

## COFACE CEE TOP 500 RANKING

### Automotive and transport is the leading sector in the region CEE

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**T**he Top 500 companies generated EUR 580 billion in 2016 – a minor decrease of 0.6% – and experienced a greater downturn in net profit by -3.1% to EUR 26.3 billion. In contrast to the decrease in turnover and net profit, employment rates boomed. The CEE Top 500 companies employed 4.5% of the total labour force in the region, strengthening their workforce significantly by +3.9% to 2.2 million people. This development was reflected in the declining unemployment rates in the region. In ten countries the unemployment rates decreased by even more than 10%, most notably Hungary with -25.0% to 5.1% and the Czech Republic with -21.6% to 4.0%. In most of the CEE countries unemployment rates are now even lower than in Western European countries. The only country which registered higher unemployment figures than the year before is Estonia with +9.7% to 6.8%.

#### **Diverse sector landscape: automotive industry up, oil & gas sector down**

The analysis by sectors showed a changing market. Traditional industries declined and new ones were ready to take over. Although the overall turnover decreased by -0.6%, nine out of 13 sectors increased their turnover in comparison to the previous year. The decrease in the Top 500 turnover can be attributed to four sectors: oil & gas (-5.4%), energy (-7.3%), mechanical & precision engineering (-59.1%) and metals (-6.4%).

Their revenue losses were too large to be offset by the positive performance of the other sectors.

The downturn in the oil & gas sector, which has previously dominated the ranking, has been monitored over the last few years. With 92 companies (18.4%) remaining in the Top 500, compared to 111 in 2015 (22.2%), the sector lost in turnover due to the difficult global commodities market. As a result, over 50% of the 92 firms from this industry lost ground in the ranking.

The automotive and transport sector took over the lead position with a turnover of EUR 128 billion. Car manufacturers and producers of components and spare parts in the region increased their capacities for Western Europe, their main export destination. In 2016, more than 20% of all CEE Top 500 companies (102 companies) worked in this field whereas in 2015 it was only 17%. Revenues rose by +8.6% and net profit increased by +6.8%. This result is due to a very favourable economic environment with increasing demand.

#### **Good outlook for the CEE region in 2017 and 2018**

Growth in CEE economies is expected to recover following last year's slowdown. Coface forecasts that the average Central and Eastern Europe GDP growth rate will increase to 3.4% in 2017 and 3.3% in 2018. Both years will be fuelled by stable growth in private consumption, supported by continued improvements on the labour market.

# A word from KATARZYNA KOMPOWSKA

CHIEF EXECUTIVE OFFICER  
CENTRAL & EASTERN EUROPE



The improving macroeconomic environment has had a positive effect on business, with company insolvencies dropping by 14% in 2015 and a further 6% in 2016.



**IN 2016,**  
the automotive sector  
is overtaking minerals,  
chemicals, petroleum,  
plastics & pharma.

Welcome to the CEE Top 500 ranking, our annual publication on the biggest companies in our region. Now established as a major information source for businesses in CEE, this analysis is in its ninth year of publication.

Despite a slight decrease in 2016, the average GDP growth remained at a solid level of 2.9% in Central and Eastern Europe, which was reflected in quite positive development for the region. Economies benefited from the favourable situation on the labour market, with falling unemployment rates and rising wages. The improving macroeconomic environment has had a positive effect on business, with company insolvencies dropping by 14.0% in 2015 and a further 6.0% in 2016. As a result, labour markets in the CEE region are continuing to improve: unemployment rates have reached the lowest levels ever recorded and most CEE economies are enjoying lower unemployment than the EU average. The Czech Republic, for example, has one of the lowest levels worldwide, down to just 4.0% at the end of 2016.

Furthermore, rising wages and low inflation, along with improving consumer sentiment, have made household consumption the main driving force behind economic expansion. These positive economic conditions are also reflected in our Coface country risk assessments. Eight out of 22 countries in the region were upgraded in the last 18 months: Hungary, Lithuania, Slovenia, Romania, Russia, Czech Republic, Latvia and Bulgaria.

After several years where the largest sector in the CEE Top 500 study was minerals, chemicals, petroleum, plastics & pharma, this time there is a change at the top of the sector rankings, with automotive moving into first place. Since the beginning of our CEE Top 500 ranking, the oil & gas sector has been the strongest within the biggest countries in the region. However, this industry is suffering from changes in the global commodities markets, while the automotive sector is benefiting from the current steady demand dynamics. Households and businesses are more willing to buy new cars, resulting in an increase of new passenger car registrations by nearly 7.0% in the European Union in 2016, and this trend is continuing. This higher demand has a positive impact on car producers, which are mainly located in Central and Eastern Europe.

To explore opportunities in the region effectively, it is essential for companies to monitor developments in CEE on a regular basis. This means ongoing analysis as well as market and economic expertise are vitally important. The knowledge of our analysts and economists provides the foundation for our studies, analyses and country assessments, building on a basis of 70 years' experience. Today, Coface has the biggest geographical footprint in Central and Eastern Europe as well as worldwide and is helping companies in more than 200 countries to mitigate their risk.

We invite you to read our newest study and to stay up to date on the Top 500 companies in Central and Eastern Europe.

