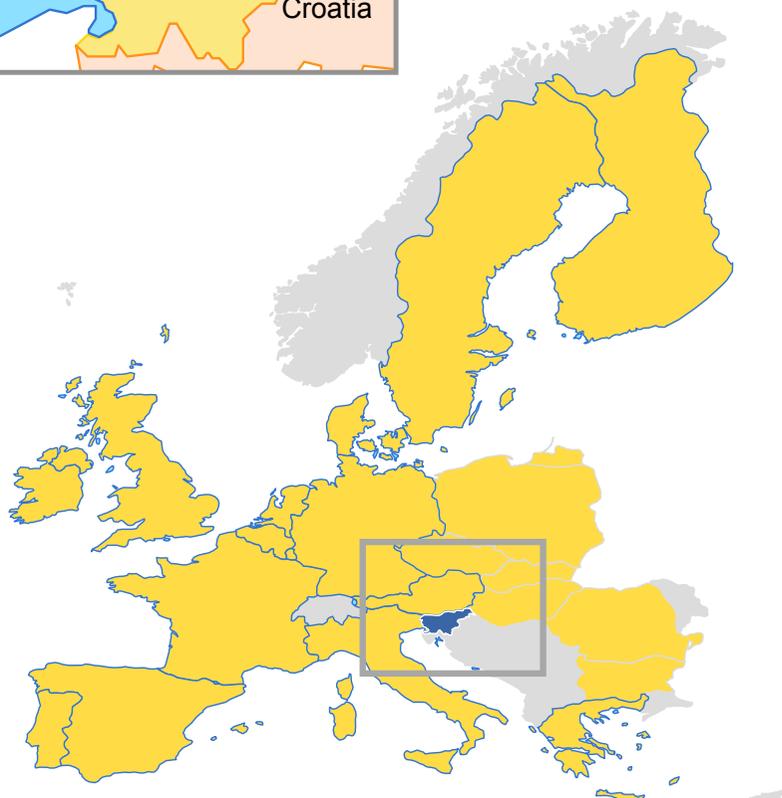


Slovenia: A solid Euro area member



■ EU countries ■ Slovenia

- ◆ GDP per capita in 2009 = 88% of EU average (PPS)
- ◆ Track record of stable macroeconomic performance
- ◆ Average annual growth of 3% in past 10 years
- ◆ Stable multi-party democracy
- ◆ Euro adoption in January 2007

Agile government



- ◆ Clear government leadership
 - clear majority in National Assembly
- ◆ Immediate response to economic downturn: policy to safeguard jobs (preserve human capital) and economic potential (productive capacity)
- ◆ Three types of policy measures:
 1. slowing down the impact of the crisis on enterprises;
 2. enhancing enterprise financial liquidity and safeguarding existing jobs;
 3. increasing expenditure in research and education to improve the growth potential of the economy
- ◆ Beyond crisis: sustained investment in R&D aiming at 2% GDP in 2012.

Improving business environment over-riding policy priority

Strong sovereign credit rating



- ◆ Double A credit rating:
S&P: AA
Moody's: Aa2
Fitch: AA
- ◆ Well diversified and open economy
- ◆ Sustained real convergence
- ◆ Low public debt burden
- ◆ Strong international liquidity
- ◆ Recognised economic and political stability

