

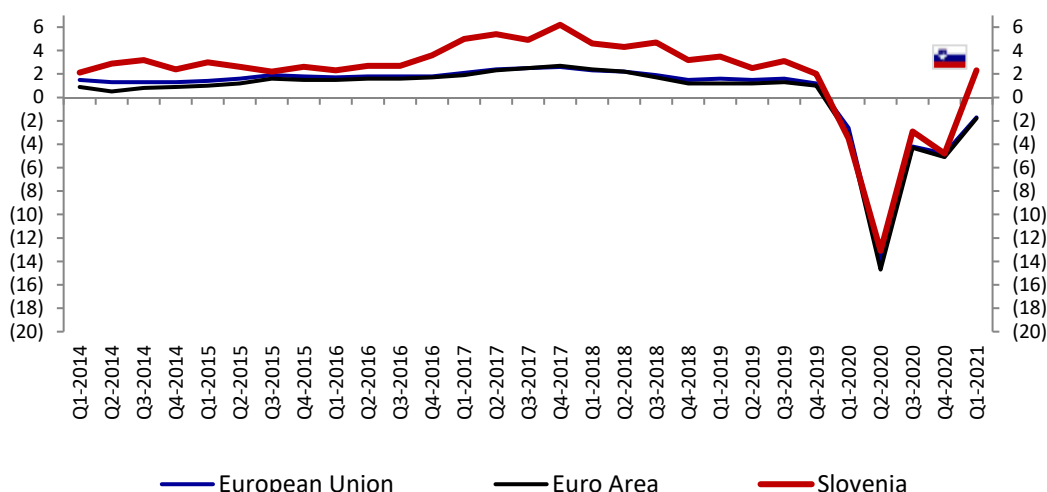


SLOVENIA'S ECONOMIC PERFORMANCE PROVED MORE RESILIENT TO COVID-19 EPIDEMIC COMPARED TO EU AND EA AVERAGE

Based on the original data, the GDP in Slovenia increased by 1.6% in the first quarter of the 2021 in comparison to the same quarter of the previous year (YoY). Seasonally adjusted GDP in Slovenia increased by 2.3% in the first quarter of 2021 (YoY).

Based on seasonally and calendar adjusted GDP data Slovenia exhibited in the first quarter a strong positive growth rebound of +2.3% in comparison to EA-19 average of -1.8% (YoY) and EU average of -1.7% (YoY).

Figure 1: Real Quarterly GDP Growth Rate (SA % change Q/Q-4)



Source: Statistical Office of the Republic of Slovenia (SORS), Eurostat, (SA) Seasonally Adjusted data, 17.6.2021

Total Employment

The total employment in the first quarter of 2021 stood at 1,035,000 workers and decreased by 1.0% or 10,000 persons YoY, i.e. mostly in accommodation and food service activities, administrative and support services, and manufacturing. There are branches where employment increased, i.e. in human health and social work activities. The unemployment rate end of March 2021 stood at 4.8% which is 0.4 p.p lower in comparison to december 2020 (5.2%). Unemployment in Slovenia is significantly lower compared to EA-19 (8.1%) and EA-27 (7.3%).

External Demand and Competitiveness

The exports in the first quarter of 2021 increased by 0.8% and the imports by 0.5% compared to the same quarter of the previous year (YoY). Exports of goods increased by 4.2% and imports of goods by 2.7%, while exports and imports of services decreased by 14.1% and 12.2% respectively.

