BANKA SLOVENIJE

BANK OF SLOVENIA

EUROSYSTEM

MONTHLY REPORT ON BANK PERFORMANCE WITH COMMENTARY

MARCH 2020

COMMENTARY IN BRIEF

The spread of coronavirus has delivered an economic shock which is profoundly changing the environment in which the banking sector operates. In these circumstances the crisis could be reflected in the performance of the banking system, and in a rapid decline in bank profitability. It was mainly corporate loans that increased in January of this year, while bank loans to households were unchanged. On the liability side of the balance sheet, deposits by the non-banking sector were up only a little on previous months. The quality of the banks' credit portfolio improved further. Having ended last year with record profits, the banks were again profitable in January of this year, although the figure was down on last January. The banking system remains strongly capitalised, and the liquidity position is good.

The banking system's balance sheet total increased by EUR 493 million in January to EUR 41.7 billion, raising the year-on-year rate of growth to 7%. On the asset side, the main increase in January was in loans to the non-banking sector (corporates), while there were contractions in investments in securities and the most liquid forms of bank claims, i.e. claims against the central bank and sight deposits at other banks.

Year-on-year growth in loans to the non-banking sector in January was unchanged from December at 5.8%. The stock of loans increased by EUR 239 million in January, the largest net increase since June of last year. After a renewed increase in loans, which amounted to EUR 203 million in January, year-on-year growth in corporate loans reached 5.2%. Year-on-year growth in loans to other financial institutions and loans to non-residents remained particularly noteworthy, as a result of last year's lending. Both classes of loan account for a relatively small proportion of the balance sheet total.

Year-on-year growth in household loans began slowing towards the end of last year, and reached 5.9% in January of this year. Year-on-year growth in consumer loans slowed to 7.7% in January, while year-on-year growth in housing loans remained at 5.6%. These developments were in line with the macroprudential measures adopted in November 2019. In the current situation it is impossible to say what the impact of the coronavirus outbreak will be on household loans.

The NPE ratio had further declined to 2.2% by January, as the stock of NPEs declined to just under EUR 1 billion. The largest stock of NPEs remains in the non-financial corporations portfolio, at EUR 628 million, where notably there was a slightly higher inflow in the final quarter of 2019, which coincided with the cooling trend in the economy. While bank exposures rise, the stock of NPEs and the NPE ratio are declining in the household portfolio: the NPE ratio reached 2.5% for consumer loans and 1.9% for housing loans in January. A major slowdown in the economy and a long-lasting coronavirus crisis could bring a renewed increase in NPEs.

Deposits by the non-banking sector were up 7.5% in year-on-year terms at the end of January 2020, thereby outpacing growth in the balance sheet total. Year-on-year growth in household deposits stood at 7.8% in January. This high growth, which slowed slightly in January, was partly attributable to a large temporary increase in deposits at one bank, and a seasonal effect seen in December. Year-on-year growth in corporate deposits, which slowed last year and was actually negative in several months, stood at 1.5% in January.

Bank profitability: having recorded a record pre-tax profit of EUR 597 million in 2019, the banks saw a sharp deterioration in the environment in which the banking sector operates on account of the economic downturn caused by coronavirus and the anticipated persistence of the low interest rate environment. Bank profitability can be expected to decline rapidly in the current circumstances. The slowdown in lending activity could lead to a decline in net interest income. The banks recorded above-average non-interest income last year; even under normal circumstances they would have been unable to generate such large non-interest income this year with similar one-off effects to last year. The worsening economy will drive impairment and provisioning costs at the banks. The anticipated deterioration in the economy will be reflected in a higher default rate and a rapid increase in expected credit losses. The banking system generated a pre-tax profit of EUR 15 million in January.

The Slovenian banking system remains strongly capitalised, and the liquidity position is also good. The total capital ratio increased to 18.5% on a consolidated basis, and the common equity Tier 1 capital ratio to 17.8%, both above the euro area averages. The banks increased their regulatory capital not only via retained earnings and other reserves, but also via issuance of subordinated debt securities. The most liquid forms of asset (cash on hand, balances at the central bank, bank deposits) account for almost 14% of the balance sheet total, while secondary liquidity accounts for a solid 19%. The banking system's LCR remains well above the regulatory requirement, although there is still significant variation from bank to bank.

The rapid and uncontrolled spread of coronavirus in the early part of the year has unleashed strong selling pressure, particularly on stock markets. Additional downward pressure on share indices during this period was triggered by the failure of Opec+ members to reach an agreement to cut output of petroleum and refined petroleum products. There has not yet been major selling pressure on the bond markets, although it is mainly government bonds from countries with higher sovereign credit ratings and lower exposure to coronavirus that are attracting investment.

The trend of decline in leasing business continued in the final quarter of 2019, and was reflected in an overall decline in new leasing business and the stock of leasing business during the year. The proportion of claims more than 90 days in arrears declined further in 2019, as the real estate portfolio continued to be sold off. The stock of leasing business is expected to further contract in 2020, as a result of the continuing sale of real estate business and a decline in new leasing business.

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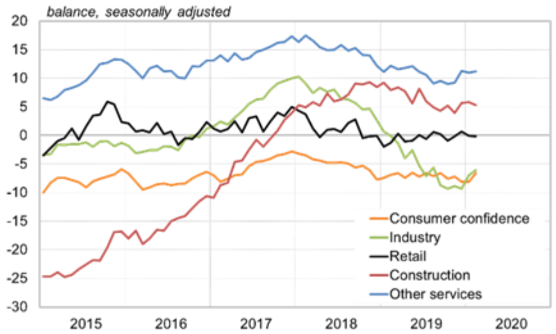
APPENDICES

1. Macroeconomic environment

The risks coming from the international environment strengthened further in the early part of 2020. Economic growth in the euro area slowed again in the final quarter of 2019, and stood at just 0.9% in year-on-year terms. According to the OECD's March forecasts, growth will slow again in 2020 to just 0.8%, while the forecast for 2021 is 1.2%. The spread of coronavirus across Europe has further increased the risk of a faster cooling in the euro area economy. While the majority of economic forecasts see the spread of the virus peaking in the first quarter, should the virus continue spreading over the remainder of the year, the impact could be even greater due to the actions required to curb the spread. Economic growth could slow even further, which at first would be reflected most evidently in tourism, transport and trade, and in a general deterioration in the economic climate.

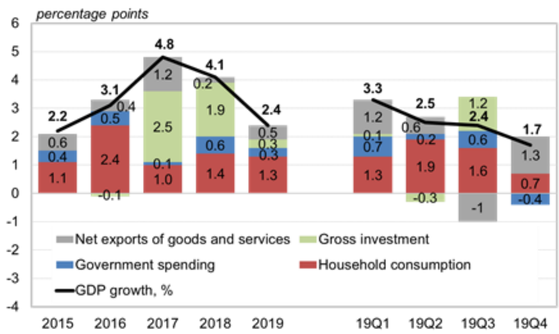
Economic growth and confidence indicators declined in Slovenia last year, but nevertheless remained above the euro area averages. GDP recorded year-on-year growth of 1.7% in the final quarter of 2019 and was up 2.4% in 2019. Meanwhile, the single currency area GDP grew only 1.2% last year. The labour market conditions remain favourable for the moment, although uncertainty is rising rapidly amid the spread of coronavirus, which in the future could also have consequences for growth in household lending activity. As economic growth continues to slow, and the risk of a more pronounced economic slowdown continues to rise as a result of the actions taken to curb the spread of coronavirus, there is also increasing uncertainty surrounding ongoing credit growth. The ECB's long-term policy of low interest rates is keeping lending conditions favourable, but there is great pressure on banks' interest margins and income risk is rising.

Figure 1.1: Confidence indicators in the euro area



Source: Bank of Slovenia

Figure 1.2: GDP growth in Slovenia, and contributions by expenditure-side components



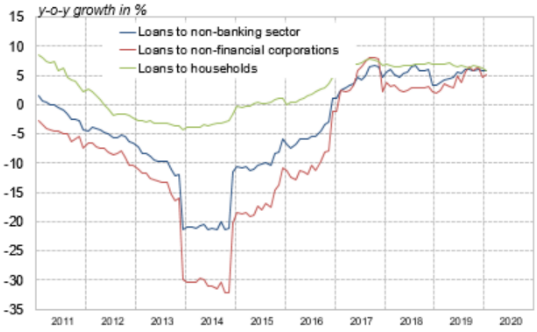
2. Bank investments

Year-on-year growth in the balance sheet total increased in the second half of 2019, reaching 6.3% by the end of the year. It rose further in January of this year to reach 7%. The balance sheet total increased by EUR 1.1 billion in the second half of 2019, and by EUR 2.4 billion in the entire year. On the investment side of the balance sheet, the banks saw an increase (of EUR 1,283 million) in loans to the non-banking sector last year. The increase was mainly in household loans (up EUR 625 million), and less in corporate loans (up EUR 407 million). Investments in securities, which are more concentrated at the largest banks and the banks under majority domestic ownership, remained virtually unchanged last year; their decline in January was the result of RS 67 bonds maturing. The proportion of total assets accounted for by securities fell below 21% in January, while holdings of the most liquid assets remained at high levels, and were driven higher by an increase in sight deposits.

The banks held approximately EUR 5 billion of securities measured at fair value at the end of January, EUR 4.8 billion of which was in debt securities. By contrast, their portfolios held EUR 3.5 billion of debt securities measured at amortised cost. Slovenian government bonds accounted for just under half of their debt securities. Slovenian banks had relatively low exposure to Italy, the country hit hardest by coronavirus to date, in the amount of EUR 211 million,[1] equivalent to 2.4% of total debt security holdings.

