCBs' shares in the ECB's subscribed capital also make it necessary to adjust the claims which the ECB has credited to the euro area NCBs and which are equiv-

alent to those NCBs' respective contributions of foreign reserve assets to the ECB. In order to reflect its reduced capital key share, the euro-denominated claim of the OeNB with respect to the foreign reserve assets transferred to the ECB (assets item 9.2) decreased by EUR 28.750 million to EUR 1,150.950 million on January 1, 2004.¹³

The changes entered into force on January 1, 2004. The required transfers were effected on January 2, 2004, via TARGET.¹⁴

Capital Movements

Movements in Capital Accounts in 2003

	Dec. 31, 2002 EUR million	Increase	Decrease	Dec. 31, 2003
Capital	12.000	—	—	12.000
Reserves	4,200.555	2,093.179	2,093.152	4,200.582
General reserve fund	1,611.952	—	1,134.269	477.683
Freely disposable reserve fund	917.719	—	917.719	—
Reserve for nondomestic and price risks	1,111.176	551.988	41.164	1,622.000
Earmarked capital funded with net interest income from ERP loans	552.441	16.958	—	569.399
OeNB Anniversary Fund for the Promotion of Scientific Research and Teaching	7.267	24.233	—	31.500
OeNB Anniversary Fund exclusive of the National Foundation endowment	—	1,500.000	—	1,500.000
OeNB Anniversary Fund endowment for the National Foundation for Research, Technology and Development	—	—	—	—
Revaluation accounts	3,448.891	73.497	1,152.940	2,369.448
Reserve fund for exchange risks	1,536.430	—	685.240	851.190
Initial valuation reserve	281.510	—	0.069	281.441
Eurosystem revaluation accounts	1,630.951	73.497	467.631	1,236.817
Total	7,661.446	2,166.676	3,246.092	6,582.030

For details of the various changes, please refer to the notes to the respective balance sheet items.

¹¹ Decision of the European Central Bank of 18 December 2003 on the national central banks' percentage shares in the key for subscription to the European Central Bank's capital (ECB/2003/17).

¹² Decision of the European Central Bank of 18 December 2003 laying down the measures necessary for the paying-up of the European Central Bank's capital by the participating national central banks (ECB/2003/18).

¹³ Decision of the European Central Bank of 18 December 2003 laying down the measures necessary for the contribution to the European Central Bank's reserves and provisions and for adjusting the national central banks' claims equivalent to the transferred foreign reserve assets (ECB/2003/21).

¹⁴ Decision of the European Central Bank of 18 December 2003 laying down the terms and conditions for transfers of the European Central Bank's capital shares between the national central banks and adjustment of the paid-up capital (ECB/2003/20).

Development of the OeNB's Currency Positions in the Business Year 2003

Net Currency Position (including gold)

	Dec. 31, 2002	Dec. 31, 2003	Change	
	EUR million		EUR million	%
Gold and gold receivables	3,336.169	3,372.243	+36.074	+1.1
Claims on non-euro area residents denominated in foreign currency ¹	10,608.376	7,905.320	-2,703.056	-25.5
Claims on euro area residents denominated in foreign currency	788.121	876.766	+88.645	+11.2
Other assets	65.653	20.309	-45.344	-69.1
less:				
Liabilities to euro area residents denominated in foreign currency	92.138	76.492	-15.646	-17.0
Liabilities to non-euro area residents denominated in foreign currency	583.590	372.099	-211.491	-36.2
Counterpart of Special Drawing Rights allocated by the IMF	232.096	210.915	-21.181	-9.1
Revaluation accounts ²	110.065	74.912	-35.153	-31.9
Other liabilities	4.316	4.172	-0.144	-3.3
	13,776.114	11,436.048	-2,340.066	-17.0
Off-balance sheet forward assets/liabilities (net)	-256.385	-	+256.385	+100.0
Total	13,519.729	11,436.048	-2,083.681	-15.4

¹ Excluding the share of the IMF quota which was not drawn, expressed in euro (2002: EUR 1,643.812 million, 2003: EUR 1,369.601 million).

² Resulting from the change in net unrealized exchange rate gains on foreign currency-denominated securities on December 31, 2002, and December 31, 2003.

Notes to the Balance Sheet

Assets

1 Gold and gold receivables

Closing balance Dec. 31, 2003	EUR 3,372.243 million
Closing balance Dec. 31, 2002	EUR 3,336.169 million
Change	+EUR 36.074 million +1.1%

This item comprises the OeNB's holdings of physical and nonphysical gold, which amounted to approximately 317 tons on December 31, 2003, unchanged from December 31, 2002. At a market value of EUR 330.364 per fine ounce (i.e. EUR 10,621.45 per kg of fine gold), the OeNB's gold holdings were worth EUR 3,372.243 million at the balance sheet date.

2 Claims on non-euro area residents denominated in foreign currency

Closing balance Dec. 31, 2003	EUR 6,535.719 million
Closing balance Dec. 31, 2002	EUR 8,964.563 million
Change	-EUR 2,428.844 million -27.1%

These claims consist of receivables from the International Monetary Fund (IMF) and claims denominated in foreign currency against non-euro area countries, i.e. counterparties resident outside the euro area.

Subitem 2.1 *Receivables from the IMF* comprises the following accounts:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
Total claims (Austrian quota) equivalent to SDR 1,872.3 million ¹	2,427.062	2,205.569	-221.493	-9.1
less:				
Balances at the disposal of the IMF	1,643.812	1,369.601	-274.211	-16.7
Receivables from the IMF	783.250	835.968	+52.718	+6.7
Holdings of SDRs	176.367	143.649	-32.718	-18.6
Other claims against the IMF	38.889	23.560	-15.329	-39.4
Total	998.506	1,003.177	+4.671	+0.5

¹ Pursuant to federal law as promulgated in Federal Law Gazette No. 309/1971, the OeNB assumed the entire Austrian quota at the IMF on its own account on behalf of the Republic of Austria.

Drawings of Special Drawing Rights (SDRs) on behalf of IMF members and the revaluation of euro holdings by the IMF as well as transfers by the IMF boosted the *receivables from the IMF* by a total of EUR 382.756 million. Conversely, repayments by members reduced the receivables from the IMF by a total of EUR 108.545 million. Revaluation losses (-EUR 221.540 million) reduced these claims, whereas realized exchange rate gains and book value reconciliation (+EUR 0.047 million) enlarged them.

The IMF remunerates participations in the Fund at a rate of remuneration that is updated weekly. In 2003, this rate hovered between 1.49% and 1.91% per annum, mirroring the prevailing SDR rate.

The *holdings of Special Drawing Rights*¹⁵ were recognized in the balance sheet at EUR 143.649 million on December 31, 2003, which is equivalent to SDR 122 million. The reduction in 2003 of holdings by EUR 32.718 million on balance re-

sulted from the sale of SDRs equivalent to EUR 29.841 million. Interest credited, above all remunerations of the participation in the IMF, boosted holdings by EUR 12.275 million.

No purchases arising from designations by the IMF were effected in 2003. Principally the OeNB continues to be obliged under the IMF's statutes to provide currency on demand in exchange for SDRs. Members designated by the IMF may use SDRs up to the point at which the OeNB's holdings of SDRs are three times as high as its net cumulative allocation. The OeNB's current net cumulative allocation is SDR 179.045 million.

