

Gospodarska  
zbornica  
Slovenije

Chamber of Commerce  
and Industry of Slovenia

Metal Processing Industry  
Association

# Metal Processing Association Metal Processing Industry Annual Report

2017 Edition

Gospodarska  
zbornica  
Slovenije

Chamber of Commerce  
and Industry of Slovenia

Metal Processing Industry  
Association

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## Slovene Metal Processing Industry in 2016

The Slovene metal processing industry is one of the leading sectors of the Slovene economy as it employs over 10% of the workforce and contributes to nearly 10% of the overall Slovene industrial turnover. In terms of both its revenue and its export, the Slovene metal processing industry represents one of the strongest sectors of the national manufacturing industries, generating approximately a third of the revenue, export, and gross value added of all manufacturing industries in Slovenia.

The Slovene metal processing industry is strongly export-oriented. Over 70% of its sales are realized in foreign markets, which necessitates annual international business comparisons. These are made with three major composite competitiveness indicators; turnover per employee, gross value added per employee, and the ratio of labour costs to gross value added.

The analysis shows that the positive trends continued in 2016, resulting in an increase of revenue by 2,6%, of gross value added by employee by 6,4%, and of the average wage per employee by 3,7% compared to the previous year.

We hope this publication will help shed light on the status quo of the business environment and serve as a reference context for future plans, presentations, and business decisions.

Janja Petkovšek, M.Sc., B.Sc.Mech.Eng

Director of CCIS-Metal Processing Industry Association



**Metal processing industry in 2016**

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**Metal Processing Industry Association**

# **Metal Processing Industry**

**Annual Report**

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The purpose of this publication is to provide basic statistics concerning the metal processing industry sectors in the year 2016 and to present trends and key findings of the sector. The publication also includes comparisons to the EU environment.

## 1. BASIC DATA ON THE STATE OF THE METAL PROCESSING INDUSTRY IN 2016

In 2016, companies were classified on the basis of the Standard Classification of Activities – NACE 2008. The classification is in line with the Decree on the Standard Classification of Activities, Official Gazette of the RS No 69/07 and No 17/08, which entered into force on 1 January 2008, and in line with the European classification of activities NACE Rev. 2.

The Slovenian Metal Processing Association, which is part of the Chamber of Commerce and Industry of Slovenia, represents companies from the following metal processing sectors:

- NACE C/25      Manufacture of fabricated metal products, except machinery and equipment
- NACE C/26.52      Manufacture of watches and clocks
- NACE C/27.52      Manufacture of non-electric domestic appliances
- NACE C/28      Manufacture of machinery and equipment n.e.c.; NACE 28.230 (Manufacture of office machinery and equipment (except computers and peripheral equipment)) not included
- NACE C/29      Manufacture of motor vehicles, trailers and semi-trailers; NACE 29.310 (Manufacture of electrical and electronic equipment for motor vehicles) not included
- NACE C/30      Manufacture of other transport equipment
- NACE C/33      Repair and installation of machinery and equipment; NACE 33.130, 33.140, 33.190 and 33.200 not included
- NACE C/95.22      Repair of household appliances and home and garden equipment

The Slovenian metal processing industry is one of the top sectors of the Slovenian manufacturing industry in terms of turnover and export. In 2016, sectors of the metal processing industry represented 29% (€7,5 billion) of turnover, 29% (€5,2 billion) of export, 34% (approximately 57.000) of employees and generated 31% (€2,3 billion) of gross value added of all manufacturing sectors in Slovenia.

### Metal processing industry inside manufacturing industry

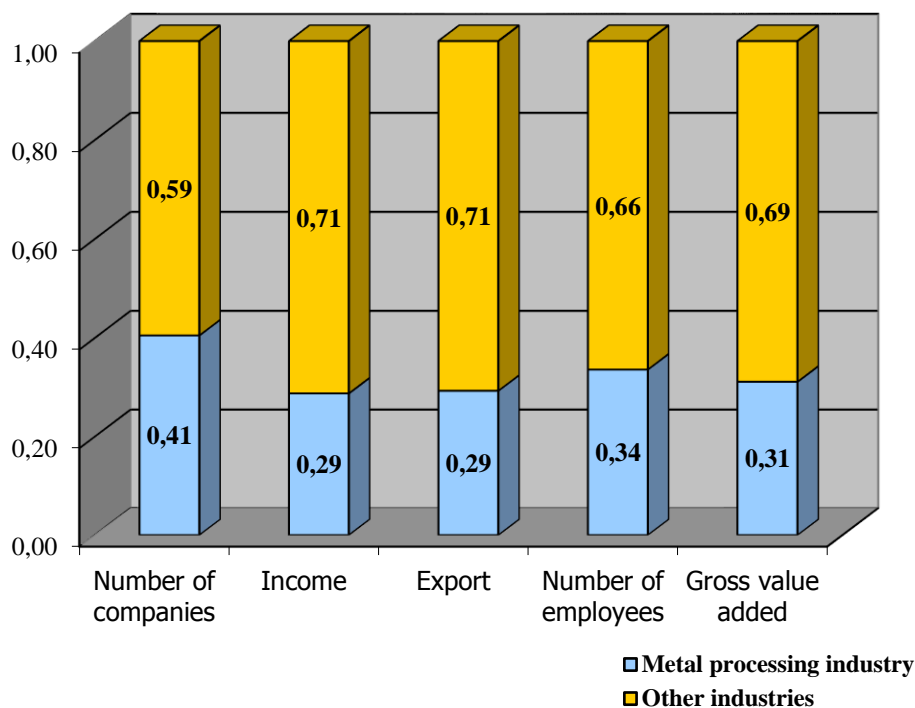


Chart 1: The Slovenian metal processing industry's share in the manufacturing industry in 2016

	Slovenia		manufacturing industry		metal processing industry	
	value in 2016	Index 16/15	value in 2016	Index 16/15	value in 2016	Index 16/15
Number of companies	65.603	100,60	7.996	101,50	3.240	102,50
Avg. number of employees	459.463	103,30	169.739	103,80	57.084	102,20
Total revenue (w/o change in stocks)	84.525.701.694	103,40	26.019.441.437	103,60	7.491.513.196	102,60
Gross profit	82.987.436.092	103,50	25.832.688.841	103,80	7.503.984.034	102,80
Sales	81.389.009.617	103,40	25.384.948.766	104,00	7.343.611.867	102,80
Domestic sales	49.474.609.185	102,10	7.566.160.474	101,50	2.117.972.893	104,30
Foreign sales	31.914.400.433	105,50	17.818.788.292	105,10	5.225.638.973	102,20
Total expenses	80.931.822.366	101,60	24.660.786.544	103,00	7.120.682.352	100,90
Cost of goods, materials and services	62.794.703.335	102,80	18.376.933.446	102,90	5.190.820.178	100,50
Employee benefits expense	11.621.875.564	105,50	4.417.233.106	106,80	1.470.243.799	106,20
Depreciation expense	3.164.878.523	102,00	1.150.590.891	103,90	317.650.603	101,40
OPERATING PROFIT	3.835.630.045	137,10	1.532.903.573	111,80	442.535.305	131,90
FINANCIAL PROFIT/LOSS	-237.615.288	29,60	-85.995.825	65,60	-23.828.566	39,40
EBIT	3.922.456.644	134,60	1.543.612.394	111,70	446.209.832	130,30
EBITDA	7.087.335.167	117,80	2.694.203.285	108,20	763.860.435	116,50
Income tax expense	533.926.813	112,70	160.574.207	111,40	48.958.283	129,10
Net profit	4.301.791.918	116,60	1.475.565.482	109,60	414.649.565	129,20
Net loss	1.114.964.706	54,40	154.338.938	65,90	37.306.620	48,40
NET PROFIT/LOSS	3.186.827.213	194,30	1.321.226.544	118,80	377.342.945	154,80
Cash flow from operations	6.351.705.735	133,90	2.471.817.435	111,40	694.993.549	124,80
Gross value added	19.340.610.488	105,70	7.273.468.656	106,20	2.265.985.766	108,70
ASSETS	90.326.752.805	101,80	23.086.476.987	103,70	5.540.338.741	102,30
Inventories	8.264.956.705	103,90	3.551.067.396	107,00	969.161.637	107,10
Equity	42.301.250.167	106,40	11.891.791.449	106,80	2.545.530.197	109,50
Equity ratio (%)	47	104,50	52	103,00	46	107,00
Debt/equity ratio	1,06	92,20	0,86	94,50	1,07	89,20
Debt ratio (LT+ST liabilities/assets)	0,49	96,10	0,44	97,80	0,49	94,20
Total revenue/total expenses	1,04	101,00	1,06	101,00	1,05	101,00
EBITDA margin (%)	8,71	114,00	10,61	104,00	10,40	113,30
ROE (%)	7,80	183,10	11,50	110,00	15,60	136,50
ROA (%)	3,60	194,60	5,86	115,80	7,07	153,70
Sales per employee (EUR)	177.140	100,10	149.553	100,20	128.645	100,60
Share of foreign sales (%)	39	102,10	70	101,00	71	99,40
Labour costs per employee (EUR)	25.294	102,20	26.024	102,90	25.756	103,90
Average wage per employee (EUR)	18.429	102,10	18.975	102,80	18.787	103,70
Gross value added per employee (EUR)	42.094	102,40	42.851	102,30	39.696	106,40
Labour costs in gross value added (%)	60	99,80	61	100,50	65	97,70
Net profit per employee (EUR)	9.363	112,90	8.693	105,60	7.264	126,40
Net loss per employee (EUR)	2.427	52,70	909	63,40	654	47,40
	value in 2016	Index 16/15	value in 2016	Index 16/15	value in 2016	Index 16/15
	Slovenia		manufacturing industry		metal processing industry	

Table 1: The position of the Slovenian metal processing industry in Slovenia's manufacturing industry in 2016

Based on the data from the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES) and the data processed by the Chamber of Commerce and Industry of Slovenia – CCIS, following the CCIS-SKEP methodology, the table consists of basic data for the Slovenian metal processing industry. The table includes data of companies which are committed to submit the balance sheets at the end of the fiscal year. The table does not include data from individual private entrepreneurs. It is necessary to emphasize that throughout the publication, the data for NACE sectors 28 (Manufacture of machinery and equipment n.e.c.), 29 (Manufacture of motor vehicles, trailers and semi-trailers) and 33 (Repair and installation of machinery and equipment) do not include data for subsectors that do not fall within the metal processing industry and are defined at the beginning of this chapter.

#### Basic data for the metal processing industry of Slovenia in the year 2016

	metal processing industry		NACE 25 metal products	NACE 28 machinery and equipment	NACE 29 motor vehicles, trailers and semi-trailers	NACE 30 other transport equipment	NACE 33 Repair and installation of machinery and equipment
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
Number of companies	3.240	102,50	1.854	515	131	92	615
Avg. number of employees	57.084	102,20	27.567	12.651	8.877	685	7.175
Total revenue (w/o change in stocks)	7.491.513.196	102,60	2.871.050.736	1.592.689.387	2.310.784.363	98.483.627	604.586.038
Gross profit	7.503.984.034	102,80	2.867.901.503	1.598.024.162	2.318.691.935	100.207.255	605.302.247
Sales	7.343.611.867	102,80	2.805.694.304	1.565.676.483	2.274.376.016	94.327.163	589.790.323
Domestic sales	2.117.972.893	104,30	1.204.819.287	458.013.916	141.930.344	17.962.865	282.128.362
Foreign sales	5.225.638.973	102,20	1.600.875.017	1.107.662.567	2.132.445.672	76.364.299	307.661.962
Total expenses	7.120.682.352	100,90	2.705.608.427	1.519.309.195	2.219.146.611	94.249.265	568.761.175
Cost of goods, materials and services	5.190.820.178	100,50	1.844.326.912	1.075.432.249	1.859.655.021	70.317.189	330.395.125
Employee benefits expense	1.470.243.799	106,20	662.944.434	346.506.290	228.382.267	17.817.373	212.250.186
Depreciation expense	317.650.603	101,40	133.337.552	57.736.991	106.974.490	3.547.777	15.753.282
OPERATING PROFIT	442.535.305	131,90	190.298.967	92.814.738	112.014.043	6.971.300	40.085.738
FINANCIAL PROFIT/LOSS	-23.828.566	39,40	-10.944.956	-8.007.473	-2.600.629	-735.453	-1.482.530
EBIT	446.209.832	130,30	193.330.121	93.016.597	112.289.552	7.128.536	40.076.136
EBITDA	763.860.435	116,50	326.667.673	150.753.589	219.264.042	10.676.313	55.829.418
Income tax expense	48.958.283	129,10	20.402.504	12.301.587	9.198.581	1.021.956	5.978.046
Net profit	414.649.565	129,20	178.186.266	84.966.941	109.750.885	6.801.173	34.676.355
Net loss	37.306.620	48,40	15.655.749	10.960.772	7.264.090	1.419.441	1.994.378
NET PROFIT/LOSS	377.342.945	154,80	162.530.517	74.006.169	102.486.795	5.381.732	32.681.976
Cash flow from operations (net profit+ depreciation)	694.993.549	124,80	295.868.069	131.743.161	209.461.285	8.929.509	48.435.258
Gross value added	2.265.985.766	108,70	1.002.480.280	507.445.758	452.814.594	28.904.379	271.333.989
ASSETS	5.540.338.741	102,30	2.509.616.426	1.390.807.725	1.160.427.508	99.294.331	369.510.984
Inventories	969.161.637	107,10	383.364.360	318.267.086	196.021.356	23.938.880	44.055.543
Equity	2.545.530.197	109,50	1.191.298.305	656.244.230	489.536.695	29.086.761	175.396.556



Equity ratio (%)	46	107,00	48	47	42	29	48
Debt/equity ratio	1,07	89,20	1,02	1,01	1,27	2,31	0,90
Debt ratio (LT+ST liabilities/assets)	0,49	94,20	0,48	0,48	0,52	0,67	0,45
Total revenue/total expenses	1,05	101,00	1,06	1,05	1,04	1,04	1,06
EBITDA margin (%)	10,40	113,30	11,64	9,63	9,64	11,32	9,47
ROE (%)	15,60	136,50	14,36	11,90	21,69	21,48	19,89
ROA (%)	7,07	153,70	6,74	5,52	9,06	5,95	9,20
Sales per employee (EUR)	128.645	100,60	101.776	123.758	256.213	137.642	82.202
Share of foreign sales (%)	71	99,40	57	71	94	81	52
Labour costs per employee (EUR)	25.756	103,90	24.048	27.389	25.728	25.999	29.582
Average wage per employee (EUR)	18.787	103,70	17.697	20.283	18.157	19.347	21.165
Gross value added per employee (EUR)	39.696	106,40	36.365	40.111	51.011	42.177	37.817
Labour costs in gross value added (%)	65	97,70	66	68	50	62	78
Net profit per employee (EUR)	7.264	126,40	6.464	6.716	12.364	9.924	4.833
Net loss per employee (EUR)	654	47,40	568	866	818	2.071	278
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
	metal processing industry		NACE 25 metal products	NACE 28 machinery and equipment	NACE 29 motor vehicles, trailers and semi-trailers	NACE 30 other transport equipment	NACE 33 Repair and installation of machinery and equipment

Table 2: Basic data for the Slovenian metal processing industry in 2016

The table presents the main industrial sectors within the metal processing industry. Some activities (e.g. NACE C/26.52 – Manufacture of watches and clocks) are not included in the tables and calculations as they represent a very small portion of the metal processing industry. Their values are nevertheless always taken into account in agglomerates, for example in the "Metal processing industry" column. The same principle is applied for the sub-sectors and sub-activities that are underrepresented; for example, NACE 25.3 (Manufacture of steam generators, except central heating hot water boilers) is comprised of only two companies and is not included in the calculations below. But values (e.g. number of employees) of the underrepresented sub-sectors are included in the value of the whole sector (e.g. 25 – Manufacture of fabricated metal products, except machinery and equipment). The missing data is not published because of its confidentiality: **If an aggregate includes only three companies or a company has a predominant role, the data cannot be published.**

The overall picture of the presented data for 2016 shows that two thirds of the observed parameters saw an increase compared to the previous year, whereas the remaining parameters experienced a decrease. **In 2016**, the metal industry employed 57.084 people, which represents an increase of 2,2%. Revenue in the whole metal industry rose by 2,6% in comparison to the previous year and amounted to almost €7,5 billion. Gross value added is 8,7% higher when compared to 2015. EBIT grew by 30,3%, and the values of ROE and ROA again registered a strong increase in comparison to 2015. Sales per employee are modestly higher as they rose by 0,6%. The share of labour costs in gross value added has fell down by 2,3% compared to 2015, while the total labour cost per employee has increased by 3,9%. Gross value added per employee in 2016 has reached €39.696, representing a growth of 6,4%. All quoted values are for the metal processing industry as a whole.

## 1.1. Sales in domestic and international markets

Total sales in the domestic and international markets have a slightly negative trend in 2012 and 2013 in comparison to 2011. In 2009, due to the financial crisis, the sales initially decreased dramatically, but began slow recovery in 2010. In 2011, the trend continued when the sales in the domestic market rose by 5,2% and reached €2,2 billion, and the sales in the international markets improved by 16,5% and reached €5 billion. In 2012, a decrease in sales was recorded in both domestic and international markets. Exports fell below €5 billion and were lower by 1,1% than in 2011, and the sales in the domestic market reached €2,1 billion, which is lower by 3,1% compared to the previous year. In 2013, sales were similar as in 2012, with a slight decrease in export. Export decreased to €4,7 billion and was lower by 5,6% than in 2012. Sales on the domestic market reached €2,25 billion and increased by 5,5% when compared to 2012. The year 2014 saw an upturn with an increase in sales in both domestic and international markets. Sales in the domestic market increased by 6,9% and reached €2,4 billion, whereas exports rose by 5,1% to almost €5 billion.

In 2015, total sales experienced a slight decrease due to lower sales in the domestic market (–15,6%), whereas the sales in the international markets registered an increase by 4,1%, while **in 2016**, total sales on both markets registered an increase by 4,3% (domestic markets) and 2,2% (foreign markets).

### Sales in the domestic and international markets (in billion €)

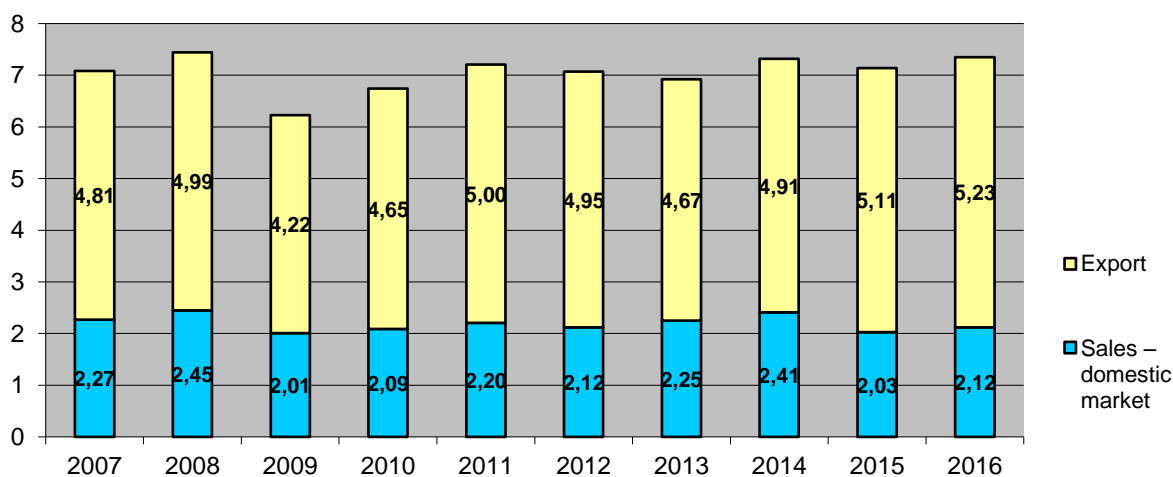


Chart 2: Sales of the Slovenian metal processing industry in the domestic and international markets in 2016

## 1.2. Proportions of individual sectors in the metal processing industry

In the context of the whole metal processing industry, the shares of individual sectors vary. In 2016, the "Manufacture of fabricated metal products" sector (48,4% of the metal processing industry's employees) generated 38,4% of revenue, 30,6% of export, and 44,3% of gross value added of the whole metal processing industry.

In the "Manufacture of machinery and equipment" sector, the proportions are a bit more balanced: 22,2% of employees of the whole metal processing industry generated a revenue of 21,3%, 21,2% of export, and 22,4% of gross value added of the whole metal processing industry. The "Manufacture of other transport equipment" sector with 1,2% of the metal processing industry's employees generated a revenue of 1,3%, 1,5% of export, and 1,3% of gross value added of the whole metal processing industry. The "Manufacture of motor vehicles, trailers and semi-trailers" sector employed 15,6% of the metal processing industry's employees and it generated 20% of gross value added, 30,9% of turnover, and as much as 40,8% of the export of the metal processing industry. The "Repair and installation of machinery and equipment" sector with 12,6% of the metal processing industry's employees generated 12% of gross value added, 8,1% of total revenues and 5,9% of the entire Slovenian metal processing industry export.