Katarzyna Kompowska  
CEO Coface Central & Eastern Europe

# CEE TOP 500 RANKING KEY FIGURES

## COFACE YOUR BUSINESS PARTNER IN CEE



**EUR 580 billion**  
turnover in 2016

**102 companies**  
automotive & transport



**168 companies**  
from Poland - No. 1



**EUR 1.2 billion**  
average turnover



**6.7% in Croatia**  
highest insolvency rate



**0.04% in Poland**  
lowest insolvency rate



**68,701**  
insolvency cases



**203 companies**  
moved up the ranking



**91.5%**  
client recommendation



**145 million companies**  
worldwide online available



**28 years**  
experience in CEE



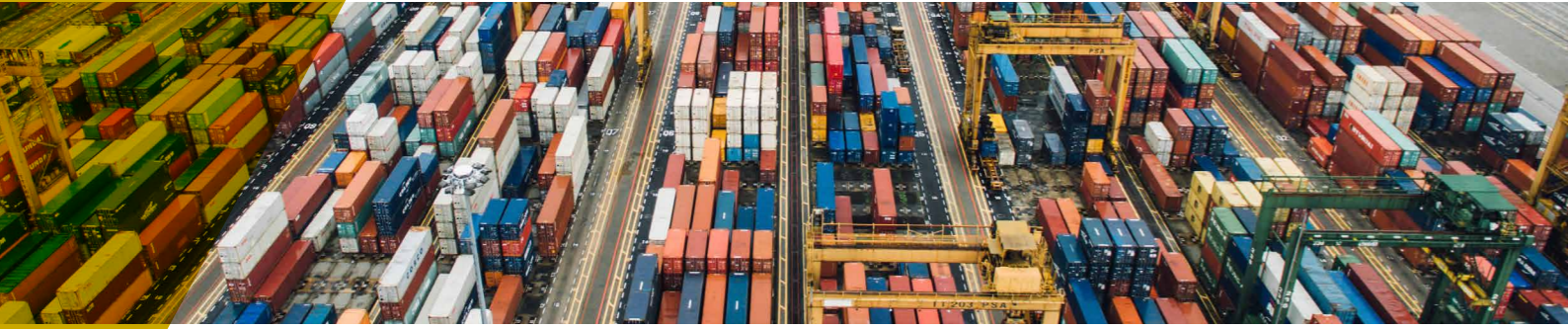
**around 700**  
employees in CEE



**64 countries**  
covered online



**No. 2 position**  
for company information



## CEE Top 500 Overview

### 1 ROCKETING EMPLOYMENT RATES IN CENTRAL AND EASTERN EUROPE

**Analyses show a strongly heterogeneous CEE region. Whereas the labour market was blooming in 2016, overall turnover and net profits of the largest companies in Central and Eastern Europe were having a hard time.**

After peaking at 3.5% in 2015 (its highest post-crisis level), CEE average growth dropped to 2.9% in 2016. Although most CEE countries joined the European Union in the previous decade, their cohesion with wealthier Western European economies is still in progress and they widely use co-financing from the EU budget for investments. Even though it was expected that the GDP growth of CEE countries would be affected by switching to the new EU budget and adopting local regulations, the slowdown was deeper and more extended than anticipated. However, economic expansion still shows a solid pace of development, at an annual level of around 3.0%, and provides a supportive environment for corporates in terms of the general macroeconomic perspective.

On the one hand economies have been benefiting from the favourable situation on the labour market, with rising wages and unemployment rates that have reached the lowest levels ever recorded. The increasing purchasing power made household consumption the main driving force behind economic expansion. On the other hand, corporates fought with labour shortages and the strengthened wage bargaining power of their employees. However, the improving macroeconomic environment has had positive effects on business. Company insolvencies dropped by -14.0% in 2015 and a further -6.0% in 2016. Nevertheless,

the regional breakdown indicates a wide variety of insolvency dynamics, ranging from a 35.6% decrease in proceedings in Bulgaria, to a minor increase of 2.6% in Poland and a surge of 56.9% in Hungary.

The CEE Top 500 outline the economic situation of the 500 largest companies in Central and Eastern Europe, measured by turnover.<sup>1</sup> A ranking of the covered countries' growth is presented in the study. The overall turnover of this year's Top 500 companies experienced a minor decrease of -0.6% and stands at EUR 580 billion in 2016. Net profits show a greater downturn, as they fell by -3.1% to EUR 26.3 billion. Both figures show very different evolutions when looking at the individual country level. In contrast to that, employment rates boomed: with an increase of +3.9%, 2,242,840 people worked at the largest companies in CEE in 2016. Driving countries in employment are Poland (+7.6%) and Slovenia (+11.75%) which are pushing the figures, whereas the negative progress of the smaller economies of Lithuania (-13.9%) and Croatia (-8.5%) has less impact on the overall employment of the top 500 companies in CEE.

#### Automotive presence in the Top 10

For another year in succession, the undefeated leader PKN Orlen takes the first place of the Coface CEE Top 500 ranking. While the Polish oil and gas giant is suffering from a consistent decreasing turnover (-9.9% in 2016 compared to -17.3% in 2015 and -6.2% in 2014), it managed to increase its net profit by 78.0% to

<sup>1</sup> The study includes the following countries: Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Serbia, Slovakia, Slovenia



**Economic expansion with a solid pace of development of around 3% supported corporates in CEE.**



EUR 1.3 billion. The strength and dominance of PKN Orlen is mirrored by its sales development: Even with severe slumps in turnover to finally reach EUR 18 billion in 2016, it maintains its lead on the second place with a turnover of EUR 12.9 billion.

In general, most of this year's Top 10 companies have gained some places – only two companies of the Top 10 remained in the same place and one moved down two places.

While the sector for minerals, chemicals, petroleum, plastics & pharma is most represented – on place 1 with PKN Orlen and place 3 with MOL from Hungary, another sector features most places in the Top 10 companies. Automotive & transport is represented by Czech Skoda that won back its Top 3 position and placed 2<sup>nd</sup> in 2016 as well as by Volkswagen Slovakia (rising from place 9 to 5), Audi Hungaria (gaining one place to the 6<sup>th</sup>), and KIA Slovakia (placed 12<sup>th</sup> last year, place 10 in 2016). Czech ČEZ moves up one rank despite a loss in revenues of -3.1% and now comes 7<sup>th</sup>.

Poland is home to most Top 10 companies including the number 1. Three further Polish companies made it to the top: the retailer Jeronimo Martins won back its fourth place with an increase in turnover of +11.0%, the state-controlled oil and gas company PGNiG (ranked 8<sup>th</sup>) as well as the state-owned public power company PGE (ranked 9<sup>th</sup>) were afflicted by a sinking turnover, but could enjoy rising net profits.