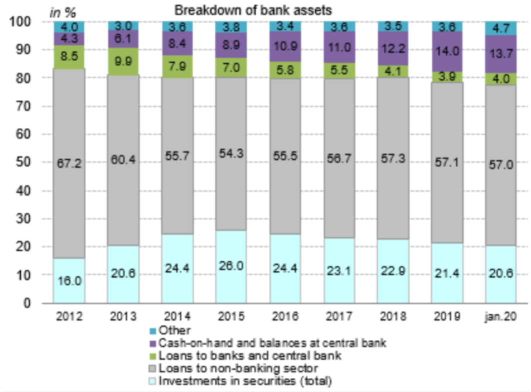
[1] *Bank of Slovenia figure for the third quarter of 2019.*

Figure 2.1: Year-on-year growth in loans



Source: Bank of Slovenia

Figure 2.2: Breakdown of bank assets



Year-on-year growth in loans to the non-banking sector had slowed slightly by the end of last year, and was unchanged at 5.8% in January compared to December. The stock of corporate loans declined by EUR 262 million in December, partly as a result of the maturing of several large loans raised in the middle of last year. January's increase in loans to non-financial corporations amounted to EUR 203 million, and was particularly prominent at the foreign subsidiary banks. Year-on-year growth in loans reached 5.2% system-wide in January. The stock of corporate loans on the balance sheet of the Slovenian banking system declined sharply in the post-crisis period, and remained behind household loans for the fifth consecutive year. Growth in corporate loans was also affected last year by the improved financial position of non-financial corporations relative to previous years, i.e. low indebtedness, high profits and high liquidity, and by the economic situation at home and abroad. There have also been changes to non-financial corporations' approach to financing: recent years have seen internal resources and trade credits rise in importance. Given the sharp economic downturn caused by coronavirus, demand for liquidity loans can be expected to increase even in the short term, particularly at SMEs, in service sectors and in manufacturing.

The dynamics in loans vary greatly, depending on the economic activity. Growth in loans to manufacturing firms slowed over the whole of 2019, and turned negative in early 2020. The positive growth in overall corporate loans has been maintained by loans to firms in the wholesale and retail trade, real estate activities, miscellaneous business services, and electricity, gas and water supply. Loans to construction and transport firms have been declining for more than a year, and were joined in August by loans to firms in the accommodation and food service activities. Similar dynamics are evident in those activities in borrowing in the rest of the world, which suggests that it is not a matter of one source of financing being replaced by another. The only increase in borrowing in the rest of the world is via loans raised at parent companies, while loans from other creditors are continuing to decline. Given the high proportion of total corporate loans accounted for by manufacturing firms, and this sector's great dependence on the external environment, their lower borrowing at banks can be expected to have a greater impact on total bank loans.

Figure 2.3: Bank loans by corporate activity

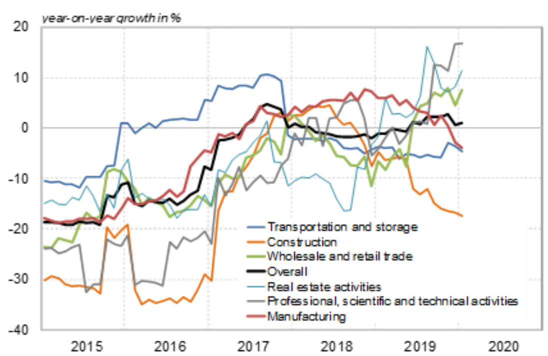
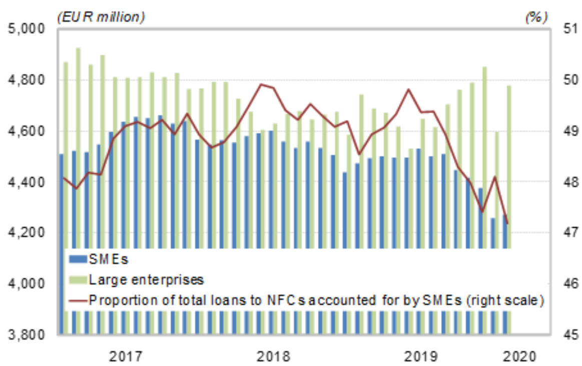


Figure 2.4: Breakdown of bank loans to corporates by size



Note: Stocks of and growth in loans are disclosed as gross amounts.

Source: Bank of Slovenia

Year-on-year growth in household loans began slowing towards the end of last year, and had declined to 5.9% by January of this year. The slowdown in growth was partly attributable to the tightening of lending conditions by macroprudential instruments. Year-on-year growth in consumer loans was still as high as 11.9% in October of last year, but had slowed to 7.7% by the end of January. As expected, the entry into force of the Regulation on macroprudential restrictions on household lending in November of last year had an impact on developments in household loans in the final quarter. Year-on-year growth in housing loans was moderate and stable for the majority of last year, at just over 5%, driven by the buoyant labour market, rising household disposable income and households' ongoing demand for real estate purchases. The year-on-year rate of growth had increased slightly by the end of the year, which might also be attributable to the introduction of macroprudential measures. It stood at 5.6% in January. In the current situation it is impossible to say what the impact of the coronavirus outbreak will be on household loans.

According to the Bank Lending Survey, credit standards on corporate loans remained unchanged in the final quarter of last year, while those on household loans were tightened (macroprudential measures). Banks in the euro area reported a minimal tightening of credit standards on lending to corporates (economic outlook). Corporate demand for loans at Slovenian banks has increased slightly over the last two quarters, but has declined in the euro area overall. All reporting banks in Slovenia reported tightening standards on consumer loans and housing loans, while four out of five banks reported lower demand.

3. Bank asset quality

Non-performing exposures (NPEs) were declining rapidly in all client segments leading up to January 2020. The overall NPE ratio in the banking system stood at 2.2%, while the NPL ratio stood at 2.9%. The stock of NPEs at system level fell below the billion euro mark (EUR 998 million). The non-financial corporations portfolio had the largest stock of NPEs, at EUR 628 million. The NPE ratio in the SMEs portfolio remained high, at 5.7%. The stock of NPEs primarily consists of loans from the period of high borrowing and lax credit standards, while inflows of NPEs from transactions concluded in the last three years are low. However, there was a slightly higher inflow of new NPEs discernible in the non-financial corporations portfolio in the final quarter of 2019, which coincided with the cooling trend in the economy. While bank exposures rise, the stock of NPEs and the NPE ratio are declining in the household portfolio: the NPE ratio reached 2.5% for consumer loans and 1.9% for housing loans in January. Coverage by impairments has declined by 3.5 percentage points over the last three months to a poor 49.8%, as a result of NPEs with full or above-average coverage being removed from bank portfolios. By contrast, coverage of NPEs by impairments and collateral is improving, and had increased to 90.8% by January of this year[2]. The quality of the credit portfolio could worsen amid a larger slowdown in the economy, the scale of which is difficult to forecast in the current global pandemic situation.

Figure 3.1: NPEs and NPE ratios by corporate size

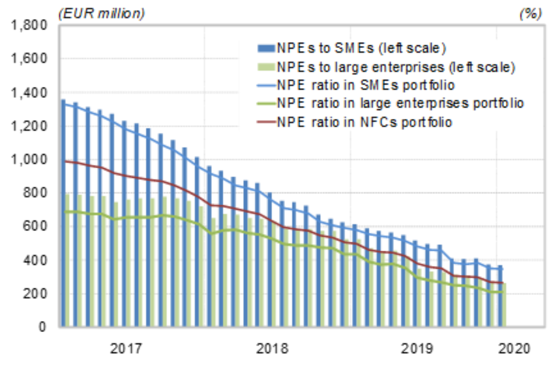
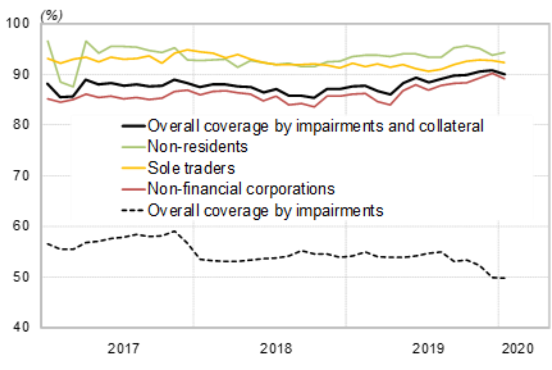


Figure 3.2: Coverage of NPEs by impairments and collateral by customer segment



Source: Bank of Slovenia

[2] *The indicator of coverage of NPEs by impairments and collateral does not include the household sector.*

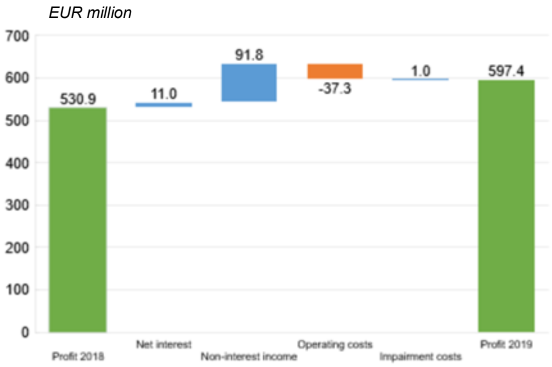
4. Bank profitability

Having recorded record pre-tax profit of EUR 597 million in 2019, the conditions for banks to perform profitably are worsening, on account of the economic downturn caused by coronavirus and the anticipated persistence of the low interest rate environment. Developments on the income side and the prevailing effect of the net release of impairments and provisions were factors in last year's high profits and above-average profitability. The banking system's gross income last year was up just under a tenth on the previous year. The vast majority of the increase came from an increase in non-interest income driven by one-off developments at larger banks in the first half of the year. The increase in net fees and commission, the most important component of non-interest income, was similar to last year's growth in the balance sheet total. Despite the banks' increased activity in introducing and charging for various packages and services, net fees and commission accounted for just a fifth of the increase in total non-interest income. One important component was dividend income, which was up 30% last year in year-on-year terms at EUR 96 million. Growth in net interest income had slowed to 1.6% by the end of 2019, and slowed further to 1.2% in January. Net interest margin (calculated over the preceding 12 months) declined to 1.78%, driven primarily by slower growth in interest income. Year-on-year growth in interest income in the 12 months to January declined to 1.4%, while the corresponding figure for interest income on loans was 1.9%.