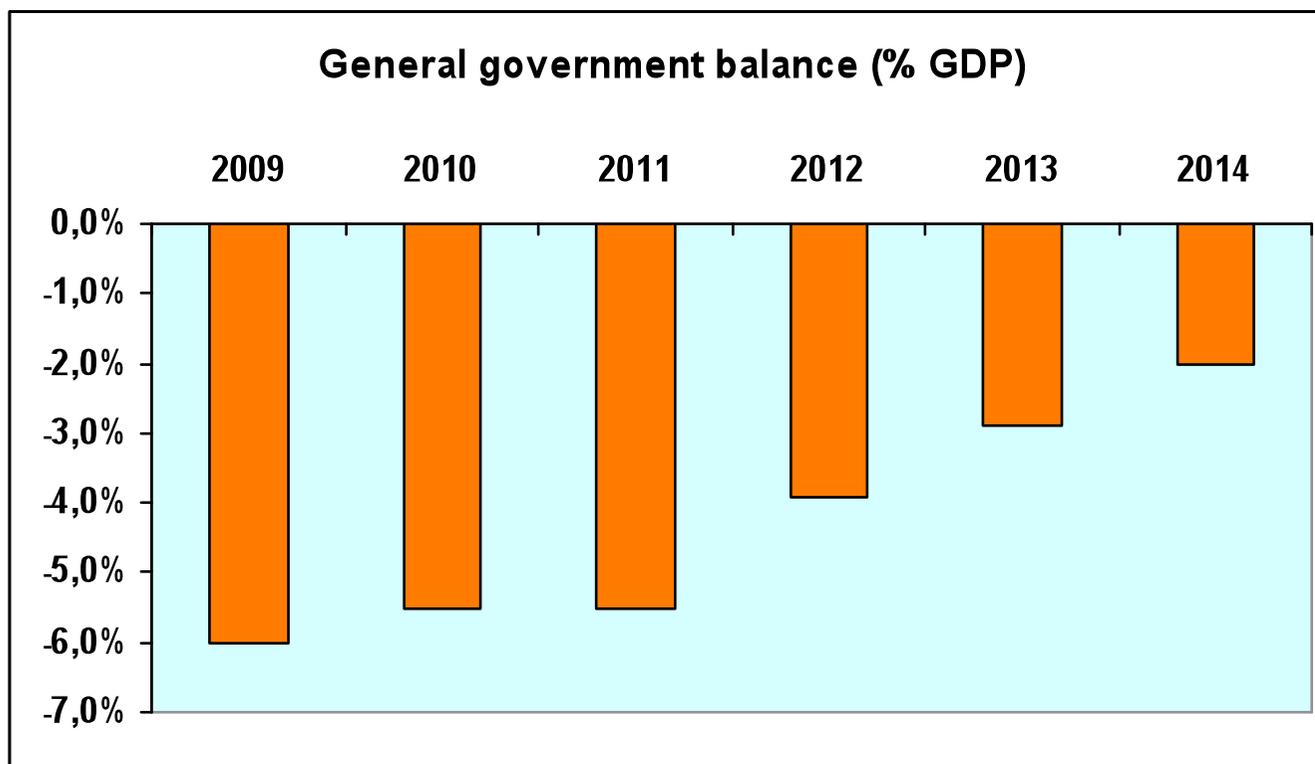
Peer credit ratings (S&P)