## EMPLOYEES

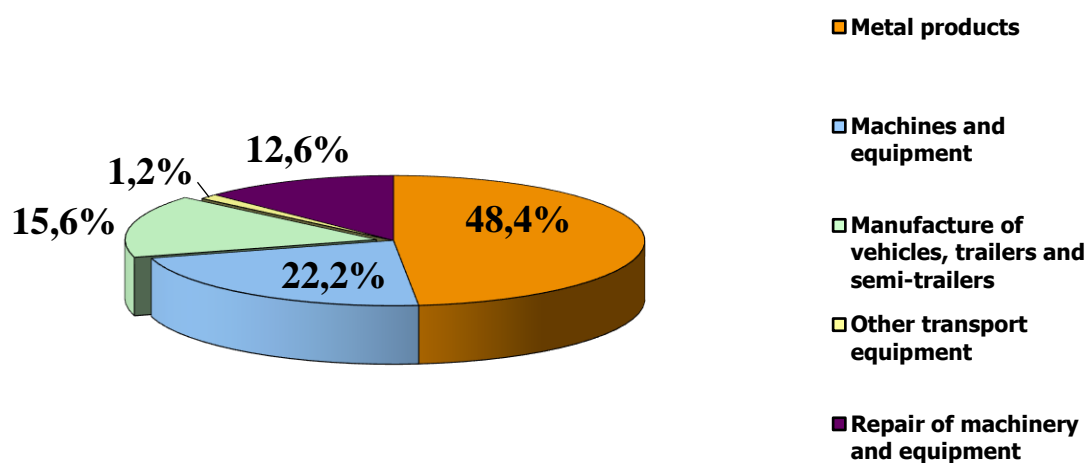


Chart 3: Structure of employees in the Slovenian metal processing industry sectors in 2016

## GROSS VALUE ADDED

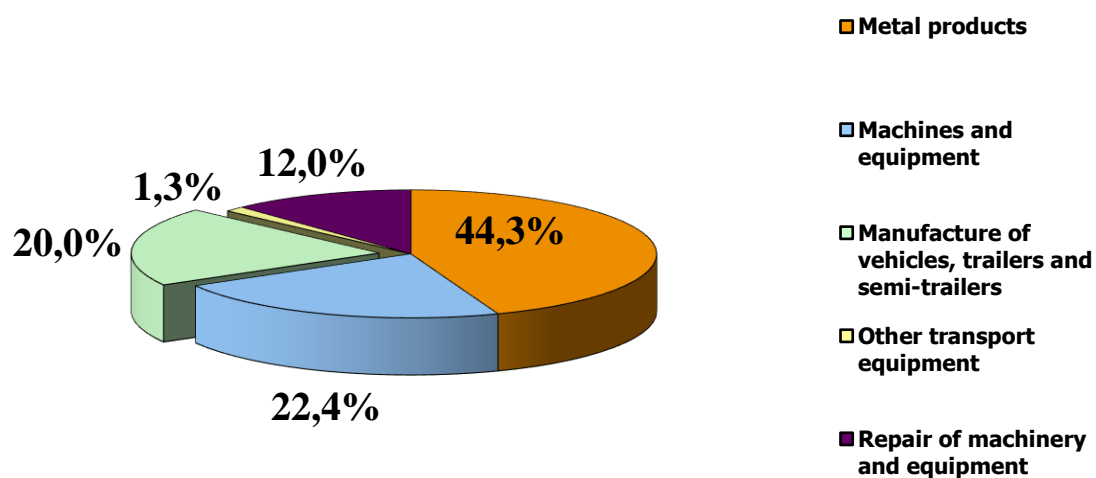


Chart 4: Structure of gross value added in the Slovenian metal processing industry sectors in 2016

## INCOME

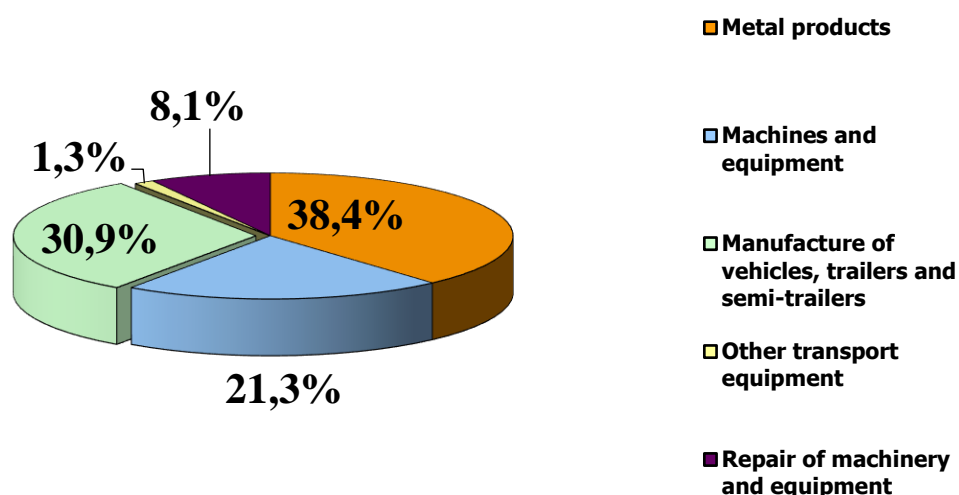


Chart 5: Income structure in the Slovenian metal processing industry sectors in 2016

## EXPORT

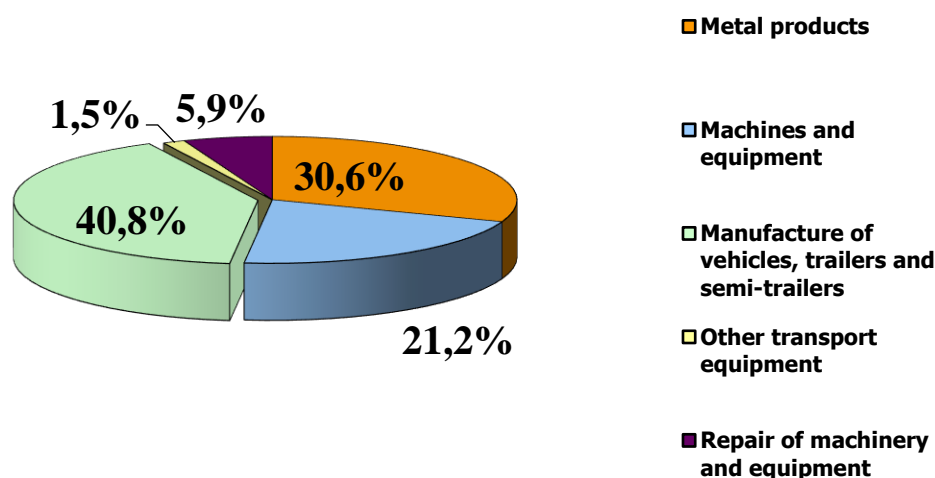


Chart 6: Export structure in the Slovenian metal processing industry sectors in 2016

### 1.3. Competitive positioning of the metal processing industry

In accordance with the study on the competitiveness of the metal processing industry, three factors are monitored: turnover per employee (To/E), gross value added per employee (GVA/E), and the ratio of labour costs to gross value added (L/GVA) as they have a decisive impact on the consumption of gross value added and the split ratio, which is intended for investment and accumulation. The following chart shows the ratio of all three variables: L/GVA (in %) on the x-axis and To/E (in €) on the y-axis, whereas GVA/E (in €) is represented by the diameter of the "bubble". The higher up and the more to the left side of the chart (high turnover per employee and low ration of labour cost to GVA) the "bubble" is positioned and the larger the "bubble" surface (the larger the surface area, the greater the gross value added per employee), the more successful is the metal processing sector.

## Position of the metal processing sectors according to To/E, L/GVA, GVA/E in the year 2016

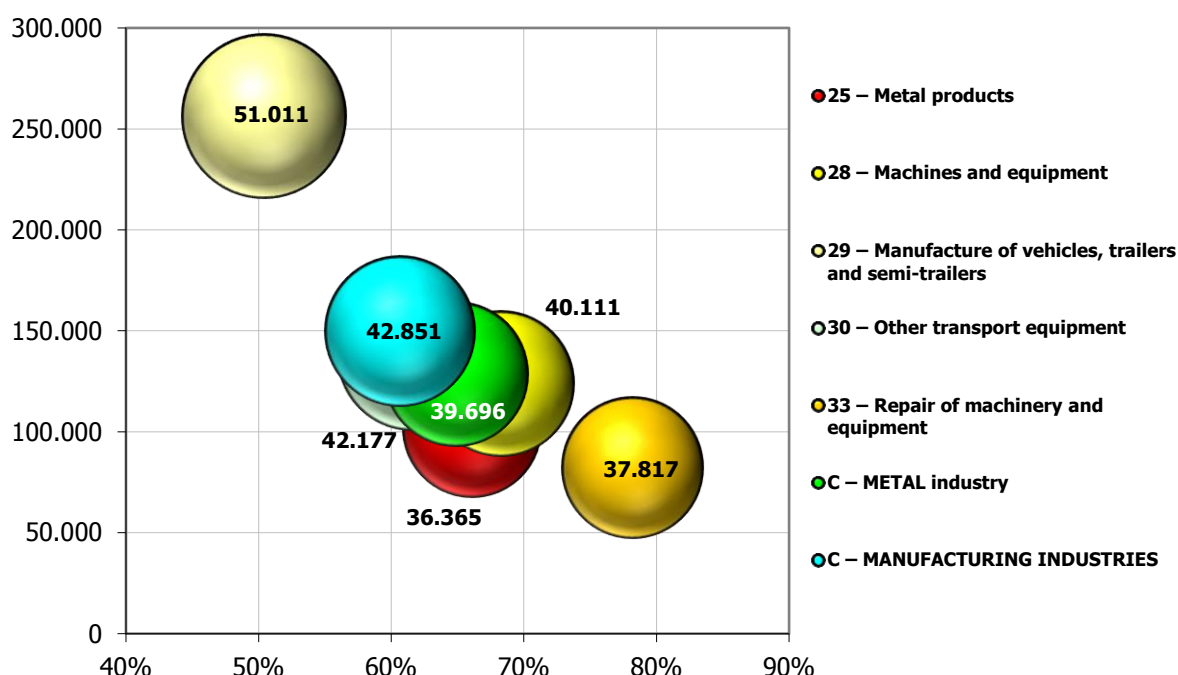


Chart 7: Slovenian metal processing industry sectors according to To/E, L/GVA, GVA/E in 2016

As Chart 7 depicts, the positions of individual metal processing sectors vary. As in previous years, the “Manufacture of motor vehicles, trailers and semi-trailers” sector (NACE 29) has the best position compared to other sectors, with the highest turnover per employee, the lowest ratio of labour costs to gross value added, and the highest gross value added per employee. In the following chapters of individual metal processing sectors, a comparison of the competitive position of the Slovenian metal processing industry sectors within comparable European sectors follows.

## 2. TRENDS IN THE METAL PROCESSING INDUSTRY AND ITS SECTORS FROM 2006 TO 2016

The following subchapters show ten-year trends in individual metal processing industry sectors, as well as a correlation between the metal processing industry and the manufacturing industries in Slovenia. The trends are observed for the following variables:

- Indices of industrial production
- Number of companies
- Number of employees
- Gross value added per employee

### 2.1. Volume index of industrial production

Note: Since January 2009, the basis for the calculation and publication of index scores is the Standard Classification of Activities 2008 (NACE 2008). The data does not include seasonal and calendar adjustments.

Index scores for the period prior to January 2009, which were originally calculated on the basis of the Standard Classification of Activities 2002 (NACE 2002), were calculated to a new version of the classification of activities by using the conversion matrices (number of employees).



	metal products	machines and equipment	manufacture of vehicles, trailers and semi-trailers	other transport equipment	manufacturing industries	EU-Orgalime
2006	7,42	5,75	-3,28	12,38	6,21	6,60
2007	8,60	14,28	15,29	11,66	8,51	5,80
2008	26,69	-17,52	-5,90	5,92	2,59	0,90
2009	-22,94	-30,14	-4,93	-19,57	-18,59	-18,40
2010	7,10	7,80	15,80	-3,40	7,10	7,50
2011	6,40	9,40	-1,40	-25,60	2,60	7,80
2012	-1,1	4,19	-10	-23,94	-1,0	-1,0
2013	1,00	-2,70	-10,30	-39,20	-1,10	-1,80
2014	2,60	1,60	12,50	-11,40	-0,40	1,70
2015	11,00	6,20	14,90	29,10	5,40	1,20
<b>2016</b>	<b>17,30</b>	<b>6,70</b>	<b>-2,50</b>	<b>28,90</b>	<b>7,30</b>	<b>1,00</b>

Table 3: The production volume index scores of the Slovenian metal processing industry per NACE sector  
Source: SURS, ORGALIME

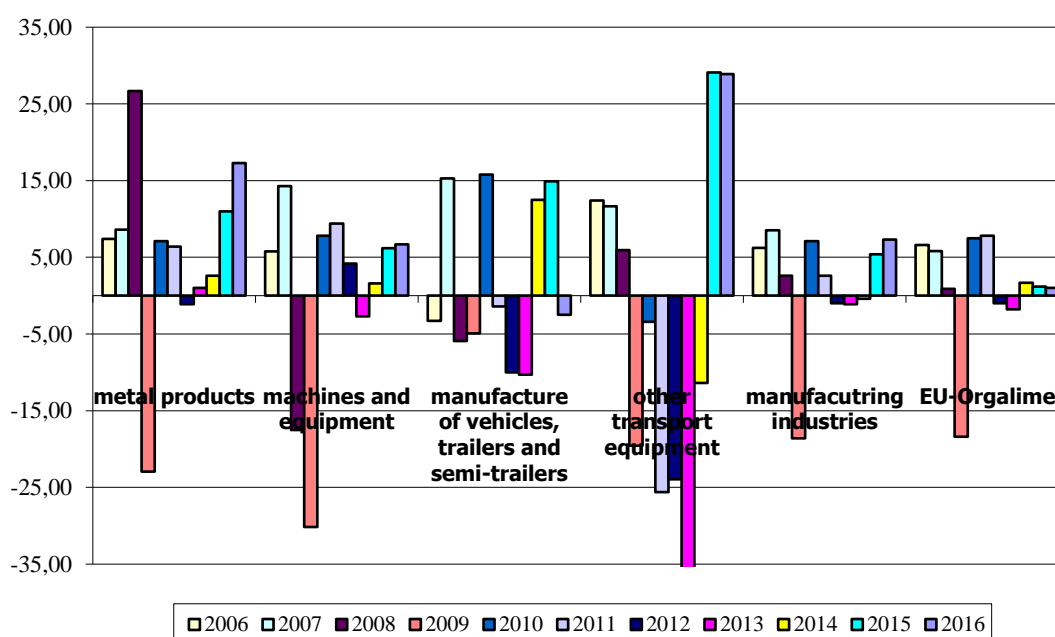


Chart 8: The production volume index scores of the Slovenian metal processing industry in % per NACE sector

In 2006, index scores were the highest in the "Other transport equipment" (NACE 30) and in the "Metal products" (NACE 25) sectors. After 2006, index scores in all sectors show a gradual increase in industrial production, but largely remain positive. Due to the financial crisis, there was a major shift in trends in 2009 as the volume index scores decreased on average by around 20% (maximum in the NACE 28 – "Manufacture of machinery and equipment n.e.c." by -30,14%).

The fall in industrial production growth was a result of the negative economic situation in Europe, to where the majority of Slovenia's metal processing industry export is oriented.

In 2010, the Slovenian metal processing industry's volume index scores were positive, except for the sector "Manufacture of other transport equipment" (-3,40%). The "Manufacture of fabricated metal products, except machinery and equipment" sector increased its volume by 7%, the "Manufacture of machinery and equipment n.e.c." by almost 8%, and the "Manufacture of motor vehicles, trailers and semi-trailers" sector by almost 16%. In 2010, the entire manufacturing sector in Slovenia recorded a growth of 7,1%.

In 2011, the sectors "Manufacture of fabricated metal products, except machinery and equipment" and "Manufacture of machinery and equipment n.e.c." continued the trend of gradual growth. Sectors "Manufacture of motor vehicles, trailers and semi-trailers" and "Manufacture of other transport equipment" continued to drop in the production volume. The production volume in the "Manufacture of other transport equipment" sector dropped by as much as 25,6%, which is the third consecutive year of negative trend from the occurrence of the financial crisis. In 2012, all index scores, except for the "Manufacture of machinery and equipment n.e.c." (+4,19%), were negative, the same as in 2013, except for the "Manufacture of fabricated metal products, except machinery and equipment". 2014 saw an upturn with all volume index scores, except for the "Manufacture of other transport equipment" sector (-11,4%), positive.

In 2015, the positive trend continued, with all metal processing industry sectors experiencing a growth. The largest index growth (+29,10%) was recorded in the "Manufacture of other transport equipment" sector. The "Manufacture of motor vehicles, trailers and semi-trailers" sector also experienced a high index increase (+14,9%). At the aggregate level of the manufacturing industry, the Slovenian volume index score was positive for the first time after three years and has reached a 5,4% growth, compared to the EU-ORGALIME industries with a growth of +1,7%.

**In 2016**, the positive trend continues, with all metal processing industry sectors experiencing a growth, except the "Manufacture of motor vehicles, trailers and semi-trailers" sector, which experienced a slight index decrease (-2,50%). The largest index growth (+28,90%) was recorded in the "Manufacture of other transport equipment" sector. At the aggregate level of the manufacturing industry, the Slovenian volume index score was positive for the second year in a row and has reached a 7,3% growth, compared to the EU-ORGALIME industries with a growth of +1,0%.

Comparison to the EU average shows that the volume index scores in the technical industries have been positive ever since the beginning of the measurements in the EU-ORGALIME industries in 2003. The positive trend was followed by a sudden negative shift in 2009 by almost -20%. In 2010 and 2011, a positive shift was detected as the volume of production in the technical industry, according to ORGALIME, increased by 7,5% in 2010 and by 7,8% in 2011. In 2012, the index of production in the EU-ORGALIME industries again experienced a drop by 1% and a further decrease by 1,8% in 2013 when compared to 2012, but saw a positive shift in 2014, when the index score rose by 1,7%. The positive trend continued in 2015, with the index score of +1,2%, and continues also **in 2016** with the index score of +1,0%.

## 2.2. Number of companies in the metal processing industry

NACE	metal products				machines and equipment				manufacture of vehicles, trailers and semi-trailers				other transport equipment				repair of machinery and equipment			
year	m	S	M	L	m	S	M	L	m	S	M	L	m	S	M	L	m	S	M	L
2002		1088	50	24		393	36	21		53	9	10		45	2	7				
2003		1178	51	27		403	39	25		56	9	9		54	2	5				
2004		1231	39	20		432	30	21		63	8	8		63	4	3				
2006	1197	99	35	23	398	62	33	19	55	15	8	8	62	3	2	4				
2007	1290	108	43	25	403	64	42	17	63	12	9	11	71	2	3	3				
2008	1205	127	45	23	314	76	36	17	57	15	11	11	56	1	4	2	202	3	0	2
2009	1233	142	48	24	319	79	36	15	58	14	10	11	58	1	3	1	208	4	0	2
2010	1300	134	46	22	320	78	37	14	64	12	12	8	59	1	3	0	378	10	1	3
2011	1369	131	41	23	320	74	39	13	72	12	10	8	64	0	1	0	405	13	1	3
2012	1411	143	44	21	321	76	41	15	81	14	12	14	69	0	3	1	516	16	3	3
2013	1444	159	45	20	333	76	40	17	79	11	8	9	64	1	3	1	492	19	3	3
2014	1509	152	43	21	354	80	41	14	83	10	10	10	73	0	4	0	515	17	4	4
2015	1581	173	42	19	369	81	44	13	91	11	10	9	86	2	3	0	563	18	4	4
<b>2016</b>	1599	185	58	12	374	83	52	6	104	9	9	9	86	2	4	0	579	28	5	3

m – micro companies; S – small companies; M – medium companies; L – large companies

Table 4: The number of companies in the Slovenian metal processing industry per NACE sector

Comment on Table 4: Since the criteria for determining company size were changed in 2002, the data on the number of enterprises for the years 2001 and 2002 cannot be directly compared. The change occurred again in 2008 when the article in the Corporations Act that defines the size criteria for the classification of companies was redefined (see a detailed explanation below). The change again prevents direct comparison of data, but the trends are nevertheless evident. In the years from 1998 to 2001, the number of small companies in the metal processing industry decreased and then increased from 2001 onwards. The number of large companies has decreased from 2001. In 2012, a slight increase in the number of all sizes of companies can be detected. In 2013 and 2014, the number of new firms did not change significantly. Growth was recorded mainly among the micro companies. Whereas the number of medium-sized and large companies did not change drastically in 2015, a growth was recorded in the number of micro and small companies. **In 2016**, the number of medium-sized and large companies also did not change dramatically, however some changes in numbers were detected in the NACE activities of "Metal products" and "Machines and equipment", but the number was affected probably due to the restructuring of the companies from large to medium-sized.

#### **Size of a company – the criteria for definition**

ZGD-1 Corporations Act (Official Gazette of the RS No 65/2009 from 14 August 2009)

#### **Article 55**

##### **(Micro, small, medium, and large companies)**

(1) Companies in the application of this Act are divided into micro, small, medium, and large companies by the following criteria and by using the "average day" in the annual balance sheet as a reference:

- the average number of employees during the financial year,
- net revenue from sales and
- the value of assets.

(2) A **micro company** is a company that meets two of the following criteria:

- the average number of employees during the financial year does not exceed 10,
- net revenue from sales does not exceed €2.000.000 and
- the value of assets does not exceed €2.000.000.

(3) A **small company** is a company which is not a micro company from the preceding paragraph and which meets two of the following criteria:

- the average number of employees during the financial year does not exceed 50,
- net revenue from sales does not exceed €8.800.000 and
- the value of assets does not exceed €4.400.000.

(4) A **medium company** is a company which is not a micro company from the second paragraph of this Article or a small company from the preceding paragraph and which meets two of the following criteria:

- the average number of employees during the financial year does not exceed 250,
- net revenue from sales do not exceed €35.000.000, and
- the value of assets does not exceed €17.500.000.

(5) A **large company** is a company which is not a micro company from the second paragraph of this Article or a small company from the third paragraph of this Article and is not a medium company from the preceding paragraph.

Shares in relation to the size of companies in the metal processing industry for the **year 2016** remained fairly similar to 2015. The shares according to the size of the company were: micro and small companies represented 95,1% of all companies, medium companies represented 4,0%, whereas large companies represented 0,9%.

## 2.3. Number of employees in the metal processing industry

NACE	metal products				machines and equipment				manufacture of vehicles, trailers and semi-trailers				other transport equipment				repair of machinery and equipment			
year	m	S	M	L	m	S	M	L	m	S	M	L	m	S	M	L	m	S	M	L
2002		8826	5314	9965		4262	4322	3956		866	931	5159		203	233	2499				
2003		8272	5386	9478		3987	4149	4896		787	1113	5041		298	269	2345				
2004		10149	4419	9017		4996	3689	4773		1052	1120	5566		334	732	1646				
2006	7093	4766	4541	9400	2296	2941	4093	5093	400	804	1340	6355	224	86	301	1965				
2007	9440	4423	5064	8936	2229	2825	5035	5022	458	535	1485	7473	338	36	392	1762				
2008	7819	5654	5696	8173	1904	3237	4513	5892	372	715	1523	7817	244	39	679	608	558	76	0	1983
2009	6425	5489	5303	7203	1842	3066	4545	4971	281	578	1156	7015	200	49	312	178	550	82	0	1880
2010	7347	5003	4802	6918	1730	2836	4063	4113	326	509	1560	6771	189	53	327	0	1422	346	214	2114
2011	7715	5258	4442	6629	1787	2607	4422	4334	368	484	1409	6709	152	0	326	0	1504	576	217	2438
2012	7291	5574	5058	6039	1696	2489	4659	4082	385	620	1893	10707	153	0	329	71	2001	680	530	3457
2013	7016	5846	5150	5801	1421	2493	4313	4355	324	522	1050	6891	175	0	291	66	1954	955	455	3314
2014	7823	5449	5209	6036	1477	2602	4468	3329	366	486	1148	7757	201	0	363	0	2204	700	786	3296
2015	8079	6163	5123	6301	1534	2560	5015	3133	395	385	1397	8108	208	39	314	0	2450	619	721	3194
2016	8397	6433	7188	5539	1465	2592	6303	2292	485	415	1060	6917	249	22	414	0	2331	1035	719	3090

m – micro companies; S – small companies; M – medium companies; L – large companies

Table 5: The number of employees in the Slovenian metal processing industry in 2016 per NACE sector

As it is the case in Table 4: The number of companies in the Slovenian metal processing industry, Table 5 also shows distorted trends due to changes in the criteria for determining a company's size. Consequently, the data for the years 2001 and 2002 as well as for 2007 and 2008 are not directly comparable. Nevertheless, the trends are visible and show that the number of employees in small companies has increased, whereas it has decreased in medium and large companies.