Other claims against the IMF comprise the OeNB's other contributions to loans under special borrowing arrangements. In the financial statements for 2003, this item relates exclusively to claims arising from contributions (SDR 20 million) to the Poverty Reduction and Growth Facility (PRGF). The PRGF is a special initiative designed to support

¹⁵ Pursuant to federal law as promulgated in Federal Law Gazette No. 440/1969, the OeNB is entitled to participate in the SDR system on its own account on behalf of the Republic of Austria and to enter the SDRs purchased or allocated gratuitously on the assets side of the balance sheet as cover for the total circulation.

the IMF's objectives by granting the poorest countries credits at highly concessional terms in order to finance economic programs targeted at fostering economic growth

and ensuring a strong, sustainable recovery of the balance of payments.

Subitem 2.2 *Balances with banks and security investments, external loans and other external assets* covers the following accounts:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
Balances with banks	2,274.884	1,212.263	-1,062.621	-46.7
Securities	5,684.975	4,315.000	-1,369.975	-24.1
Other external assets	6.198	5.279	-0.919	-14.8
Total	7,966.057	5,532.542	-2,433.515	-30.5

Balances with banks outside the euro area include foreign currency deposits on correspondent accounts, deposits with agreed maturity and overnight funds. *Securities* relate to instruments issued by non-euro area residents. As a rule, operations are carried out only with financially sound counterparties.

Other external assets comprise only non-euro area banknotes.

The change in this item reflects above all government transactions and valuation effects.

3 Claims on euro area residents denominated in foreign currency

Claims on euro area residents denominated in foreign currency are as follows:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
Balances with banks	324.720	365.854	+41.134	+12.7
Securities	463.401	510.912	+47.511	+10.3
Total	788.121	876.766	+88.645	+11.2

4 Claims on non-euro area residents denominated in euro

This item includes all euro-denominated investments and accounts with

counterparties which are not euro area residents.

On December 31, 2002, and December 31, 2003, the subitems of this balance sheet item closed as follows:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
Securities	780.679	764.209	-16.470	-2.1
Other investments	487.811	63.204	-424.607	-87.0
Total	1,268.490	827.413	-441.077	-34.8

5 Lending to euro area credit institutions related to monetary policy operations denominated in euro

This balance sheet item represents the liquidity-providing transactions executed by the OeNB.

The principal components of this item are:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
5.1 Main refinancing operations	2,679.245	2,414.278	-264.967	-9.9
5.2 Longer-term refinancing operations	171.875	482.629	+310.754	+180.8
5.3 Fine-tuning reverse operations	—	—	—	—
5.4 Structural reverse operations	—	—	—	—
5.5 Marginal lending facility	—	—	—	—
5.6 Credits related to margin calls	—	—	—	—
Total	2,851.120	2,896.907	+45.787	+1.6

5.1 Main refinancing operations

Main refinancing operations are regular liquidity-providing reverse transactions executed by the NCBs with a weekly frequency and a maturity of two weeks in the form of standard (variable rate) tender operations. All counterparties which fulfill the general eligibility criteria may submit bids within a timeframe of 24 hours from the tender announcement.

The *main refinancing operations* are the most important open market operations conducted by the Eurosystem, playing a pivotal role in signaling the stance of monetary policy. They provide the bulk of liquidity to the financial sector.

5.2 Longer-term refinancing operations

Longer-term refinancing operations are regular liquidity-providing reverse transactions with a monthly frequency and a maturity of three months. They are aimed at providing counterparties with additional longer-term refinancing and are executed through standard tenders by the NCBs. All longer-term refinancing operations conducted in 2003 were carried out in the form of variable rate tenders.

5.3 Fine-tuning reverse operations

Fine-tuning reverse operations are executed on an ad hoc basis with a view to managing the liquidity situation in the market and steering interest rates, in particular to smooth the effects on interest rates caused by unexpected liquidity fluctuations in the market. The choice of instruments and procedures depends on the type of transaction and the underlying motives. Fine-tuning operations are normally executed by the NCBs through quick tenders or through bilateral procedures. It is up to the Governing Council of the ECB to empower the ECB to conduct fine-tuning operations itself under exceptional circumstances.

In 2003, no such operations were conducted.

5.4 Structural reverse operations

The ECB may use *structural reverse operations* to adjust the structural position of the Eurosystem vis-à-vis the financial sector. In 2003, no such operations were carried out.

5.5 Marginal lending facility

Counterparties may use the *marginal lending facility* to obtain overnight liquidity from NCBs at a prespecified interest rate against eligible assets. The facility is intended to satisfy counterparties' temporary liquidity needs. Under normal circumstances, the interest rate on the facility provides a ceiling for the overnight interest rate. The *marginal lending facility* was accessed repeatedly in 2003.

5.6 Credits related to margin calls

Credits related to margin calls arise when the value of underlying assets regarding credit extended to credit institutions increases beyond collateral requirements, obligating the central bank to provide counterparties with additional credit to offset the value in excess of requirements. If such credit is provided not by the return of securities but rather by an entry on an account, a claim on the counterparty is recorded in this sub-item. No claims were recorded under this item in 2003.

6 Other claims on euro area credit institutions denominated in euro

Closing balance Dec. 31, 2003	EUR 0.109 million
Closing balance Dec. 31, 2002	EUR 0.082 million
Change	+EUR 0.027 million +33.4%

This item comprises claims on euro area credit institutions not related to monetary policy operations.

7 Securities of euro area residents denominated in euro

Closing balance Dec. 31, 2003	EUR 1,862.962 million
Closing balance Dec. 31, 2002	EUR 2,015.083 million
Change	-EUR 152.121 million -7.5%

This item covers all marketable securities (including government securities stemming from before EMU) denominated in constituent currencies of the euro that are not used in monetary policy operations and that are not part of investment portfolios that have been earmarked for specific purposes.

The annual change is mainly due to net sales.

8 General government debt denominated in euro

Closing balance Dec. 31, 2003	EUR 368.844 million
Closing balance Dec. 31, 2002	EUR 351.367 million
Change	+EUR 17.477 million +5.0%

This balance sheet item subsumes the claim on the Austrian Federal Treasury from silver commemorative coins issued before 1989, based on the 1988 Coinage Act as promulgated in Federal Law Gazette No. 425/1996.

In theory, the maximum federal liability is the sum total of all silver commemorative coins issued before 1989, minus any coins returned to and paid for by the central government, minus any coins directly withdrawn by Münze Österreich AG. Repayment of the maximum federal liability of EUR 1,248.269 million is effected by annual installments of EUR 5.814 million out of the central government's share of the OeNB's profit. The proceeds from metal recovery, including the interest on the investment of these proceeds by Münze Österreich AG, are designated for repayment by the contractual deadline (every year on December 15). Any amount outstanding on December 31, 2040, will have to be repaid in the five following years (2041 to 2045) in five equal installments.

The net increase in this claim resulted from returns of silver commemorative coins to the central government in the course of 2003 with a total face value of EUR 39.339 million less redemptions made out of the central government's share of the OeNB's profit for the year 2002 plus the proceeds from metal recovery, which together totaled EUR 21.862 million.