Operating costs increased by 5.6% last year, while the CIR declined slightly, to 56%. Labour costs were up 2.7% in year-on-year terms, while the proportion of total operating costs that they account for declined to 56.7%. Amortisation and depreciation costs recorded above-average growth of 26.4%, but accounted for less than 10% of operating costs.

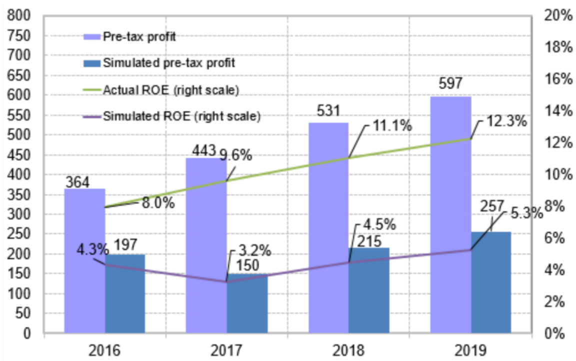
Net release of impairments and provisions still prevailed in the banking system last year. By January 2020 this was no longer the case. There was a net release of impairments and provisions last year for the third consecutive year. The prevailing net release of impairments and provisions was attributable to the improvement in the credit portfolio, as the NPE ratio declined to a record low of 2.2% in the wake of several years of a booming economy. The net release of impairments and provisions, which was particularly prevalent at several of the largest banks last year, was a major factor in the banking system's profitability. The banks generated profits of EUR 15.4 million in January.

Figure 4.1: Change in components of profit, in 2019 relative to 2018



Source: Bank of Slovenia

Figure 4.2: Comparison of observed profit and ROE with simulated values under higher impairments



Note: The simulated values for impairment and provisioning costs take account of their average ratio to gross income since 1996; this calculation excludes 2012, 2013, and 2014, when impairment and provisioning costs were far above average, and 2017, 2018 and 2019, when the banks recorded a net release of impairments and provisions overall.

Bank profitability can be expected to decline in the current circumstances. The slowdown in lending activity is expected to be quickly reflected in a decline in net interest income. The banks recorded above-average non-interest income last year, but in the current circumstances, and even in any case, they cannot count on similar one-off effects. Operating costs are relatively fixed in the short term, but the worsening economy will drive up impairment and provisioning costs at the banks. The banks generated profits of EUR 15.4 million in January.

5. Capital adequacy and liquidity adequacy at banks

The banking system remained well-capitalised in the final quarter of 2019. The total capital ratio increased to 18.5% on a consolidated basis, and the common equity Tier 1 capital ratio to 17.8%, both above the euro area averages. The increase in regulatory capital in the final quarter of last year was driven primarily by issued subordinated debt securities (Tier 2 capital). There was an increase in RWA in 2019, primarily driven by credit growth and also, in the final quarter, by an increase in RWA for operational risk at one of the banks. The small domestic banks and savings banks, which are weaker in capital terms, improved their capital adequacy via recapitalisations. Despite the increase in regulatory capital, their leverage ratio remained a half lower than the average in the Slovenian banking system. Banks ended 2019 with record pre-tax profits, which they had to distribute with careful consideration.

The banking system's liquidity position remained good, and no major changes caused by coronavirus are yet evident. Primary liquidity[3] increased in the final quarter of last year, as a result of a pronounced increase in household deposits, and accounted for 13.7% of the banking system's balance sheet total in January 2020. The proportion accounted for by secondary liquidity remained solid at 18.6% of total assets. The liquidity coverage ratio remains well above the regulatory requirement: it stood at 290% in January, although there continues to be considerable variation from bank to bank. In the event of additional liquidity requirements, banks have a high share in the pool of eligible collateral at the Eurosystem that is free: it stood at 71% at the end of January.

Figure 5.1: Total capital ratio (CAR) and common equity Tier 1 capital ratio (CET1 ratio) for Slovenia and the euro area, consolidated basis

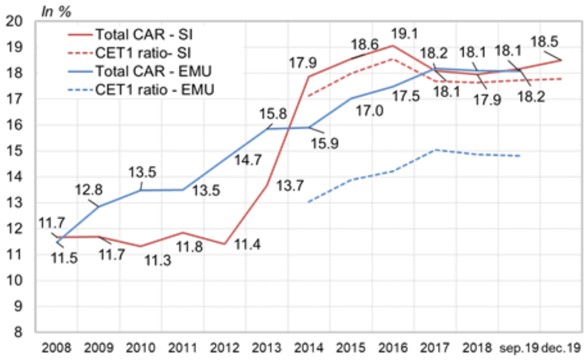
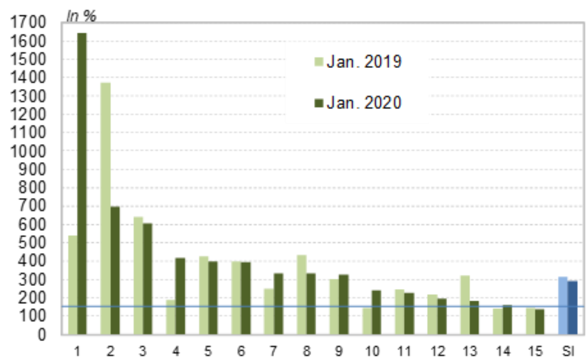


Figure 5.2: Liquidity coverage ratio (LCR) at individual banks



Note: The horizontal line on the right figure denotes the minimum regulatory requirement.

Sources: Bank of Slovenia, ECB (SDW)

The Emergency Deferral of Borrowers' Liabilities Act (ZIUOPOK) envisages an option for borrowers to defer the payment of liabilities (a moratorium) when their inability to pay is caused by the spread of coronavirus. The potential effects of the deferral of payments might first be seen in a decline in banks' cash inflows, and then later in a general impact on the economy (e.g. increased consumption on the domestic market, increases in bank assets). The effects occurring at individual banks might equalise out over the banking system as whole. The use of free funds by households and firms will determine what the general impact on the economy will be, which could also have an impact on banks and the cashflow in the banking system. The general impact in the economy could neutralise or even outweigh the effect initially seen in the declining cashflow. Changes in cashflow could also have an impact on liquidity, and could be reflected in a decline in the LCR, at least initially.

[3] *Primary liquidity includes cash-on-hand, balances at the central bank and sight deposits at banks.*

6. Bank funding

The proportion of total deposits by the non-banking sector accounted for by sight deposits is high, at more than 73%. Deposits by the non-banking sector were up 7.5% in year-on-year terms at the end of January, outpacing the growth in the balance sheet total, and accounted for three-quarters of total liabilities in January. Household deposits (up 7.8% in year-on-year terms) made the largest contribution to the increase in deposits by the non-banking sector. There were several factors in the persistent increase in last year's deposit inflows at banks and were mentioned in previous issues of the Monthly report on bank performance (rising household disposable income, a strong economy, tax breaks on payrolls). In the current circumstances it should be noted that the proportion of sight deposits is even higher, at more than 78% in the household segment (of a total of EUR 20.4 billion) and close to 74% in the corporate segment (of a total of EUR 6.6 billion). The banks' stock of borrowing from the ECB is low: it amounted to EUR 983 million in January.

7. Capital markets and mutual funds

Stock markets witnessed huge changes in the early months of 2020. After share indices reached record levels in 2019, stock markets were strongly hit by selling pressure in the second half of February, triggered by the rapid spread of coronavirus across Italy and then across other countries of the West. Equity markets saw heavy losses on a daily basis, which picked up further pace in the first half of March. Additional downward pressure on equity markets was triggered by the failure of Opec+ members to reach an agreement to deepen or extend existing production cuts of petroleum and refined petroleum products.

Figure 7.1: Changes in selected stock market indices

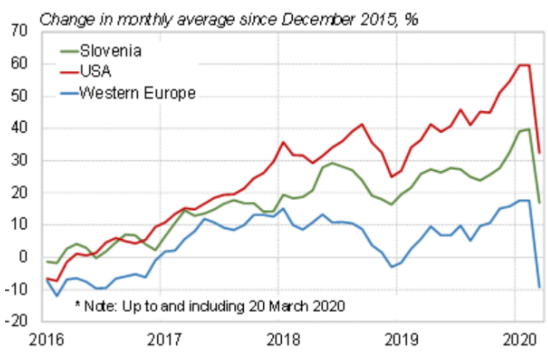
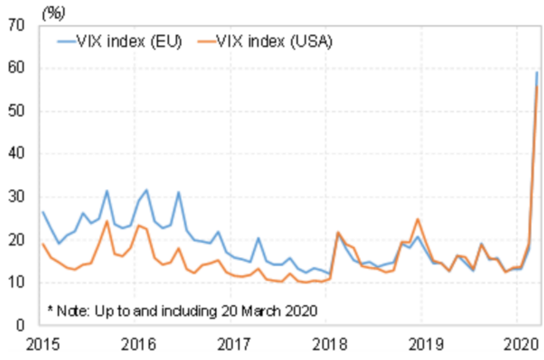


Figure 7.2: Rising volatility on stock markets



Sources: Bloomberg, Bank of Slovenia

The extreme rise in uncertainty unleashed such strong selling pressure on stock markets that individual share indices saw falls of more than 20% from their highs of this year in just a few days. This has also been reflected in increased volatility, which in March reached the level seen in 2014. The uncertainty on the equity markets also spread to the bond markets at the start of the second half of March, where required yields on 10-year government bonds rebounded from their lows from earlier in the month.

The declaration of a pandemic is seeing the risks to financial stability rise further. These could be reflected in additional selling pressure on the equity markets, and also on the bond markets, where the impact of coronavirus will be most pronounced.