In 2016, the Slovenian metal processing industry employed 57.084 workers, which marks a 2,2% increase compared to the year before. The comparison of the number of employees by sector shows that unlike other sectors, the "Manufacture of motor vehicles, trailers and semi-trailers" and the "Repair of machinery and equipment" sectors have the largest share of employees in large companies. In 2016, micro companies employed 22,7% of the industry's employees, small companies 18,4%, medium companies 27,5%, whereas large companies employed 31,3% (a decrease of 5,9%) of the metal processing industry's employees (data refers to the NACE sectors 25, 28, 29, 30, and 33).

## 2.4. Gross value added per employee

Gross value added per employee in the Slovenian metal processing industry has been generally increasing throughout the years after the crisis year of 2009. In 2009, it declined in almost all metal processing sectors. In the years 2010 and 2011 it again saw an increase in all sectors, except in the "Manufacture of other transport equipment" sector, where it declined by more than 15%. In 2012, a fall of gross value added per employee was recorded in almost all sectors, except in "Manufacture of machinery and equipment n.e.c." and "Manufacture of other transport equipment", whereas in 2013 all metal processing sectors increased its average gross value added per employee (GVA/E). In 2014, the positive trend continued, except in the "Manufacture of other transport equipment" sector which experienced a substantial decrease.

In 2015 and in 2016, the trend continued to grow. Gross value added per employee reached €39.696 (growth of 6,4% compared to 2015) in the metal processing industry and €42.851 (growth of 2,3%) in all Slovenian

manufacturing industries. Individual metal processing sectors realized the following results: in the "Manufacture of other transport equipment" sectors, the GVA/E amounted to €42.177 (a 5% increase), in "Manufacture of machinery and equipment n.e.c.« to €40.111 (a 5% increase), in the sector "Manufacture of fabricated metal products, except machinery and equipment", the GVA/E rose to €36.365, which is a 6% increase, and to €51.011 with an increase of 15,1% in the "Manufacture of motor vehicles, trailers and semi-trailers" sector.

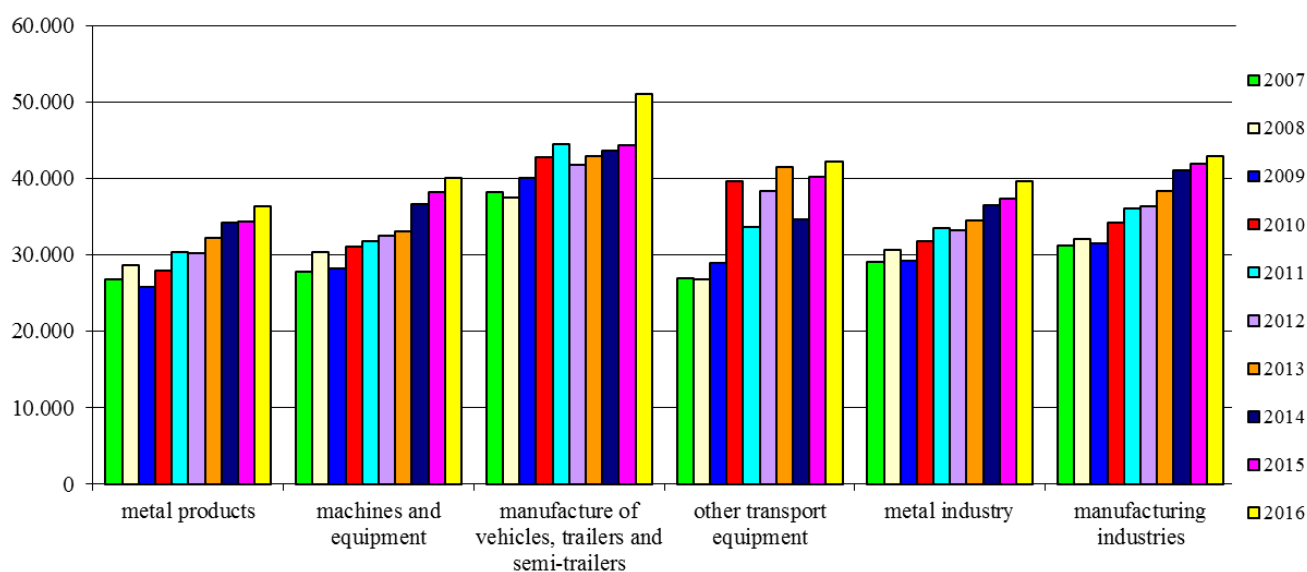


Chart 9: Gross value added per employee in the Slovenian metal processing companies per NACE sector in € for the timeframe from 2007 to 2016

## 2.5. Competitive position of companies by size

Basic economic data for the metal processing industry companies in terms of their size:

	metal processing industry		large companies	micro companies	small companies	medium-sized companies
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016
<b>Number of companies</b>	3.240	102,50	30	2.773	308	129,0
<b>Avg. number of employees</b>	57.084	102,20	17.838	12.990	10.518	15.738
<b>Total revenue (w/o change in stocks)</b>	7.491.513.196	102,60	3.333.032.588	1.040.843.400	1.148.550.734	1.969.086.475
<b>Gross profit</b>	7.503.984.034	102,80	3.344.732.557	1.034.036.524	1.155.637.610	1.969.577.343
<b>Sales</b>	7.343.611.867	102,80	3.272.232.451	1.015.312.003	1.126.590.155	1.929.477.258
<b>Domestic sales</b>	2.117.972.893	104,30	419.014.238	680.352.493	506.168.224	512.437.938
<b>Foreign sales</b>	5.225.638.973	102,20	2.853.218.213	334.959.510	620.421.931	1.417.039.320
<b>Total expenses</b>	7.120.682.352	100,90	3.195.955.269	986.305.577	1.084.226.651	1.854.194.855
<b>Cost of goods, materials and services</b>	5.190.820.178	100,50	2.500.239.131	624.550.056	749.626.178	1.316.404.813
<b>Employee benefits expense</b>	1.470.243.799	106,20	505.585.138	280.482.060	259.673.626	424.502.975
<b>Depreciation expense</b>	317.650.603	101,40	148.538.121	45.874.587	52.438.866	70.799.029
<b>OPERATING PROFIT</b>	442.535.305	131,90	169.276.878	61.024.393	81.604.152	130.629.882
<b>FINANCIAL PROFIT/LOSS</b>	-23.828.566	39,40	-4.326.010	-5.874.200	-5.838.660	-7.789.696
<b>EBIT</b>	446.209.832	130,30	169.120.695	60.971.014	83.321.335	132.796.786
<b>EBITDA</b>	763.860.435	116,50	317.658.817	106.845.602	135.760.202	203.595.815
<b>Income tax expense</b>	48.958.283	129,10	14.571.787	9.379.196	9.739.107	15.268.194



<b>Net profit</b>	414.649.565	129,20	155.415.037	64.813.260	73.165.973	121.255.295
<b>Net loss</b>	37.306.620	48,40	3.142.891	18.783.577	5.368.359	10.011.793
<b>NET PROFIT/LOSS</b>	377.342.945	154,80	152.272.146	46.029.683	67.797.614	111.243.502
<b>Cash flow from operations (net profit+ depreciation)</b>	694.993.549	124,80	300.810.267	91.904.270	120.236.480	182.042.531
<b>Gross value added</b>	2.265.985.766	108,70	833.191.060	397.834.326	398.957.087	636.003.293
<b>ASSETS</b>	5.540.338.741	102,30	1.973.474.067	988.333.097	1.003.115.628	1.575.415.949
<b>Inventories</b>	969.161.637	107,10	380.006.567	100.291.650	158.247.706	330.615.714
<b>Equity</b>	2.545.530.197	109,50	877.894.721	428.681.644	481.710.118	757.243.713
<b>Equity ratio (%)</b>	46	107,00	45	43	48	48,1
<b>Debt/equity ratio</b>	1,07	89,20	1,12	1	1,02	1,0
<b>Debt ratio (LT+ST liabilities/assets)</b>	0,49	94,20	0,49	1	0,49	0,5
<b>Total revenue/total expenses</b>	1,05	101,00	1,04	1	1,06	1,1
<b>EBITDA margin (%)</b>	10,40	113,30	9,71	11	12,05	10,6
<b>ROE (%)</b>	15,60	136,50	18,02	11	14,81	15,6
<b>ROA (%)</b>	7,07	153,70	7,90	5	7,10	7,3
<b>Sales per employee (EUR)</b>	128.645	100,60	183.446	78.160	107.110	122.599
<b>Share of foreign sales (%)</b>	71	99,40	87	33	55	73,4
<b>Labour costs per employee (EUR)</b>	25.756	103,90	28.344	21.592	24.688	26.973
<b>Average wage per employee (EUR)</b>	18.787	103,70	20.257	15.670	18.377	19.968
<b>Gross value added per employee (EUR)</b>	39.696	106,40	46.710	30.626	37.931	40.412
<b>Labour costs in gross value added (%)</b>	65	97,70	61	71	65	66,7
<b>Net profit per employee (EUR)</b>	7.264	126,40	8.713	4.989	6.956	7.705
<b>Net loss per employee (EUR)</b>	654	47,40	176	1.446	510	636
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016
	metal processing industry		large companies	micro companies	small companies	medium-sized companies

Table 6: Basic economic data for the Slovenian metal processing companies according to size in 2016

**In 2016**, the income index of the Slovenian metal processing industry is 102,6, which shows a slight increase of revenue compared to 2015. Turnover on foreign markets has increased by 2,2%. The majority of revenue was generated by large companies with €3,3 billion of revenue. Earnings before interest and taxes (EBIT) in the whole Slovenian metal processing industry shows an increase of 30,3% in 2016. Net profit per employee increased by 26,4%, whereas net loss per employee decreased substantially in 2016 by 52,6% and amounted to €654 per employee. The largest loss per employee has been created in micro companies, where it amounted to €1.446 per employee.

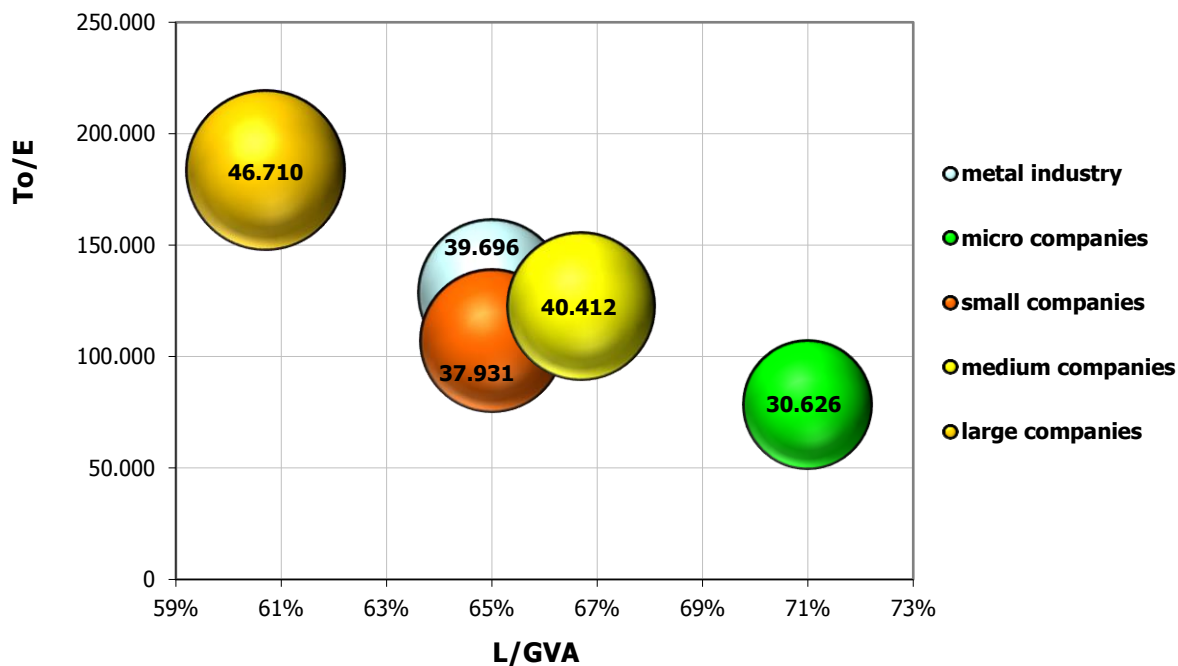


Chart 10: Competitive position of the Slovenian metal processing companies according to their size in 2016

**Chart 10 shows a comparison of the competitive position of the metal processing industry according to company size.** Three different parameters have been taken into account for the comparison: turnover per employee (To/E), gross value added per employee (GVA/E) and the ratio of labour costs to gross value added (L/GVA).

**In 2016**, the entire Slovenian metal processing industry (all companies included) generated €128.645 of turnover per employee, €39.696 of gross value added per employee and had 65% of labour costs in gross value added. In classification by size, best results continued to be observed in large companies with €183.446 turnover per employee, €46.710 of gross value added per employee and the lowest share of labour costs in value added at 61%.

Medium-sized companies, with a slightly lower turnover per employee at €122.599, show similar results as the whole metal processing industry with recorded €40.412 gross value added per employee but higher labour costs in gross value added at 66,7%. Small companies have €107.110 turnover per employee, €37.931 of gross value added per employee and 65% of labour costs in gross value added. Micro companies realized €78.160 of turnover per employee, €30.626 of gross value added per employee and have the highest proportion of labour costs in gross value added at 71%.

## 2.6. Competitive position of companies according to the origin of capital

Basic economic data in the metal processing industry companies according to the origin of the capital (domestic, foreign, mixed capital):

	metal processing industry		domestic capital		foreign capital		mixed capital	
	value in 2016	Index 16/15	value in 2016	Index 16/15	value in 2016	Index 16/15	value in 2016	Index 16/15
<b>Number of companies</b>	3.240	102,50	2.847	102,10	286	107,10	107	100,90
<b>Avg. number of employees</b>	57.084	102,20	41.970	100,20	12.077	113,50	3.036	91,50
<b>Total revenue (w/o change in stocks)</b>	7.491.513.196	102,60	4.524.728.658	99,50	2.585.368.080	108,40	381.416.458	103,50
<b>Gross profit</b>	7.503.984.034	102,80	4.529.693.393	99,80	2.595.358.203	108,50	378.932.438	103,20
<b>Sales</b>	7.343.611.867	102,80	4.419.794.545	99,70	2.548.020.081	108,40	375.797.241	104,00
<b>Domestic sales</b>	2.117.972.893	104,30	1.838.054.633	104,70	215.056.546	100,80	64.861.714	105,90
<b>Foreign sales</b>	5.225.638.973	102,20	2.581.739.912	96,50	2.332.963.535	109,20	310.935.526	103,60
<b>Total expenses</b>	7.120.682.352	100,90	4.261.919.456	96,90	2.497.507.642	108,80	361.255.254	99,80
<b>Cost of goods, materials and services</b>	5.190.820.178	100,50	2.905.821.856	95,40	2.023.224.800	108,50	261.773.523	102,40
<b>Employee benefits expense</b>	1.470.243.799	106,20	1.069.249.434	104,40	324.813.999	115,30	76.180.366	97,40
<b>Depreciation expense</b>	317.650.603	101,40	185.812.458	101,90	119.062.367	103,60	12.775.778	79,70
<b>OPERATING PROFIT</b>	442.535.305	131,90	311.708.879	144,10	110.310.766	100,20	20.515.660	224,70
<b>FINANCIAL PROFIT/LOSS</b>	-23.828.566	39,40	-16.830.890	33,70	-5.468.371	72,40	-1.529.305	52,20
<b>EBIT</b>	446.209.832	130,30	314.564.582	142,00	110.867.700	99,50	20.777.550	216,60
<b>EBITDA</b>	763.860.435	116,50	500.377.039	123,90	229.930.068	101,60	33.553.328	130,90
<b>Income tax expense</b>	48.958.283	129,10	35.725.368	142,60	10.590.910	94,00	2.642.005	165,70
<b>Net profit</b>	414.649.565	129,20	284.257.913	139,20	109.700.389	109,90	20.691.263	121,90
<b>Net loss</b>	37.306.620	48,40	19.628.712	34,60	14.038.162	170,70	3.639.746	29,70
<b>NET PROFIT/LOSS</b>	377.342.945	154,80	264.629.201	179,40	95.662.227	104,50	17.051.517	360,50
<b>Cash flow from operations (net profit+ depreciation)</b>	694.993.549	124,80	450.441.658	136,60	214.724.595	104,00	29.827.296	143,70
<b>Gross value added</b>	2.265.985.766	108,70	1.591.839.344	108,70	560.382.532	109,50	113.763.890	104,80
<b>ASSETS</b>	5.540.338.741	102,30	3.856.010.847	101,00	1.414.498.338	108,00	269.829.557	93,70
<b>Inventories</b>	969.161.637	107,10	682.574.327	105,70	237.090.525	115,90	49.496.785	91,30
<b>Equity</b>	2.545.530.197	109,50	1.783.610.976	109,40	631.674.139	107,00	130.245.081	126,10
<b>Equity ratio (%)</b>	46	107,00	46	108,40	45	99,10	48	134,50
<b>Debt/equity ratio</b>	1,07	89,20	1,06	86,90	1,11	102,80	1,00	59,50
<b>Debt ratio (LT+ST liabilities/assets)</b>	0,49	94,20	0,49	94,20	0,49	102,10	0,47	78,30
<b>Total revenue/total expenses</b>	1,05	101,00	1,06	102,90	1,04	100,00	1,06	103,90
<b>EBITDA margin (%)</b>	10,40	113,30	11,32	124,30	9,02	93,70	8,93	126,00
<b>ROE (%)</b>	15,60	136,50	15,69	156,60	15,61	96,60	14,28	285,60
<b>ROA (%)</b>	7,07	153,70	7,15	178,80	6,94	100,90	6,56	392,80
<b>Sales per employee (EUR)</b>	128.645	100,60	105.307	99,60	210.973	95,50	123.769	113,60
<b>Share of foreign sales (%)</b>	71	99,40	58	96,70	92	100,80	83	99,50

Labour costs per employee (EUR)	25.756	103,90	25.476	104,20	26.894	101,60	25.090	106,50
Average wage per employee (EUR)	18.787	103,70	18.568	104,30	19.638	100,80	18.428	105,20
Gross value added per employee (EUR)	39.696	106,40	37.928	108,50	46.399	96,40	37.468	114,60
Labour costs in gross value added (%)	65	97,70	67	96,00	58	105,50	67	92,90
Net profit per employee (EUR)	7.264	126,40	6.773	139,00	9.083	96,80	6.815	133,30
Net loss per employee (EUR)	654	47,40	468	34,60	1.162	150,30	1.199	32,50
	value in 2016	Index 16/15	value in 2016	Index 16/15	value in 2016	Index 16/15	value in 2016	Index 16/15
	metal processing industry		domestic capital		foreign capital		mixed capital	

Table 7: Basic economic data of the Slovenian metal processing industry companies according to the origin of capital in 2016

Most of the companies in the Slovenian metal processing industry are financed by domestic capital. **In 2016**, the majority of revenue was created in companies with domestic capital, amounting to €4,5 billion. Companies with only foreign capital recorded revenue growth of 8,4%, companies financed by mixed capital experienced a rise of revenue of 3,5%, whereas companies financed only by domestic capital experienced a slight drop in revenue of 0,5%. The highest gross value added per employee was in companies with foreign capital (€46.399), while the highest ratio of labour costs to value added was in companies financed both by mixed and domestic capital at 67%.

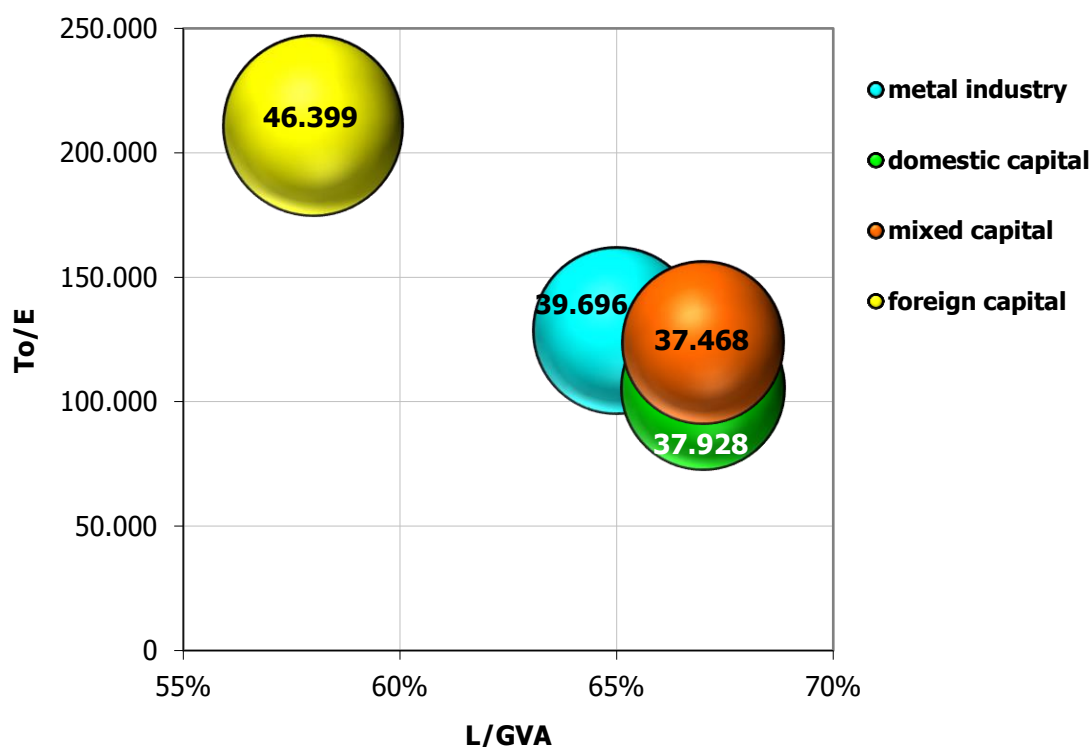


Chart 11: Competitive position of the Slovenian metal processing companies according to the origin of their capital in 2016

Chart 11 shows the comparative competitive position of the metal processing industry companies according to the origin of capital. As in the previous chapter/chart, the following parameters have been included: To/E, L/GVA, and GVA/E.

**In 2016**, the entire Slovenian metal processing industry (all companies included) generated €122.645 of turnover per employee, €39.696 of gross value added per employee and had 65% of labour costs in gross value added.

Companies with domestic capital recorded €105.307 of turnover per employee, €37.928 of gross value added per employee and have 67% of labour costs in gross value added. Companies with capital of foreign origin have €210.973 of turnover per employee, €46.399 of gross value added per employee and 58% of labour costs in gross value added. Companies with mixed capital demonstrate a €123.769 turnover per employee, €37.468 of gross value added per employee and have 67% of labour costs in gross value added.