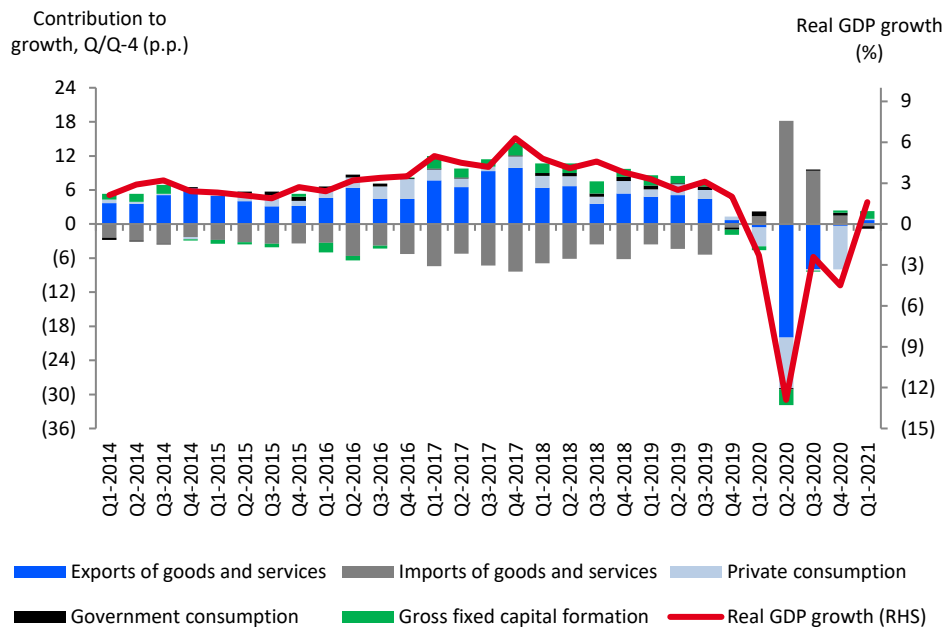
Domestic Consumption

The domestic expenditure in the first quarter 2021 increased by 1.4% in comparison to the same quarter of the previous year (YoY). Household final consumption expenditure increased by 0.4%.

Budget Account

In the first five months of the year 2021, the state budget revenues exceeded the 2019 pre-covid crisis level for 6.7%. Tax revenues were higher for 1.8%, and within its structure personal income tax increased by 19% and corporate income tax by 15.1%. In May 2021, the state budget revenues additionally increased by EUR 164m due to successful multiband auction for 5G frequencies.

Figure 2: Contributions to Real GDP Growth (% chg. Q/Q-4)



Source: Statistical Office of the Republic of Slovenia (SORS), Original data, 17.6.2021

Notes

Unless otherwise specified, all comparisons in this text refer to original data, to volume or real changes and to changes compared with the same quarter of the previous year.

RATING AGENCIES AFFIRMED SLOVENIA'S RATINGS WITH STABLE OUTLOOK

On 11 June 2021, S&P Global published their rating review outcome on Slovenia. The rating for Slovenia remains unchanged AA-, *outlook stable*.

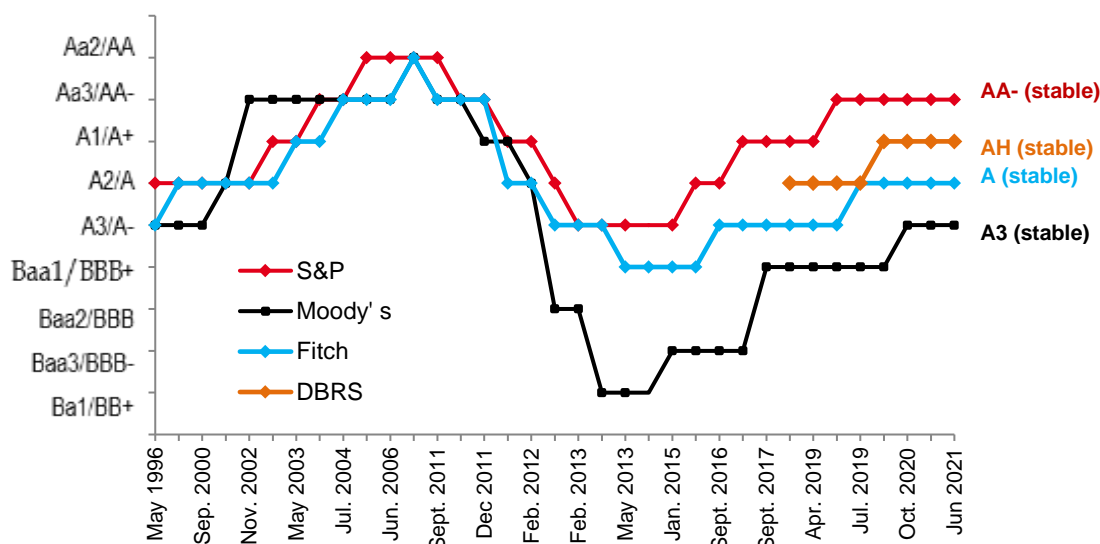
A few days later an analysis update was published and can be found on the S&P Global website: <https://www.spglobal.com/ratings/en/>

On 11 June 2021, DBRS Morningstar confirmed Slovenia's Long-Term Foreign and Local Currency at A (*high*), *stable trend*.

The full report can be found on the DBRS Morningstar website: <https://www.dbrsmorningstar.com/>

The credit rating information of the Republic of Slovenia is presented in the below chart.

Figure 3: Credit Rating of the Republic of Slovenia Over Time



Source: S&P, Fitch, Moody's and DBRS, 17.6.2021

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