8. Performance of leasing companies

The trend of decline in leasing business[4] continued in the final quarter of 2019, and was reflected in an overall decline in new leasing business during the year. Falling demand for trucks and commercial vehicles and slower growth in the cars segment were the main factors in the decline in new leasing business; it amounted to EUR 1,085.6 million in 2019, down 0.4% in year-on-year terms.

The ongoing contraction in the stock of real estate leasing business led to a decline in the aggregate stock of leasing business in 2019, although the stock of equipment leasing business was actually up on 2018. This was primarily driven by increased car leasing activity in the first half of the year, while the stock of leasing business declined by 1.6% over the aforementioned period to EUR 2.3 billion.

[4] *Excluding financing of inventories.*

1. MAIN FEATURES OF BANKS' PERFORMANCE AND FINANCIAL STATEMENTS[1]

Table 1.1: Banking system's assets and liabilities, as at 31 January 2020

	Stock	Breakdown	Stock	Breakdown	Stock	Breakdown	Increase		Growth in January 20, %	
EUR million unless stated, growth rates in %	31.12.2008	(%)	31.12.2019	(%)	31.01.2020	(%)	in January 20	in 2020	monthly	year-on-year
Assets	**47,948**	**100.0**	**41,213**	**100.0**	**41,707**	**100.0**	**493.3**	**493.3**	**1.2**	**7.0**
Cash in hand, balances at central bank and sight deposits at banks*	**1,250**	**2.6**	**5,783**	**14.0**	**5,706**	**13.7**	**-77.4**	**-77.4**	**-1.3**	**21.6**
Loans to banks at amortised cost (including central bank)	**4,101**	**8.6**	**1,592**	**3.9**	**1,662**	**4.0**	**70.5**	**70.5**	**4.4**	**11.4**
domestic banks	2,673	5.6	758	1.8	674	1.6	-84.5	-84.5	-11.1	-16.4
foreign banks	1,428	3.0	834	2.0	989	2.4	155.0	155.0	18.6	44.0
short-term loans to banks	2,056	4.3	563	1.4	593	1.4	30.0	30.0	5.3	24.0
long-term loans to banks	2,046	4.3	1,029	2.5	1,070	2.6	40.4	40.4	3.9	5.5
Loans to non-banking sector*	**33,718**	**70.3**	**23,520**	**57.1**	**23,758**	**57.0**	**238.8**	**238.8**	**1.0**	**5.8**
of which non-financial corporations	20,260	42.3	8,877	21.5	9,080	21.8	202.6	202.6	2.3	5.2
households	7,558	15.8	10,703	26.0	10,704	25.7	0.9	0.9	0.0	5.9
government	506	1.1	1,634	4.0	1,645	3.9	11.2	11.2	0.7	-5.8
other financial institutions	2,829	5.9	1,239	3.0	1,252	3.0	12.5	12.5	1.0	18.2
non-residents	2,515	5.2	1,036	2.5	1,048	2.5	11.7	11.7	1.1	19.5
Other financial assets classed as loans and receivables (at amortised cost)	**0**	**0.0**	**148**	**0.4**	**199**	**0.5**	**51.0**	**51.0**	**34.4**	**-14.5**
Securities / financial assets**	**7,323**	**15.3**	**8,838**	**21.4**	**8,602**	**20.6**	**-236.6**	**-236.6**	**-2.7**	**-2.5**
a) Financial assets held for trading	**1,177**	**2.5**	**63**	**0.2**	**67**	**0.2**	**4.1**	**4.1**	**6.5**	**-34.8**
of which debt securities held for trading	571	1.2	8	0.0	4	0.0	-4.1	-4.1	-53.6	-93.8
... government debt securities held for trading	56	0.1	8	0.0	4	0.0	-4.1	-4.1	-53.6	-93.8
b) Financial assets measured at fair value through P&L not held for trading	**0**	**0.0**	**52**	**0.1**	**64**	**0.2**	**12.5**	**12.5**	**24.1**	**3.4**
of which debt securities measured at fair value through P&L not held for trading	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
c) Financial assets designated for measurement at fair value through P&L	**179**	**0.4**	**6**	**0.0**	**6**	**0.0**	**0.0**	**0.0**	**0.4**	**2.0**
of which debt securities designated for measurement at fair value through P&L	163	0.3	6	0.0	6	0.0	0.0	0.0	0.4	2.0
... government debt securities designated for measurement at fair value through P&L	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
d) Financial assets measured at fair value through other comprehensive income	**4,552**	**9.5**	**5,012**	**12.2**	**4,967**	**11.9**	**-44.4**	**-44.4**	**-0.9**	**-6.0**
of which debt securities measured at fair value through other comprehensive income	4,318	9.0	4,807	11.7	4,762	11.4	-45.3	-45.3	-0.9	-6.3
... government debt securities measured at fair value through other comprehensive income	2,875	6.0	3,385	8.2	3,304	7.9	-80.4	-80.4	-2.4	-6.5
e) Debt securities at amortised cost	**1,415**	**3.0**	**3,706**	**9.0**	**3,497**	**8.4**	**-208.8**	**-208.8**	**-5.6**	**3.9**
of which government debt securities at amortised cost	1,182	2.5	2,862	6.9	2,667	6.4	-194.4	-194.4	-6.8	-0.9
Investments in subsidiaries, joint ventures and associates	**627**	**1.3**	**509**	**1.2**	**953**	**2.3**	**444.2**	**444.2**	**87.3**	**85.0**
Other assets	**928**	**1.9**	**824**	**2.0**	**827**	**2.0**	**2.8**	**2.8**	**0.3**	**5.9**
Equity and liabilities	**47,948**	**100.0**	**41,213**	**100.0**	**41,707**	**100.0**	**493.3**	**493.3**	**1.2**	**7.0**
Financial liabilities measured at amortised cost (deposits)	**41,895**	**87.4**	**35,801**	**86.9**	**36,239**	**86.9**	**438.7**	**438.7**	**1.2**	**7.1**
a) Financial liabilities to central bank (Eurosystem)	**1,229**	**2.6**	**983**	**2.4**	**983**	**2.4**	**-0.3**	**-0.3**	**0.0**	**-10.0**
b) Liabilities to banks	**18,168**	**37.9**	**2,821**	**6.8**	**2,675**	**6.4**	**-146.0**	**-146.0**	**-5.2**	**-15.0**
of which to domestic banks	2,065	4.3	856	2.1	785	1.9	-71.4	-71.4	-8.3	-6.6
of which to foreign banks	16,098	33.6	1,965	4.8	1,890	4.5	-74.7	-74.7	-3.8	-18.1
c) Liabilities to non-banking sector (deposits by NBS)	**20,883**	**43.6**	**31,069**	**75.4**	**31,117**	**74.6**	**47.4**	**47.4**	**0.2**	**7.5**
of which to non-financial corporations	3,728	7.8	6,758	16.4	6,585	15.8	-172.4	-172.4	-2.6	1.5
households	13,407	28.0	20,365	49.4	20,433	49.0	68.7	68.7	0.3	7.8
government	1,879	3.9	1,037	2.5	1,067	2.6	30.0	30.0	2.9	1.4
other financial institutions	1,065	2.2	1,243	3.0	1,373	3.3	130.1	130.1	10.5	17.1
non-residents	475	1.0	1,228	3.0	1,219	2.9	-8.8	-8.8	-0.7	35.1
d) Debt securities	**1,276**	**2.7**	**600**	**1.5**	**601**	**1.4**	**1.1**	**1.1**	**0.2**	**304.9**
e) Other financial liabilities measured at amortised cost***	**1,568**	**3.3**	**327**	**0.8**	**864**	**2.1**	**536.6**	**536.6**	**164.1**	**76.5**
Provisions	**176**	**0.4**	**187**	**0.5**	**185**	**0.4**	**-2.8**	**-2.8**	**-1.5**	**-6.4**
Shareholder equity	**4,010**	**8.4**	**4,966**	**12.0**	**4,993**	**12.0**	**26.7**	**26.7**	**0.5**	**4.8**
Other liabilities	**1,867**	**3.9**	**260**	**0.6**	**290**	**0.7**	**30.7**	**30.7**	**11.8**	**43.9**
BALANCE SHEET TOTAL	**47,948**	**100.0**	**41,213**	**100.0**	**41,707**	**100.0**	**493.3**	**493.3**	**1.2**	**7.0**

Notes: * Loans to non-banking sector not held for trading comprise "Loans and other financial assets at amortised cost" (from A.VI of the "Methodology for compiling the recapitulation of the statement of financial position", the category of "Loans (and other financial assets) designated for measurement at fair value through profit and loss" (from A.III), the category of "Loans (and other financial assets) designated for measurement at fair value through other comprehensive income" (from A.IV) and the category of "Loans (and other financial assets) measured at fair value through other comprehensive income".

** Financial assets / securities on the asset side comprise total financial assets from A.II, including loans held for trading, while equities and debt securities other than loans are captured from other categories of financial asset (A.III, A.IV and A.V).

*** Includes subordinated debt until 31 December 2017. Under the IFRS 9 methodology, the item of "subordinated debt" is abolished, and these liabilities are included under liabilities to banks.

[1]The bank performance data in this publication is based on the banks' own book figures, which differ in methodological terms from the published statistics. The data on loans also differs because the data in this publication includes loans to non-residents, applies the net principle (amounts are minus value adjustments), and does not include non-marketable securities.