### 3. EXPORT IN THE SLOVENIAN METAL PROCESSING INDUSTRY

	metal processing industry		NACE 25 metal products	NACE 28 machinery and equipment	NACE 29 motor vehicles, trailers and semi-trailers	NACE 30 other transport equipment	NACE 33 repair and installation of machinery and equipment
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
<b>Number of companies</b>	3.240	102,50	1.854	515	131	92	615
<b>Avg. number of employees</b>	57.084	102,20	27.567	12.651	8.877	685	7.175
<b>Total revenue (w/o change in stocks)</b>	7.491.513.196	102,60	2.871.050.736	1.592.689.387	2.310.784.363	98.483.627	604.586.038
<b>Gross profit</b>	7.503.984.034	102,80	2.867.901.503	1.598.024.162	2.318.691.935	100.207.255	605.302.247
<b>Sales</b>	7.343.611.867	102,80	2.805.694.304	1.565.676.483	2.274.376.016	94.327.163	589.790.323
<b>Domestic sales</b>	2.117.972.893	104,30	1.204.819.287	458.013.916	141.930.344	17.962.865	282.128.362
<b>Foreign sales</b>	5.225.638.973	102,20	1.600.875.017	1.107.662.567	2.132.445.672	76.364.299	307.661.962
<b>Gross value added</b>	2.265.985.766	108,70	1.002.480.280	507.445.758	452.814.594	28.904.379	271.333.989
<b>Sales per employee (EUR)</b>	128.645	100,60	101.776	123.758	256.213	137.642	82.202
<b>Share of foreign sales (%)</b>	71	99,40	57	71	94	81	52
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
	metal processing industry		NACE 25 metal products	NACE 28 machinery and equipment	NACE 29 motor vehicles, trailers and semi-trailers	NACE 30 other transport equipment	NACE 33 repair and installation of machinery and equipment

Table 8: Export of Slovenian metal processing industry in 2016

Table 8 shows that the sector NACE 29 (Manufacture of motor vehicles, trailers and semi-trailers) was the largest exporter in the Slovenian metal processing industry in 2016 at €2,13 billion, followed by NACE 25 (Manufacture of fabricated metal products, except machinery and equipment) with export of €1,6 billion and NACE 28 (Manufacture of machinery and equipment n.e.c.) with €1,1 billion of export. The Slovenian metal processing industry is export-oriented. Its export share exceeds half of income in all industry's sectors; the largest share of exports in income is in NACE 29. The share of exports in income has been increasing since 1998 in all sectors of the Slovenian metal processing industry with the exception of the year 2009, when a decline of 17% was recorded. The first financial crisis year of 2009 was followed by an over 10% increase in 2010 and by another 7,7% increase in 2011. In 2012, a slightly negative trend was recorded with a 1,1% decline and was followed by another "negative" two years of 2013 and 2014 with a further 3,2% and 0,6% decrease respectively. The year 2015 saw an upturn with a 4,1% increase in foreign sales. Sectors NACE 33 (Repair and installation of machinery and equipment) and NACE 95.22 (Repair of household appliances and home and garden equipment) deviate from presented trends due to their focus on the domestic market. Comparison of export shares in companies' income **for 2016** shows that in NACE 29,



companies realize as much as 94% of their income through export, followed by NACE 30 with a 81% and NACE 28 with a 71% share.

The table presents shares in export in the Slovenian metal processing industry in 2016 for selected sectors.

NACE code and description	number of companies	export	export index 2016/2015	share of export - metal industry (%)
29.100 - Manufacture of motor vehicles	20	1.108.837.473	104,7	21,22%
29.320 - Man. of oth. parts, accessor. for motor vehicles	74	516.006.962	59,8	9,87%
29.200 - Man. of bodies for mot. veh., trail., semi-trail.	37	507.601.236	124,8	9,71%
25.110 - Man. of metal structures and parts of structures	389	423.383.395	116,9	8,10%
25.620 - Machining	597	270.426.373	111,6	5,17%
25.990 - Man. of other fabricated metal products n.e.c.	306	270.299.213	113,0	5,17%
33.200 - Installation of ind. machinery and equipment	316	262.655.953	119,8	5,03%
28.220 - Manufacture of lifting and handling equipment	55	221.867.999	100,5	4,25%
25.500 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	40	200.353.841	418,9	3,83%
25.732 - Manufacture of other tools	170	147.677.703	110,5	2,83%
28.990 - Man. of other special-purpose machinery n.e.c.	91	135.649.740	102,4	2,60%
25.720 - Manufacture of locks and hinges	20	124.458.901	114,1	2,38%
28.300 - Man. of agricultural and forestry machinery	39	124.054.534	105,2	2,37%
28.150 - Man. of bearings, gears, driving elements	23	96.287.063	111,5	1,84%
28.930 - Manufacture of machinery for food, beverage,...	25	85.005.489	119,8	1,63%
28.490 - Manufacture of other machine tools	26	67.191.925	125,0	1,29%
28.290 - Manufacture of other general-purpose machinery n.e.c.	62	55.182.744	131,5	1,06%
28.250 - Manufacture of non-domestic cooling and ventilation equipment	48	51.506.905	94,8	0,99%
other	...	...	...	...
<b>metal industry in total</b>	<b>3.240</b>	<b>5.225.638.973</b>	<b>102,2</b>	<b>100,00%</b>

Table 9: Export of Slovenian metal processing industry in 2016 – only exporting sectors

Slovenian metal processing industry exports to all countries of the world. Traditionally, the strongest countries Slovenia exports to are Germany, Austria, France, and Italy. Geographic focus remains similar in 2016 as it was in 2015.

COUNTRY	export (in mio €)
GERMANY	1.599,4
AUSTRIA	633,4
FRANCE	567,7
ITALY	308,2
CZECH REPUBLIC	134,9
CROATIA	128,1
SWEDEN	124,3
UNITED KINGDOM	120,1
POLAND	116,1
DENMARK	115,4
OTHER	1.378,0
<b>All export markets together</b>	<b>5.225,6</b>

EXPORT MARKETS - all metal industry

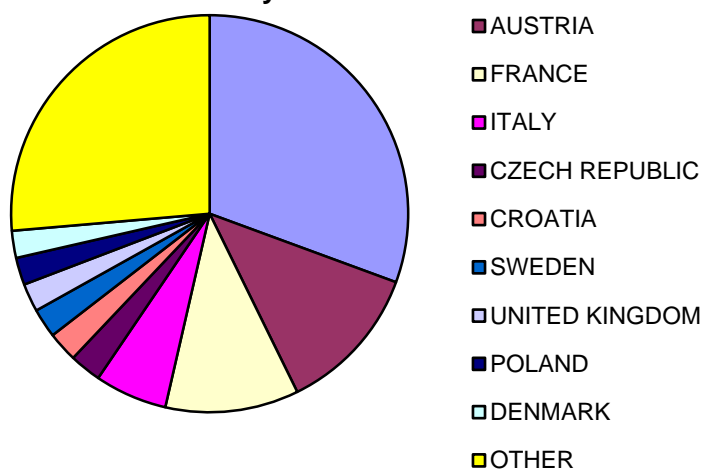


Table 10: Export of the Slovenian metal processing industry in 2016

The total export of the Slovenian metal processing industry **for 2016** shows a 2,2% increase. Traditionally, the industry's largest "client" is Germany (€1.599,4 million), which continues to remain the most important export market. Other three largest export markets of the Slovenian metal processing industry are: Austria (€633,4 million), France (€567,7 million) and Italy (€308,2 million).

#### 4. REVIEW OF THE SLOVENIAN METAL PROCESSING INDUSTRY SECTORS IN 2016

##### 4.1. MANUFACTURE OF FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND EQUIPMENT – NACE 25

"Manufacture of fabricated metal products, except machinery and equipment" sector includes following sub-sectors:

- 25.1 – Manufacture of structural metal products
- 25.2 – Manufacture of tanks, reservoirs, and containers of metal
- 25.3 – Manufacture of steam generators, except central heating hot water boilers
- 25.4 – Manufacture of weapons and ammunition
- 25.5 – Forging, pressing, stamping, and roll-forming of metal, powder metallurgy
- 25.6 – Treatment and coating of metals, machining
- 25.7 – Manufacture of cutlery, tools, and general hardware
- 25.9 – Manufacture of other fabricated metal products

##### 4.1.1. Income, employment, gross value added, profit, cost of labour and export of metal products

*Explanation regarding the missing subsectors: where a specific aggregate includes less than three companies or a company has a dominant role in this aggregate, the data is not published due to confidential nature of data for a specific company. In the sector NACE 25, this rule applies to 25.4 – "Manufacture of weapons and ammunition".*

Table 11 shows basic subsector data for the "Manufacture of fabricated metal products, except machinery and equipment" sector for the year 2016.

	NACE 25 metal products		25.1.	25.2.	25.3.	25.5.	25.6.	25.7.	25.9.
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
Number of companies	1.854	102,10	482	29	5	40	692	208	396
Avg. number of employees	27.567	107,40	6.490	484	12	3.354	7.187	4.410	5.621
Total revenue (w/o change in stocks)	2.871.050.736	108,30	780.374.959	36.892.770	110.842	386.339.093	551.748.570	447.666.968	664.504.858
Gross profit	2.867.901.503	108,40	777.476.422	36.555.844	109.141	387.424.589	546.855.475	454.822.566	661.274.691
Sales	2.805.694.304	108,50	763.826.156	36.382.806	108.771	377.416.664	537.456.815	437.907.192	649.422.107
Domestic sales	1.204.819.287	103,90	311.966.234	13.061.045	64.440	177.062.823	253.236.738	153.819.773	295.418.862
Foreign sales	1.600.875.017	112,20	451.859.921	23.321.762	44.331	200.353.841	284.220.077	284.087.418	354.003.245
Total expenses	2.705.608.427	106,70	734.274.814	35.791.203	2.358.854	373.323.870	510.017.456	426.749.808	620.027.066
Cost of goods, materials and services	1.844.326.912	105,70	535.496.241	22.341.084	440.705	262.466.339	307.805.840	270.647.853	442.661.092
Employee benefits expense	662.944.434	110,90	157.046.660	11.359.660	226.946	88.922.368	158.085.501	114.936.259	132.140.545
Depreciation expense	133.337.552	110,20	26.036.863	1.439.373	7.077	12.145.127	31.398.206	30.759.148	31.469.202
OPERATING PROFIT	190.298.967	133,70	48.609.750	1.109.012	1.464.832	20.219.948	41.462.370	32.989.970	46.993.539
FINANCIAL PROFIT/LOSS	-10.944.956	57,60	-1.538.546	-221.659	-8.424	-3.442.411	-1.038.068	-3.262.362	-1.431.020

					-				
EBIT	193.330.121	131,90	49.317.988	1.157.965	2.239.589	20.173.225	42.249.510	33.788.793	48.506.292
EBITDA	326.667.673	122,10	75.354.851	2.597.338	2.232.511	32.318.352	73.647.717	64.547.942	79.975.494
Income tax expense	20.402.504	129,70	5.996.737	211.575	0	1.388.441	5.251.855	2.048.456	5.459.117
Net profit	178.186.266	129,60	45.550.432	1.383.419	2.391	15.925.313	41.290.086	30.174.723	43.532.755
Net loss	15.655.749	64,00	4.030.702	657.718	2.049.762	408.835	5.384.821	1.262.922	1.860.991
NET PROFIT/LOSS	162.530.517	143,80	41.519.731	725.701	2.047.371	15.516.478	35.905.265	28.911.801	41.671.764
Cash flow from operations (net profit+ depreciation)	295.868.069	126,50	67.556.594	2.165.074	2.040.294	27.661.605	67.303.471	59.670.950	73.140.966
Gross value added	1.002.480.280	113,80	236.703.230	14.067.598	1.230.808	122.592.413	234.034.506	180.508.832	214.893.331
ASSETS	2.509.616.426	108,10	597.827.777	33.778.567	4.350.573	370.319.046	443.556.293	453.138.575	604.390.947
Inventories	383.364.360	110,00	75.035.576	6.263.578	133.494	84.864.258	38.224.864	81.418.564	97.101.776
Equity	1.191.298.305	111,50	297.912.037	15.331.820	2.226.000	161.076.533	197.838.238	210.252.472	305.718.257
Equity ratio (%)	48	103,30	50	45	51	44	45	46	51
Debt/equity ratio	1,02	95,30	0,91	1,13	0,35	1,19	1,13	1,07	0,91
Debt ratio (LT+ST liabilities/assets)	0,48	98,00	0,45	0,53	0,25	0,53	0,51	0,49	0,46
Total revenue/total expenses	1,06	101,00	1,06	1,03	0,05	1,03	1,08	1,05	1,07
EBITDA margin (%)	11,64	112,60	9,87	7,14	2.052,49	8,56	13,70	14,74	12,31
ROE (%)	14,36	129,10	14,72	4,85	-64,62	10,07	19,31	14,57	14,27
ROA (%)	6,74	134,30	7,18	2,21	-33,22	4,28	8,53	6,80	7,13
Sales per employee (EUR)	101.776	101,00	117.692	75.152	9.179	112.518	74.779	99.293	115.533
Share of foreign sales (%)	57	103,40	59	64	41	53	53	65	55
Labour costs per employee (EUR)	24.048	103,20	24.198	23.465	19.152	26.510	21.995	26.061	23.508
Average wage per employee (EUR)	17.697	103,00	17.837	17.049	14.693	19.297	16.297	19.287	17.183
Gross value added per employee (EUR)	36.365	106,00	36.472	29.058	-103.866	36.548	32.562	40.929	38.230
Labour costs in gross value added (%)	66,1	97,30	66,3	80,8	-18,4	72,5	67,5	63,7	61,5
Net profit per employee (EUR)	6.464	120,70	7.019	2.858	202	4.748	5.745	6.842	7.744
Net loss per employee (EUR)	568	59,60	621	1.359	172.976	122	749	286	331
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
NACE 25 metal products			25.1.	25.2.	25.3.	25.5.	25.6.	25.7.	25.9.

Table 11: Basic economic data for the subsectors of the "Manufacture of fabricated metal products, except machinery and equipment" sector (NACE 25) in 2016

In 2016, the Slovenian manufacture of fabricated metal products sector (NACE 25) recorded positive index scores. Revenue on the sector's level increased by 8,3%. Highest revenue was generated in NACE 25.1 (Manufacture of

structural metal products), amounting to €780,3 million. The lowest income was recorded in the subsector NACE 25.3 (Manufacture of steam generators, except central heating hot water boilers) at €110,840.

The total export of the Slovenian sector 25 in 2016 was 12,2% higher than in 2015 and it amounted to €1,6 billion. EBIT recorded a substantial growth with 31,9%. Gross value added per employee reached €36.365, which is 6% higher than in 2015. Not including subsector 25.3 (Manufacture of steam generators, except central heating hot water boilers) with gross value added per employee reaching € –103.866 (!), the highest gross value added per employee was in subsector 25.7 (Manufacture of cutlery, tools, and general hardware) at €40.929, while the lowest was in 25.2 (Manufacture of tanks, reservoirs, and containers of metal), where it amounted to €29.058. In sector 25, ROE and ROA recorded a positive result in 2016: ROE 14,36 (a +29,1% growth) and ROA 6,74 (a +34,3% growth). Labour costs in gross value fell by 2,7%, while labour costs per employee increased by 3,2% and reached the value of €24.048.

#### 4.1.2. Companies

In the following tables, ten top NACE 25 companies by gross value added for each size category are presented. The companies are listed alphabetically within the specific size category.

##### Micro companies

###### Top 10 by gross value added

BENI TEHING, PROIZVODNJA, TRGOVINA IN STORITVE, D.O.O.  
 CENTER ISI INVALIDSKO PODJETJE, D.O.O.  
 CNC-MURKO, PROIZVODNJA, TRGOVINA, STORITVE, D.O.O.  
 EMMEPI JEKLO MONTAŽA IN VARJENJE KOVINSKIH SESTAVNIH DELOV D.O.O.  
 IMSS - TRADE, INDUSTRIJSKI SERVIS&MONTAŽA, D.O.O.  
 IP RIBNICA, DRUŽBA ZA USPOSABLJANJE IN ZAPOSLOVANJE INVALIDOV, D.O.O.  
 MINIS, PROIZVODNJA IN STORITVE, D.O.O.  
 MONTAŽA ŠKRBAN, PROIZVODNJA, GRADBENIŠTVO, STORITVE IN INŽENIRING D.O.O.  
 SODALIS PODJETJE ZA PROIZVODNJO, TRGOVINO IN RAZVOJ D.O.O.  
 TEHMONT, DRUŽBA ZA PROIZVODNJO IN STORITVE, D.O.O.

##### Small companies

###### Top 10 by gross value added

GRIESHABER LOGISTIKA D.O.O.  
 HIDRIA - IP, D.O.O., DRUŽBA ZA PROIZVODNJO IZOLACIJSKIH IZDELKOV, TOLMIN  
 INKOS DRUŽBA ZA INŽENIRING, KONSTRUKCIJE IN STROJEGRADNO D.O.O. KRMELJ  
 MONTPRO PODJETJE ZA PROIZVODNJO IN STORITVE D.O.O.  
 NOVI PLAMEN, HLADNO PREOBLIKOVANJE IN ELEMENTI ZA SPAJANJE, KROPA, D.O.O.  
 POVŠE METAL PROIZVODNJA IN TRGOVINA D.O.O.  
 RIEDL CNC, PROIZVODNO, STORITVENO IN TRGOVSKO PODJETJE, D.O.O.  
 RM-LH IZOLA, PROIZVODNJA, PROMET IN STORITVE, D.O.O.  
 RUJZ DESIGN PODJETJE ZA PROIZVODNJO, TRGOVINO IN POSLOVNE STORITVE, D.O.O.  
 TEHNOLOŠKI CENTER JAKL SPLOŠNA MEHANIČNA DELA D.O.O.

##### Medium-sized companies

###### Top 10 by gross value added

ALUMINIUM KETY EMMI, PREDELAVA ALUMINIJA, D.O.O.  
 CNC P&K-PUŠNIK PROIZVODNJA IN TRGOVINA D.O.O.  
 EMO - ORODJARNA PROIZVODNA DRUŽBA D.O.O.  
 GORENJE ORODJARNA, D.O.O., VELENJE, PARTIZANSKA 12  
 MAROVT PROIZVODNO IZVOZNO UVOZNO PODJETJE, D.O.O.  
 MONTER DRAVOGRAD PROIZVODNJA IN STORITVE D.O.O.  
 NIKO, KOVINARSKO PODJETJE, D.O.O., ŽELEZNIKI  
 NOŽI RAVNE PODJETJE ZA PROIZVODNJO NOŽEV IN REZIL D.O.O.  
 REM MONTAŽA IN KLEPARSTVO D.O.O.  
 VALJI, PROIZVODNJA VALJEV IN ULITKOV D.O.O.

## Large companies

### Top 10 by gross value added

ARCONT, PROIZVODNJA BIVALNIH ENOT D.D.  
 IMPOL FOLIJE IN TRAKOVI, PROIZVODNJA, TRGOVINA IN STORITVE D.O.O.  
 IMPOL PALICE, CEVI IN PROFILI, PROIZVODNJA, TRGOVINA IN STORITVE D.O.O.  
 KIG PODJETJE ZA PROIZVODNJO IN UPRAVLJANJE DRUŽB D.D.  
 KOVINOPLASTIKA LOŽ INDUSTRIJA KOVINSKIH IN PLASTIČNIH IZDELKOV D.D.  
 MARIBORSKA LIVARNA MARIBOR D.D.  
 MDM PODJETJE ZA PROIZVODNJO, TRGOVINO IN INŽENIRING D.O.O.  
 TITUS LAMA, PROIZVODNJA IN PRODAJA POHIŠTVENEGA OKOVJA, D.O.O.  
 TRIMO, ARHITEKTURNE REŠITVE, D.D.  
 UNIOR KOVAŠKA INDUSTRIJA D.D.

### 4.1.3. Export

In 2016, the total net revenue from sales in foreign markets increased by 12,2% in all the subsectors of the Slovenian NACE 25 sector and reached €1,6 billion. The highest growth in exports was recorded in subsector 25.5 (Forging, pressing, stamping, and roll-forming of metal, powder metallurgy) with an astonishing 318,9% increase in comparison to 2015. The biggest export and the largest share of revenue generated by sales in foreign markets was in subsector NACE 25.1 (Manufacture of structural metal products). The subsector's export reached nearly €452 million. The whole sector reached €1,6 billion of turnover in foreign markets. The largest share of sales in foreign markets was in the subsector 25.4 (Manufacture of weapons and ammunition) with a share of 94%.

#### Shares of export of NACE 25 sector by country

COUNTRY	export (in mio €)
GERMANY	487,9
AUSTRIA	224,8
ITALY	114,1
CROATIA	105,0
SLOVAKIA	68,5
FRANCE	55,3
UNITED KINGDOM	53,7
SWITZERLAND	45,7
HUNGARY	44,6
BOSNIA AND HERZEGOVINA	32,1
OTHER	369,1
<b>Total NACE 25</b>	<b>1.600,9</b>

#### EXPORT MARKETS - NACE 25

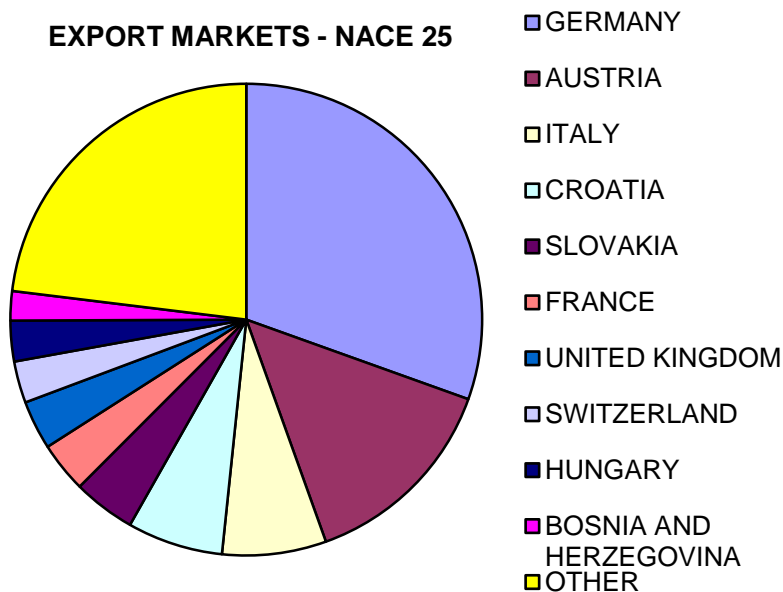


Table 12: Shares of export of the Slovenian NACE 25 sector in 2016 by country

Analysis of the NACE 25 sector's export shows that in 2016, the sector mostly exported to Germany (€487.9 mio), Austria (€224.8 mio), Italy (€114.1 mio) and Croatia (€105 mio). Export values are presented in the table above.

