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Analysis of Slovenian companies' performance in 2015, by activity

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Summary

This working paper analyses business results of Slovenian commercial companies using statistical data from companies' balance sheets and profit and loss statements. The analysis covers the period 2008–2015 (following the revision of NACE classification in 2008), focusing mainly on changes in business results in 2015. The commercial companies analysed create approximately 55% of total value added in the Slovenian economy and 65% of value added in the private sector. After a significant deterioration during the crisis, business performance of commercial companies improved considerably in 2015 for the second year in a row. The negative trends from the beginning of the crisis were reflected through huge financial loss and deterioration in operating profit. The improvement in 2015 again stemmed from both components and resulted in total net profit of 1,640 million EUR, which reached the level of 2008 again, but still lagged far behind the most successful year 2007. Despite the decline, financial loss remained fairly large; net operating profit, on the other hand, increased to 85% of its precrisis peak levels. On the revenue side, there was a further increase in export revenues, while revenues from the domestic market have more or less stagnated in the last few years. The cost pressures (unit labour costs), which together with lower demand negatively affected the profitability of companies in the first years of the crisis, have eased significantly over the past few years. The high financial expenses have been falling since 2010. At the beginning, it was particularly expenses attributable to bank loans that diminished strongly, as a sign of intensive corporate deleveraging, while in 2015 there was also a large decline in expenses related to write-offs and impairment. The indebtedness of commercial companies (the ratio of debt to total liabilities) dropped further in 2015, to 55 %, and was around 10 percentage points lower than its 2008 peak.

The whole text is available in Slovenian language on
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