Source: Bank of Slovenia

Table 1.2: Income statement for 2018, 2019 and 2020

	2019	Breakdown	2019	Breakdown	2020	Breakdown	Annual growth, %
(EUR million unless stated)		(%)	Jan.-Jan	(%)	Jan.-Jan	v %	Jan.- Jan. 20/ Jan.- Jan. 19
Interest income	790.0		66.0		65.6		-0.7
Interest expenses	107.3		9.2		9.4		2.9
Net interest	**682.7**	**54.4**	**56.8**	**66.4**	**56.1**	**75.1**	**-1.2**
Non-interest income	**573.4**	**45.6**	**28.8**	**33.6**	**18.6**	**24.9**	**-35.5**
of which net fees and commission	333.8	26.6	28.0	32.8	28.6	38.3	1.9
of which net gains/losses on financial assets and liabilities held for trading	12.1	1.0	3.6	4.2	0.0	0.1	-98.9
Gross income	**1,256.1**	**100.0**	**85.6**	**100.0**	**74.7**	**100.0**	**-12.7**
Operating costs	**-706.8**	**-56.3**	**-51.5**	**-60.1**	**-55.7**	**-74.6**	**8.2**
Net income	**549.3**	**43.7**	**34.1**	**39.9**	**19.0**	**25.4**	**-44.3**
Net impairments and provisions	**48.0**	**3.8**	**5.9**	**6.8**	**-3.6**	**-4.8**	**-161.1**
Pre-tax profit	**597.4**	**47.6**	**40.0**	**46.7**	**15.4**	**20.6**	**-61.4**
Taxes	-62.5		-4.2		-7.9		88.0
Net profit	534.9		35.8		7.6		-78.9

Source: Bank of Slovenia

Table 1.3: Selected performance indicators

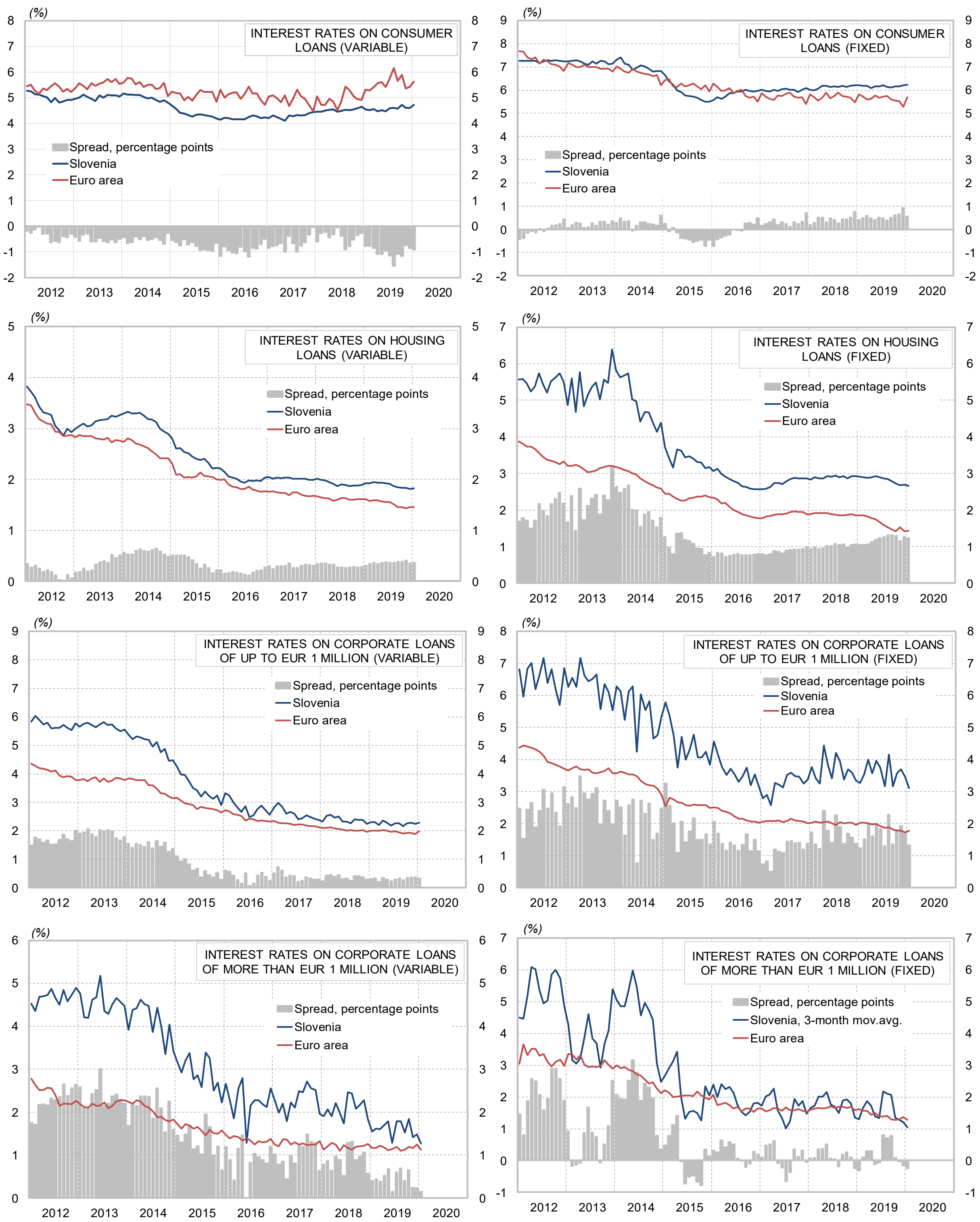
in %	2014	2015	2016	2017	2018	2019	2020 Jan.-Jan.	Jan-19 (last 12 mon.)	Jan-20 (last 12 mon.)
Profitability									
Financial intermediation margin*	3.10	3.05	3.05	2.88	3.01	3.13	2.15	3.01	3.09
ROA	-0.27	0.42	0.99	1.19	1.39	1.49	0.44	1.39	1.41
ROE	-2.69	3.63	7.96	9.58	11.07	12.26	3.72	11.12	11.62
Interest margin on interest-bearing assets	2.18	2.06	1.91	1.83	1.84	1.79	1.70	1.85	1.78
Net non-interest income / operating costs	58.05	60.05	68.53	62.67	71.93	81.12	33.34	72.02	78.93
Operating costs									
Labour costs / average assets	0.92	0.97	1.01	1.02	1.02	1.00	0.93	1.02	1.00
Other costs / average assets	0.81	0.84	0.80	0.78	0.73	0.76	0.64	0.73	0.77
Asset quality									
Impairments of financial assets at amortised cost / gross assets	8.98	7.84	5.38	4.09	2.64	1.53	1.53	/	/

** Gross income / average assets*

Source: Bank of Slovenia

2. BANKS' INTEREST RATES

Figure 2.1: Comparison of interest rates on new loans in Slovenia with those across the euro area, variable[1] (left) and fixed[2] (right) rates, in percentages

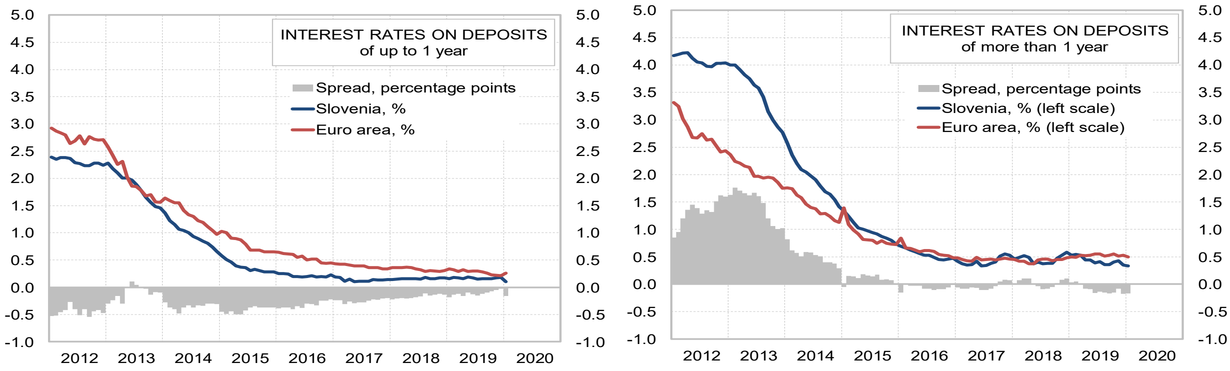


Note: The following definitions apply to all interest rates in this appendix:

1) **variable-rate** loans are comprised of loans concluded with a variable interest rate or with an interest rate fixed for less than one year (even if it is fixed for the entire term to maturity);
2) **fixed-rate** loans are comprised of loans concluded with a fixed interest rate for a period of more than one year.

Source: Bank of Slovenia

Figure 2.2: Comparison of interest rates on new household deposits in Slovenia with those across the euro area, in percentages[1]



Source: Bank of Slovenia, ECB

Table 2.1: Comparison of interest rates on new variable-rate loans in Slovenia with those across the euro area, in percentages