9 Intra-Eurosystem claims

Closing balance Dec. 31, 2003	EUR 2,829.032 million
Closing balance Dec. 31, 2002	EUR 4,175.873 million
Change	–EUR 1,346.841 million –32.3%

This balance sheet item consists of the claims arising from the OeNB's share of the ECB's capital and the claims equivalent to the transfer of foreign reserves to the ECB. Furthermore, this item shows TARGET balances and other (net) claims within the Eurosystem.

Subitem 9.3 *Claims related to promissory notes backing the issuance of ECB debt certificates* in this accounting scheme does not apply to the OeNB; it is exclusively an ECB balance sheet item.

Intra-Eurosystem claims consisted of the following subitems on December 31, 2002, and December 31, 2003:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
9.1 Participating interest in ECB	117.970	117.970	–	–
9.2 Claims equivalent to the transfer of foreign reserves	1,179.700	1,179.700	–	–
9.3 Claims related to promissory notes backing the issuance of ECB debt certificates	x	x	x	x
9.4 Net claims related to the allocation of euro banknotes within the Eurosystem	–	–	–	–
9.5 Other claims within the Eurosystem (net)	2,878.203	1,531.362	–1,346.841	–46.8
Total	4,175.873	2,829.032	–1,346.841	–32.3

9.1 Participating interest in ECB

The share that the OeNB holds in the *capital of the ECB* totaling EUR 5 billion corresponded to 2.3594% at the balance sheet date, unchanged from December 31, 2002.

The following table contains a breakdown of the various NCBs' shares in the capital of the ECB:

The 15 EU NCB's Shares in the Capital of the ECB as at December 31, 2003

	subscribed capital key		of which paid up	Eurosystem capital key share
	%	EUR		%
Deutsche Bundesbank	24.4935	1,224,675,000	1,224,675,000	30.2410
Banque de France	16.8337	841,685,000	841,685,000	20.7838
Banca d'Italia	14.8950	744,750,000	744,750,000	18.3902
Banco de España	8.8935	444,675,000	444,675,000	10.9804
De Nederlandsche Bank	4.2780	213,900,000	213,900,000	5.2819
Nationale Bank van België/ Banque Nationale de Belgique	2.8658	143,290,000	143,290,000	3.5383
Oesterreichische Nationalbank	2.3594	117,970,000	117,970,000	2.9130
Bank of Greece	2.0564	102,820,000	102,820,000	2.5389
Banco de Portugal	1.9232	96,160,000	96,160,000	2.3745
Suomen Pankki – Finlands Bank	1.3970	69,850,000	69,850,000	1.7248
Central Bank and Financial Services Authority of Ireland	0.8496	42,480,000	42,480,000	1.0490
Banque centrale du Luxembourg	0.1492	7,460,000	7,460,000	0.1842
	80.9943	4,049,715,000	4,049,715,000	100.0
Bank of England	14.6811	734,055,000	36,702,750 ¹	
Sveriges Riksbank	2.6537	132,685,000	6,634,250 ¹	
Danmarks Nationalbank	1.6709	83,545,000	4,177,250 ¹	
	19.0057	950,285,000	47,514,250	
Total	100.0000	5,000,000,000	4,097,229,250	

¹ Corresponds to 5% of the subscribed capital key share to cover the ECB's costs (ECB/1998/14).

9.2 Claims equivalent to the transfer of foreign reserves

The transfer of foreign reserves from the Eurosystem NCBs to the ECB is based on the provisions of Article 30 of the Statute of the ESCB. The euro-denominated claims on the ECB in respect of those transfers are shown under this item.

The reserves that the OeNB has transferred are managed on behalf and for the account of the ECB separately from the OeNB's own reserves and therefore do not show up in its balance sheet.

The ECB remunerates the nonre-deemable euro-denominated claims with which it has credited the NCBs in return for the transfer at 85% of

the current interest rate on the main refinancing operations on a daily basis.

9.5 Other claims within the Eurosystem (net)

Other claims within the Eurosystem (net) largely represent net claims arising from balances of TARGET accounts with the other 14 NCBs (i.e. including nonparticipating NCBs) and the ECB. Moreover, this item covers net claims arising at year-end from the difference between monetary income to be pooled and distributed, the claim arising from the redistribution of the ECB's income on its 8% share of euro banknotes in circulation as well as net claims

arising from the correspondent accounts¹⁶ of individual NCBs.

The individual bilateral end-of-day balances of the OeNB with the other NCBs are netted by novating them to the ECB.

The ECB remunerates the net balance on a daily basis, settling payment at the end of the month. The ECB calculates this remuneration centrally, using the prevailing interest rate for main refinancing operations. The corresponding payments

are settled ex post monthly via the TARGET system.

10 Items in course of settlement

This claim results from 2003 net float items settled at the beginning of January 2004.

11 Other assets

Other assets comprise the following subitems:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
11.1 Coins of euro area	345.880	265.218	-80.662	-23.3
11.2 Tangible and intangible fixed assets	146.873	158.411	+11.538	+7.9
11.3 Other financial assets	7,316.249	7,843.816	+527.567	+7.2
11.4 Off-balance sheet instruments' revaluation differences	12.066	9.283	-2.783	-23.1
11.5 Accruals and prepaid expenditure	325.957	300.090	-25.867	-7.9
11.6 Sundry	1,689.228	1,037.637	-651.591	-38.6
Total	9,836.252	9,614.455	-221.798	-2.3

11.1 Coins of euro area

This item represents the OeNB's stock of fit coins of the euro area countries.

11.2 Tangible and intangible fixed assets

Tangible and intangible fixed assets comprise OeNB premises and equipment (including machinery, computer hardware and software, motor vehicles) and intangible fixed assets.

Premises developed as follows:

Cost incurred until Dec. 31, 2002 EUR million	Purchases in 2003	Sales in 2003	Accumulated depreciation	Book value on Dec. 31, 2003	Book value on Dec. 31, 2002	Annual depreciation in 2003
101.675 ¹	15.055	0.169 ²	19.809	96.752	85.094	3.397

¹ Premises acquired prior to December 31, 1956, were booked at the cost recorded in the schilling opening balance sheet (Federal Law Gazette No. 190/1954)

² The balance between the book value of the sales and the underlying historical costs is EUR 0.169 million.

¹⁶ These correspondent accounts may be used for a limited amount of transactions, e.g. when a temporary disruption of the TARGET system occurs.

Purchases in 2003 mainly relate to capitalized costs of work in the main building and the OeNB's northern office building.

Equipment developed as follows:

Cost incurred until Dec. 31, 2002	Purchases in 2003	Sales in 2003	Accumulated depreciation	Book value on Dec. 31, 2003	Book value on Dec. 31, 2002	Annual depreciation in 2003
EUR million						
91.250	10.469	5.122 ¹	68.516	28.081	28.184	10.490

¹ The balance between the book value of the sales and the underlying historical costs is EUR 5.040 million.

Movable real assets worth EUR 32.920 million represent the OeNB's collection of antique string instruments, which it started to acquire in 1989. As in the previous year, on December 31, 2003, the OeNB's collection of valuable instruments

encompassed 23 violins, 4 violoncellos and 2 violas. These instruments are on loan to musicians deemed worthy of special support.

