

Quality of Life

In slovenia business and pleasure go hand in hand. Business travellers soon come back as visitors, and many holidaymakers decide to relocate to slovenia. There is so much to see and enjoy, and so many national dishes and superb wines to taste.

Slovenia's landscape is a mosaic of the Alpine, Pannonian and Adriatic geological formations and climate. Such a variety offers ski slopes and sea bathing plus excellent golf courses and the great outdoors for practically all sport pursuits. Quality of life is high and there is a balance between work and family life. As you do not waste hours in traffic jams, there is more quality time to spend with family and friends. Excellent health care system, entertainment, art and cultural events to suit all tastes and the fact that crime rate is very low are widely appreciated qualities. Slovenia's "can do" attitude is inspiring, people are friendly and hospitable, and atmosphere relaxed.

Testimonial:

»Thanks to staff flexibility, their high level of skills and unsparing effort to make things work, we manage to achieve very good results. I am convinced that the staff is our greatest asset in ensuring the future of Revoz Novo mesto within the framework of the worldwide group Renault-Nissan.«

Michel Bouton, President of the Management Board Revoz Renault



Automotive Industry in Slovenia

Facts and figures in 2007

Number of companies: 395
 Number of employees: 25,632
 Revenue (in €): 4,377 mn
 Exports (in €): 3,432 mn

Key export markets: Austria, Croatia, Hungary, France, Germany, Italy, Mexico, Romania, Spain, Turkey, UK, USA

Source: AJPES, 2008

Key products:

- Seats and seat components
- Components and materials for interior furnishing
- Car body parts
- Components for braking systems
- Mechanical and electric/electronic components for engines
- Exterior equipment and body lighting equipment
- Exhaust systems
- Engine and gearbox components
- Steering system components
- Drive components
- Other system and components
- Manufacturing spot welding equipment
- Tooling for automotive industry
- Research, testing and other developmental services

Call us any time

JAPTI'S FDI Division - a gateway for investors requiring access to continuously updated FDI data and intelligence on companies, industries and markets.

At JAPTI we believe that Europe's economic landscape is changing faster than the political one, so we stand by enterprises with a vision helping investors to spend time and money to the best effect.

We have capacity to provide investors with information on investment opportunities and business operating conditions. This assistance aims to reduce investors' start-up costs associated with site selection and includes investment-specific information and company counselling. All services are free of charge and include critical information to develop foreign investment strategies, understand sector trends, assess locations, and make contact with authorities and supplier clusters.

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Slovenia

The Right Mix of Qualities



Automotive Industry

Quality of Life, 2008

Austria	9.64
Czechia	7.59
Slovenia	6.81
Slovakia	6.30
Greece	6.18
Portugal	6.12
Croatia	5.58
Hungary	5.25
Poland	4.26

Source: IMD - World Competitiveness Yearbook, 2008



Quality Workforce

Automotive manufacturers and their tier one suppliers are moving from manufacturing large batches of identical components to having components delivered in sequence to manufacturing. Slovenian companies have engineering skills and talent for mass customization

Innovative spirit of Janez Puh (Johann Puch) who constructed his first motorbike in 1900 and made his first car prototype a year later followed by serial production in 1906 still lives in Slovenian workforce. Slovenia's automotive sector employs over 25,600 people in nearly 400 companies. Some 9,000 students are enrolled in undergraduate courses in mechanical, electrical and electronics engineering. The number of students in secondary schools for electrical and mechanical engineering is 15,000.

As traditional trade barriers fall, quality becomes an essential ingredient for success of a company's product or service. Quality relates to all areas of a business ranging from product standards, process controls, audit and financial controls, management systems and customer satisfaction. In combination with high business ethics, loyalty, diligence and fluency in foreign languages, quality becomes the denominator of Slovenia's competitive advantages.

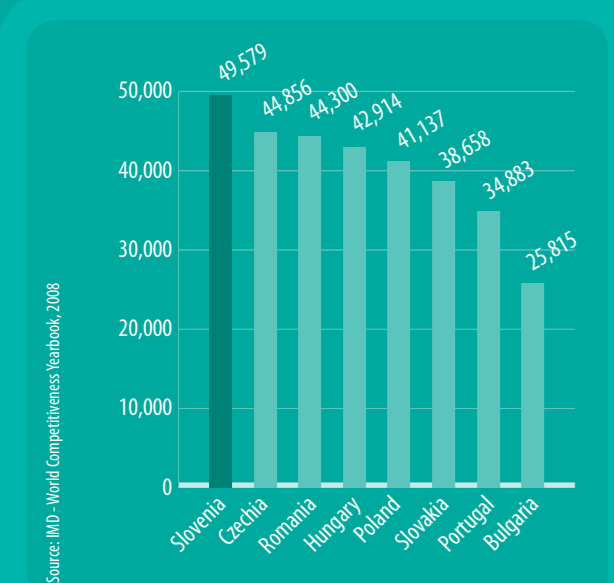
Productivity/value added per employee, 2007