	ECB interest rate	Loans								Household deposits 1)			
		Households				Corporates				up to 1 year		over 1 year	
		Housing		Consumer		up to EUR 1m		over EUR 1m					
		EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO
Dec-12	0.75	2.9	2.9	5.2	4.9	3.8	5.8	2.3	4.9	2.7	2.2	2.4	4.0
Dec-13	0.25	2.8	3.3	5.5	5.1	3.8	5.5	2.3	4.5	1.6	1.5	1.8	2.8
Dec-14	0.05	2.4	2.9	5.1	4.8	3.1	4.5	1.8	3.4	1.0	0.7	1.2	1.4
Dec-15	0.05	2.0	2.2	4.8	4.2	2.6	2.9	1.6	2.2	0.7	0.3	0.8	0.7
Dec-16	0.00	1.8	2.0	4.7	4.2	2.3	2.5	1.4	2.6	0.4	0.2	0.5	0.5
Dec-17	0.00	1.7	2.0	4.5	4.4	2.1	2.4	1.3	2.0	0.3	0.1	0.5	0.5
Dec-18	0.00	1.6	1.9	4.9	4.6	2.0	2.2	1.3	1.8	0.3	0.2	0.5	0.6
Jan-19	0.00	1.6	1.9	5.3	4.5	2.0	2.3	1.2	1.5	0.3	0.2	0.5	0.5
Feb-19	0.00	1.6	1.9	5.3	4.5	2.0	2.3	1.2	1.6	0.3	0.2	0.5	0.5
Mar-19	0.00	1.6	2.0	5.4	4.6	2.0	2.2	1.2	1.6	0.3	0.2	0.6	0.5
Apr-19	0.00	1.6	1.9	5.6	4.5	2.0	2.4	1.2	1.7	0.3	0.2	0.6	0.4
May-19	0.00	1.6	1.9	5.6	4.5	2.0	2.3	1.1	1.8	0.3	0.2	0.6	0.4
Jun-19	0.00	1.5	1.9	5.4	4.5	1.9	2.2	1.1	1.3	0.3	0.2	0.6	0.4
Jul-19	0.00	1.5	1.9	5.7	4.6	2.0	2.2	1.2	1.8	0.3	0.2	0.6	0.4
Aug-19	0.00	1.5	1.9	6.2	4.6	1.9	2.3	1.1	1.8	0.3	0.2	0.5	0.4
Sep-19	0.00	1.5	1.8	5.6	4.6	1.9	2.2	1.1	1.3	0.3	0.2	0.6	0.4
Oct-19	0.00	1.4	1.8	5.9	4.7	1.9	2.3	1.2	1.8	0.2	0.2	0.6	0.4
Nov-19	0.00	1.4	1.8	5.4	4.6	1.9	2.3	1.2	1.4	0.2	0.2	0.5	0.4
Dec-19	0.00	1.5	1.8	5.4	4.6	1.9	2.2	1.2	1.4	0.2	0.2	0.5	0.3
Jan-20	0.00	1.5	1.8	5.6	4.7	2.0	2.3	1.1	1.3	0.3	0.1	0.5	0.3

Note: Household deposits are broken down by maturity, irrespective of the type of remuneration (fixed and variable interest rates are combined).

Table 2.2: Comparison of interest rates on new fixed-rate loans in Slovenia with those across the euro area, in percentages

	Loans[1]							
	Households				Corporates			
	Housing		Consumer		up to EUR 1m		over EUR 1m	
	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO
Dec-12	3.3	5.5	6.8	7.2	3.7	6.9	3.0	5.3
Dec-13	3.2	6.4	6.8	7.2	3.6	5.5	2.9	4.6
Dec-14	2.6	4.4	6.2	6.8	2.9	5.4	2.1	2.9
Dec-15	2.4	3.2	5.9	5.5	2.5	3.8	1.9	3.0
Dec-16	1.8	2.6	5.5	6.0	2.0	3.2	1.6	2.2
Dec-17	1.9	2.9	5.4	6.1	2.0	3.4	1.5	1.8
Dec-18	1.9	2.9	5.5	6.2	2.0	3.3	1.6	1.5
Jan-19	1.9	2.9	5.8	6.2	2.0	3.3	1.6	0.9
Feb-19	1.9	2.9	5.7	6.2	2.0	3.5	1.6	1.5
Mar-19	1.8	2.9	5.6	6.2	2.0	4.0	1.6	2.6
Apr-19	1.8	2.9	5.6	6.1	2.0	3.6	1.4	1.5
May-19	1.7	2.9	5.8	6.2	2.0	4.0	1.5	1.1
Jun-19	1.7	2.9	5.7	6.2	1.9	3.8	1.4	1.6
Jul-19	1.6	2.9	5.7	6.2	1.9	3.2	1.4	1.3
Aug-19	1.5	2.8	5.8	6.1	1.9	4.2	1.4	3.7
Sep-19	1.5	2.8	5.6	6.1	1.8	3.2	1.3	1.4
Oct-19	1.4	2.7	5.6	6.2	1.8	3.6	1.3	1.2
Nov-19	1.5	2.7	5.5	6.2	1.8	3.7	1.3	1.5
Dec-19	1.4	2.7	5.3	6.2	1.7	3.5	1.4	1.1
Jan-20	1.4	2.7	5.7	6.2	1.8	3.1	1.3	1.0

Source: Bank of Slovenia, ECB

3. QUALITY OF THE BANKING SYSTEM'S CREDIT PORTFOLIO

Table 3.1:[1] Non-performing exposures by client segment

	Exposures						Non-performing exposures (NPEs)					
	amount, EUR million			breakdown, %			amount, EUR million			ratio, %		
	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20
NFCs	13,676	14,272	14,239	31.8	31.3	31.4	1,150	636	628	8.4	4.5	4.4
OFIs	1,167	1,372	1,388	2.7	3.0	3.1	15	11	11	1.2	0.8	0.8
Households	11,281	11,795	11,821	26.2	25.9	26.1	288	247	248	2.6	2.1	2.1
sole traders	708	691	686	1.6	1.5	1.5	51	28	28	7.2	4.0	4.1
individuals	10,573	11,104	11,135	24.6	24.4	24.6	237	219	220	2.2	2.0	2.0
Non-residents	7,210	7,587	7,856	16.8	16.6	17.3	248	99	98	3.4	1.3	1.2
Government	5,375	5,177	4,882	12.5	11.4	10.8	13	12	12	0.2	0.2	0.3
Banks and savings banks	891	897	819	2.1	2.0	1.8	0	0	0	0.0	0.0	0.0
Central bank	3,345	4,440	4,244	7.8	9.7	9.4	0	0	0	0.0	0.0	0.0
Total	42,993	45,592	45,295	100.0	100.0	100.0	1,715	1,005	998	4.0	2.2	2.2

Table 3.2: Classified claims more than 90 days in arrears by client segment

	Classified claims						Claims more than 90 days in arrears					
	amount, EUR million			breakdown, %			amount, EUR million			ratio, %		
	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20
NFCs	13,354	14,041	14,007	35.6	34.6	34.7	448	201	201	3.4	1.4	1.4
OFIs	1,167	1,369	1,389	3.1	3.4	3.4	6	5	5	0.5	0.3	0.3
Households	11,282	11,794	11,821	30.1	29.1	29.3	239	214	215	2.1	1.8	1.8
sole traders	709	691	686	1.9	1.7	1.7	34	20	19	4.8	2.9	2.8
individuals	10,573	11,103	11,135	28.2	27.4	27.6	205	194	196	1.9	1.8	1.8
Non-residents	4,169	4,846	5,077	11.1	11.9	12.6	144	41	41	3.5	0.8	0.8
Government	3,282	3,174	2,975	8.7	7.8	7.4	7	6	6	0.2	0.2	0.2
Banks and savings banks	928	916	827	2.5	2.3	2.0	0	0	0	0.0	0.0	0.0
Central bank	3,345	4,440	4,244	8.9	10.9	10.5	0	0	0	0.0	0.0	0.0
Total	37,527	40,581	40,340	100.0	100.0	100.0	845	466	466	2.3	1.1	1.2

Table 3.3:[1] Non-performing exposures to non-financial corporations by sector

	Exposures			Non-performing exposures (NPEs)			NPE ratio		
	(EUR million)			(EUR million)			(%)		
	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20
Agriculture, forestry, fishing, mining	142	132	131	16	3	3	11.3	2.0	2.1
Manufacturing	4,014	4,036	4,019	184	114	110	4.6	2.8	2.7
Electricity, gas, water, remediation	1,040	1,296	1,310	13	8	8	1.3	0.6	0.6
Construction	1,097	1,161	1,146	195	84	83	17.8	7.2	7.2
Wholesale and retail trade	2,560	2,562	2,558	411	229	230	16.1	8.9	9.0
Transportation and storage	1,753	1,750	1,716	49	21	21	2.8	1.2	1.2
Accommodation and food service	435	448	451	50	40	41	11.4	8.9	9.0
Information and communication	658	653	650	10	6	6	1.6	0.9	0.8
Financial and insurance activities	45	63	68	9	0	0	20.0	0.7	0.7
Real estate activities	554	596	611	106	46	46	19.2	7.8	7.6
Professional, scientific and technical	1,081	1,314	1,318	83	65	63	7.6	4.9	4.7
Public services	297	261	259	23	20	19	7.8	7.8	7.3
Total	13,676	14,272	14,239	1,150	636	628	8.4	4.5	4.4

Source: Bank of Slovenia

Note: [1] The data on non-performing exposures is calculated on the basis of the banks' modified reporting under the Guidelines for implementing the Regulation on reporting by monetary financial institutions in accordance with the CRD IV and the EBA definition published in Commission Implementing Regulation (EU) 2015/227 (OJ L 48 of 20 March 2015).