Intangible fixed assets (residence rights) developed as follows:

Cost incurred until Dec. 31, 2002	Purchases in 2003	Sales in 2003	Accumulated depreciation	Book value on Dec. 31, 2003	Book value on Dec. 31, 2002	Annual depreciation in 2003
EUR million						
0.720	–	–	0.062	0.658	0.674	0.015

11.3 Other financial assets

Other financial assets comprise the following accounts:

	Dec. 31, 2002	Dec. 31, 2003	Change	
	EUR million		EUR million	%
Securities	6,063.592	6,557.816	+494.224	+8.2
Participating interests	1,017.558	818.481	–199.077	–19.6
Other investments	235.099	467.519	+232.420	+98.9
Total	7,316.249	7,843.816	+527.567	+7.2

Of the OeNB's securities portfolio, EUR 1,440.381 million represented investments of pension reserve assets, another EUR 1,339.234 million reflect investments of the *OeNB Anniversary Fund for the Promotion of Scientific Research and Teaching* (of which EUR

1,300.392 million were earmarked as an endowment for the National Foundation for Research, Technology and Development). Moreover, the securities portfolio related to capital and reserves, i.e. the OeNB's own funds management, came to EUR 3,778.201 million.¹⁷ Revaluations of

¹⁷ The own funds of the OeNB shown under liabilities include the capital, the general reserve fund, the freely disposable reserve fund, the reserve for nondomestic and price risks, earmarked ERP capital funded with net interest income from loans, the reserve fund for exchange risks and general provisions, above all provisions for exchange rate risks and provisions for general banking risks.

the portfolios resulted in unrealized valuation gains of EUR 46.718 million and unrealized price losses of EUR 11.701 million as well as unrealized foreign currency gains of EUR 0.808 million.

Of the participating interests, EUR 517.113 million formed part of the own funds portfolio and EUR 301.368 million formed part of the investment portfolio relating to investments of the pension reserve.

Other investments include investments of pension reserve assets (EUR 251.575 million) and investments to promote the National Foundation for Research, Technology and Development (EUR 199.608 million) and consisted mainly of demand deposits.

Participating interests developed as follows:

Net asset value on Dec. 31, 2002	Purchases in 2003	Sales in 2003	Net asset value on Dec. 31, 2003	Net asset value on Dec. 31, 2002	Annual depreciation in 2003	Revaluation in 2003
<i>EUR million</i>						
897.558 ¹	1.654	0.038 ²	818.481	897.558 ¹	1.333	-79.398

¹ Including the dividend of EUR 120 million that was already recognized in the profit and loss account in 2002.

² The balance between the book value of the sales and the underlying historical costs is EUR 0.038 million.

The *participating interests* were valued at their net asset value in the annual accounts for 2003 and developed as follows:

Subsidiaries (participating interest in %)	Net asset value <i>EUR million</i>
Münze Österreich AG (100%)	324.452
Oesterreichische Banknoten- und Sicherheitsdruck GmbH (100%)	101.762
GELDSERVICE AUSTRIA Logistik für Wertgestionierung und Transportkoordination G.m.b.H. (91.6%)	0.035
AUSTRIA CARD-Plastikkarten und Ausweissysteme Gesellschaft m.b.H. (100%)	28.811
Austrian Payment Systems Services (APSS) GmbH (38%)	8.527
A-Trust Gesellschaft für Sicherheitssysteme im elektronischen Datenverkehr GmbH (9.1%)	0.103
Studiengesellschaft für Zusammenarbeit im Zahlungsverkehr (STUZZA) G.m.b.H. (25%)	0.037
BLM Betriebs-Liegenschafts-Management GmbH (100%)	51.934
Other	1.452
IG Immobilien GmbH ¹ (100%)	301.368
Total	818.481

¹ Allocated to the pension reserve.

11.6 Sundry

Sundry assets comprise the following accounts:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million
Claims arising from ERP loans to companies	709.928	645.023	−64.905
OeKB overnight account for ERP lending	184.467	266.068	+81.601
ERP loan portfolio managed by the OeNB	894.395	911.091	+16.696
Interim account for schilling banknotes in circulation	629.195	–	−629.195
Schilling coins	119.761	86.805	−32.956
Advances on salaries	5.612	6.459	+0.847
Other claims	40.265	33.282	−6.983
Total	1,689.228	1,037.637	−651.591

According to Article 3.2 of the ERP Fund Act, the ceiling of the ERP Fund Act, the ceiling of the OeNB's financing commitment corresponds to the sum by which the federal debt was written down initially (EUR 341.955 million) plus interest accrued (EUR 569.398 million on December 31, 2003). The ERP loan portfolio managed by the OeNB thus totaled EUR 911.353 million on December 31, 2003. The provisions governing the extension of loans from this portfolio are laid down in Article 83 of the Nationalbank Act.

The residual terms of advances on salaries are generally more than one

year. All advance payments are secured by life insurance plans.

Other claims came to EUR 33.282 million at December 31, 2003, and mainly comprised advances, accounts receivable and claims arising from day-to-day business.

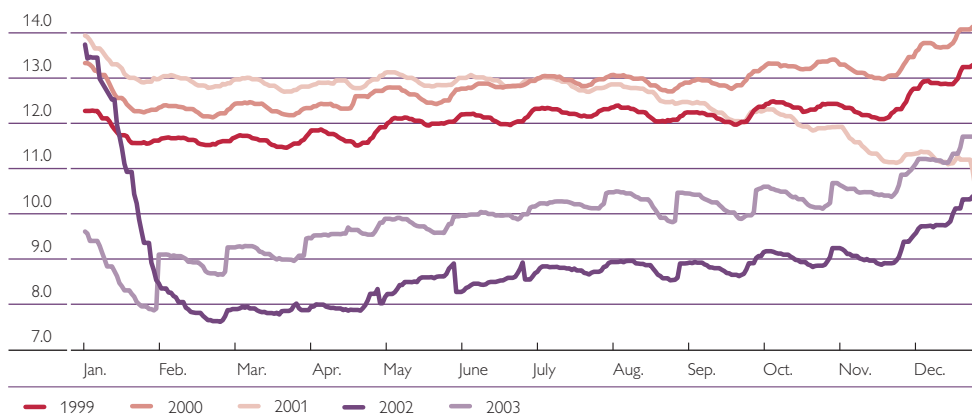
Liabilities

1 Banknotes in circulation

Closing balance Dec. 31, 2003	EUR	11,691.232 million
Closing balance Dec. 31, 2002	EUR	10,237.504 million
Change	+EUR	1,453.728 million +14.2%

Banknotes in Circulation¹

Calendar-day volumes, EUR billion



Source: OeNB.

¹ In the financial year 2002 OeNB's banknotes in circulation included two components:

1. euro banknote liabilities (the 2.68% share of total banknotes in circulation allocated to the OeNB as at January 1, 2002, and subsequently as at the end of the month plus cumulative transactions made by the OeNB between cutoff dates);
2. schilling banknotes in circulation (only until December 31, 2002).

This item comprises the OeNB's share of the euro banknotes in circulation calculated by applying the banknote allocation key (see page 6). This item for the last time included schilling banknotes in circulation on December 31, 2002; it exclusively comprised euro banknotes in circulation in 2003.