#### About the winners and losers

There were 69 businesses (13.8%) that entered the CEE Top 500 ranking for the first time or re-entered after at least one year of absence. While 203 or 40.6% moved up, 217 (43.4%) moved down.

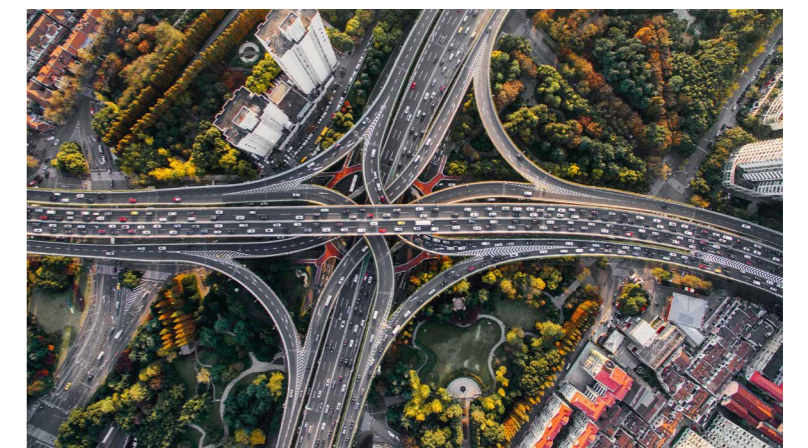
The biggest jump up the ranking was achieved by Fővárosi Gázművek Zrt. Thanks to a gigantic increase in turnover (+76%), the Hungarian gas company skipped 158 positions and is placed 162<sup>nd</sup> in 2016. Reason for that is that the government decided to gather back all retail commodity supply. Therefore state-owned Fővárosi Gázművek Zrt. became the sole provider of commodity gas supply for all households and took over E.ON's and TIGÁZ's retail clients.

Three new businesses stand out as they managed to join the 500 biggest companies in CEE right at the outset: ODBE Kft. started activities in October 2015 and jumped instantly to rank 76. As the

sole distributor of tobacco goods and products in Hungary, they won a tender back in 2015 and gathered the concession rights for at least 10 years. The Polish wood company Pfeleiderer Group has stepped into the Top 500 as 178<sup>th</sup> due to the merger of Pfeleiderer Grajewo and Pfeleiderer GmbH. Last but not least of the newcomers, Eaton Enterprises (Hungary) Kft. profited from the creation of Eaton's Europe, Middle East & Africa (EMEA) Business Services Center (BSC) in Budapest in 2015 and finished up on 199<sup>th</sup> place.

Further good performances have been accomplished by Continental Automotive Hungary Kft. (+141 ranks up to position 112), the electronics and media retailer Altex Romania S.R.L. (+123 ranks up to position 312) as well as the Hungarian company Egis Pharmaceuticals PLC's (+120 ranks up to position 341).

The losers' list is spearheaded by OMV Slovensko, losing 188 ranks and landing on position 484 in 2016. Generally, the sectors show a similar picture as last year: companies that lost the most ranks come mainly from the energy sector: the Polish company PKP Energetyka S.A. (-147), Bulgargaz JSC (-118) as well as the Czech companies EP Energy Trading (-118) and Pražská plynárenská, a.s. of the gas industry (-115). Consistent downturns in turnover are responsible for the negative progress of these companies, owing to the persistent difficult situation in these industries. The businesses E.ON (-123) and Panrusgáz (-102) also suffered from the Hungarian government's decision and therefore lost millions of clients.



## 2 COUNTRY RANKING

### Poland: the undefeated leader

All-time winner Poland was one of the few countries that were able to improve their financial results. Turnover grew by +3.3% to EUR 223 billion, while net profits skyrocketed to EUR 6.5 billion with an incredible increase of 259.9%. The number of Polish companies within the CEE Top 500 stabilised at 168 with a slight increase compared to last year (+1), but not as many corporates as in 2014 (176). All in all, Poland remains the most influential country in the Top 500, with a total share of 33.6%, ahead of Hungary with 15% and Czech Republic with 14.2%. These good results were achieved with significant profits on refining, where margins are high thanks to attractive oil prices, and growing demand in the strongly represented minerals sector (19.6% of all Polish companies). Furthermore, increasing demand has also boosted the energy sector which enjoyed higher prices and therefore higher profits.

Polish economic growth was mostly the result of growing private consumption. Better prospects for households were reflected in higher spending. The Polish economy is the biggest in CEE in terms of both its size and number of inhabitants. So it is a huge market for companies in the region. Trading and agri-food companies benefited from this macroeconomic environment, increasing both their turnover (+7.7% and +13.9% respectively) and profits (+22.4% and

+5.5%) in many cases. The number of insolvencies has been decreasing too. Once again Poland recorded the lowest insolvency rate in the CEE region.

The difficulty of labour shortages has been experienced by more and more Polish businesses since 2013 - particularly with regards to the needs for skilled labour, which represents a problem for nearly 27% of manufacturing companies. Several other sectors, including construction, are also citing labour shortages as a factor limiting their business activity. The overall unemployment rate averaged 6.2%. Poland registers the highest employment in relation to the other countries of the region: employee numbers increased by +7.6% to 1.1 million (50% of the total number of staff in CEE Top 500 companies).

### Runner-up: Hungary

Hungary has regained its strength and climbed to second place in terms of the number of companies ranked in 2016. Despite significant falls in both turnover (-11.5%) and net profits (-61.7%) of the largest companies<sup>1</sup>, 75 Hungarian corporates reached the CEE Top 500, representing an increase of +8.7%. The majority of these (68%) achieved a higher position than last year. The all-time low unemployment rate has improved even further, reaching 5.1% in 2016, while 5.3% more people were in employment than in the previous year.

