

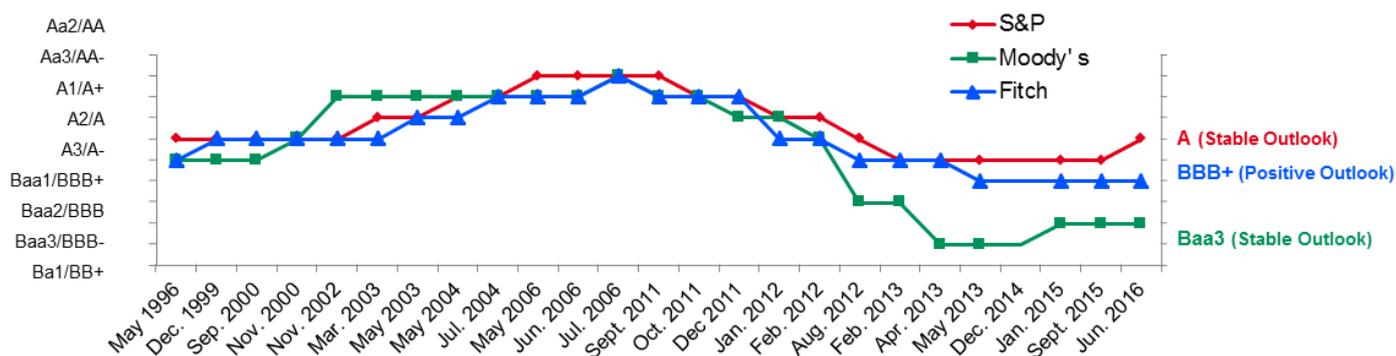


STANDARD & POOR'S RAISED SLOVENIA'S CREDIT RATING FROM A- POSITIVE TO A WITH STABLE OUTLOOK

On 17th of June 2016 Standard & Poor's upgraded the credit rating of the Republic of Slovenia from A- to A with stable outlook. The rating decision is based on the following expectations of the rating agency over the period of 2016 – 2019:

- General government debt-to-GDP ratio will gradually fall as authorities reduce government deficits and draw down on the accumulated budget cash reserves;
- Tax-rich domestic demand will continue its recovery contributing to the ongoing budgetary consolidation;
- Policymakers' measures to restrict expenditure increases will complement efforts to raise tax collection;
- Positive labor market outcomes, both in terms of wage growth and job creation, will persist and in turn support private consumption; and
- Credit conditions will likely gradually ease as the health of the banking and corporate sectors improves over time.

Figure 1: Credit Rating of the Republic of Slovenia Over Time



Source: S&P, Fitch and Moody's, 17.6.2016

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