The table below shows the annual average banknotes in circulation figures since entry into Stage Three of EMU:

	Banknotes in circulation, annual average	Annual change	
	EUR million	EUR million	%
1999	12,095	+407	+3.5
2000	12,851	+756	+6.3
2001	12,519	−332	−2.6
2002	8,887	−3,632	−29.0
2003	9,913	+1,026	+11.5

	Dec. 31, 2002	Dec. 31, 2003	Change	
	EUR million		EUR million	%
2.1 Current accounts (covering the minimum reserve system)	3,541.468	4,254.943	+713.475	+20.1
2.2 Deposit facility	0.350	0.450	+0.100	+28.6
2.3 Fixed-term deposits	—	—	—	—
2.4 Fine-tuning reverse operations	—	—	—	—
2.5 Deposits related to margin calls	—	—	—	—
Total	3,541.818	4,255.393	+713.575	+20.1

2.1 Current accounts

(covering the minimum reserve system)

This subitem contains primarily credit institutions' accounts used to hold minimum reserves.

Banks' minimum reserve balances have been remunerated on a daily basis since January 1, 1999, at the prevailing interest rate for the Eurosystem's main refinancing operations.

2.2 Deposit facility

The *deposit facility* refers to overnight deposits placed with the OeNB by Austrian banks that access the Eurosystem's liquidity-absorbing standing facility at the prespecified rate. In

2 Liabilities to euro area credit institutions related to monetary policy operations denominated in euro

This item consists of the following subitems:

2003, the volume of such transactions averaged EUR 3.370 million.

5 Liabilities to other euro area residents denominated in euro

Closing balance Dec. 31, 2003	EUR	18.485 million
Closing balance Dec. 31, 2002	EUR	32.894 million
Change	−EUR	14.409 million −43.8%

This item comprises general government deposits of EUR 16.669 million and current account deposits of credit institutions that are not subject to minimum reserve requirements and of nonbanks.

6 Liabilities to non-euro area residents denominated in euro

Closing balance Dec. 31, 2003	EUR 2.378 million
Closing balance Dec. 31, 2002	EUR 1.732 million
Change	+EUR 0.646 million +37.3%

This item contains euro-denominated liabilities to non-Eurosystem central banks and monetary institutions.

7 Liabilities to euro area residents denominated in foreign currency

Closing balance Dec. 31, 2003	EUR 76.492 million
Closing balance Dec. 31, 2002	EUR 92.138 million
Change	–EUR 15.646 million –17.0%

8 Liabilities to non-euro area residents denominated in foreign currency

Closing balance Dec. 31, 2003	EUR 372.099 million
Closing balance Dec. 31, 2002	EUR 583.590 million
Change	–EUR 211.491 million –36.2%

Swap transactions with the financial sector represent the bulk of items 7 and 8.

9 Counterpart of Special Drawing Rights allocated by the IMF

Closing balance Dec. 31, 2003	EUR 210.915 million
Closing balance Dec. 31, 2002	EUR 232.096 million
Change	–EUR 21.181 million –9.1%

This item represents the counterpart of the Special Drawing Rights allocated gratuitously to the OeNB. Measured at current market values

on the balance sheet date, the counterpart was worth SDR 179 million. The OeNB was allocated SDRs in six installments from 1970 to 1972 and from 1979 to 1981, always on January 1.

10 Intra-Eurosystem liabilities

Closing balance Dec. 31, 2003	EUR 3,063.716 million
Closing balance Dec. 31, 2002	EUR 7,403.757 million
Change	–EUR 4,340.041 million –58.6%

This item includes net liabilities related to the allocation of euro banknotes within the Eurosystem (see page 6) as stipulated in Decisions ECB/2001/15 and ECB/2001/16.

11 Items in course of settlement

Closing balance Dec. 31, 2003	EUR 7.326 million
Closing balance Dec. 31, 2002	EUR 85.345 million
Change	–EUR 78.019 million –91.4%

This item comprises float amounts pending settlement after the accounts have been closed for the year.

12 Other liabilities

Other liabilities are broken down as follows:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
12.1 Off-balance sheet instruments' revaluation differences	13.921	4.109	-9.812	-70.5
12.2 Accruals and income collected in advance	206.905	33.282	-173.623	-83.9
12.3 Sundry	1,184.840	748.496	-436.344	-36.8
Total	1,405.666	785.887	-619.799	-44.1

12.1 Off-balance sheet instruments' revaluation differences

The *off-balance sheet instruments' revaluation differences* subsume the revaluation losses arising on off-balance sheet positions, which are posted to the profit and loss account.

12.3 Sundry

This subitem is composed of the following accounts:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million	%
Central government's share of profit (without dividends)	899.771	423.271	-476.500	-53.0
Liability from schilling banknotes in circulation with an exchange deadline	250.251	239.296	-10.955	-4.4
Earmarked funds of the OeNB Anniversary Fund				
OeNB Anniversary Fund exclusive of the National Foundation endowment	20.116	23.631	+3.515	+17.5
OeNB Anniversary Fund endowment for the National Foundation for Research, Technology and Development	—	48.073	+48.073	x
Other	14.702	14.225	-0.477	-3.2
Total	1,184.840	748.496	-436.344	-36.8

Pursuant to Article 69 paragraph 3 of the Nationalbank Act, the *central government's share of profit* corresponds to 90% of the profit for the year after tax.

The amount of EUR 23.631 million shown as earmarked funds of the *OeNB Anniversary Fund exclusive of the National Foundation endowment* consisted of pledged funds not used up by December 31, 2003. According to the General Meeting's decision, EUR 70.250 million of the *profit for the year 2002* were appor-

tioned to the *OeNB Anniversary Fund for the Promotion of Scientific Research and Teaching* to support research projects, with EUR 59.294 million apportioned to projects with a highly practical thrust. In 2003, the General Council decided to allocate an additional EUR 71.656 million to fund 353 projects and to fund three institutes with a total of EUR 2.742 million; on balance EUR 69.331 million were paid out. This means that since funds were first pledged as financial assistance in 1966, a total

EUR 636.090 million have been paid out. The EUR 48.073 million the OeNB Anniversary Fund pledged for the National Foundation are pro rata income from earmarked assets;

payment to the National Foundation is made the day after the General Meeting.

13 Provisions

	Dec. 31, 2002	Transfer from	Transfer to	Dec. 31, 2003
<i>EUR million</i>				
Pension reserve	1,801.700	88.458	115.408	1,828.650
Personnel provisions				
Severance payments	46.172	4.315	3.729	45.586
Anniversary bonuses	10.202	1.039	1.184	10.347
Residual leave entitlements	9.442	0.012	0	9.430
Provisions for				
Schilling banknotes without an exchange deadline	306.944	47.115	–	259.829
Corporate income tax	105.967	105.967	–	–
Exchange rate risks	9.000	9.000	–	–
Accounts payable	1.384	1.333	1.834	1.885
Premises management	2.163	0.702	–	1.461
Accounts payable to subsidiaries	0.590	0.590	1.330	1.330
Other	1.582	1.397	1.044	1.229
Total	2,295.146	259.928	124.529	2,159.747

Under the OeNB's initial retirement plan, the OeNB assumes full liability to provide retirement benefits to the employees covered by this plan. The members of this scheme are contracted out of the state pension system. To cover this liability, the OeNB is obligated by law to establish a pension reserve corresponding to the actuarial present value of its pension liabilities.