### Third-place finisher: Czech Republic

After a fabulous 2015, the Czech Republic's economy took up a medial position in terms of growth rates for 2016. With a slight decrease in turnover of -2.2%, the Czech Top 500 companies represent more or less the average of all CEE countries. With a turnover of EUR 87 billion the Czech Republic managed to stay in the top three countries. As in last year's Top 500 study, in 2016 there were again 71 Czech companies ranked amongst the 500 largest CEE businesses. While 70% of the companies improved their position in 2015, this year only 50% did so. Nevertheless, the Czech Republic ranks third in both turnover and number of players.

<sup>1</sup> The figures show a slightly different picture when adjusted by last year's one time effect on results of GE Infrastructure Hungary: the top Hungarian firms remained stable with a slight increase of +0.1%, while net profits shot up to EUR 4.6 billion (+68.7%).



**Poland remains the economic heavyweight within Central and Eastern Europe and is again home to the largest number of top players.**



**Chart 1:**  
Coface CEE Top 500:  
Number of Top 500 companies per country

■ 2015 ■ 2016



A solid pace of macroeconomic growth is producing improvements on the corporate side. Company insolvencies decreased by -15.0% last year. A significant number of proceedings were announced, mostly concerning inactive sole-traders (tradesmen) experiencing problems with personal liabilities. The main reasons for company bankruptcies included unpaid receivables, over-ambitious investment plans and the strong labour market. Indeed, labour shortages are the highest in the Czech Republic among all CEE countries and companies find it hard to fill vacancies, especially for specialised jobs. This situation is also fuelling wage growth. On the other hand, it also results in good employment figures: Already profiting from the best unemployment rate of all CEE countries (4.0% in comparison to 8.3% on average), the Czech labour market experienced another rise in employment of +2.8%.

### On the positive watchlist

Romania should be watched very closely in the coming years. In the recent past, more and more companies have grown large enough to enter the Top 500 ranking (from 56 in 2013 to 65 in 2016). The average turnover of Romanian businesses (EUR 891 million) is still lower than in most other CEE countries, but recorded its highest ever growth rate in 2016 (+6.6%). The macroeconomic indicators for the country are also excellent. GDP grew by +4.8% in 2016 and is expected to expand another +4.5% in 2017. Next year's ranking will show how many Romanian companies have been able to transform the steady economic growth into increased revenues and thus enter the circle of the largest businesses in CEE.



**Table 1:**  
Coface CEE Top 500: Country overview

| RANK | COUNTRY        | NO. OF LISTED COMPANIES | TURNOVER IN EUR MILLIONS | NET PROFIT IN EUR MILLIONS | EMPLOYMENT | COFACE ASSESSMENT 2016 | POPULATION (IN MILLIONS) | GDP PER CAPITA (IN EUR) | GDP GROWTH (IN %) | INFLATION (IN %) | UNEMPLOYMENT RATE (IN %) | LABOUR FORCE (IN MILLIONS) |
|------|----------------|-------------------------|--------------------------|----------------------------|------------|------------------------|--------------------------|-------------------------|-------------------|------------------|--------------------------|----------------------------|
| 1    | Poland         | 168                     | 223,266                  | 6,539                      | 1,128,041  | A3                     | 38.4                     | 11,000                  | 2.7               | -0.6             | 6.2                      | 17.0                       |
| 2    | Hungary        | 75                      | 89,011                   | 4,944                      | 244,538    | A4                     | 9.8                      | 11,200                  | 2.0               | 0.4              | 5.1                      | 4.5                        |
| 3    | Czech Republic | 71                      | 87,773                   | 5,668                      | 203,481    | A3                     | 10.6                     | 16,700                  | 2.4               | 0.7              | 4.0                      | 5.2                        |
| 4    | Romania        | 65                      | 57,911                   | 2,527                      | 241,661    | A4                     | 19.8                     | 8,600                   | 4.8               | -1.6             | 5.9                      | 8.7                        |
| 5    | Slovakia       | 41                      | 49,738                   | 2,826                      | 108,341    | A3                     | 5.4                      | 14,900                  | 3.3               | -0.5             | 9.6                      | 2.5                        |
| 6    | Bulgaria       | 18                      | 16,656                   | 287                        | 23,936     | A4                     | 7.1                      | 6,600                   | 3.4               | -1.3             | 7.6                      | 3.2                        |
| 7    | Lithuania      | 18                      | 18,705                   | 704                        | 124,538    | A3                     | 2.8                      | 13,500                  | 2.3               | 0.7              | 7.9                      | 1.4                        |
| 8    | Slovenia       | 15                      | 15,122                   | 1,614                      | 37,560     | A3                     | 2.1                      | 19,300                  | 2.5               | -0.1             | 8.0                      | 1.0                        |
| 9    | Croatia        | 13                      | 9,017                    | 625                        | 39,023     | B                      | 4.2                      | 10,400                  | 2.9               | -1.1             | 13.3                     | 1.8                        |
| 10   | Serbia         | 7                       | 7,019                    | 355                        | 59,453     | B                      | 7.0                      | 4,800                   | 2.8               | 1.1              | 15.9                     | 3.1                        |
| 11   | Estonia        | 5                       | 2,902                    | -21                        | 17,281     | A2                     | 1.3                      | 15,900                  | 1.6               | 0.8              | 6.8                      | 0.7                        |
| 12   | Latvia         | 4                       | 2,817                    | 191                        | 14,987     | A4                     | 2.0                      | 12,800                  | 2.0               | 0.1              | 9.6                      | 1.0                        |

## 3 SECTOR RANKING

**The analysis by sectors shows a changing market. Traditional industries are declining, and new ones are ready to take over. The decrease in the overall Top 500 turnover can be attributed to four sectors: Oil & gas, energy utilities, mechanical & precision engineering and metals. Their revenue losses were too large to be offset by the positive performance of other sectors. These developments have resulted in a more diverse sector landscape in the CEE region.**

### Race to the top - a new number 1

Automotive & transport finally pulled ahead of oil & gas, the longstanding number one in the sector ranking. Revenues rose by another +8.6%, while net profits also developed favourably (+6.8%). This industry now ranks first both in the number of represented companies and in total turnover, thanks to the combination of two aspects - a very favourable economic environment with increasing demand and a weakened oil & gas sector due to the difficult global commodities market.