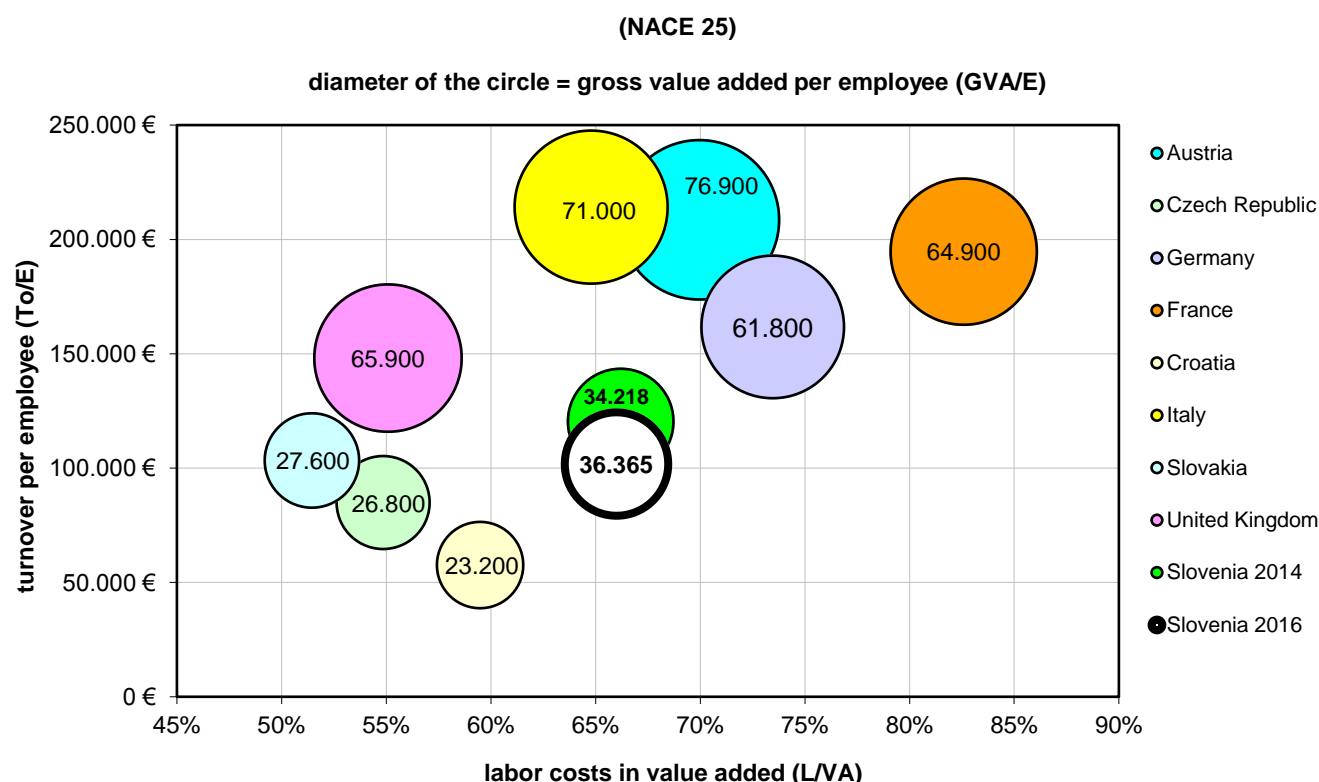


#### 4.1.4. International benchmark

The comparison of the Slovenian NACE 25 sector to specific EU countries' NACE 25 sectors is made with three competitiveness indicators, which are described in the subchapter 1.3 (Competitive positioning of the metal processing industry). The comparison is made for the year 2014 (Eurostat database's latest complete data). As an addition, Slovenian data for 2016 is included as a separate entity.

#### A comparison of EU countries by To/E, L/GVA, and GVA/E for NACE 25 – Manufacture of fabricated metal products, except machinery and equipment

*The results of comparable industries in the EU are based on Eurostat data, where the latest complete data is for 2014.*



*Chart 12: Comparison of EU countries by To/E, L/GVA and GVA/E for NACE 25 – Manufacture of fabricated metal products, except machinery and equipment*

Chart 12 (NACE 25 – Manufacture of fabricated metal products, except machinery and equipment) shows that in the year 2014, the EU states ranged from €57.000 to nearly €215.000€ in turnover per employee (To/E); Italy and Austria lead with more than €200.000 of turnover per employee. In 2014, Slovenia was less successful than the EU-15 states and has realized approximately €120.000 of turnover per employee. In the ratio of labour costs to gross value added (L/GVA) in the production of metal products in the year 2014, the EU states are ranked between 50% and 85% (Slovenia 66,2%). France has the highest share of labour costs in the gross value added (82,6%).

The highest realized gross value added per employee (GVA/E) in 2014 is in Austria, Italy, Germany, France, and Great Britain. In 2014, gross value added per employee (GVA/E) ranges from €23.000 to €77.000 in all observed states. In this range, EU-15 states (Austria, Italy, Germany, France and United Kingdom) are relatively levelled, with Austria being the leader with €76.900 of gross value added per employee. Slovenia's realized gross value added per employee in 2014 was €34.218.

**In the year 2016**, somewhat lower values can be observed in the Slovenian sector in comparison to 2014, especially due to higher value added per employee, which rose by more than €2.000. However, turnover per employee has decreased by almost €20.000, whereas labour costs are similar to those from 2014.

#### 4.1.4.1. Investments in the sector

Manufacture of fabricated metal products, except machinery and equipment (NACE 25)	COUNTRY	INVESTMENT PER EMPLOYEE	
		SHARE OF INVESTED TURNOVER	IN €
	CZECH REPUBLIC	1,8%	4.100
	GERMANY	0,2%	5.400
	CROATIA	29,6%	1.800
	ITALY	2,1%	4.800
	AUSTRIA	0,6%	9.300
	POLAND	0,2%	3.800
	SLOVENIA	52,8%	5.900
	UNITED KINGDOM	1,4%	6.700

Table 13: Investments in NACE 25 sector for selected EU countries in 2014

In the NACE 25 sector, we see that the shares of income invested in investment activities range from 0,2% (Germany and Poland) to 52,8% (Slovenia). In all of the observed countries, the proportion of invested funds does not exceed 2,1%, except in Croatia and Slovenia, where the share of the invested income is 29,6% and 52,8% respectively. If investments are expressed in monetary units, we see that the highest investment is made in Austria (€9.300/employee), while the Slovenian NACE 25 allocates €5.900 per employee for investments.

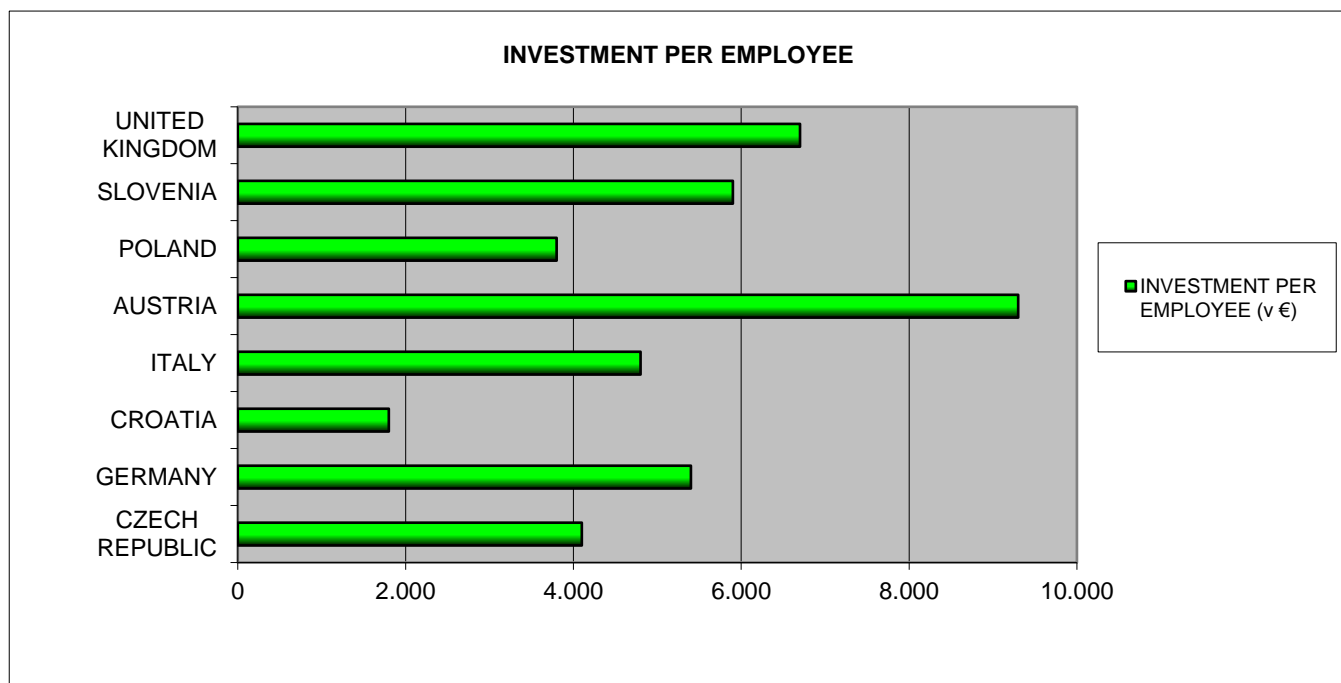


Chart 13: Investments in selected EU countries for NACE 25 sector in 2014

## 4.2. MANUFACTURE OF MACHINERY AND EQUIPMENT n.e.c. – NACE 28

Manufacture of machinery and equipment n.e.c. NACE sector includes the following subsectors::

- 28.1 – Manufacture of general-purpose machinery
- 28.2 – Manufacture of other general-purpose machinery<sup>1</sup>
- 28.3 – Manufacture of agricultural and forestry machinery
- 28.4 – Manufacture of metal forming machinery and machine tools
- 28.9 – Manufacture of other special-purpose machinery

<sup>(1)</sup>Explanation: The metal processing industry's subsector NACE 28.2 does not include NACE 28.230 – Manufacture of office machinery and equipment (except computers and peripheral equipment)

### 4.2.1. Income, employment, gross value added, profit, cost of labour and export for Manufacture of machinery and equipment n.e.c. sector

The following table presents basic data for the Slovenian "Manufacture of machinery and equipment n.e.c." sector in 2016.

	NACE 28 machinery and equipment		28.1.	28.2.	28.3.	28.4.	28.9.
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
Number of companies	515	101,60	78	193	39	55	151
Avg. number of employees	12.651	103,30	2.792	3.908	1.314	1.353	3.289
Total revenue (w/o change in stocks)	1.592.689.387	106,60	357.581.115	511.089.957	167.353.538	152.586.141	404.548.270
Gross profit	1.598.024.162	106,60	364.048.142	513.184.658	166.282.138	148.400.143	406.577.869
Sales	1.565.676.483	107,20	352.556.538	503.504.813	164.817.849	148.314.463	396.939.608
Domestic sales	458.013.916	107,70	108.616.007	151.729.673	40.763.315	44.039.887	113.258.297
Foreign sales	1.107.662.567	107,10	243.940.531	351.775.140	124.054.534	104.274.575	283.681.311
Total expenses	1.519.309.195	105,80	342.038.838	495.211.504	159.896.171	141.477.319	381.114.369
Cost of goods, materials and services	1.075.432.249	105,80	245.414.184	360.553.630	117.944.400	90.783.733	260.976.500
Employee benefits expense	346.506.290	107,20	75.016.932	104.339.907	31.739.212	39.447.204	96.110.395
Depreciation expense	57.736.991	105,50	15.563.773	16.972.939	6.699.406	5.092.957	13.442.453
OPERATING PROFIT	92.814.738	119,00	25.060.904	22.978.489	7.822.388	7.838.303	29.154.436
FINANCIAL PROFIT/LOSS	-8.007.473	92,80	-1.871.394	-3.007.817	-693.893	-519.784	-1.914.427
EBIT	93.016.597	116,20	25.059.020	22.731.819	8.116.257	7.835.715	29.314.255
EBITDA	150.753.589	111,90	40.622.794	39.704.758	14.815.663	12.928.672	42.756.708
Income tax expense	12.301.587	129,50	3.055.190	3.658.679	588.390	1.003.767	4.002.552
Net profit	84.966.941	123,20	20.674.134	23.741.654	7.290.687	6.726.168	26.567.932
Net loss	10.960.772	153,80	475.695	7.354.003	449.027	339.966	2.342.081
NET PROFIT/LOSS	74.006.169	119,70	20.198.439	16.387.651	6.841.660	6.386.202	24.225.851
Cash flow from operations (net profit+ depreciation)	131.743.161	113,10	35.762.212	33.360.590	13.541.066	11.479.159	37.668.305
Gross value added	507.445.758	108,50	116.532.602	148.299.596	47.336.617	53.321.440	142.177.581
ASSETS	1.390.807.725	107,50	359.143.149	393.470.695	151.952.518	132.011.640	355.093.845
Inventories	318.267.086	109,70	82.311.551	81.358.661	50.982.764	24.686.005	79.006.707
Equity	656.244.230	112,30	187.963.509	180.408.929	67.218.630	58.855.084	162.630.669
Equity ratio (%)	47	104,40	52	46	44	45	46
Debt/equity ratio	1,01	92,70	0,83	1,05	1,17	1,09	1,07

Debt ratio (LT+ST liabilities/assets)	0,48	96,00	0,42	0,49	0,54	0,49	0,49
Total revenue/total expenses	1,05	101,00	1,05	1,03	1,05	1,08	1,06
EBITDA margin (%)	9,63	104,30	11,52	7,89	8,99	8,72	10,77
ROE (%)	11,90	105,70	11,33	9,55	10,66	11,28	15,93
ROA (%)	5,52	112,70	5,89	4,31	4,58	4,95	7,12
Sales per employee (EUR)	123.758	103,80	126.252	128.824	125.457	109.610	120.676
Share of foreign sales (%)	71	99,70	69,2	69,9	75,3	70,3	71,5
Labour costs per employee (EUR)	27.389	103,80	26.864	26.696	24.159	29.153	29.219
Average wage per employee (EUR)	20.283	103,70	19.648	19.701	17.889	21.783	21.850
Gross value added per employee (EUR)	40.111	105,00	41.731	37.943	36.032	39.407	43.224
Labour costs in gross value added (%)	68,3	98,80	64,4	70,4	67,1	74,0	67,6
Net profit per employee (EUR)	6.716	119,30	7.404	6.074	5.550	4.971	8.077
Net loss per employee (EUR)	866	148,80	170	1.882	342	251	712
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016	value in 2016
<b>NACE 28 machinery and equipment</b>			<b>28.1.</b>	<b>28.2.</b>	<b>28.3.</b>	<b>28.4.</b>	<b>28.9.</b>

Table 14: Basic economic data for the sub-sectors of the "Manufacture of machinery and equipment" sector (NACE 28) in 2016

In 2016, the Slovenian NACE 28 sector (Manufacture of machinery and equipment n.e.c.) recorded a relative increase of indexes. In the whole NACE 28 sector, income was higher by 6,6% in comparison to 2015 and it amounted to €1,6 billion. Most of the revenue was generated in subsector NACE 28.2 (Manufacture of other general-purpose machinery), in the amount of €511,1 million. Subsector NACE 28.1 (Manufacture of general-purpose machinery) had €357,6 million of revenue and NACE 28.9 (Manufacture of other special-purpose machinery) generated more than €404,5 million of revenue in 2016.

Export in the whole Slovenian NACE 28 sector increased by 7,1% in 2016, whereas EBIT increased by 16,2%. Gross value added per employee has reached €40.111, which is 5,0% higher than in previous year. ROE (+11,90) and ROA (+5,52) are positive and show a high level of growth compared to 2015. The share of labour cost in gross value added is 1,2% lower than in 2015, amounting to 68,3%, whereas labour cost per employee has risen (index 103,8) and it amounted to €27.389.

#### 4.2.2. Companies

In the following tables, ten top NACE 28 companies by gross value added for each size category are presented. The companies are listed alphabetically within specific size categories.

### Micro companies

#### Top 10 by gross value added

ALPLES 3E STROJEGRADNJA D.O.O.  
BOS GRUBAR KOVINARSKA PROIZVODNJA D.O.O.  
ECU TRGOVSKO IN STORITVENO PODJETJE D.O.O.  
FINES PROIZVODNJA IN PRODAJA KOVINSKE OPREME D.O.O.  
GOSTOL-GOIN PODJETJE ZA ZAPOSLOVANJE IN USPOSABLJANJE INVALIDOV D.O.O. NOVA GORICA  
KIM KOVINSKO PODJETJE D.O.O.  
KOSANC D.O.O. IZDELAVA, MONTAŽA IN SERVIS KLIMATSKIH NAPRAV  
MONTER DRAVOGRAD STORITVE PODJETJE ZA USPOSABLJANJE IN ZAPOSLOVANJE INVALIDOV D.O.O.  
OTIS LIFT D.O.O., PROJEKTIRANJE, PRODAJA, MONTAŽA IN VZDRŽEVANJE DVIGAL  
PTS-LJ, IZDELAVA STROJEV IN NAPRAV, D.O.O.  
SCHIKI, PODJETJE ZA PROIZVODNJO, TRGOVINO IN STORITVE, D.O.O.

### Small companies

#### Top 10 by gross value added

ALCHROM THIES, PROIZVODNJA PROCESNE OPREME D.O.O.  
ECOM RUŠE- INŽENIRING, PROIZVODNJA, STORITVE IN TRGOVINA D.O.O.  
HYPEX, PODJETJE ZA PROIZVODNJO, MONTAŽO IN PRODAJO FLUIDNE TEHNIKE, D.O.O.  
INDUSTRIJSKA OPREMA BREŽICE D.O.O.  
KOTA ENERGETSKE NAPRAVE, HLAJENJE, OGREVANJE, TOPLOTNE ČRPALKE D.O.O.  
LIBELA ELSI TEHTANJE IN AVTOMATIZACIJA, D.O.O.  
MEBOR, PROIZVODNJA LESNO OBDELOVALNIH STROJEV, D.O.O.  
ŠRAML PROIZVODNJA INOKS OPREME IN STORITVE D.O.O.  
TA - REGULATOR PROIZVODNJA REGULACIJSKIH VENTILOV D.O.O.  
TEHNIKA-SET INŽENIRING, PROIZVODNJA IN STORITVE D.D.

### Medium-sized companies

#### Top 10 by gross value added

BELIMED POMIVALNI SISTEMI D.O.O.  
BRINOX INŽENIRING D.O.O.  
FARMTECH, PROIZVODNJA KMETIJSKIH STROJEV, OKOLJSKE TEHNIKE IN OPREME TER TRGOVINA D.O.O.  
GOSTOL-GOPAN, D.O.O. NOVA GORICA  
LESTRO-LEDINEK PODJETJE ZA PROIZVODNJO LESNO OBDELOVALNIH STROJEV IN ORODIJ D.O.O.  
OMEGA AIR INŽENIRING, D.O.O., LJUBLJANA  
PIŠEK - VITLI KRPA PROIZVODNJA KMETIJSKIH IN GOZDARSKIH STROJEV, D.O.O.  
SIJ RAVNE SYSTEMS DRUŽBA ZA PROIZVODNJO INDUSTRIJSKE OPREME IN STORITVE D.O.O.  
SIP STROJNA INDUSTRIJA, D.D.  
YASKAWA RISTRO, PODJETJE ZA GRADNJO STROJEV IN NAPRAV D.O.O.

### Large companies

#### Top 10 by gross value added

ADK D.O.O.  
GKN DRIVELINE SLOVENIJA, PROIZVODNJA AVTOMOBILSKIH TRANSMISIJ IN AVTO DELOV, D.O.O.  
LITOSTROJ POWER, , D.O.O.  
PALFINGER PROIZVODNJA D.O.O.  
POCLAIN HYDRAULICS, D.O.O.  
TAJFUN PLANINA PROIZVODNJA STROJEV, D.O.O.

### 4.2.3. Export

In 2016, net sales in foreign market in the NACE 28 (Manufacture of machinery and equipment n.e.c.) reached €1,1 billion, which is a 7,1% increase in comparison to 2015. The majority of the export was realized in the NACE subsector 28.2 (Manufacture of other general-purpose machinery), which generated €511,1 million of turnover in foreign markets.

#### Shares of export of NACE 28 sector by country

COUNTRY	export (in mio €)
GERMANY	300,3
AUSTRIA	187,9
ITALY	75,3
CROATIA	44,5
FRANCE	37,8
UNITED STATES	29,8
BOSNIA AND HERZEGOVINA	28,6
SERBIA	27,9
POLAND	27,3
RUSSIAN FEDERATION	25,4
OTHER	322,8
<b>Total NACE 28</b>	<b>1.107,7</b>

#### EXPORT MARKETS - NACE 28

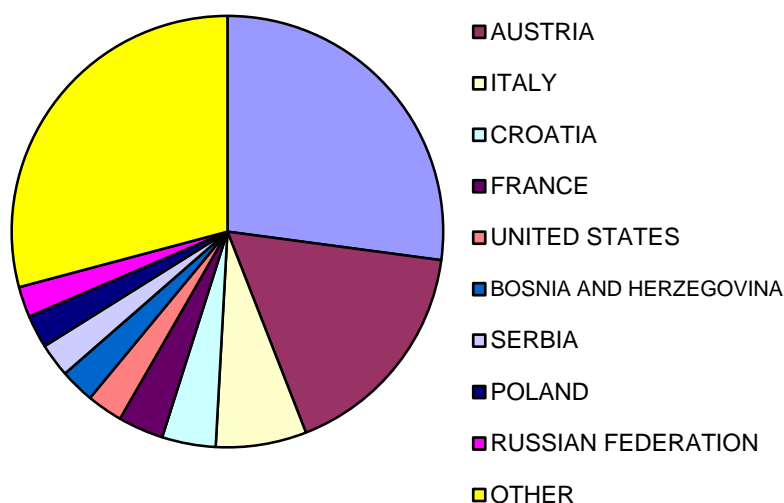


Table 15: Shares of export of the Slovenian NACE 28 sector in 2016 by country

Analysis of the NACE 28 sector's export shows that in 2016, the sector had mostly exported to Germany (€300,3 million), Austria (€187.9 million) and Italy (€75.3 million). Export values are presented in the table above.

### 4.2.4. International benchmark

The comparison of the Slovenian NACE 28 sector to specific EU countries' NACE 28 sectors is made with three competitiveness indicators, which are described in the subchapter 1.3 (Competitive positioning of the metal processing industry). The comparison is made for the year 2014 (Eurostat database's latest complete data). The chart below also includes data for Slovenia from 2016.