Following a change in the retirement plan, staff recruited after May 1, 1998, stands to receive a state pension supplemented by an occupational pension from an externally managed pension fund. For this supplementary pension, the OeNB took out a contract effective May 1, 1999, which also applies retroactively to employees taken on in the 12 months from May 1, 1998. With the OeNB's direct liability to pay retirement benefits now limited to staff recruited before May 1, 1998,

the pension reserve set up to secure this liability has become a closed system. The OeNB taps this pension reserve to pay out retirement benefits.

Pension benefits as covered by the pension reserve augmented by EUR 2.352 million or 2.7% to EUR 88.458 million in 2003. This includes the remuneration of 15 retired board members or their dependents (totaling EUR 3.966 million; 2002: EUR 3.987 million).

The income of EUR 115.408 million on investment relating to the pension reserve was transferred to the pension reserve when the financial statements for 2003 were prepared. The pension reserve is shown at its actuarial present value. The pension reserve on December 31, 2003, was calculated according to actuarial principles; the discount rate of 3.50% per annum is the same as that applied in 2002.

Provisions for severance payments and anniversary bonuses are calculated according to actuarial principles; again, the discount rate of 3.50% per annum is the same as that applied in 2002.

No provisions for pending lawsuits were made, as the latter are

not expected to have a material impact.

14 Revaluation accounts

This item consists of the following accounts:

	Dec. 31, 2002 EUR million	Dec. 31, 2003	Change EUR million
Eurosystème revaluation accounts			
Gold	821.328	857.402	+36.074
Foreign currency	284.205	41.690	–242.515
Securities	254.602	149.090	–105.512
Participating interests	258.750	179.352	–79.398
Off-balance sheet instruments	12.066	9.283	–2.783
Subtotal	1,630.951	1,236.817	–394.134
Unrealized valuation gains from January 1, 1999 (initial valuation)			
Securities	1.782	1.713	–0.069
Participating interests	279.728	279.728	–
Subtotal	281.510	281.441	–0.069
Reserve fund for exchange risks (funded up to the end of 1998)	1,536.430	851.190	–685.240
Total	3,448.891	2,369.448	–1,079.443

Revaluation on the *revaluation accounts* is effected on a currency-by-currency and code-by-code basis. The above amounts reflect the valuation gains established in the valuation of assets as at December 31, 2003. Those gains are realizable only in the context of future transactions in the respective category or used to reverse revaluation losses that may arise in future years. The revaluation gains in each currency, moreover, cover the risks that the nondomestic assets carry (as established with the VaR method).

In line with requirements, the initial valuation gains recorded in the opening balance sheet of January 1, 1999, were partly realized during 2003 in the course of sales of underlying assets.

Article 69 paragraph 1 of the Nationalbank Act obliges the OeNB to maintain a reserve covering exchange risks which may arise on nondomestic assets. The *reserve fund for exchange risks* posted in the financial statements 2003 contains exchange gains accrued in the run-up to 1999 totaling EUR 851.190 million. On the one hand, the annual change reflects the realization of exchange rate gains resulting from the sale of underlying assets. On the other hand, the fund is used to cover unrealized exchange losses that must be expensed, as well as any exchange risks (as calculated with the VaR approach) that are not offset by the balances on the revaluation accounts. As from January 1, 1999, no further allocations to this fund have been permitted.

15 Capital and reserves

A summary of the OeNB's *reserves* shows the following developments:

	Dec. 31, 2002	Dec. 31, 2003	Change	
	EUR million		EUR million	%
General reserve fund	1,611.952	477.683	-1,134.269	-70.4
Freely disposable reserve fund	917.719	–	-917.719	-100.0
Reserve for nondomestic and price risks	1,111.176	1,622.000	+510.824	+46.0
Earmarked capital funded with net interest income from ERP loans	552.441	569.399	+16.958	+3.1
OeNB Anniversary Fund for the Promotion of Scientific Research and Teaching	7.267	1,531.500	+1,524.233	
Total	4,200.555	4,200.582	+0.027	+0

The *general reserve fund* and the *freely disposable reserve fund* posted a total decline of EUR 2,051.988 million. Of this amount, EUR 1,500.000 million were reallocated to the *OeNB Anniversary Fund for the Promotion of Scientific Research and Teaching* as an endowment for the National Foundation for Research, Technology and Development. An additional EUR 551.988 million were transferred to the *reserve for nondomestic and price risks* in recognition of the risen risk ascertained by means of risk assessment. The *reserve for nondomestic and price risks* serves to offset any ECB losses which the OeNB may have to cover according to its share in the ECB's capital as well as any unrealized losses resulting from a fall in the price of securities or exchange rate losses. The total risk to be covered (including the pro rata risk of the ECB that is not covered by the ECB's own risk provisions) is calculated by applying recognized risk assessment models (VaR methods). When the financial statements for 2003 were drawn up, EUR 20.340 million of this reserve were used to cover the loss resulting from the nondistribution by the ECB of income on euro banknotes in circulation and EUR 20.824 million were used to cover a fall in the price of

securities reflected in the OeNB's portfolios.

The EUR 31.500 million earmarked for the OeNB's Anniversary Fund exclusive of the National Foundation endowment consist of EUR 7.267 million allocated out of the Net income for the year 1965 in April 1966 and EUR 24.233 million allocated from the *profit for the year* 2002 in May 2003.

Earmarked ERP capital funded with net interest income from loans serves to cover losses on the ERP loan portfolio managed by the OeNB.

Other financial liabilities (off-balance sheet positions)

Apart from the items recognized in the balance sheet, the following financial liabilities and financial derivatives were stated off the balance sheet on December 31, 2003:

- Contingent liabilities to the IMF under the New Arrangements to Borrow totaling EUR 485.336 million.
- Obligation under the IMF's statutes to provide currency on demand to participants using SDRs up to the point at which the OeNB's holdings of SDRs are three times as high as its net cumulative allocation of EUR 489.096 million.

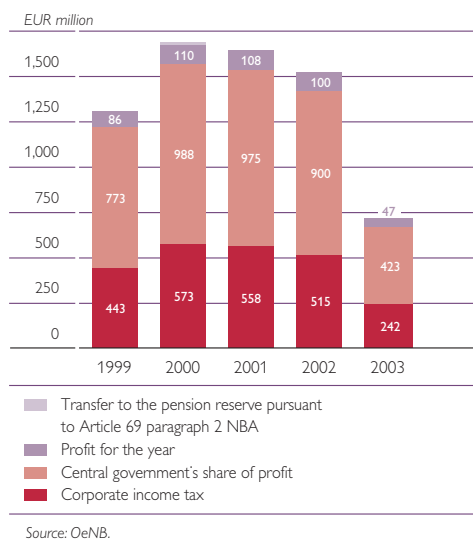
- The obligation to make a supplementary contribution of EUR 35.340 million (equivalent to SDR 30 million) to the OeNB's stake in the capital of the Bank for International Settlements (BIS) in Basel consisting of 8,000 shares of SDR 5,000 each.
 - Liabilities of EUR 23.808 million from foreign currency investments effected in the OeNB's name for third account.
 - Repayment obligations to the amount of EUR 13.583 million arising from pension contributions paid by OeNB staff members payable on termination of employment contracts.
 - Contingent liability equivalent to the OeNB's share of EUR 1,179.700 million of the maximum of EUR 50 billion of additional foreign reserve assets of the euro area NCBs on which the ECB is entitled to call.
 - Contingent liability equivalent to the OeNB's share of EUR 117.970 million of the EUR 5 billion by which the ECB may increase its paid-up capital.
- Moreover, the OeNB reports liabilities outstanding on forward rate agreements and unmatured gold/interest rate swaps.