New passenger car registrations increased by nearly 7.0% in the EU in 2016. As a consequence, car manufacturers and producers of components and spare parts in CEE increased their capacities for Western Europe, their main export destination. In 2016, slightly over 20% of all CEE Top 500 companies worked in this field whereas in 2015 this was only 17% (87 companies). And the search continues for investment opportunities in the field of car manufacturing. Daimler AG officially opened its first Polish Mercedes-Benz production site in Poland in June 2017. Jaguar Land Rover is planning to develop its first European site outside the UK in Slovakia. Considering this investment boom, it is not surprising that the automotive industry also accounts for the highest number of newcomers (20) in the ranking (9 in Poland, 4 in the Czech Republic and Slovakia, 2 in Hungary and 1 in Slovenia). A further 55.9% moved up, whereas only 23.5% fell lower in the ranking.

Coface expects the upturn in European demand to continue in 2017 and assesses the sector with "low risk".

### Continuing pressure on oil prices

The downturn in the minerals, chemicals, petroleum, plastics & pharma sector has been monitored closely over the last few years. Ninety-two companies

## Sector risk assessments

Twelve sectors, from six geographical regions, are assessed every quarter. Coface assessments are based on our expertise and financial data published by over 6,000 listed companies.

Our credit risk statistical indicator simultaneously synthesises the development of five financial indicators (changes in revenue, profitability, the net debt ratio, cash flow, and claims observed by our network).

### Coface assessments for CEE:



[www.cofacecentraleurope.com/Economic-analysis](http://www.cofacecentraleurope.com/Economic-analysis)

(18.4%) from this sector remained in the Top 500, compared to 111 in 2015 (22.2%). The CEE market has traditionally been dominated by large oil & gas companies and this is the first year that this dominance has been broken. Over 50% of the 92 firms in this industry lost ground in the ranking. Only 28 moved up and only 10 are newcomers, which is half of the companies in this year's leading sector.

Oil prices were already decreasing in 2015 and dropped to USD 30 at the beginning of 2016, to

rise around USD 50 at the highest point last year. Revenues were consequently affected by the erosion of commodity prices, leaving the companies in this industry with yet another decline, of -5.6% (after -8.3% in 2015 and -3.9% in 2014). The average turnover per company dropped to EUR 1,354 million. Consequently fewer made it into the final ranking of the largest companies in CEE. But it is not all negative for the sector: net profits increased almost sevenfold, from EUR 684 million to EUR 5.3 billion. Companies in the CEE region mostly focus on processing oils and therefore have been able to benefit from good margins in refining.

**Higher wages boost trade sector**

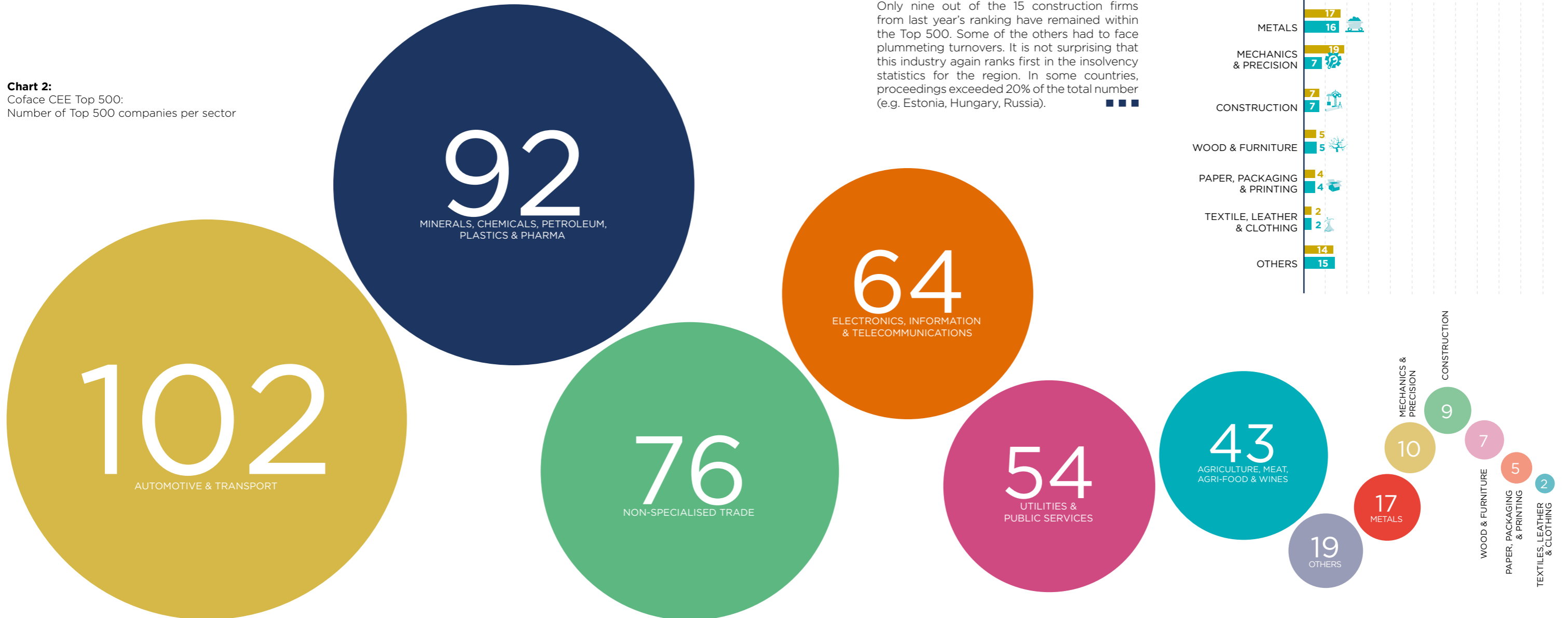
Recovering economies and improved labour markets led to a growing willingness to spend. Seventy-six companies brought the trade sector to third place in the ranking. Eight new representatives of the industry joined the ranking, while 49 (64.5%) improved their positions.