#### A comparison of EU countries by To/E, L/GVA, and GVA/E for NACE 28 – Manufacture of machinery and equipment n.e.c.

*The results of comparable industries in the EU are based on Eurostat data, where the latest complete data is for 2014.*



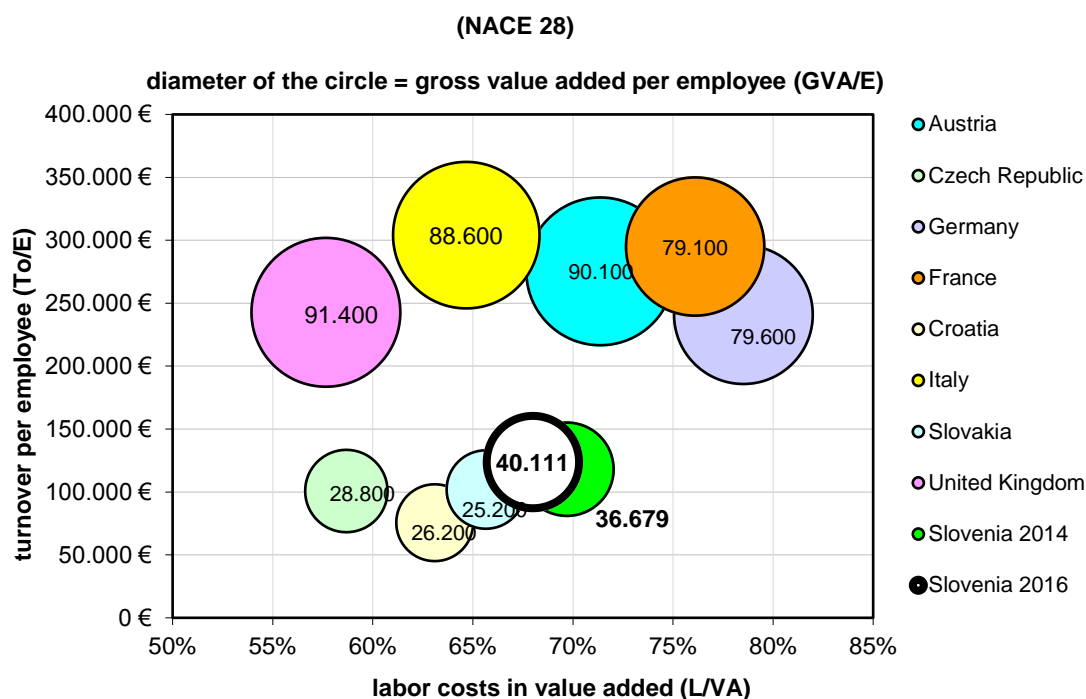


Chart 14: Comparison of EU countries by To/E, L/VA and GVA/E for NACE 28 – Manufacture of machinery and equipment n.e.c.

Chart 18 (NACE 28 – Manufacture of machinery and equipment) shows that the gross value added per employee in 2014 is significantly higher in the EU-15 states (United Kingdom has the highest gross value added per employee at €91.400). In the same year, turnover per employee in these countries ranges between €240.000 and €305.000, which is similar to the year before. In 2014, ratio of labour cost to gross value added for all observed states is between 58% and 80%. Among the EU-15 states, the highest ratio of labour costs to gross value added is in Germany and it amounts to 78,52%.

In 2014, the ratio of labour cost to gross value added in Slovenia was 69,7%, which is in the second part of the ratio range in comparison to other countries. As in the years before, Slovenia is less successful than EU-15 in created gross value added per employee and in turnover per employee (2 to 3 times less than the EU-15).

**In 2016**, Slovenia is in a better position compared to 2014. Turnover per employee has increased by over €5.000, gross value added per employee by almost €3.500, while labour costs per employee decreased by 1,7%.

#### 4.2.4.1. Investments in the sector

Manufacture of machinery and equipment n.e.c. (NACE 28)	COUNTRY	SHARE OF INVESTED TURNOVER	INVESTMENT PER EMPLOYEE (v €)
	CZECH REPUBLIC	1,4%	5.400
	GERMANY	0,2%	6.200
	CROATIA	30,9%	2.200
	ITALY	0,8%	5.100
	AUSTRIA	0,1%	6.000
	POLAND	0,2%	4.500
	SLOVENIA	49,2%	5.900
	UNITED KINGDOM	0,9%	6.700

Table 16: Investments in NACE 28 sector for selected EU countries in 2014

In NACE 28 sector, the share of invested income ranges from 0,1% in Austria to 49,2% in Slovenia. In most countries, the share of revenue that is allocated to investment ranges from 0,1% to 1,4%. The highest absolute investment per employee is in United Kingdom at €6.700, whereas the lowest is in Croatia at €2.200.

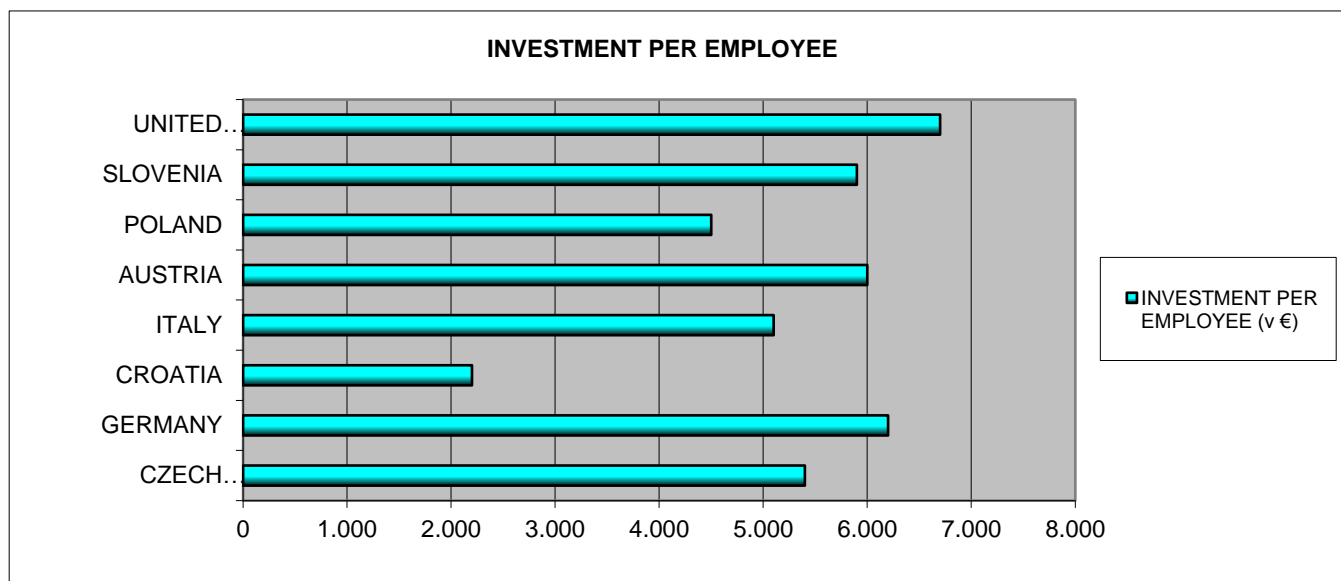


Chart 15: Investments in selected EU countries for NACE 28 sector in 2014

### 4.3. MANUFACTURE OF MOTOR VEHICLES, TRAILERS AND SEMI-TRAILERS – NACE 29

The “Manufacture of motor vehicles, trailers and semi-trailers” sector includes the following subsectors:

- 29.1 – Manufacture of motor vehicles
- 29.2 – Manufacture of bodies (coachwork) for motor vehicles, manufacture of trailers and semi-trailers
- 29.3 – Manufacture of parts and accessories for motor vehicles, **without** 29.310 – Manufacture of electrical and electronic equipment for motor vehicles (not included in 29 sector or in 29.3 subsector).

#### 4.3.1. Income, employment, gross value added, profit, cost of labour and export of motor vehicles and trailers

Table 17 shows basic data for the “Manufacture of motor vehicles, trailers and semi-trailers” sector in 2016.

	NACE 29 vehicles and trailers		29.1.	29.2.	29.3.
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016
<b>Number of companies</b>	131	108,30	20	37	99
<b>Avg. number of employees</b>	8.877	86,30	2.421	1.923	7.268
<b>Total revenue (w/o change in stocks)</b>	2.310.784.363	92,00	1.134.904.408	543.620.755	1.029.645.368
<b>Gross profit</b>	2.318.691.935	92,30	1.135.640.366	547.305.552	1.027.056.803
<b>Sales</b>	2.274.376.016	92,10	1.125.556.633	533.399.373	997.325.640
<b>Domestic sales</b>	141.930.344	100,90	16.719.160	25.798.136	156.432.638
<b>Foreign sales</b>	2.132.445.672	91,50	1.108.837.473	507.601.236	840.893.003
<b>Total expenses</b>	2.219.146.611	89,80	1.125.624.588	514.436.837	948.742.759
<b>Cost of goods, materials and services</b>	1.859.655.021	90,70	987.909.896	455.317.534	694.953.494
<b>Employee benefits expense</b>	228.382.267	91,50	66.005.519	46.564.018	185.284.713

Depreciation expense	106.974.490	89,80	66.464.448	4.101.932	49.364.067
<b>OPERATING PROFIT</b>	112.014.043	142,00	13.065.630	37.246.519	88.758.140
<b>FINANCIAL PROFIT/LOSS</b>	-2.600.629	9,20	-2.036.789	2.251.546	-2.550.646
<b>EBIT</b>	112.289.552	142,20	13.066.590	38.498.197	87.903.150
<b>EBITDA</b>	219.264.042	110,70	79.531.038	42.600.129	137.267.217
Income tax expense	9.198.581	174,50	334.570	4.349.032	5.186.881
<b>Net profit</b>	109.750.885	145,90	17.847.515	37.067.019	81.178.763
<b>Net loss</b>	7.264.090	23,10	6.722.906	194.497	419.447
<b>NET PROFIT/LOSS</b>	102.486.795	234,40	11.124.609	36.872.522	80.759.316
<b>Cash flow from operations (net profit+ depreciation)</b>	209.461.285	128,60	77.589.057	40.974.454	130.123.384
<b>Gross value added</b>	452.814.594	99,40	146.276.466	89.120.057	328.779.051
<b>ASSETS</b>	1.160.427.508	85,00	429.763.583	244.050.995	739.118.827
Inventories	196.021.356	93,30	30.285.645	84.329.397	125.256.114
Equity	489.536.695	98,80	173.199.026	88.650.546	353.000.521
Equity ratio (%)	42	116,30	40	36	48
Debt/equity ratio	1,27	77,90	1,38	1,60	0,98
Debt ratio (LT+ST liabilities/assets)	0,52	89,70	0,55	0,56	0,47
Total revenue/total expenses	1,04	102,00	1,01	1,06	1,09
EBITDA margin (%)	9,64	120,20	7,07	7,99	13,76
ROE (%)	21,69	196,80	6,28	44,89	24,62
ROA (%)	9,06	278,80	2,52	16,08	11,39
Sales per employee (EUR)	256.213	106,70	464.995	277.419	137.228
Share of foreign sales (%)	94	99,50	99	95	84
Labour costs per employee (EUR)	25.728	106,00	27.268	24.218	25.494
Average wage per employee (EUR)	18.157	104,80	19.283	17.634	18.017
Gross value added per employee (EUR)	51.011	115,10	60.430	46.351	45.239
Labour costs in gross value added (%)	50,4	92,00	45,1	52,2	56,4
Net profit per employee (EUR)	12.364	169,10	7.373	19.278	11.170
Net loss per employee (EUR)	818	26,70	2.777	101	58
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016
	<b>NACE 29 vehicles and trailers</b>		<b>29.1.</b>	<b>29.2.</b>	<b>29.3.</b>

Table 17: Basic economic data for the sub-sectors of the "Manufacture of motor vehicles, trailers and semi-trailers" sector (NACE 29) in 2016

In 2016, the Slovenian sector "Manufacture of motor vehicles, trailers and semi-trailers" recorded some negative index scores. Income in the Slovenian NACE 29 decreased by 8% and it amounted to €2,31 billion. The highest income was in the subsector NACE 29.1 (Manufacture of motor vehicles), amounting to €1,13 billion, and in NACE 29.3 (Manufacture of parts and accessories for motor vehicles), which recorded revenues of €1,03 billion. NACE 29.2 (Manufacture of bodies (coachwork) for motor vehicles, manufacture of trailers and semi-trailers) had over €540 million of turnover in 2016.

In 2016, export in the Slovenian NACE 29 sector decreased by 8,5%, whereas EBIT grew by 42,2% in comparison to 2015. Gross value added per employee reached €51.011, which is 15,1% higher than the previous year. ROE and ROA parameters are positive at ROE +21,69 and ROA +9,06. The share of labour costs in gross value added decreased by 8%, while labour cost per employee increased by 6% and it amounted to €25.728 per employee.

#### 4.3.2. Companies

In the following tables, ten top NACE 29 companies by gross value added for each size category are presented. The companies are listed alphabetically within the specific size category.

##### Micro companies

###### Top 10 by gross value added

A.D.M. NEPREMIČNINE, POSLOVANJE Z NEPREMIČNINAMI IN STORITVE, D.O.O.  
EURO GV, PROIZVODNJA IN STORITVE D.O.O.  
HTT PROIZVODNJA SPECIALNIH PRIKLOPNIH VOZIL IN KAMIONSKIH NADGRADENJ D.O.O.  
KUTSENITS INTERNATIONAL, DRUŽBA ZA PROIZVODNJO VOZIL, MURSKA SOBOTA, D.O.O.  
MODERNE TEHNOLOGIJE PROIZVODNJA IN DRUGE STORITVE D.O.O.  
MVI - RC RAZVOJNI CENTER D.O.O.  
NOVO MEKO PROIZVODNJA IN TRGOVINA D.O.O.  
PCI PREMIUM COMPOSITE INTERNATIONAL AG - PODRUŽNICA V SLOVENIJI  
TI AUTOMOTIVE, PROIZVODNJA AVTOMOBILSKIH DELOV, D.O.O.  
VARGALANT ORIGINAL, PROIZVODNJA, SERVIS IN TRGOVINA Z AVTODELI D.O.O., VRHNIKA.

##### Small companies

###### Top 10 by gross value added

AS DOMŽALE, PROIZVODNJA IN POPRAVILO AVTOBUSOV D.O.O.  
ATRIK DRUŽBA ZA PROIZVODNJO KOMUNALNE OPREME D.O.O.  
B N M , AVTOMOBILSKA INDUSTRIJA, D.O.O.  
CERJAK, PROIZVODNJA IN STORITVE D.O.O.  
CIMOS IP, INVALIDSKO PODJETJE ZA STORITVE IN PROIZVODNJO D.O.O.  
EM PK, PROIZVODNJA, TRGOVINA, STORITVE, D.O.O.  
GASILSKA VOZILA PUŠNIK, PROIZVODNJA, POSREDNIŠTVO, TRGOVINA IN STORITVE, D.O.O.  
NOVAK, IZPUŠNI SISTEMI, D.O.O.  
SINTER PROIZVODNJA IN TRGOVINA LJUBLJANA D.O.O.

##### Medium-sized companies

###### Top 10 by gross value added

TAM-EUROPE, RAZVOJ IN PROIZVODNJA GOSPODARSKIH VOZIL, D.O.O.  
ADIENT NOVO MESTO, PROIZVODNJA AVTOMOBILSKIH SEDEŽEV, D.O.O.  
AGIS ZAVORE DRUŽBA ZA PROIZVODNJO DELOV ZA VOZILA D.D. PTUJ  
CECOMP PROIZVODNJA IN PRODAJA IZDELKOV IZ PLOČEVINE D.O.O.  
INDUSTRIJA TRANSPORTNIH SREDSTEV IN OPREME - CISTERNE, AVTOMEŠALCI, SILOSI, D.O.O.  
ROSENBAUER, PROIZVODNJA IN TRGOVINA ZA GASILSKO DEJAVNOST, D.O.O.  
SOGEFI FILTRATION, PODJETJE ZA PROIZVODNJO FILTROV, D.O.O.  
TPV PRIKOLICE, TOVARNA PRIKOLIC D.O.O.  
VAR PROIZVODNJA, TRGOVINA, STORITVE, G. RADGONA D.O.O.

##### Large companies

###### Top 10 by gross value added

ADRIA MOBIL PROIZVODNJA, TRGOVINA IN STORITVE, D.O.O. NOVO MESTO  
AKRAPOVIČ, PODJETJE ZA PROIZVODNJO, TRGOVINO IN STORITVE, D.D.  
CARTHAGO PROIZVODNJA AVTODOMOV D.O.O.  
KLS LJUBNO D.O.O., SPECIALIST ZA ZOBATE VENCE  
ODELO SLOVENIJA, PODJETJE ZA RAZVOJ, PROIZVODNJO IN TRŽENJE AVTOMOBILSKIH DELOV, D.O.O.  
REVOZ PODJETJE ZA PROIZVODNJO IN KOMERCIALIZACIJO AVTOMOBILOV D.D.  
STARKOM, PROIZVODNJA IN TRGOVINA D.O.O.  
TBP TOVARNA BOVDENOV IN PLASTIKE D.D.  
TPV TRŽENJE IN PROIZVODNJA OPREME VOZIL D.O.O.

### 4.3.3. Export

In 2016, overall export in all subsectors of the Slovenian NACE 29 was 8,5% lower than in the year before, falling to €2,13 billion. Most of the export was realized by the NACE 29.1 (Manufacture of motor vehicles) at €1,1 billion, whereas NACE 29.3 subsector (Manufacture of parts and accessories for motor vehicles) recorded €840,9 million. Turnover in foreign markets in the NACE 29.2 (Manufacture of bodies (coachwork) for motor vehicles, manufacture of trailers and semi-trailers) amounted to €507,6 million and was higher by 24,8% than in 2015.

In 2016, the subsector NACE 29.1 accounted for more than a half of the total export volume of the NACE 29 sector. The share of export in revenue in the subsector NACE 29.1 amounted to 99% and was 0,6% lower than in 2015. The remaining two subsectors had shares of export in revenue at 95% (NACE 29.2) and 84% (NACE 29.3).

#### Shares of exports of NACE 29 sector by country

COUNTRY	export (in mio €)
GERMANY	753,4
FRANCE	457,0
ITALY	136,0
AUSTRIA	105,3
SWEDEN	90,5
UNITED KINGDOM	72,5
HOLLAND	70,4
SPAIN	55,9
CHECZ REPUBLIC	49,1
POLAND	40,9
OTHER	301,4
<b>Total NACE 29</b>	<b>2.132,4</b>

#### EXPORT MARKETS - NACE 29

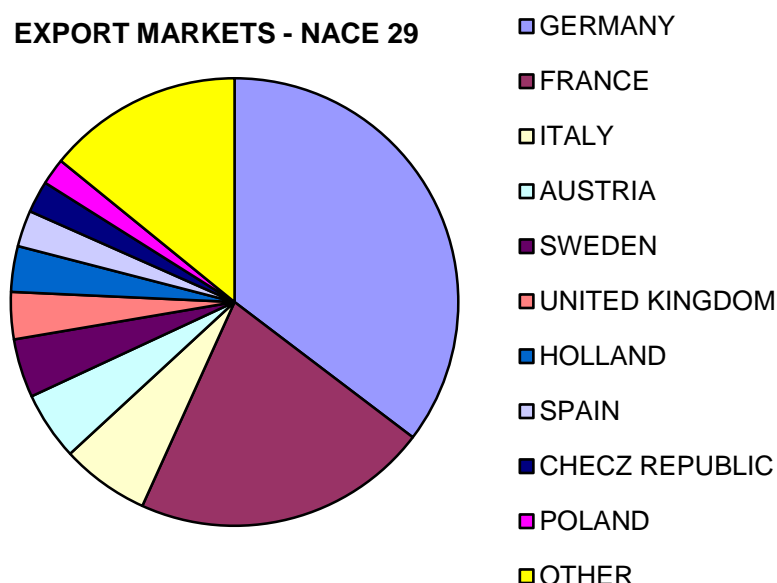


Table 18: Shares of export of the Slovenian NACE 29 sector in 2016 by country

Analysis of the NACE 29 sector's export shows that in 2016, the sector mostly exported to Germany (€753,4 million), France (€457 million) and Italy (€136 million). In comparison to 2015, the export increased in all noted countries.

### 4.3.4. International benchmark

The comparison of the Slovenian NACE 29 sector to specific EU countries' NACE 25 sectors is made with three competitiveness indicators, which are described in the subchapter 1.3 (Competitive positioning of the metal processing industry). The comparison is made for the year 2014 (Eurostat database's latest complete data). The chart below also includes data for Slovenia from 2016.

#### A comparison of EU countries by To/E, L/GVA, and GVA/E for NACE 29 – Manufacture of motor vehicles, trailers, and semi-trailers

The results of comparable industries in the EU are based on Eurostat data, who's latest complete data is only for 2014.

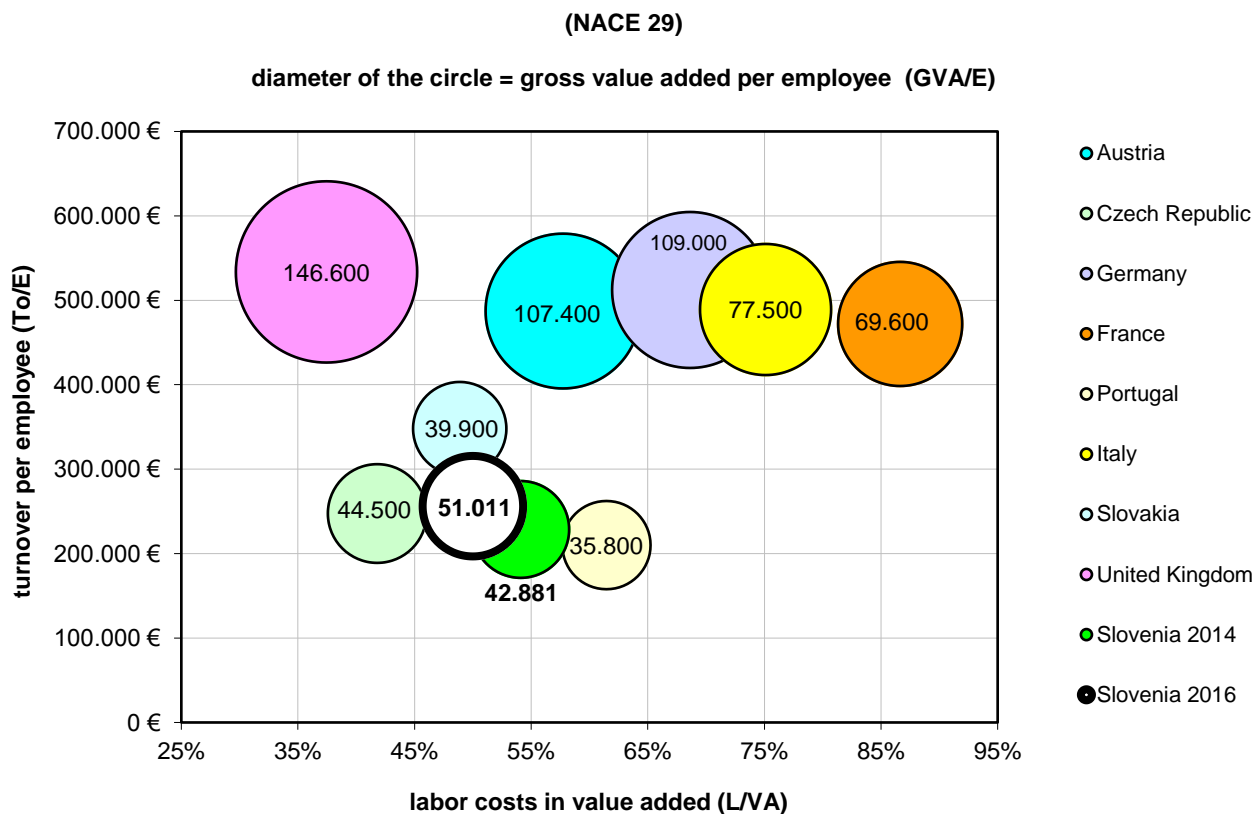


Chart 16: A comparison of EU countries by To/E, L/VA, and GVA/E for NACE 29 – Manufacture of motor vehicles, trailers, and semi-trailers

In 2014, the EU states are relatively dispersed when comparing labour cost in gross value added to turnover per employee in the NACE 29 sector (Manufacture of motor vehicles, trailers and semi-trailers). Austria, United Kingdom, Italy and Germany are in the lead. Even though their turnover per employee is relatively levelled, the ratio of labour costs to gross value added ranges from 35% to 70%. In 2014, Slovenia has, in comparison to other countries, relatively low labour cost in gross value added, which amounts to 54,1%. Unfortunately, the created gross value added per employee and turnover per employee is approximately two times lower than in the leading states.