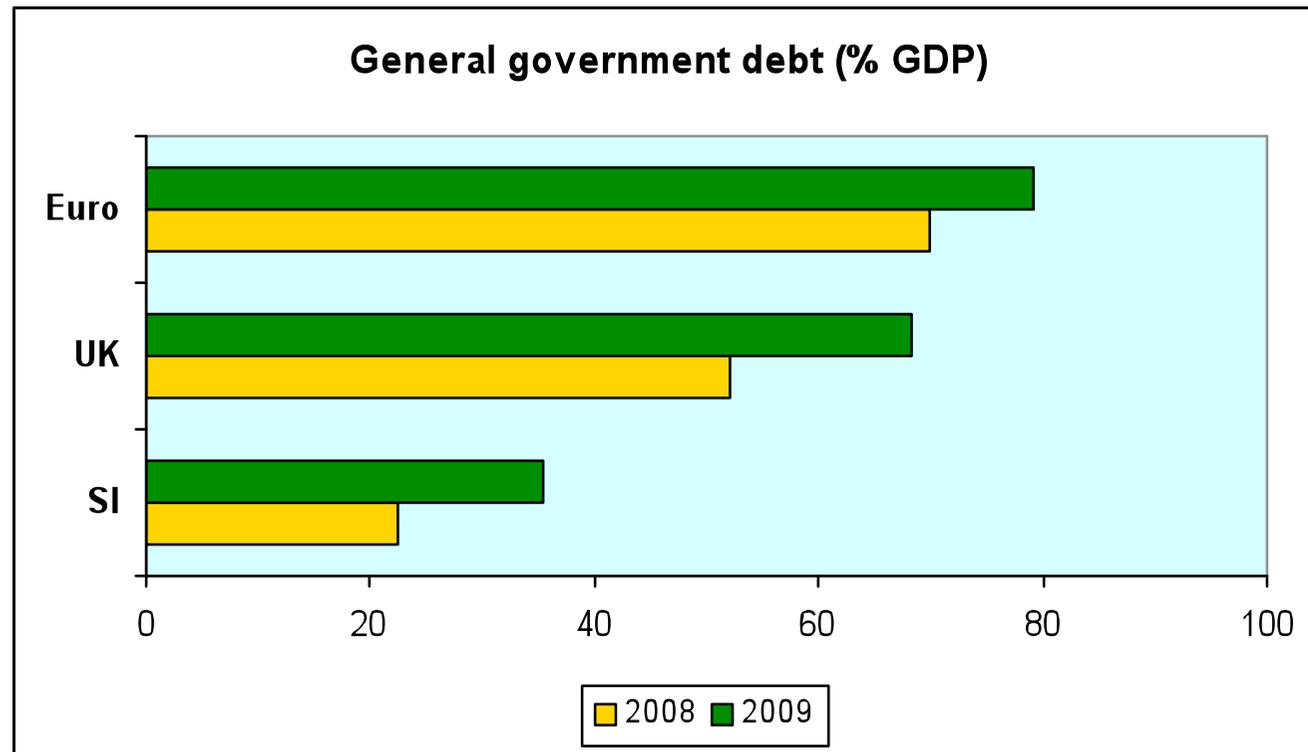
Sound fiscal policy



- ◆ Good policy track record
- ◆ Gradual reduction of deficit to below 3% of GDP by 2013
- ◆ Expenditure-based consolidation strategy
- ◆ One-off deficit increase in 2011 (bank recapitalisation)

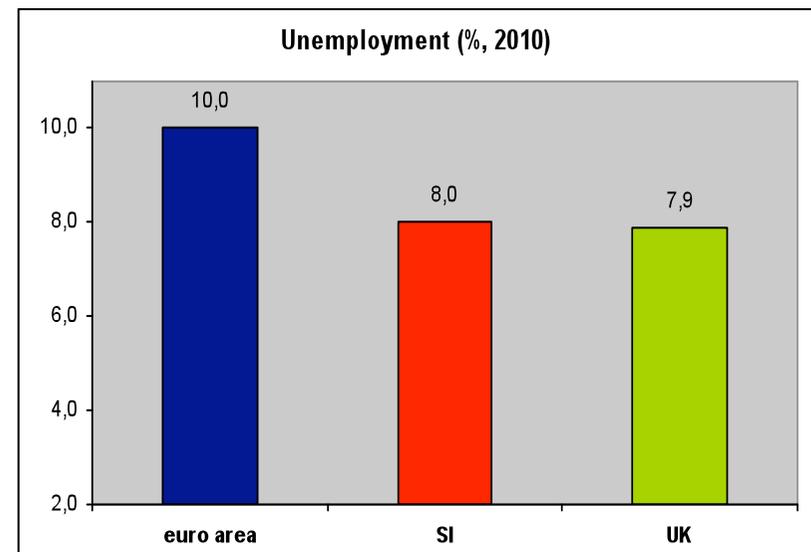
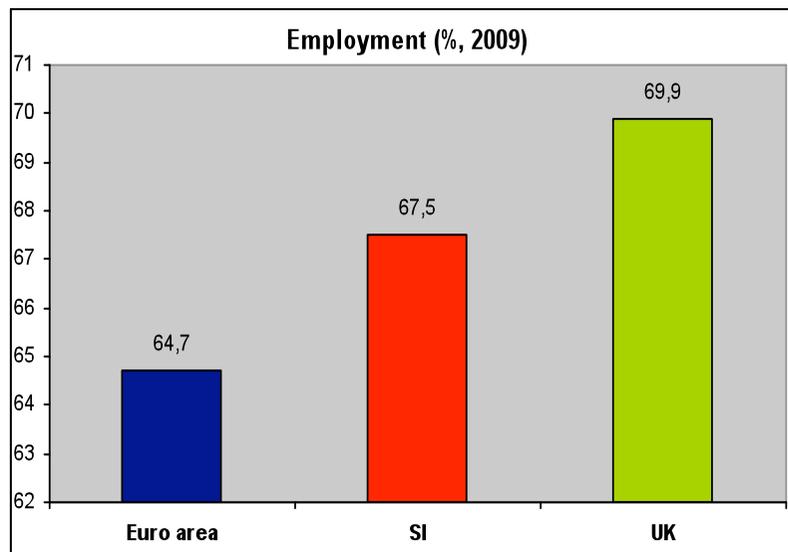
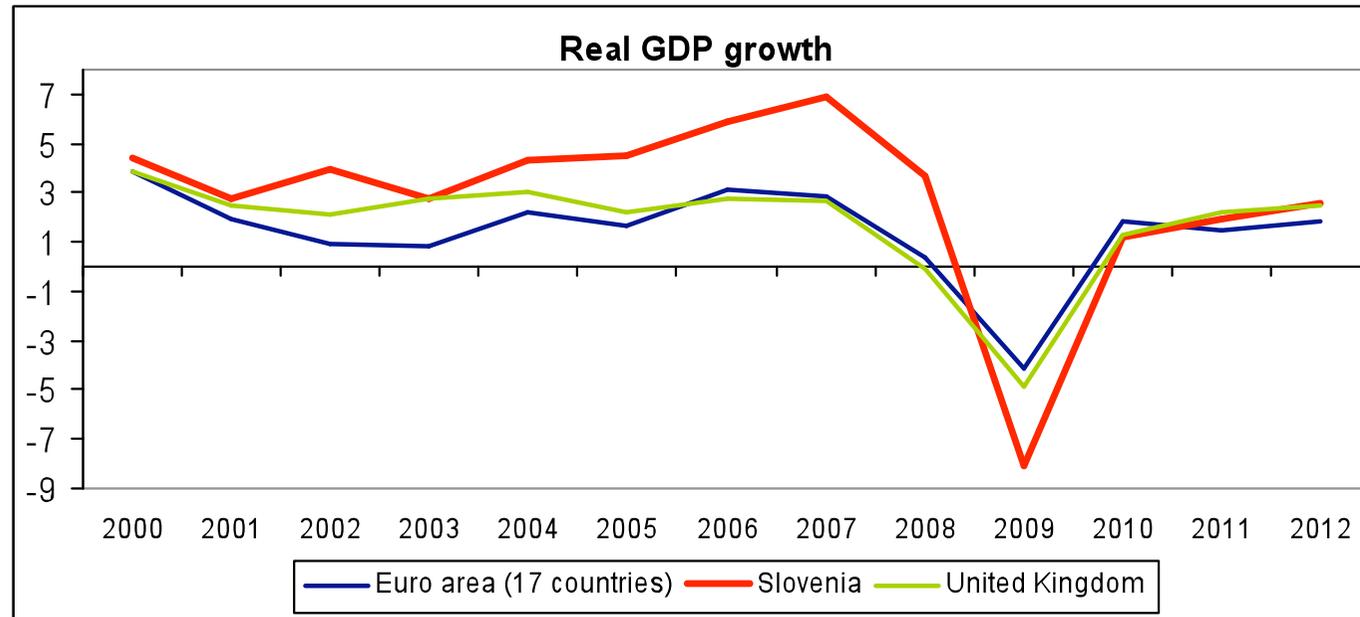