Sector revenue went up by +6.6% and net profits by +21.2% - although competition and pressure on margins remained high. Large trading companies are benefiting from stronger negotiating power compared to their smaller counterparts, which find it more difficult to be as competitive. The industry in Central and Eastern Europe is assessed at medium risk by Coface, although it also belongs to the Coface "Flop 5" sectors in terms of insolvency rate in 2016. Nevertheless, stable demand from household consumption should support a favourable outlook for trade companies.

**Further down the ranking**

Electronics, information & telecommunications is now ranked in fourth place. Two fewer companies succeeded in reaching the Top 500. Sales remained stable, but net profits dropped by -18.3%. In fifth position, we find a very strong industry in terms of turnover. Average turnover per company is highest among the 53 ranked utilities: EUR 1,423 million, despite continued shrinking

**Chart 2:**  
Coface CEE Top 500:  
Number of Top 500 companies per sector

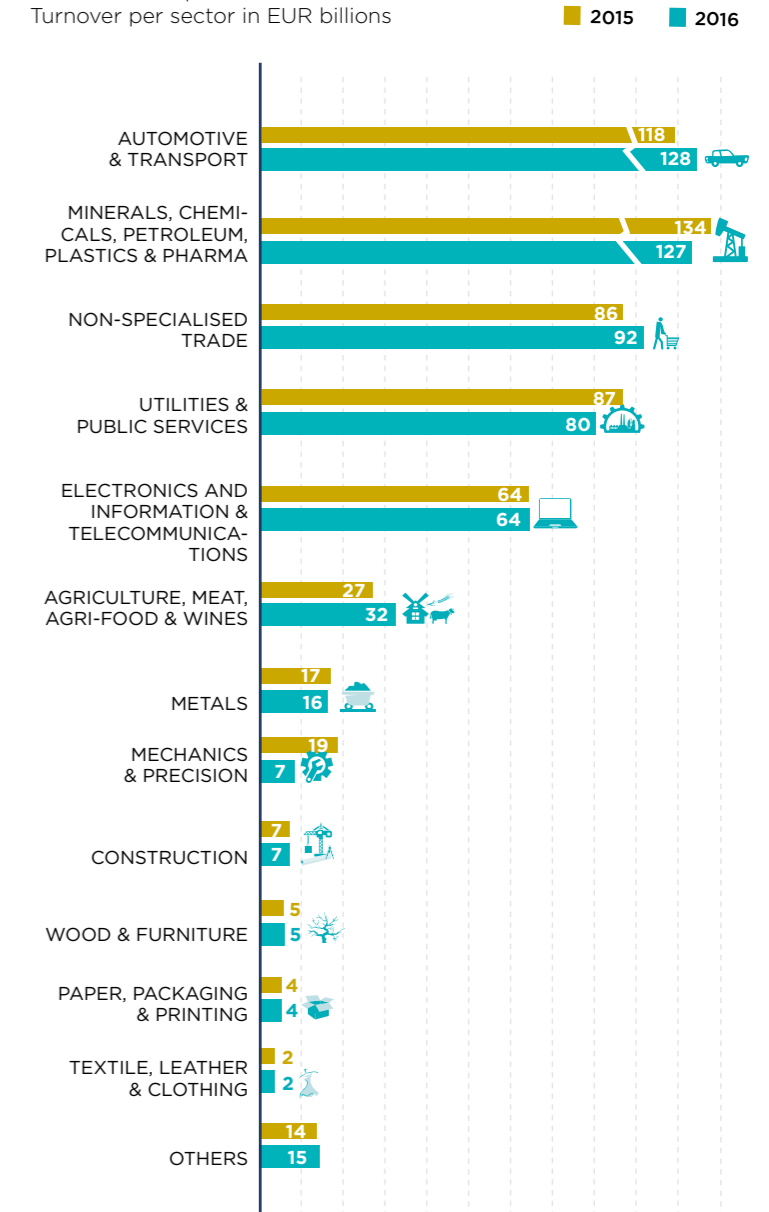


(-7.6%). The sector reported an overall turnover of EUR 75 billion and very positive development in net profits, which more than doubled.

The highest increases in revenue were reported by sectors that represent only a small fraction of the largest companies in CEE. Textiles, leather & clothing improved results by +23.8%, agri-food by +17.7% and wood & furniture by +12.1%. Both the metals sector and mechanical & precision engineering lost two companies and now rank eighth and ninth respectively. While both industries faced a slump in revenues, metal companies were able to increase net profits (+49.9%) at the same time.

After two rather good years consecutively, the construction sector was clearly the one experiencing the most difficult business environment in 2016. CEE economies were impacted by the transition to the new EU budget, which led to lower investments. Combined with a slower pace in GDP growth, this led to a downturn in construction activities. Profits of the largest companies declined by -9.1%. Revenues only rose slightly, by +1.3%. Only nine out of the 15 construction firms from last year's ranking have remained within the Top 500. Some of the others had to face plummeting turnovers. It is not surprising that this industry again ranks first in the insolvency statistics for the region. In some countries, proceedings exceeded 20% of the total number (e.g. Estonia, Hungary, Russia).

**Chart 3:**  
Coface CEE Top 500:  
Turnover per sector in EUR billions



## 4 EMPLOYMENT AND THE LABOUR MARKET IN CEE

**The largest companies in Central and Eastern Europe remain very important employers in the region. The CEE Top 500 companies employ 4.5% of the total labour force and were able to significantly increase their employment rate by +3.9% to 2.24 million people.**

In general, the overall picture in the CEE region is positive. Labour markets are continuing to improve, with unemployment rates reaching the lowest levels ever recorded, and most CEE economies are enjoying unemployment rates well below the EU average. Rising wages and low inflation, along with improving consumer confidence, have made household consumption the main driving force behind economic expansion.