Company	Value-added per employee (in €)
Revoz (Renault)	54,945
Sava Tires	47,308
Akrapovic	46,733
Engineered Products Europe	42,418
GKN Driveline Slovenija	42,384
TAB	41,237
Rotis	41,124
Sogefi filtration	40,131

Source: IBoN, 2008

Productivity in industry, 2007

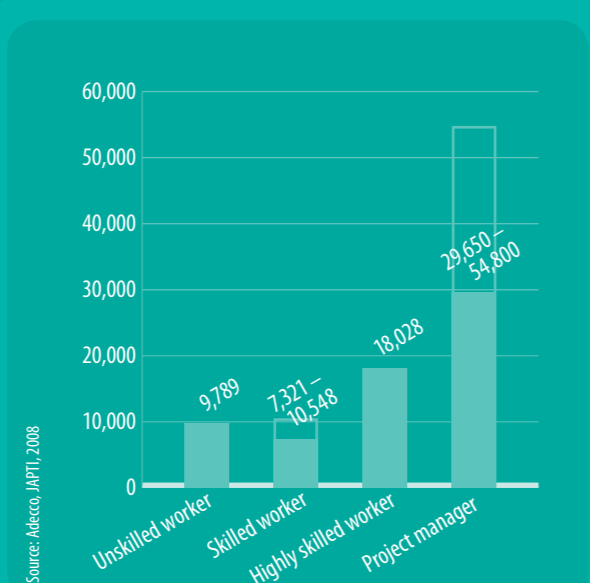
Related GDP (PPP) per person employed in industry (in US\$)



Source: IMD - World Competitiveness Yearbook, 2008

Estimated gross annual labour cost

in automotive industry for 2008 (in €)



Source: Adecco, JAPPI, 2008

Quality Link to Regional Markets

A central geopolitical position at the cross-roads of trade and transport routes gives slovenia a cutting edge and accounts for its historical, cultural and economic profile – the key elements of its national economy.

Slovenia's automotive industry generates just below 14% of the country's GDP and accounts for over 78% of its export mix. Slovenian companies meet requirements of automotive standards - QS-9000, VDA 6.1, EAQF and ISO TS 16949 - and supply the automobile giants in Europe and beyond. German carmakers Audi, BMW, Daimler, VW, as well as MAN, and Ford in Germany account for some 40% of car component exports, followed by France, Italy, Austria, the UK, and the USA. Renault, PSA, Brossé, Lombardini, Landini, Fiat and Magna Steyr rely on Slovenian suppliers.

Since Cimos discontinued the assembly of Citroen cars in Koper, Revoz has remained as Slovenia's only car manufacturer and the number one Slovenian exporter with the market share of approximately 8%. The company's sole owner is the French Renault

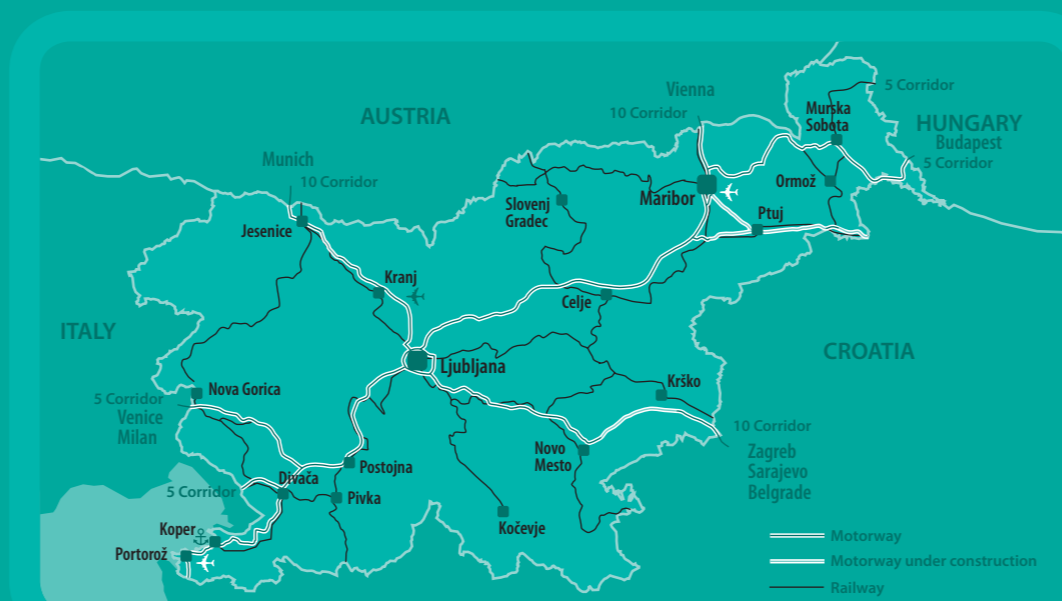
and its models Clio and the new Twingo are mainly destined for the EU markets. The cars that roll off the Revoz assembly lines are renowned for their uncompromising quality, which places them in the top among Renault vehicles. The plant in Novo mesto is one of the most productive facilities in Europe.