Low debt levels



- ◆ Amongst the lowest debt levels in the EU
- ◆ Stabilizing over the medium term
- ◆ Introducing a debt-based fiscal rule: 45% GDP

Sustained strong growth prospects



Strong investment over the past years



Current account balance

| | 2008 | 2009 | 2010 |
|--|----------|--------|--------|
| Current account balance (mio €) | -2,488.9 | -525.7 | -409.1 |
| GDP (mio €) | 37,135 | 35,384 | 36,061 |
| % GDP | -6.7 | -1.5 | -1.1 |

Export – Import (Goods and services)

| | 2008 | 2009 | 2010 |
|------------------------|-----------------------------|---------------------------|---------------------------|
| Goods | -2,650,3 mio € -7.2% GDP | -699.1 mio € -2.0% GDP | -973.8 mio € -2.7% GDP |
| Services | 1,493.2 mio € 4.0% GDP | 1,114.3 mio € 3.1% GDP | 1,057.4 mio € 2.9% GDP |
| Balance (% GDP) | - 3.2 | 1.1 | 0.2 |

Source: Bank of Slovenia

Good financial position and sound banking system



- ◆ Low external indebtedness of the economy
- ◆ Lowest household indebtedness in EMU: 30% of GDP in 2008 and 33% in 2009
- ◆ Banking sector assets in GDP only one third of EMU average
- ◆ Banking system's cross-border indebtedness of about 46% of GDP
- ◆ Comfortable banking system capital adequacy of 11.4% and Tier 1 of 9.1% (June 2010)
- ◆ Banking system's external debt maturity profile is spread out (bulk more than 2 years)
- ◆ Banks have low exposure to toxic assets