This year's study shows that the CEE Top 500 companies employ 4.5% of the total labour force, which is slightly more even than last year's figure (4.3%). Even with a reduction of -1.1%, Lithuania is still on top here as Lithuanian companies in the CEE Top 500 employ 8.5% of the total labour force in the country. Leading Polish and Hungarian companies (7.1% and 5.6%) were also able to strengthen their positions as important employers in their home countries. The positive trend in employment of the year before continued in 2016.

The total staff of the CEE Top 500 companies increased by +3.9%. In eight countries the largest companies hired additional staff. Croatia (-8.5%), Latvia (-1.0%), Lithuania (-13.9%) and Slovakia (-2.8%) were the only countries where the biggest players reduced their workforces. Half of the CEE Top 500 workforce is employed by Polish companies with more than 1 million out of 2.2 million in total. The

biggest employers in the CEE Top 500 remain the same and are Polish companies: POCZTA POLSKA S.A. with 75,000 employees (electronics, information & telecommunications sector) and the retailer Jeronimo Martins Polska S.A. (55,200).

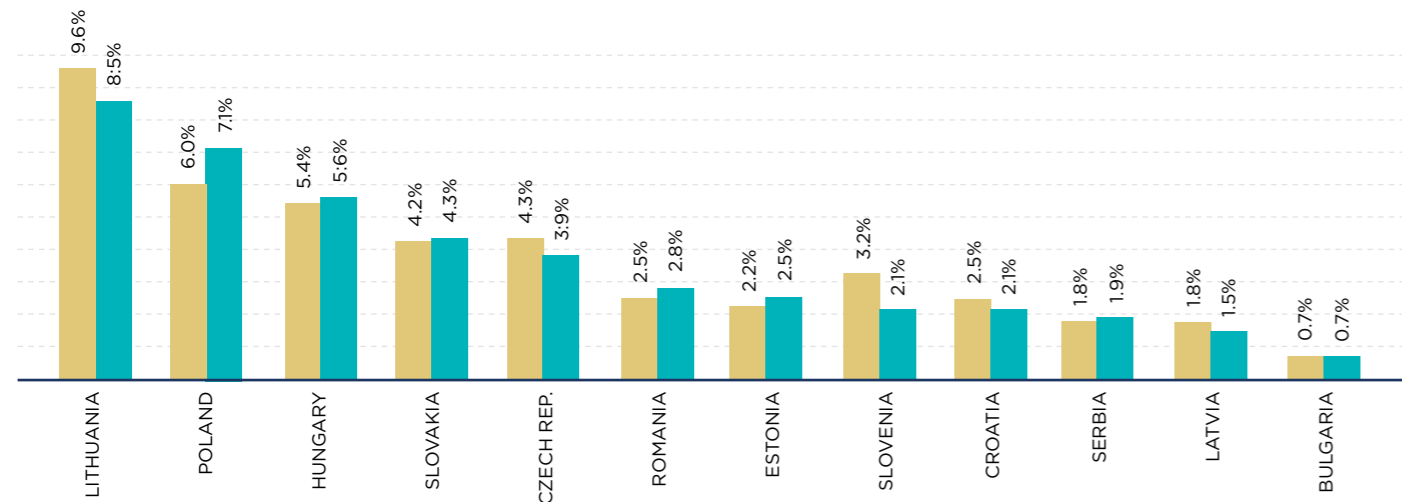
### Employment by Sectors

The pleasing picture on the labour market is confirmed by every sector included in the analysis. All industries were able to strengthen their workforces. The sector with the greatest potential in terms of employment is again the non-specialised trade sector. Around 608,000 people, nearly a third of all employees of the CEE Top 500, work within this sector, which is an increase of +2.5% in comparison to 2015. This positive trend reflects the increase in turnover of +6.6%, due to higher domestic demand. The second most important employer is the automotive and transport sector with 427,100 people, which represents an increase in staff numbers of +1.2%. The third-placed sector is electronics, information and telecommunications, with around 312,800 (+1.3%).