Thanks to its position and decades of fostering economic links with its neighbours, Slovenia is in a pole position to serve the markets in the region. The number of international companies setting up their regional hubs in Slovenia is rising attracted by the expertise of local managers, sales force and field engineers and their in-depth knowledge of the regional markets. They speak the language, they are familiar with legislation, they know their way around, and what's most important there are no cross-cultural barriers for them.

How far are major cities from Slovenia's capital

Destination	Km*	Time*
Zagreb	135	2
Venice	250	2
Vienna	385	4
Munich	440	4
Budapest	450	5
Sarajevo	500	6
Belgrade	550	5

*Distances and approximate journey time by road from Ljubljana



Quality Infrastructure

Slovenia lies at the intersection of the Pan-European road and rail transport Corridors 5 and 10 boasting excellent transport and IT infrastructure. The Adriatic Port of Koper is the shortest maritime connection for cargo arriving from Asia to landlocked countries of Central Europe through the Suez Canal.

Slovenian companies are doing their best for the customer and their management philosophies often include concepts such as zero defect, Six Sigma methodology, lean production, perpetual improvement... As brand reputations depend on innovation and quality, compliance with recognised automotive standards, delivering to a high commercial standard and efficiency in running business are the attributes generated by a high level of co-operation between the Automotive Cluster of Slovenia (ACS) and universities on the one hand and successful domestic and foreign companies in the industry on the other. Success stories like Akrapovič exhaust systems in racing motorcycles and Formula 1 industry confirm this.

The ACS was established in 2001 by automotive suppliers industry. ACS is a network for businesses in the Slovenian engineering and manufacturing industries: metal working, mechanical, electrical and electronics, chemical, rubber, textile and transport equipment industries, as well as partners from R&D institutions and other services in the supply chains that create and deliver products and services for the automotive industry. ACS provides support for its members to integrate into global automotive industry and to improve the range of their products and services.

Leading domestic and foreign-owned companies

Enterprise	Products	Foreign Investor
Adria Mobil	Explosion protected electrical devices	
Akrapovic	Motor vehicle body components and engine components	Faurecia Investments France
Arsed	Motor vehicle body components	
Cimos	Engine Components	
Engineered Products Europe	Rubber products	Veyance Technologies Luxembourg
Filc	Thermal insulation of car batteries, acoustic insulation materials for motor area and vehicle interiors, materials for carpets, materials for headliners...	
GKN Driveline Slovenija	Ball, needle and roller bearings	GKN Italy
Grammer Automotive Slovenija	Seats, seat frames and parts	Grammer Automotive
Hella Lux Slovenija	Motor vehicle electrical and electronic equipment	Hella KGAA HUECK & Co.
HIDRIA AET	Motor vehicle electrical and electronic equipment	
Iskra Avtoelektrika	Motor vehicle electrical and electronic equipment	
Iskra TELA	Components and mechanical parts for automotive industry	
Prevent Global	Seat covers	
Resistec UPR	Resistors and rheostats	M.Krah Elektrotechnische Fabrik
Revoz	Passenger cars	Renault
Rotis	Bearings, gears, gearing and driving elements	
Sava Tires	Vehicle tyres and inner tubes	Goodyear Dunlop Tires Europe
S e p	Mouldings	Flexdynamic International
SG Automotive	Electronic equipment and components	Schefenacker
Sogefi filtration	Motor vehicle body components and engine components	Sogefi
TAB	Batteries	
TBP	Parts and accessories for motor vehicles and their engines	TCG
TCG Unitech LTH - ÖL	Non-ferrous metal castings	
TPV Johnson Controls	Complete seat systems	Johnson Controls
TPV Prikolice	Light trailers	Böckmann Fahrzeugwerke
Unior	Tools	
Vogt Electronic Slovenija	Resistors and rheostats	Vogtronics
Ydria Motors	Electric motors	EBM Papst

Faculties, research institutions and clusters

University of Ljubljana, Faculty of Electrical Engineering (www.fe.uni-lj.si), University of Maribor, Faculty of Electrical Engineering and Computer Science (www.feri.uni-mb.si), University of Ljubljana, Faculty of Mechanical Engineering (www.fs.uni-lj.si), University of Maribor, Faculty of Mechanical Engineering (www.fs.uni-mb.si), ACS – Automotive cluster of Slovenia (www.acs-giz.si), TECOS – Slovenian Tool and Die Development Centre (www.tecos.si)