Notes to the Profit and Loss Account

	2002	2003	Change ¹	
	EUR million		EUR million	%
1 Net interest income	594.185	467.087	-127.098	-21.4
2 Net result of financial operations, writedowns and risk provisions	848.682	344.764	-503.918	-59.4
3 Net expense/income from fees and commissions	-0.385	0.250	+0.635	+164.9
4 Income from equity shares and participating interests	242.848	100.664	-142.184	-58.5
5 Net result of pooling of monetary income	0.199	11.120	+10.921	
6 Other income	84.483	8.120	-76.363	-90.4
Total net income	1,770.012	932.005	-838.007	-47.3
7 Staff costs	-98.103	-98.084	-0.019	-0
8 Administrative expenses	-100.159	-94.049	-6.110	-6.1
9 Depreciation of tangible and intangible fixed assets	-21.882	-13.902	-7.980	-36.5
10 Banknote production services	-33.042	-11.314	-21.728	-65.8
11 Other expenses	-2.059	-2.078	+0.019	+0.9
Total expenses	-255.245	-219.427	-35.818	-14.0
Operating profit	1,514.767	712.578	-802.189	-53.0
12 Corporate income tax	-515.021	-242.276	-272.745	-53.0
	999.746	470.302	-529.444	-53.0
13 Central government's share of profit	-899.771	-423.271	-476.500	-53.0
14.1 Net income	99.975	47.031	-52.944	-53.0
14.2 Profit brought forward	0.118	0.177	+0.059	+50.0
14 Profit for the year	100.093	47.208	-52.885	-52.8

¹ Absolute increase (+) or decrease (-) in the respective income or expense item.

Operating Profit



1 Net interest income

Net interest income represents the balance of interest income and interest expense. The reduction in interest income (net of interest expense) in 2003 resulted mainly from the marked decline in interest rates for euro and foreign currency investment from 2002 alongside the decrease of foreign exchange holdings.

Net interest income from assets and liabilities denominated in foreign currency totaled EUR 324.710 million (–EUR 195.682 million), that from euro-denominated assets and liabilities came to EUR 141.196 million (–EUR 13.161 million). Monetary policy refinancing operations yielded EUR 94.023 million (+EUR 13.368 million), and the ECB remunerated the transfer of foreign reserves with EUR 23.528 million (–EUR 9.708 million). Moreover, interest income of EUR 8.310 million (–EUR 76.341 million) accrued from TARGET balances, whereas EUR 96.243 million (–EUR 39.965 million) were required to remunerate minimum reserves. Interest expenses of EUR 74.476 million

(–EUR 102.213 million) resulted from liabilities within the Eurosystem stemming from the allocation of euro banknotes in circulation.

2 Net result of financial operations, writedowns and risk provisions

Realized gains or losses from day-to-day financial operations resulted from – receivable or payable – differences between the acquisition cost and the market value of gold, foreign currency, securities or other transactions.

Net realized gains contracted by EUR 545.918 million (–63.2%) to EUR 317.282 million. EUR 252.272 million (–EUR 487.027 million) stem from gold and foreign currency operations, EUR 66.673 million (–EUR 57.359 million) from securities transactions. Among other things, the reduction of realized gains from gold and foreign currency operations reflected the fact that the financial statements for 2002 showed price gains from the sale of 30 tons of gold in 2002 and that these gains no longer had an impact in 2003.

The *writedowns on financial assets and positions* largely reflect the decline in market prices of balance sheet items as at December 31, 2003, below the average cost of the respective currencies or securities. Foreign currency writedowns came to EUR 683.607 million (+EUR 549.614 million), securities writedowns to EUR 13.498 million (+EUR 13.020 million).

The item *Transfer to/from provisions for foreign exchange rate and price risks* resulted from transfers from the *reserve fund for exchange risks* that the OeNB funded up to the end of 1998 with a view to covering unrealized foreign currency losses of EUR 683.607 million. Thus, in compli-

ance with Article 69 paragraph 1 of the Nationalbank Act, these losses did not have an impact on profit. Moreover, this item reflects the offsetting of unrealized losses on security price losses of EUR 13.498 million and of the loss resulting from the nondistribution by the ECB of income on euro banknotes in circulation of EUR 20.340 million against the reserve for nondomestic and price risks.

4 Income from equity shares and participating interests

This item contains income from the distributions of profit for 2002 made by the ECB (EUR 17.899 million), by Oesterreichische Banknoten- und Sicherheitsdruck GmbH (EUR 0.650 million) and by AUSTRIA CARD-Plastikkarten und Ausweissysteme Gesellschaft m.b.H. (EUR 0.050 million). Also, it records dividend payments by the BIS in Basel (EUR 2.065 million) and by Münze Österreich AG (EUR 80.000 million). Additionally, this item contains the distribution of the profit arising from the ECB's income on its 8% share of euro banknotes in circulation according to the banknote allocation key.¹⁸ In 2003, the ECB's income on euro banknotes in circulation was fully retained by the ECB in accordance with a decision of the Governing Council on December 18, 2003, and in view of the result of the ECB for 2003.

5 Net result of pooling of monetary income

The amount of each Eurosystem NCB's monetary income is deter-

mined by measuring the actual annual income that derives from the earmarkable assets held against its liability base. The liability base consists of the following items: banknotes in circulation, liabilities to euro area credit institutions related to monetary policy operations denominated in euro, net intra-Eurosystem liabilities resulting from TARGET transactions and net intra-Eurosystem liabilities related to the allocation of euro banknotes within the Eurosystem. Any interest paid on liabilities included within the liability base is to be deducted from the monetary income to be pooled. The earmarkable assets consist of the following items: lending to euro area credit institutions related to monetary policy operations denominated in euro, intra-Eurosystem claims equivalent to the transfer of foreign reserve assets to the ECB, net intra-Eurosystem claims resulting from TARGET transactions, net intra-Eurosystem claims related to the allocation of euro banknotes within the Eurosystem and a limited amount of each NCB's gold holdings in proportion to each NCB's capital key. Where the value of an NCB's earmarkable assets exceeds or falls short of the value of its liability base, the difference shall be offset by applying to the value of the difference the average rate of return on the earmarkable assets of all NCBs taken together. The monetary income pooled by the Eurosystem is allocated among NCBs according to the subscribed capital key. The difference between the monetary income pooled by the OeNB amounting to EUR 214.950 million and reallocated

¹⁸ Decision of the European Central Bank of 21 November 2002 on the distribution of the income of the European Central Bank on euro banknotes in circulation to the national central banks of the participating Member States (ECB/2002/9).

to the OeNB amounting to EUR 226.069 million is the net result arising from the calculation of monetary income.

7 Staff costs

Salaries, severance payments and the employer's social security contributions and other statutory or contractual social charges fall under the heading *Staff costs*. These costs were reduced by recoveries of salaries and employees' pension contributions.

