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SLOVENIAN SOVEREIGN HOLDING, APOLLO GLOBAL MANAGEMENT AND EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT ANNOUNCE SIGNING OF THE SALE AND PURCHASE AGREEMENT OF Nova KBM d.d.

On 30 June 2015 Slovenian Sovereign Holding d.d. (SSH), as representative of the Republic of Slovenia, together with funds managed by affiliates of Apollo Global Management, LLC (NYSE: APO) (together with its consolidated subsidiaries, Apollo), a leading global alternative investment manager, and the European Bank for Reconstruction and Development (EBRD), announced the signing of the sale and purchase agreement. Pursuant to the agreement certain Apollo affiliated funds and EBRD will acquire 100% of the shares held by the Republic of Slovenia in Nova KBM d.d. (NKBM).

Nova KBM is Slovenia's oldest and second largest bank renowned for its tradition of providing excellent banking services to both retail and corporate customers. Established in 1862, Nova KBM is a fully state owned entity with more than 1,700 employees.

The investment led by Apollo affiliated funds, in partnership with EBRD, was selected as the preferred buyer for NKBM following a competitive bidding process. The transaction, which values 100% of NKBM at €250 million, represents an important step in SSH's strategic pursuit of successfully completing the privatization process. Certain Apollo affiliated funds will acquire 80% of NKBM and EBRD the remaining 20%.

Apollo is partnering with the European Bank for Reconstruction and Development in the acquisition of NKBM, given EBRD's local expertise in the region, their long-standing reputation for supporting financial stability and the unique set of skills they bring to the transaction.

Apollo and EBRD plan to build a strong, market-leading bank, and preserve the client focus as NKBM's first and foremost priority. Both Apollo and EBRD are fully committed to the further growth and development of NKBM and improving its operational efficiency.

According to the Republic of Slovenia legislation, 90% of proceeds of the sale are designated to reduce the debt.

On 21 June 2013, the National Assembly authorised the Slovenian Sovereign Holding to commence the process of sale for shareholdings in 15 companies. The list of companies where the privatization has already been finalized/or is in well advanced stage:

Company on the List	Privatization Phase	Progress
Helios d.d.	finalized	✓
Fotona d.d.	finalized	✓
Aerodrom Ljubljana d.d.	finalized	✓

Company on the List	Privatization Phase	Progress
Žito d.d.	finalized	✓
NKBM d.d.	finalized	✓
Telekom Slovenije d.d.	SSH accepted initial binding offer from Cinven Ltd., dated 20th of May. Final decision from Cinven Ltd. for sale completion is expected by summer end.	Final Stage
Cinkarna d.d.	Non-binding offers received. Ongoing due diligence.	Well Advanced Stage

Company off the List	Privatization Phase	Progress
Letrika d.d.	finalized	✓

You can find the latest developments on the privatisation on the Slovenian Sovereign Holding webpage: <http://www.sdh.si/en-us/privatization>

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SLOVENIA HAS ALREADY COVERED ITS BORROWING NEEDS FOR 2015 AND IS PARTIALLY PREFINANCED FOR 2016

- Republic of Slovenia holds a comfortable liquidity buffer that enables its resilience to external financial shocks on the state budget.
- As of 29 June the Single treasury account holds EUR 5.2 bn (14% GDP).
- Slovenia has financed all of the funding needs for the fiscal year 2015 and partially prefinanced for 2016.

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