**In 2016**, Slovenia is in a relatively better position when compared to the year 2014. The position of the "bubble" is better than in 2014 due to the increased turnover per employee, amounting to €256.213 and rising by €28.000 compared to 2014, whereas gross value added per employee increased by approximately €8.000 to €51.011 and the ratio of labour cost to gross value added fell by 4,1%.



#### 4.3.4.1. Investments in the sector

<b>Manufacture of motor vehicles, trailers and semi-trailers (NACE 29)</b>	<b>COUNTRY</b>	<b>SHARE OF INVESTED TURNOVER</b>	<b>INVESTMENT PER EMPLOYEE (v €)</b>
	<b>CZECH REPUBLIC</b>	0,4%	11.400
	<b>GERMANY</b>	0,02%	16.300
	<b>SPAIN</b>	0,1%	17.400
	<b>ITALY</b>	6,0%	14.300
	<b>AUSTRIA</b>	0,2%	15.000
	<b>POLAND</b>	0,1%	9.400
	<b>SLOVENIA</b>	80,0%	13.700
	<b>UNITED KINGDOM</b>	4,6%	27.900

Table 19: Investments in NACE 29 sector for selected EU countries in 2014

In 2014, the largest share of invested revenue in the NACE 29 sector (Manufacture of motor vehicles, trailers, and semi-trailers) was in Slovenia at 80%. Other producers' shares are between 0,02% in Germany and 6% in Italy. United Kingdom (€27.900/employee) was the largest investor per employee, followed by Spain (€17.400/employee) and Germany (€16.300/employee). In Slovenia, the share of invested income was €13.700 per employee.

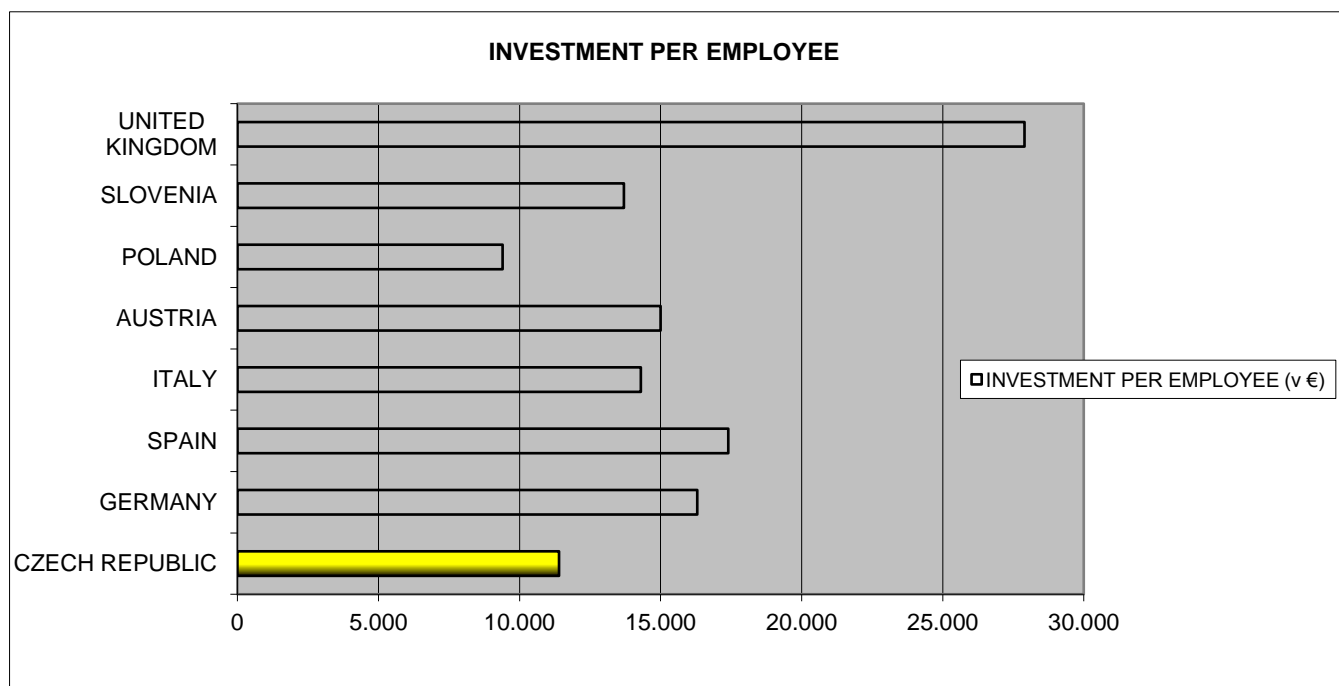


Chart 17: Investments in selected EU countries for NACE 29 sector in 2014

#### 4.4. MANUFACTURE OF OTHER TRANSPORT EQUIPMENT – NACE 30

The “Manufacture of other transport equipment” sector includes the following subsectors:

- 30.1 – Building of ships and boats
- 30.2 – Manufacture of railway locomotives and rolling stock
- 30.3 – Manufacture of air and spacecraft and related machinery
- 30.4 – Manufacture of military fighting vehicles
- 30.9 – Manufacture of transport equipment n.e.c.

##### 4.4.1. Income, employment, gross value added, profit, cost of labour and export of other transport equipment

Table 20 shows basic subsector data for the “Manufacture of other transport equipment” sector.

	NACE 30 other transport equipment		30.1.	30.2.	30.3.	30.9.
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016
Number of companies	92	101,10	49	3	22	18
Avg. number of employees	685	122,20	148	143	221	174
Total revenue (w/o change in stocks)	98.483.627	121,00	20.111.638	33.744.333	26.563.379	18.064.277
Gross profit	100.207.255	121,80	19.640.420	33.909.998	28.072.232	18.584.605
Sales	94.327.163	121,00	19.851.953	33.206.813	23.940.514	17.327.883
Domestic sales	17.962.865	102,70	4.851.143	3.223.653	4.705.624	5.182.444
Foreign sales	76.364.299	126,20	15.000.810	29.983.160	19.234.890	12.145.438
Total expenses	94.249.265	113,80	18.585.834	31.605.232	25.256.721	18.801.476
Cost of goods, materials and services	70.317.189	118,70	14.232.328	25.689.266	17.495.105	12.900.490
Employee benefits expense	17.817.373	127,30	3.254.841	4.114.643	6.481.898	3.965.991
Depreciation expense	3.547.777	104,90	483.944	1.404.216	853.208	806.409
OPERATING PROFIT	6.971.300	287,00	1.245.029	2.582.410	2.971.439	172.422
FINANCIAL PROFIT/LOSS	-735.453	26,80	-88.901	-271.691	-9.826	-365.035
EBIT	7.128.536	287,60	1.282.321	2.626.898	3.049.477	169.840
EBITDA	10.676.313	182,10	1.766.265	4.031.114	3.902.685	976.249
Income tax expense	1.021.956	165,50	257.958	270.647	477.409	15.941
Net profit	6.801.173	140,40	1.819.730	2.088.819	2.689.102	203.523
Net loss	1.419.441	24,80	884.268	249	124.622	410.302
NET PROFIT/LOSS	5.381.732	-607,70	935.462	2.088.570	2.564.480	-206.779
Cash flow from operations (net profit+ depreciation)	8.929.509	357,60	1.419.406	3.492.785	3.417.688	599.630
Gross value added	28.904.379	128,30	5.323.133	8.139.915	10.348.809	5.092.522
ASSETS	99.294.331	117,00	26.457.987	30.088.678	25.803.966	16.943.700
Inventories	23.938.880	122,70	6.348.466	5.215.776	8.005.179	4.369.459
Equity	29.086.761	173,10	1.609.222	12.073.864	11.680.890	3.722.785
Equity ratio (%)	29	148,00	6	40	45	22
Debt/equity ratio	2,31	59,20	15,34	1,46	1,12	3,28

Debt ratio (LT+ST liabilities/assets)	0,67	87,00	0,90	0,56	0,51	0,76
Total revenue/total expenses	1,04	106,10	1,08	1,07	1,05	0,96
EBITDA margin (%)	11,32	150,50	8,90	12,14	16,30	5,63
ROE (%)	21,48	-410,70	68,06	18,50	24,39	-11,03
ROA (%)	5,95	-540,90	3,99	7,49	11,07	-1,30
Sales per employee (EUR)	137.642	99,00	134.498	232.476	108.485	99.477
Share of foreign sales (%)	81	104,40	76	90	80	70
Labour costs per employee (EUR)	25.999	104,20	22.052	28.806	29.372	22.768
Average wage per employee (EUR)	19.347	105,50	15.629	21.860	22.278	16.725
Gross value added per employee (EUR)	42.177	105,00	36.065	56.986	46.895	29.235
Labour costs in gross value added (%)	61,6	99,20	61,1	50,5	62,6	77,9
Net profit per employee (EUR)	9.924	114,90	12.329	14.623	12.186	1.168
Net loss per employee (EUR)	2.071	20,30	5.991	2	565	2.355
	value in 2016	Index 16/15	value in 2016	value in 2016	value in 2016	value in 2016
	<b>NACE 30</b>		<b>30.1.</b>	<b>30.2.</b>	<b>30.3.</b>	<b>30.9.</b>
	<b>other transport equipment</b>					

Table 20: Basic economic data for the sub-sectors of the "Manufacture of other transport equipment" sector (NACE 30) in 2016

In 2016, the sector "Manufacture of other transport equipment" recorded fairly mixed index scores. Sector's revenue increased by 21% compared to 2015. The highest revenue was recorded in the subsector NACE 30.2 (Manufacture of railway locomotives and rolling stock), where it amounted to approximately €33,7 million, whereas the lowest was in NACE 30.9 (Manufacture of transport equipment n.e.c.) at €18,1 million. In the entire sector, export grew by 26,2%, while EBIT marked an enormous increase (+187,6%). Gross value added per employee reached €42.177, which is 5% higher than in the previous year. ROE and ROA were positive (+21,48 and +5,95), while the share of labour costs in gross value added amounted to 61,6% and was 0,8% lower than in 2015. Labour cost per employee increased by 4,2% and amounted to €25.999.

#### 4.4.2. Companies

In the following table, twelve top NACE 30 companies by gross value added for all size categories are presented. The companies are listed alphabetically.

##### Micro, small and medium-sized companies

##### Top 15 by gross value added

ALBATROSS FLY, IZDELAVA IN SERVISIRANJE LETAL, RADOVLJICA, D.O.O.  
 ALBASTAR IZDELAVA IN SERVISIRANJE LETAL D.O.O.  
 ATAIR, RAZVOJ IN PROIZVODNJA LAHKIH LETALSKIH NAPRAV, D.O.O.  
 C-ASTRAL, PROIZVODNJA ZRAČNIH IN VESOLJSKIH PLOVIL D.O.O.  
 HOVERCRAFT PROIZVODNJA IN STORITVE D.O.O.  
 KOVIS PROIZVODNA DRUŽBA D.O.O.  
 LIV KOLESA, PROIZVODNJA, PREDELAVA IN TRGOVINA, D.O.O.  
 OTTO, PROIZVODNJA IN VZDRŽEVANJE LETAL, D.O.O.  
 PIPISTREL PODJETJE ZA ALTERNATIVNO LETALSTVO D.O.O. AJDOVŠČINA  
 QUADROFOIL, PROIZVODNJA IN STORITVE, D.O.O.  
 SVP AVIO STORITVE D.O.O.  
 TDK PROIZVODNJA, SERVIS IN TRGOVINA D.O.O.  
 TOMOS D.O.O., MOTOINDUSTRIJA  
 TRIXY AVIATION PROIZVODNJA ZRAKOPLOVOV D.O.O.  
 TVT TIRNA VOZILA, PROIZVODNJA IN VZDRŽEVANJE TIRNIH VOZIL, D.O.O.

#### 4.4.3. Export

In 2016, the total export in NACE 30 sector was 26,2% higher than in 2015. Overall revenues from foreign sales amounted to €76,4 million. Most of the revenue from sales in foreign markets was created by the NACE 30.2 subsector (Manufacture of railway locomotives and rolling stock) with export reaching €29,9 million. The subsector that exported the least was NACE 30.9 (Manufacture of transport equipment n.e.c.) with €12,1 million of sales in foreign markets.

In 2016, the largest share of foreign sales among all NACE 30 subsectors was recorded in the subsector NACE 30.2 with a share of 90%. The lowest proportion of export in sales was NACE 30.9 with a 70% share.

##### Shares of exports of NACE 30 sector by country

COUNTRY	export (in mio €)
GERMANY	12,0
SERBIA	6,7
UNITED STATES	5,8
FRANCE	5,2
POLAND	4,8
CZECH REPUBLIC	4,2
BULGARIA	3,1
SLOVAKIA	3,0
AUSTRIA	2,8
INDIA	2,5
OTHER	26,3
<b>Total NACE 30</b>	<b>76,4</b>

##### EXPORT MARKETS - NACE 30

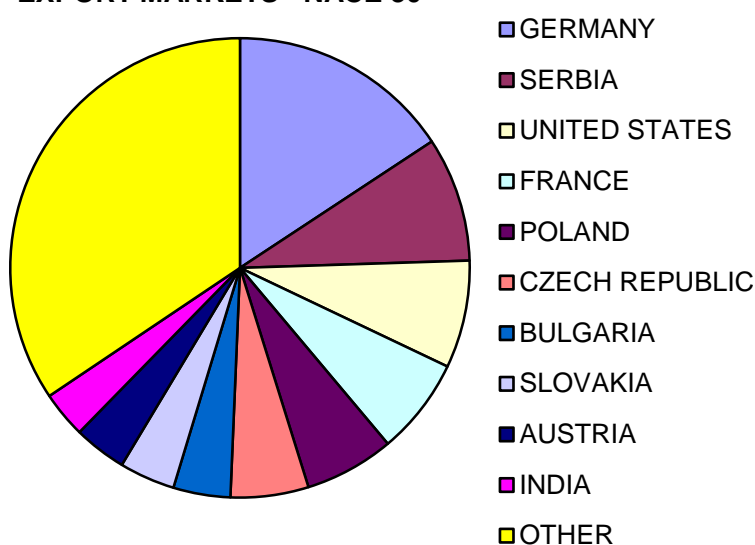


Table 21: Shares of export of the Slovenian NACE 30 sector in 2016 by country

An overview of the Slovenian NACE 30 sector's export for 2016 shows that the sector had mostly exported to Germany (€12.0 million €), Serbia (€6.7 million) and United States (€5.8 million). Export values are presented in the table above.

#### 4.4.4. International benchmark

The comparison of the Slovenian NACE 30 sector to specific EU countries' NACE 30 sectors is made with three competitiveness indicators, which are described in the subchapter 1.3 (Competitive positioning of the metal processing industry). The comparison is made for the year 2014 (Eurostat database's latest complete data). The chart below also includes data for Slovenia from 2016.

##### A comparison of EU countries by To/E, L/GVA, and GVA/E for NACE 30 – Manufacture of other transport equipment

*The results of comparable industries in the EU are based on Eurostat data, who's latest complete data is only for 2014.*

The diagram shows a dispersal in the industrial sector. The largest turnover per employee in the NACE 30 sector (Manufacture of other transport equipment) was recorded in Austria at €394.169, while it also has the largest gross value added at €110.700. In 2014, the amount of labour costs in gross value added in all observed states ranged from 50% to 80%.

The highest ratio of labour costs to added value was in Croatia with 144%. The rest of the larger producers had a significantly lower turnover per employee compared to Austria, but a comparable gross value added per employee. The lowest labour costs in gross value added was recorded by the Czech Republic at 53%.

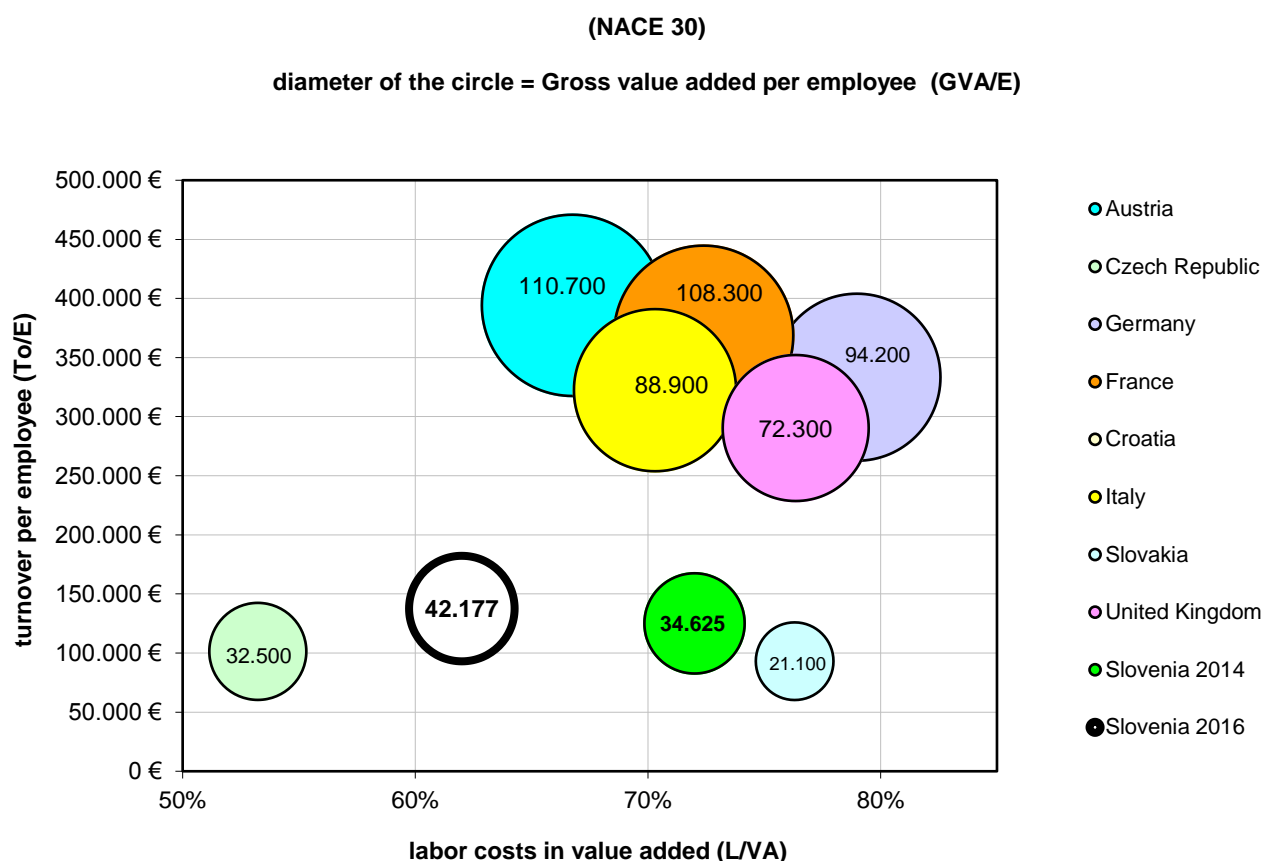


Chart 18: A comparison of EU countries by To/E, L/VA, and GVA/E for NACE 30 – Manufacture of other transport equipment

In 2014, Slovenia, if compared to EU-15 states, achieved a low turnover per employee (approx. €125.000) and gross value added per employee (€34.625).

**In 2016**, Slovenia's position has improved considerably when compared to the year 2014, mostly due to labour costs in value added, which has decreased significantly by 10%. Gross value added per employee rose by almost €8.000, whereas turnover per employee increased by more than €12.000.

#### 4.4.4.1. Investments in the sector

<b>Manufacture of other transport equipment – NACE 30</b>	<b>COUNTRY</b>	<b>SHARE OF INVESTED TURNOVER</b>	<b>INVESTMENT PER EMPLOYEE (v €)</b>
	<b>CZECH REPUBLIC</b>	1,1%	5.100
	<b>GERMANY</b>	0,05%	8.000
	<b>CROATIA</b>	15,3%	1.400
	<b>ITALY</b>	4,5%	7.000
	<b>AUSTRIA</b>	0,8%	8.800
	<b>POLAND</b>	0,002	5.500
	<b>SLOVENIA</b>	0,0%	0
	<b>UNITED KINGDOM</b>	0,7%	9.500

Table 22: Investments in the NACE 30 sector for selected EU countries in 2014

We can see that the share of income that was invested in the NACE 30 sector in 2014 ranges from 0,002 % to 15,3%. The largest share of income invested was in Croatia at 15,3%, while the largest amount invested per employee was in the United Kingdom at €9.500. For Slovenia no data has been available.