As of January 1, 1997, the pension contributions of employees who had joined the OeNB after March 31, 1993, and who qualify for an OeNB pension were raised from 5% of their total basic pay to 10.25% of their basic salaries up to the earnings cap on social security. A rate of 2% applies to income above the earnings cap.

Comparison figures for salaries and severance payments were adjusted to reflect a change in the accounting of severance payments and anniversary bonuses. Salaries net of pension contributions collected from staff members grew by EUR 0.213 million or 0.3% to EUR 82.817 million. This increase is attributable primarily to the salary increase negotiated for the banking sector. The OeNB's outlays were reduced by recoveries of salaries totaling EUR 9.541 million for staff members on secondment to subsidiaries and foreign institutions.

Staff capacity fell from 963.93 on December 31, 2002, to 947.30 on December 31, 2003. The average number of staff employed by the OeNB (excluding the members of the Governing Board and including part-time employees on a pro rata basis) widened from 1,176 employees in 2002 to 1,182 in 2003, a rise by 0.5% or 6 persons. Adjusted for

employees on secondment or leave (including maternity and parental leave), 951 persons were employed on average (2002: 943 persons).

The four members of the Governing Board received emoluments (including remuneration in kind, such as private use of company cars, subsidies to health and accident insurance) pursuant to Article 33 paragraph 1 of the Nationalbank Act of a total of EUR 0.957 million (2002: EUR 1.008 million).

The emoluments of the President and Vice President of the Oesterreichische Nationalbank amounted to EUR 0.031 million (2002: EUR 0.046 million).

Outlays for *severance payments* went up by EUR 0.564 million to EUR 0.564 million in 2003 following technical adjustments of the 2002 figure.

Statutory or contractual social charges totaling EUR 12.398 million (+EUR 0.275 million) contain municipal tax payments of EUR 2.510 million, social security contributions of EUR 5.981 million and contributions of EUR 3.811 million to the Family Burden Equalization Fund.

10 Banknote production services

Expenses for banknote production services resulted from the purchase of euro banknotes.

12 Corporate income tax

A corporate income tax rate of 34% was applied to the taxable income according to Article 72 of the Nationalbank Act and in line with Article 22 paragraph 1 of the Corporate Income Tax Act.

13 Central government's share of profit

Under Article 69 paragraph 3 of the Nationalbank Act, the *central government's share of profit* is 90% of the

net income for the year after tax, as in the previous years, and amounted to EUR 423.271 million for 2003 (2002: EUR 899.771 million).

Governing Board (Direktorium)

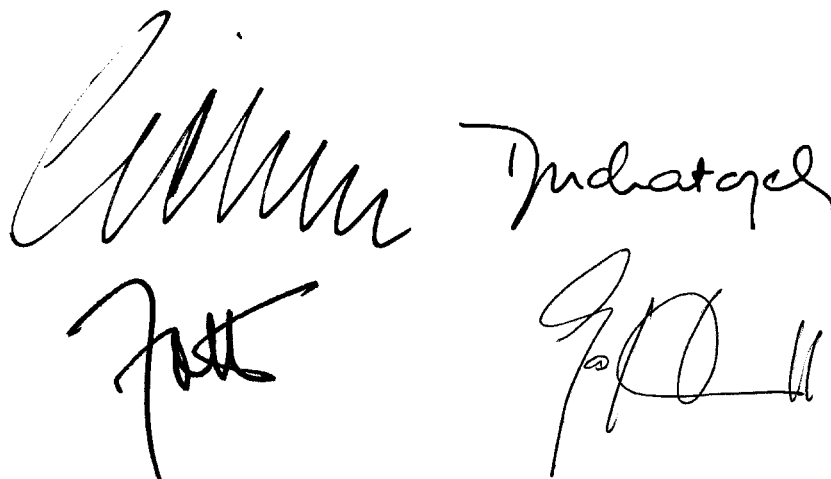
Governor Klaus Liebscher
 Vice Governor Wolfgang Duchatzek (from July 11, 2003)
 Vice Governor Gertrude Tumpel-Gugerell (until May 31, 2003)
 Executive Director Peter Zöllner
 Executive Director Josef Christl (from September 1, 2003)

General Council (Generalrat)

President Herbert Schimetschek (from September 1, 2003)
 President Adolf Wala (until August 31, 2003)
 Vice President Manfred Frey (from September 1, 2003)
 Vice President Herbert Schimetschek (until August 31, 2003)
 August Astl
 Helmut Elsner (until May 15, 2003)
 Bernhard Felderer
 Helmut Frisch (until May 15, 2003)
 Lorenz R. Fritz
 Herbert Kofler
 Richard Leutner
 Johann Marihart
 Werner Muhm
 Gerhard Randa (from May 15, 2003)
 Walter Rothensteiner
 Karl Werner Rüschi
 R. Engelbert Wenckheim
 Johann Zwettler (from May 15, 2003)

In accordance with Article 22 paragraph 5 of the Nationalbank Act, the following representatives of the Staff Council participated in discussions on personnel, social and welfare matters: Thomas Reindl and Martina Gerharter.

Vienna, March 30, 2004



Report of the Auditors

We have audited the accounting records and the financial statements of the Oesterreichische Nationalbank for the year ending December 31, 2003, and have found that they are presented in accordance with the provisions of the Federal Act on the Oesterreichische Nationalbank 1984 as amended and as promulgated in Federal Law Gazette I No. 60/1998. The financial statements were prepared in conformity with the accounting policies defined by the Governing Council of the European Central Bank, as set forth in the Guideline of the European Central Bank of 5 December 2002 on the legal framework for accounting and reporting in the European System of Central Banks (ECB/2002/10), in conformity with Article 26.4 of the Protocol on the Statute of the European System of Central Banks and the European Central Bank. In our opinion the accounts provide a true and fair picture of the OeNB's financial position and the results of its operations. The annual report complies with the provisions of Article 68 paragraph 1 and paragraph 3 of the Federal Act on the Oesterreichische Nationalbank 1984 as amended and as promulgated in Federal Law Gazette I No. 60/1998 and corresponds with the financial statements.

Vienna, March 30, 2004

Pipin Henzl
Certified Public Accountant

Peter Wolf
Certified Public Accountant

Profit for the Year and Proposed Profit Appropriation

With the statutory allocation of EUR 423.271 million (2002: EUR 899.771 million) of the OeNB's profit to the central government having been made in conformity with Article 69 paragraph 3 of the Nationalbank Act (item 13 of the profit and loss account), the balance sheet and the profit and loss account show a

Profit for the year 2003 of		EUR 47,207,885.07.
On April 7, 2004, the Governing Board endorsed the following profit appropriation proposal to the General Council:		
to pay a 10% dividend on the OeNB's capital stock of EUR 12 million	EUR	1,200,000.—
to allocate to the Leopold Museum Private Foundation	EUR	4,275,893.67
to allocate to the OeNB Anniversary Fund for the Promotion of Scientific Research and Teaching:		
funds earmarked for promotion by the OeNB	EUR 12,579,460.15	
funds earmarked for promotion by the National Foundation for Research, Technology and Development	EUR 26,926,937.55	EUR 39,506,397.70
to allocate to the reserve for retained earnings		EUR 2,225,593.70
		EUR 47,207,885.07

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