Table 3.4: Classified claims against non-financial corporations more than 90 days in arrears

	Classified claims			Classified claims more than 90 days in arrears			Proportion of classified claims more than 90 days in arrears		
	(EUR million)			(EUR million)			(%)		
	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20	Dec.18	Dec.19	Jan.20
Agriculture, forestry, fishing, mining	142	132	131	6	1	1	4.5	0.6	0.7
Manufacturing	4,003	4,023	4,009	90	42	39	2.2	1.0	1.0
Electricity, gas, w ater, remediation	1,029	1,289	1,303	6	4	4	0.5	0.3	0.3
Construction	1,096	1,160	1,146	150	58	56	13.6	5.0	4.9
Wholesale and retail trade	2,343	2,442	2,435	75	36	40	3.2	1.5	1.6
Transportation and storage	1,720	1,717	1,684	8	5	5	0.5	0.3	0.3
Accommodation and food service	431	445	447	22	18	19	5.2	4.1	4.3
Information and communication	633	631	629	2	1	1	0.3	0.1	0.1
Financial and insurance activities	45	63	68	5	0	0	10.6	0.0	0.0
Real estate activities	562	593	607	22	5	5	4.0	0.9	0.9
Professional, scientific and technical	1,053	1,285	1,289	55	31	30	5.2	2.4	2.3
Public services	296	261	259	8	1	1	2.6	0.3	0.3
Total	13,354	14,041	14,007	448	201	201	3.4	1.4	1.4

Source: Bank of Slovenia

4. LEASING COMPANIES' PERFORMANCE

Figure 4.1: New leasing business

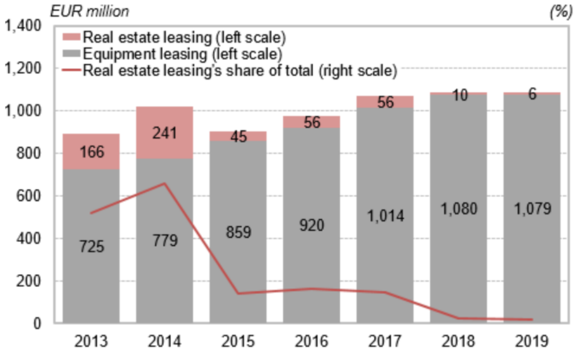
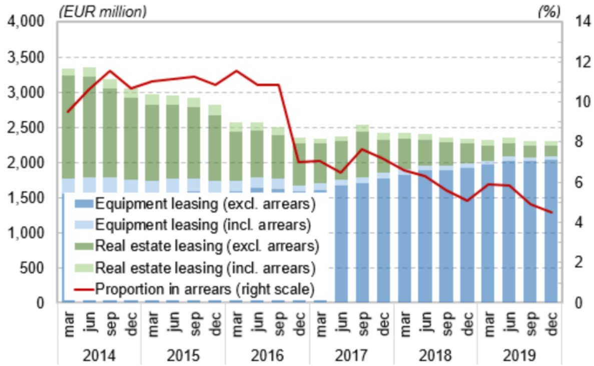


Figure 4.2: Stock of leasing business and proportion of arrears



Source: Bank of Slovenije

Table 4.1: New leasing business by type of leasing and institutional sector

		Real estate leasing					Equipment leasing				
		NFCs	Households	Other sectors	Rest of world	Total	NFCs	Households	Other sectors	Rest of world	Total
2013		152.6	9.6	2.6	1.0	165.9	346.4	373.7	1.2	3.6	724.9
2014		213.8	4.4	22.2	0.4	240.8	356.5	416.7	2.3	3.4	779.0
2015		39.5	3.9	1.3	0.3	45.0	407.2	444.1	1.8	5.8	858.9
2016		49.4	4.4	2.4	0.0	56.2	472.4	440.3	1.1	6.3	920.0
2017		39.5	2.8	10.8	2.9	56.0	520.5	477.8	9.6	6.3	1,014.2
2018		9.2	0.3	0.9	0.0	10.5	567.3	510.4	1.3	0.7	1,079.7
2018	mar.	0.9	0.1	0.1	0.0	1.0	138.6	135.5	0.3	0.3	274.6
	jun.	3.4	0.0	0.3		3.7	153.4	135.8	0.4	0.0	289.7
	sep.	1.0	0.1	0.0		1.1	119.9	118.7	0.4	0.1	239.1
	dec.	3.9	0.2	0.5		4.6	155.4	120.4	0.3	0.2	276.3
2019	mar.	3.3	0.0	1.0	0.0	4.4	139.5	136.6	0.7	6.5	283.3
	jun.	0.8		0.0		0.8	150.4	139.8	0.4	0.3	290.9
	sep.	0.2	0.0			0.2	108.9	125.8	0.6	0.2	235.4
	dec.	0.9	0.1	0.0		1.0	139.7	129.1	0.5	0.2	269.6

Table 4.2: Stock of leasing business by type of leasing and institutional sector

Obdobje		Real estate leasing					Equipment leasing				
		NFCs	Households	Other sectors	Rest of world	Total	NFCs	Households	Other sectors	Rest of world	Total
2013		1,342.9	120.0	158.2	1.7	1,622.9	781.9	936.7	10.7	55.0	1,784.3
2014		1,087.3	97.6	118.7	1.7	1,305.5	745.2	945.1	7.2	47.8	1,745.3
2015		899.4	79.2	96.7	2.0	1,077.3	712.7	963.8	5.6	50.0	1,732.0
2016		556.5	59.9	52.5	3.2	672.2	710.6	933.4	3.7	23.7	1,671.3
2017		468.8	49.2	44.0	2.0	564.0	816.5	1,018.8	12.5	4.4	1,852.2
2018		286.3	35.8	29.7	1.3	353.1	888.4	1,074.2	14.5	2.6	1,979.7
2018	mar.	434.5	43.0	43.6	3.6	524.7	827.4	1,052.3	12.1	4.0	1,895.9
	jun.	358.8	41.3	42.0	2.5	444.6	862.0	1,076.9	16.2	2.7	1,957.8
	sep.	333.9	39.6	33.5	1.5	408.4	865.8	1,061.7	15.2	2.6	1,945.3
	dec.	286.3	35.8	29.7	1.3	353.1	888.4	1,074.2	14.5	2.6	1,979.7
2019	mar.	231.4	32.2	29.4	1.2	294.1	897.4	1,100.1	14.0	8.2	2,019.7
	jun.	210.2	30.9	28.7	1.0	270.8	925.9	1,128.9	13.6	8.5	2,076.9
	sep.	176.4	29.0	25.6	1.0	232.1	916.6	1,131.9	13.3	8.3	2,070.1
	dec.	165.3	27.9	21.8	0.7	215.8	908.8	1,151.0	13.3	7.5	2,080.6

Source: Bank of Slovenije

Table 4.3: Leasing business by type of leasing and maturity

New leasing business by maturity, EUR million	Up to 1 year		1 to 5 years		5 to 10 years		Over 10 years		Total		
	Equipment	Real estate	Equipment	Real estate	Equipment	Real estate	Equipment	Real estate	Equipment	Real estate	All leasing
2013	125.7	100.4	296.8	12.3	299.6	15.8	2.8	37.4	724.9	165.9	890.8
2014	124.9	50.0	339.0	77.1	314.6	74.9	0.6	38.8	779.0	240.8	1,019.8
2015	151.1	13.7	350.3	9.6	353.3	12.0	4.3	9.7	858.9	45.0	903.9
2016	178.2	31.5	352.8	8.1	385.5	11.8	3.6	4.7	920.0	56.2	976.2
2017	210.8	34.0	368.7	3.8	434.2	2.0	0.4	16.2	1,014.2	56.0	1,070.2
2018	211.7	0.3	371.4	0.5	496.3	2.5	0.4	7.2	1,079.7	10.5	1,090.2
2018 mar.	55.5	0.1	94.5	0.1	124.5	0.2	0.2	0.7	274.6	1.0	275.6
jun.	59.6	0.0	95.9	0.3	134.1	0.7	0.1	2.7	289.7	3.7	293.4
sep.	45.5	0.0	76.8	0.1	116.7	0.2	0.0	0.8	239.1	1.1	240.3
dec.	51.1	0.1	104.1	0.0	121.0	1.3	0.0	3.1	276.3	4.6	280.9
2019 mar.	60.9	1.2	100.8	0.1	121.4	0.6	0.2	2.5	283.3	4.4	287.7
jun.	58.2	0.2	91.7	0.2	140.9		0.1	0.4	290.9	0.8	291.7
sep.	36.4	0.0	84.3	0.0	114.7	0.2		0.0	235.4	0.2	235.7
dec.	51.1	0.0	94.7	0.1	123.8	0.7		0.2	269.6	1.0	270.5

Stock of leasing business by maturity, EUR million	Up to 1 year		1 to 5 years		5 to 10 years		Over 10 years		Total		
	Equipment	Real estate	Equipment	Real estate	Equipment	Real estate	Equipment	Real estate	Equipment	Real estate	All leasing
2013	353.2	358.2	1,124.7	471.0	268.8	476.1	37.6	317.5	1,784.3	1,622.9	3,407.2
2014	316.3	215.2	1,125.7	519.8	288.5	365.8	14.8	204.7	1,745.3	1,305.5	3,050.7
2015	305.0	172.3	1,099.0	504.2	315.7	295.7	12.3	105.1	1,732.0	1,077.3	2,809.3
2016	228.2	164.0	1,113.8	290.3	322.9	155.5	6.4	62.3	1,671.3	672.2	2,343.5
2017	251.1	161.4	1,243.3	189.6	353.0	157.5	4.8	55.5	1,852.2	564.0	2,416.2
2018	226.6	106.1	1.332.9	109.2	419.6	102.6	0.7	35.3	1.979.7	353.1	2.332.9
2018 mar.	249.2	137.9	1,265.7	181.3	378.2	164.8	2.8	40.7	1,895.9	524.7	2,420.7
jun.	252.3	136.0	1,304.8	135.2	399.7	135.9	1.0	37.5	1,957.8	444.6	2,402.4
sep.	233.3	125.8	1,301.3	119.6	409.8	126.2	0.8	36.8	1,945.3	408.4	2,353.7
dec.	226.6	106.1	1.332.9	109.2	419.6	102.6	0.7	35.3	1.979.7	353.1	2.332.9
2019 mar.	235.8	104.9	1,355.4	71.5	427.7	84.6	0.8	33.1	2,019.7	294.1	2,313.8
jun.	251.9	96.0	1,377.0	65.9	447.2	78.8	0.7	30.0	2,076.9	270.8	2,347.7
sep.	247.5	72.5	1,374.9	62.3	447.1	74.7	0.7	22.5	2,070.1	232.1	2,302.2
dec.	232.5	73.4	1,390.8	59.3	456.6	61.2	0.7	21.8	2,080.6	215.8	2,296.3

Source: Bank of Slovenia

Table 4.4: Stock of leasing business with non-financial corporations by type of leasing and sector