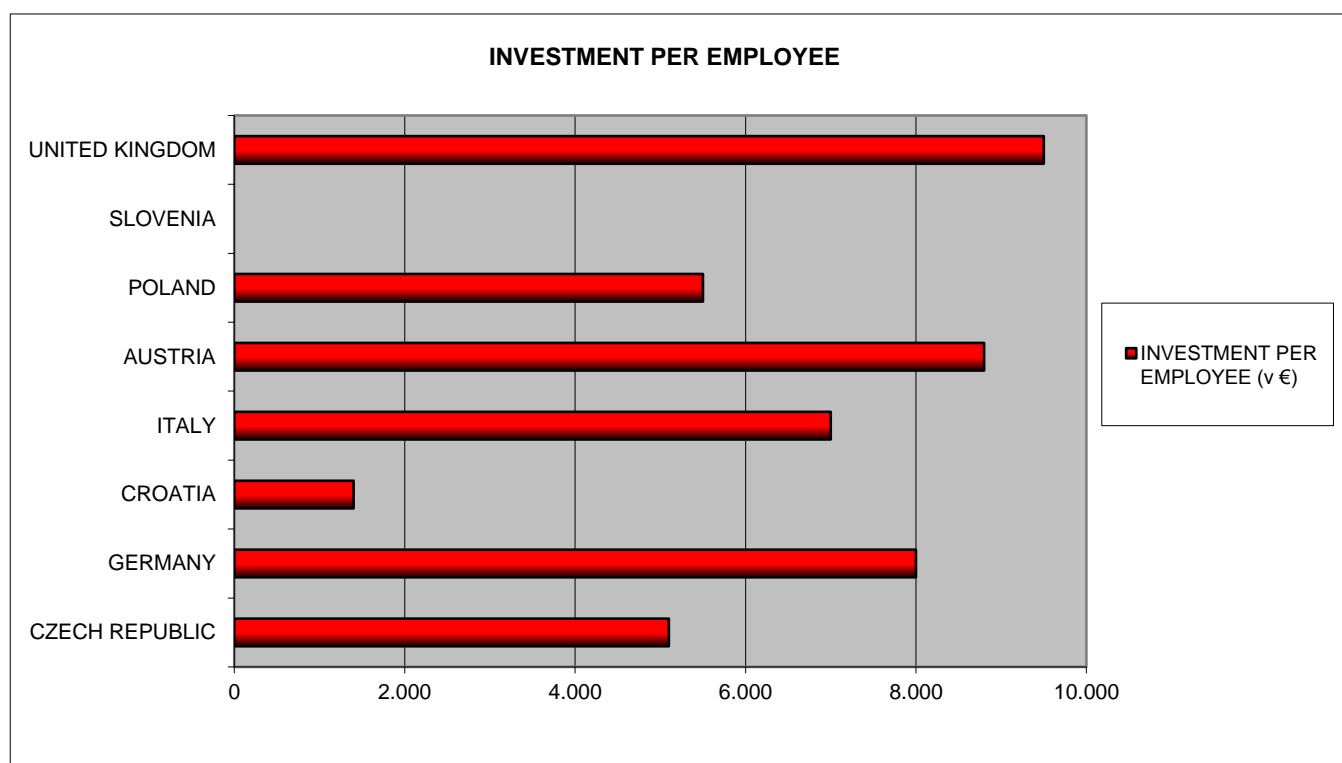


Chart 19: Investments in selected EU countries for the NACE 30 sector in 2014



## 4.5. REPAIR AND INSTALLATION OF MACHINERY AND EQUIPMENT – NACE 33

The "Repair and installation of machinery and equipment" sector includes the following subsectors:

- 33.1 – Repair of fabricated metal products, machinery and equipment (**without** 33.130, 33.140, and 33.190 – **their values are not included in the NACE 33 sector or in the 33.1 subsector**)
- 33.2 – Installation of industrial machinery and equipment

With implementation of NACE Rev. 2 classification, the metal processing industry gained a new sector, "Repair and installation of machinery and equipment", which includes the following subsectors:

- 33.1 Repair of fabricated metal products, machinery and equipment
- 33.11 Repair of fabricated metal products
- 33.12 Repair of machinery
- 33.13 Repair of electronic and optical equipment**
- 33.14 Repair of electrical equipment**
- 33.15 Repair and maintenance of ships and boats
- 33.16 Repair and maintenance of aircraft and spacecraft
- 33.17 Repair and maintenance of other transport equipment
- 33.19 Repair of other equipment**
- 33.2 Installation of industrial machinery and equipment
- 33.20 Installation of industrial machinery and equipment

### 4.5.1. Income, employment, gross value added, profit, cost of labour and export of metal products

Table 23 shows basic subsector data for the "Repair and installation of machinery and equipment" sector.

	NACE 33 repair and installation of machinery		33.1.	33.2.
	value in 2016	Index 16/15	value in 2016	value in 2016
Number of companies	615	104,40	299	316
Avg. number of employees	7.175	102,70	4.039	3.136
Total revenue (w/o change in stocks)	604.586.038	109,50	280.476.958	324.109.080
Gross profit	605.302.247	110,40	281.686.599	323.615.648
Sales	589.790.323	110,20	269.530.515	320.259.808
Domestic sales	282.128.362	102,40	224.524.507	57.603.855
Foreign sales	307.661.962	118,50	45.006.009	262.655.953
Total expenses	568.761.175	109,60	274.351.347	294.409.828
Cost of goods, materials and services	330.395.125	115,90	129.710.212	200.684.912
Employee benefits expense	212.250.186	107,50	131.908.945	80.341.241
Depreciation expense	15.753.282	106,40	7.990.097	7.763.185
OPERATING PROFIT	40.085.738	119,20	8.977.932	31.107.807
FINANCIAL PROFIT/LOSS	-1.482.530	74,70	-729.993	-752.537
EBIT	40.076.136	116,80	9.039.200	31.036.936
EBITDA	55.829.418	113,60	17.029.297	38.800.122
Income tax expense	5.978.046	88,30	1.193.480	4.784.566
Net profit	34.676.355	101,10	7.810.549	26.865.806
Net loss	1.994.378	23,90	464.614	1.529.765
NET PROFIT/LOSS	32.681.976	125,90	7.345.935	25.336.041
Cash flow from operations (net profit+ depreciation)	48.435.258	118,80	15.336.032	33.099.226

Gross value added	271.333.989	106,10	150.482.815	120.851.175
<b>ASSETS</b>	369.510.984	108,00	203.318.216	166.192.768
Inventories	44.055.543	134,50	31.476.847	12.578.696
Equity	175.396.556	112,20	88.599.095	86.797.462
Equity ratio (%)	48	103,90	44	52
Debt/equity ratio	0,90	100,00	0,99	0,79
Debt ratio (LT+ST liabilities/assets)	0,45	102,30	0,47	0,42
Total revenue/total expenses	1,06	100,00	1,02	1,10
EBITDA margin (%)	9,47	103,20	6,32	12,12
ROE (%)	19,89	116,00	9,21	29,96
ROA (%)	9,20	125,30	3,80	15,62
Sales per employee (EUR)	82.202	107,30	66.725	102.139
Share of foreign sales (%)	52	107,60	17	82
Labour costs per employee (EUR)	29.582	104,70	32.656	25.623
Average wage per employee (EUR)	21.165	104,80	22.674	19.220
Gross value added per employee (EUR)	37.817	103,30	37.254	38.543
Labour costs in gross value added (%)	78,2	101,30	87,7	66,5
Net profit per employee (EUR)	4.833	98,40	1.934	8.568
Net loss per employee (EUR)	278	23,30	115	488
	value in 2016	Index 16/15	value in 2016	value in 2016
	<b>NACE 33 repair and installation of machinery</b>		<b>33.1.</b>	<b>33.2.</b>

Table 23: Basic economic data for the subsectors of the "Repair and installation of machinery and equipment" sector (NACE 33) in 2016

In 2016, the Slovenian NACE 33 sector "Repair and installation of machinery and equipment" recorded an increase in index values. Turnover in the whole NACE 33 sector was 9,5% higher in comparison to 2015. The NACE 33 subsectors recorded positive turnover values in 2016: in the NACE 33.1 subsector (Repair of fabricated metal products, machinery and equipment), turnover increased by 6,7% (€280,5 million) in comparison to the previous year, whereas the NACE 33.2 (Installation of industrial machinery and equipment) generated 12,1% more turnover than in the previous year, amounting to €324,1 million.

Export in NACE 33 has increased by 18,5% and EBIT rose by 16,8%. Gross value added per employee reached €37.817, which is 3,3% higher than a year earlier. ROE at 19,89 and ROA at 9,20 experienced a significant increase, while the share of labour costs in the gross value added was 78,2%, which is 1,3% higher than in the previous year. Labour cost per employee has increased by 4,7% and amounted to €29.582 per employee.

#### 4.5.2. Companies

In the following tables, the ten top NACE 33 companies by gross value added for each size category are presented. The companies are listed alphabetically within specific size categories.

##### Micro companies

###### Top 10 by gross value added

ALIUS PRIMO MONTAŽA IN STORITVE D.O.O.  
BISMARK, MONTAŽA, PROIZVODNJA IN POSREDNIŠTVO, D.O.O.  
EKN, DRUŽBA ZA MONTAŽO, PROIZVODNJO IN STORITVE, D.O.O.  
EXCENTER TRGOVSKO PROIZVODNA DRUŽBA D.O.O.  
GE POWER SYSTEMS GMBH, PODRUŽNICA V SLOVENIJI  
IMD-SISTEM INDUSTRIJSKA MONTAŽA, D.O.O.  
RUDIS MONT, DRUŽBA ZA PROIZVODNJO, MONTAŽNO DEJAVNOST IN STORITVE, D.O.O.  
SM LOGISTIKA, KOVINARSTVO IN TRGOVINA, D.O.O.  
VARGRO, KOVINSKO PREDELOVALNO PODJETJE, D.O.O.  
WEBER-MANSMONT, DRUŽBA ZA TRGOVINO, PROIZVODNJO IN STORITVE, D.O.O.

##### Small companies

###### Top 10 by gross value added

A.M MONTAŽA, MONTAŽA INDUSTRIJSKE OPREME D.O.O.  
ELEKTRO - KA MONTAŽA INDUSTRIJSKIH STROJEV IN NAPRAV D.O.O.  
EMG ELEKTROINSTALACIJE IN MONTAŽA D.O.O.  
ISKRA STROJEGRADNJA IN VZDRŽEVANJE, D.O.O.  
LOTRIČ MEROSLOVJE D.O.O.  
MASTROJ, POSREDOVANJE, TRGOVINA NA DEBELO, SVETOVANJE D.O.O.  
MONTAŽA TREND INTERIERI, MONTAŽA NOTRANJE OPREME IN INŽENIRING, D.O.O.  
MONT-PLAN ROGAŠKA, MONTAŽE IN TRGOVINA, D.O.O.  
M-TEHNOLOGIJA, MONTAŽA, POPRAVILO, PROGRAMIRANJE IN SERVISIRANJE STROJEV, D.O.O.  
ZEROX, MONTAŽA, SVETOVANJE, TRGOVINA, D.O.O.

##### Medium-sized and large companies

###### Top 9 by gross value added

ADRIA AIRWAYS TEHNIKA, VZDRŽEVANJE LETAL, D.D.  
ALIUS, PROIZVODNJA, MONTAŽA IN STORITVE D.O.O.  
DANFOSS TRATA REGULACIJE OGREVANJA, PREZRAČEVANJA IN KLIMATIZACIJE, D.O.O.  
HTZ HARMONIJA TEHNOLOGIJE IN ZNANJA, INVALIDSKO PODJETJE, D.O.O. VELENJE  
MOS SERVIS, TRGOVINA, STORITVE, INŽENIRING D.O.O.  
SSI SCHAEFER, LOGISTIČNI SISTEMI, D.O.O.  
SŽ - VLEKA IN TEHNIKA, D.O.O.  
TALUM SERVIS IN INŽENIRING, INŽENIRING IN STORITVE VZDRŽEVANJA D.O.O.

### 4.5.3. Export

In 2016, the Slovenian NACE 33 sector generated approximately €307,6 million of turnover in foreign markets, which is a 18,5% increase compared to 2015. NACE 33.2 (Installation of industrial machinery and equipment) realized 82% of the subsector's revenue in foreign markets, whereas the NACE 33.1 subsector (Repair of fabricated metal products, machinery, and equipment) generated only 17% of its revenue from sales in foreign markets.

In 2016, the Slovenian subsector NACE 33.2 (Installation of industrial machinery and equipment) reached approximately €262,7 million of revenue from sales in foreign markets, while the "Repair of fabricated metal products, machinery, and equipment" subsector's turnover in the foreign markets reached €45 million.

The share of export in the NACE 33 sector's turnover in 2016 was 7,6% higher in comparison to 2015 and amounted to 52%. The share of export in turnover of NACE 33.2 amounted to 82% as it increased by 7%.

#### Shares of exports of NACE 33 sector by country

COUNTRY	Export (in mio €)
DENMARK	190,7
AUSTRIA	23,3
GERMANY	15,8
CROATIA	10,9
ITALY	8,5
POLAND	4,9
CHINA	4,9
FRANCE	4,8
SERBIA	4,7
VIRGIN ISLANDS	3,7
OTHER	35,5
<b>Total NACE 33</b>	<b>307,7</b>

#### EXPORT MARKETS - NACE 33

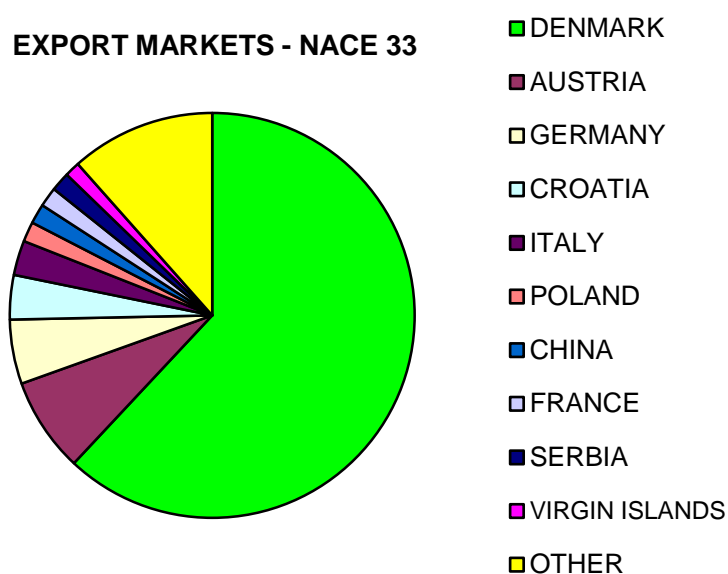


Table 24: Shares of export of the Slovenian NACE 33 sector in 2016 by country

Analysis of NACE 33's export shows that in 2016, the sector has mostly exported to Denmark (€190,7 million), Austria (€23,3 million) and Germany (€15,8 million). Export values are presented in the table above.

### 4.5.4. International benchmark

A comparison of the Slovenian NACE 33 sector to specific EU countries' NACE 33 sectors is made with three competitiveness indicators, which are described in the subchapter 1.3 (Competitive positioning of the metal processing industry). The comparison is for the year 2014 (Eurostat database's latest complete data). The chart below also includes data for Slovenia from 2016.

#### A comparison of EU countries by To/E, L/GVA, and GVA/E for NACE 33 – Repair and installation of machinery and equipment

*The results of comparable industries in the EU are based on Eurostat data, who's latest complete data is only for 2014.*

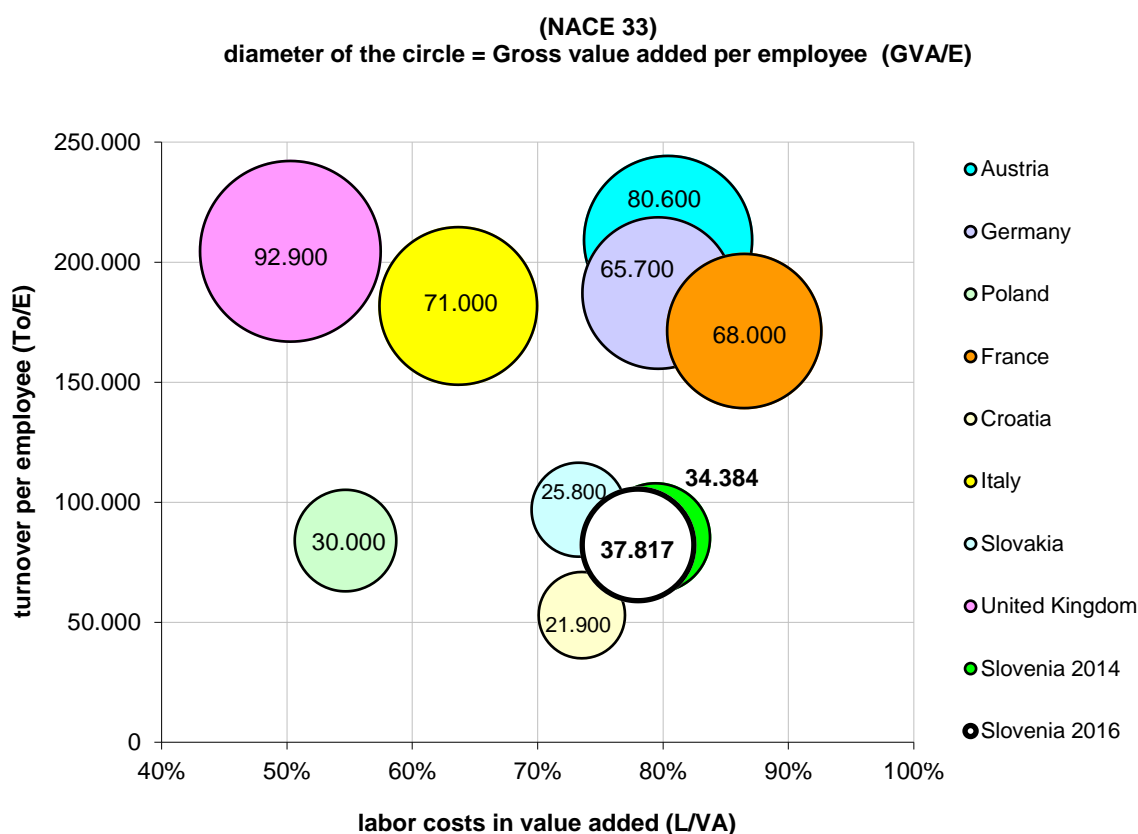


Chart 20: Comparison of EU countries by To/E, L/GVA and GVA/E for NACE 33 – Repair and installation of machinery and equipment

For the NACE 33 sector (Repair and installation of machinery and equipment), the diagram shows relative dispersion of EU states, mainly caused by differences in labour cost in gross value added, which is lowest in Great Britain (50,27%) and highest in France (86,47%). Turnover and gross value added per employee are relatively levelled in all larger countries. Great Britain is standing out in the sample with gross value added per employee of €92.900 and €205.000 of turnover per employee and Austria with €80.600 of gross value added per employee and €209.000 of turnover per employee.

In 2014, Slovenia was in a similar situation as in previous years with similar results. Labour cost in gross value added is in the middle (79,4%), if compared to other producers, while the turnover per employee (€85.195) and gross value added per employee (€34.384) is lower by half or more in comparison to EU-15 states.

A comparison of 2016 and 2014 figures for Slovenia shows that changes in figures are relatively small. The main difference is in the turnover per employee, which has fallen by almost €3.000. The other two parameters did not experience any significant change (L/VA lower by 1,4%, GVA/E higher by app. €3.500).

#### 4.5.4.1. Investments in the sector

Repair and installation of machinery and equipment (NACE 33)	COUNTRY	SHARE OF INVESTED TURNOVER	INVESTMENT PER EMPLOYEE (v €)
	GERMANY	0,1%	2.500
	FRANCE	0,1%	2.400
	CROATIA	25,5%	1.800
	ITALY	3,6%	3.100
	AUSTRIA	0,4%	3.300
	POLAND	0,2%	1.700
	SLOVENIA	29,6%	1.900
	UNITED KINGDOM	0,7%	5.500

Table 25: Investments in NACE 33 sector for selected EU countries in 2014

In NACE 33 sector, we can see that the shares of resources devoted to the development and research in the observed countries varied from 0,1% in Germany and France to 29,6% in Slovenia in 2014. Funds invested per employee also show a wide range. Among the European countries, the United Kingdom (€5.500) and Austria (€3.300) are in the lead, while the Slovenian NACE 33 sector invested €1.900 per employee.

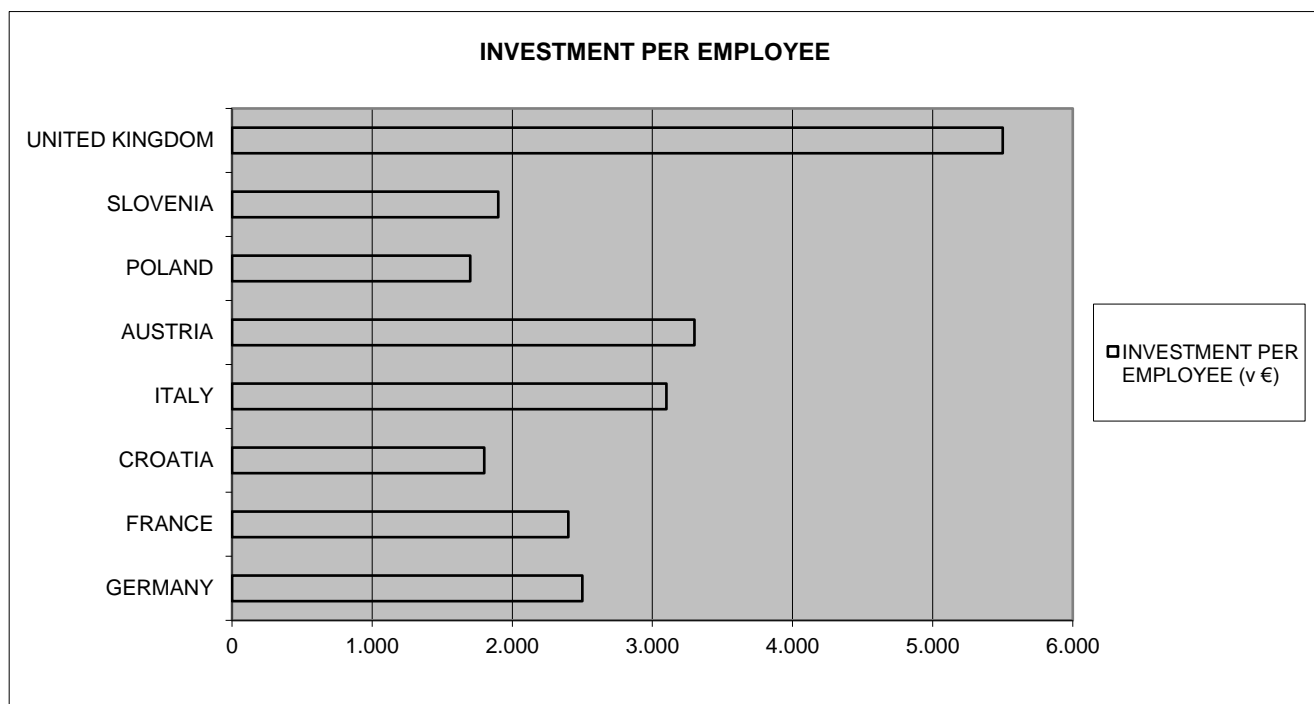


Chart 21: Investments in selected EU countries for NACE 33 sector in 2014



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## **7. SOURCES**

Performance indicators SKEP GZS, based on AJPES and SURS data  
Metal Processing Industry Association data  
ORGALIME Annual Report  
Statistical data EuroStat  
Data: SURS, AJPES  
GVIN  
Web pages