Real estate leasing business, EUR million	Agri, mining	Manuf	Elec, gas, water	Construct	Trade	Trans, storage	Acco, food	Info, comms	Fin, insur	Real estate	PSTAs, ASSAs	Public services	Total
2013	6.2	53.5	6.5	106.7	637.2	14.0	56.2	8.8	3.5	344.6	64.8	41.0	1,342.9
2014	5.6	39.3	2.8	102.3	462.6	13.5	40.5	7.5	6.3	308.7	60.7	37.6	1,087.3
2015	5.5	33.8	7.4	86.1	399.7	11.2	35.7	7.2	1.8	242.2	43.3	25.6	899.4
2016	5.5	27.2	0.9	21.1	204.2	7.3	22.7	7.2	2.8	213.9	18.6	22.3	553.7
2017	0.1	30.0	1.1	25.2	135.9	10.5	19.3	7.1	4.8	158.9	41.3	33.6	467.9
2018		15.0	0.9	8.8	110.0	6.3	12.3	5.1	3.2	66.9	33.4	24.3	286.3
2018 mar.	0.1	29.4	1.1	21.4	135.0	10.0	18.2	6.8	4.8	138.1	37.3	32.1	434.1
jun.	0.1	26.8	1.0	12.8	128.8	9.7	17.7	6.7	2.8	84.2	36.6	31.2	358.5
sep.	0.1	16.6	0.9	10.7	122.2	9.3	17.0	6.3	3.4	83.3	34.8	29.2	333.9
dec.		15.0	0.9	8.8	110.0	6.3	12.3	5.1	3.2	66.9	33.4	24.3	286.3
2019 mar.		13.0	0.8	8.2	88.6	6.0	12.2	3.9	2.5	40.1	34.4	21.8	231.4
jun.		12.7	0.5	5.6	76.0	5.7	11.5	3.4	2.4	37.4	32.2	22.8	210.2
sep.		12.3	0.5	5.1	78.5	5.3	10.1	3.3	2.3	13.3	30.7	14.9	176.4
dec.		11.4	0.5	4.6	74.7	5.0	8.4	3.1	2.2	13.1	28.5	13.8	165.3

Equipment leasing business, EUR million	Agri, mining	Manuf	Elec, gas, water	Construct	Trade	Trans, storage	Acco, food	Info, comms	Fin, insur	Real estate	PSTAs, ASSAs	Public services	Total
2013	9.4	148.4	51.6	77.8	153.8	152.3	29.9	20.9	6.0	9.9	77.1	44.7	781.8
2014	10.1	132.4	41.9	75.5	146.0	163.5	34.4	22.9	3.6	9.4	68.0	37.6	745.2
2015	9.5	113.2	38.8	71.0	145.9	162.8	43.4	13.4	3.6	6.2	70.5	34.4	712.7
2016	11.9	96.7	27.2	65.7	139.1	196.4	52.5	12.3	4.4	4.9	66.4	33.1	710.6
2017	8.6	107.1	28.4	73.0	163.4	237.0	46.6	27.5	5.5	4.8	76.0	38.6	816.5
2018	9.4	129.2	17.6	92.8	167.7	289.9	26.3	24.2	4.9	5.6	87.1	33.7	888.4
2018 mar.	8.5	111.0	27.4	74.7	170.6	241.4	49.7	24.6	5.2	4.7	73.6	36.1	827.4
jun.	8.7	115.2	26.7	81.1	169.1	254.3	49.9	23.2	4.8	5.0	86.4	37.6	862.0
sep.	9.3	116.4	24.5	87.8	165.6	256.7	47.4	22.9	5.2	5.0	87.4	37.4	865.7
dec.	9.4	129.2	17.6	92.8	167.7	289.9	26.3	24.2	4.9	5.6	87.1	33.7	888.4
2019 mar.	9.9	129.3	17.6	94.7	181.8	291.2	23.0	21.7	5.0	6.2	83.0	33.8	897.3
jun.	10.5	132.1	17.3	99.5	183.8	295.4	22.5	22.4	5.4	5.5	99.0	32.4	925.8
sep.	10.7	131.5	17.7	99.8	182.9	288.6	21.5	22.4	5.4	5.9	99.3	30.9	916.6
dec.	11.4	134.0	18.0	98.3	183.3	285.3	21.6	22.8	5.3	5.8	92.0	30.8	908.7

Source: Bank of Slovenia

Table 4.5: Arrears in leasing business with non-financial corporations by type of leasing and sector

	Real estate leasing business, %													Overall (all leasing)
	Agri, mining	Manuf	Elec, gas, water	Construct	Trade	Trans, storage	Acco, food	Info, comms	Fin, insur	Real estate	PSTAs, ASSAs	Public services	Overall	
2013	85.3	10.3	0.0	15.7	2.8	0.4	15.7	4.3	9.2	2.2	13.3	6.0	5.5	9.5
2014	93.7	17.2	0.0	42.9	5.2	3.5	21.2	4.9	5.3	4.2	20.4	7.4	10.8	13.1
2015	95.2	14.5	4.3	45.8	5.5	7.1	23.9	5.6	3.9	8.9	23.1	13.5	13.0	13.5
2016	96.6	4.3	0.5	38.7	8.1	1.1	14.2	0.2	4.6	6.3	14.1	12.3	9.6	9.1
2017	63.6	6.3	0.0	41.0	13.9	27.6	23.1	0.2	36.0	6.6	48.3	7.4	15.6	10.6
2018		9.6	1.0	47.9	14.7	2.1	22.4	0.0	1.4	8.4	51.2	5.5	17.1	7.7
2018 mar.	70.2	6.5	0.0	31.6	13.2	29.2	23.2	0.0	36.8	7.8	45.9	7.7	15.1	9.8
jun.	76.9	5.7	0.0	45.0	13.4	30.1	24.2	0.0	1.6	12.5	46.7	8.1	17.3	9.7
sep.	83.2	8.5	0.0	40.5	14.2	30.9	25.6	0.0	1.4	9.6	49.2	8.6	17.4	8.5
dec.		9.6	1.0	47.9	14.7	2.1	22.4	0.0	1.4	8.4	51.2	5.5	17.1	7.7
2019 mar.		14.0	0.0	46.2	18.2	1.9	27.8	0.1	2.0	69.5	47.2	1.3	30.1	9.8
jun.		14.8	0.0	24.8	21.2	2.4	25.8	0.0	2.1	68.3	68.9	0.8	33.5	9.8
sep.		15.3	0.0	25.2	20.5	2.3	27.6	0.0	2.1	36.1	72.4	1.2	28.0	8.2
dec.		11.6	0.0	21.5	21.5	2.3	27.6	0.0	2.2	32.8	74.0	1.1	28.0	7.5

	Equipment leasing business, %													Overall (all leasing)
	Agri, mining	Manuf	Elec, gas, water	Construct	Trade	Trans, storage	Acco, food	Info, comms	Fin, insur	Real estate	PSTAs, ASSAs	Public services	Overall	
2013	18.6	11.7	12.4	46.7	11.9	9.9	21.3	3.0	13.2	26.6	19.5	17.9	16.5	9.5
2014	15.0	13.8	15.8	43.6	12.4	7.5	21.4	2.3	31.1	33.4	23.7	9.7	16.3	13.1
2015	15.0	10.7	13.4	39.0	11.6	5.3	18.4	7.2	32.6	42.2	19.2	9.5	14.3	13.5
2016	13.3	7.9	15.8	26.7	6.9	2.0	10.3	9.0	20.7	20.9	8.5	7.8	8.6	9.1
2017	7.8	8.1	13.7	15.8	5.8	5.6	5.4	3.9	8.8	13.5	6.2	15.4	7.7	10.6
2018	5.4	5.6	6.7	10.9	3.0	4.4	2.4	4.4	0.9	3.5	1.8	4.1	4.7	7.7
2018 mar.	7.9	7.6	14.2	17.2	5.5	5.7	5.1	4.4	5.2	12.9	2.3	7.4	7.0	9.8
jun.	7.8	7.3	14.5	15.8	5.1	5.3	5.0	4.7	2.8	11.5	2.3	6.6	6.6	9.7
sep.	5.3	7.1	4.7	11.7	3.1	5.2	1.8	4.7	3.1	8.4	1.8	4.5	5.1	8.5
dec.	5.4	5.6	6.7	10.9	3.0	4.4	2.4	4.4	0.9	3.5	1.8	4.1	4.7	7.7
2019 mar.	4.9	5.5	6.5	10.7	2.8	4.5	2.6	4.8	0.9	1.4	1.6	4.1	4.6	9.8
jun.	4.9	5.4	6.5	10.2	2.7	4.3	1.9	4.7	0.7	1.7	1.3	4.2	4.4	9.8
sep.	4.8	5.4	6.6	10.2	2.4	4.5	2.0	4.7	0.7	1.5	1.3	4.4	4.4	8.2
dec.	4.6	5.3	6.0	4.2	2.4	4.4	1.9	4.7	0.5	1.5	1.4	4.4	3.8	7.5

Source: Bank of Slovenia

Table 4.6: Leasing companies' performance and funding

							Growth, %					
	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
Total assets, EUR million	3,461	2,869	2,675	2,809	2,711	2,545	-9.5	-17.1	-6.7	5.0	-3.5	-6.1
Shareholder equity, EUR million	288	260	400	479	527	551	5570.2	-9.7	53.9	19.7	10.0	4.6
Net profit, EUR million	50	24	51	82	88	124	-81.1	-52.4	111.9	62.1	6.8	41.5
ROA, %	1.3	0.7	1.8	3.0	3.1	4.6						
ROE, %	41.5	9.6	16.9	19.8	17.2	22.3						
Financial and operating liabilities, EUR million	3,061	2,518	2,189	2,259	2,133	1,946	-17.9	-17.7	-13.1	3.2	-5.6	-8.8
liabilities to banks and undertakings in group / total assets, %	88	88	82	80	79	76						
Investment property	822	629	567	389	362	69	-18.0	-23.5	-9.8	-31.5	-7.0	-80.8
investment property / assets, %	24	22	21	14	13	3						
Finance expenses from impairments and write-offs, EUR million	113	118	61	54	43	34	-45.7	4.8	-48.0	-11.4	-21.4	-20.2

Source: Bank of Slovenia