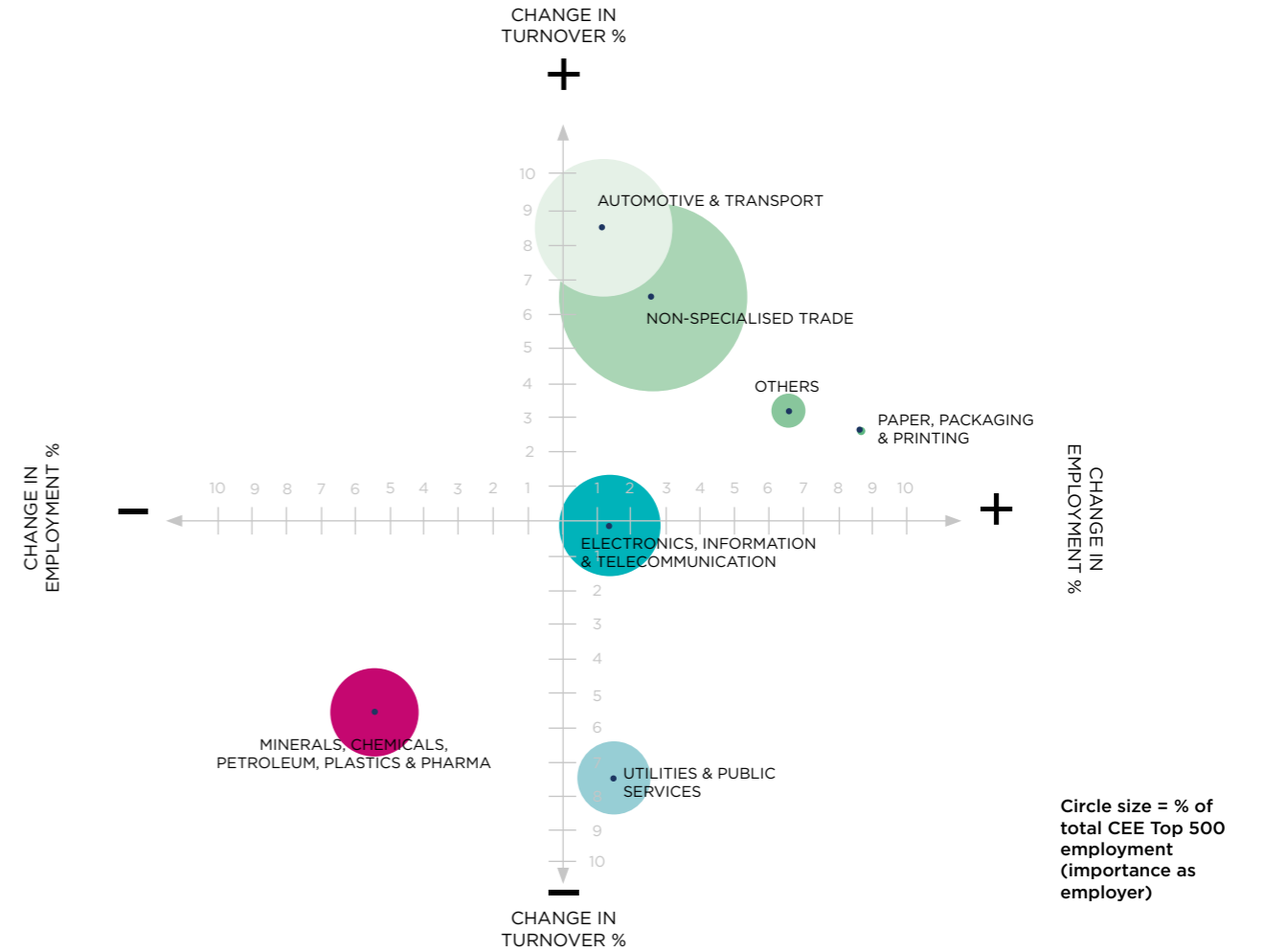
### Unemployment

It seems that the workforce expansion within the CEE Top 500 companies has had a significant effect on their countries' national unemployment statistics, as the unemployment situation in the whole region showed positive development too. As the eurozone recovered from the double-dip recession it experienced in 2012-2013, sentiments in the CEE region also began to improve. Accelerating growth in the eurozone, which is the destination for the majority of CEE exports, has made CEE corporates more confident in expanding their business, leading

**Chart 2:** Coface CEE Top 500: Number of employees in the Top 500 companies by country compared with the national labour force



**Chart 3:** Coface CEE Top 500: Change in turnover and employment per sector



Figures for some sectors (Agriculture, meat, agri-food & wines, metals, construction, wood & furniture, mechanics & precision and textiles, leather & clothing) are not shown in the diagram as they are off the scale. Agriculture, meat, agri-food & wines: +17.7% in turnover; +10.7% in employment; 3.3% share of total employment; Construction: +1.3% in turnover; +17.1% in employment; 2.2% share of total employment; Metals: -6.4% in turnover; +62.5% in employment; 2.9% share of total employment; Mechanics & precision: -59.1% in turnover; +28.1% in employment; 2.0% share of total employment; Wood & furniture: +12.1% in turnover; +62.5% in employment; 2.9% share of total employment; Textiles, leather & clothing: +23.6% in turnover; +306.0% in employment; 1.1% share of total employment

them to increase capacities and strengthen their workforces.

After soaring in 2013, unemployment has now significantly declined. Whilst four years ago unemployment rates stood at over 10% in nearly all CEE countries, in 2016 this was only the case for two of them, namely Croatia with 13.3% and Serbia with 17.7%. Nevertheless, in Croatia this has reduced significantly in recent quarters, as just two years ago it was close to 18%. In ten countries the unemployment rates decreased by more than 10%. The largest fall was recorded in Hungary with -25.0% and the Czech Republic with -21.6%. Unemployment rates in CEE are now generally lower than in Western European countries. Estonia is the only country recording higher unemployment figures (+9.7%).

**Coface Publication 2017:**  
**Labour shortages in CEE: a growing concern for businesses**

Labour markets in the region are continuing to improve. Unemployment rates have reached the lowest ever recorded. Western European countries have attracted a sizeable share of the workforce and CEE companies have therefore been experiencing more difficulty in recruiting for some time now.

[www.cofacecentraleurope.com/News-Publications](http://www.cofacecentraleurope.com/News-Publications)



# COFACE CEE TOP 500 THE RANKING



The annual Coface CEE Top 500 Ranking is based on financial results from **Infolcon** – the largest single database on company information in CEE.



## METHODOLOGY

The CEE Top 500 is a joint project by the Coface offices in Central Europe. This ranking covers the largest companies in the region – based on the turnover for the 2016 calendar year – and was prepared in 2016 for the ninth time. The study includes the following countries:

Bulgaria • Croatia • Czech Republic • Estonia • Hungary • Latvia • Lithuania • Poland • Romania • Serbia • Slovakia • Slovenia

The largest companies in each of the above countries (turnover  $\geq$  EUR 300 millions) were identified,

excluding financial service providers such as banks, insurance companies, leasing firms and brokers. In addition to revenues, the CEE Top 500 study includes other key corporate indicators, e.g. net profits, the number of employees and the respective changes in relation to the previous year.

Turnover and profit were converted into EUR based on the exchange rate at the end of 2016. The data were taken from our Coface Infolcon database and supplemented with external information as required.

The ranking does not include companies that refused to provide financial results by the time the CEE Top 500 list was finalised.



















\* consolidated, \*\* estimated, † turnover figures 2015 taken as estimate, n.a. not available.

| POSITION 2016 | CHANGE IN POSITION | POSITION 2015 | COUNTRY | COMPANY NAME  | MAIN SECTOR                                       | TURNOVER IN EUR MILLIONS 2015 | TURNOVER IN EUR MILLIONS 2016 | CHANGE IN TURNOVER | NET PROFIT IN EUR MILLIONS 2015 | NET PROFIT IN EUR MILLIONS 2016 | CHANGE IN NET PROFIT | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE IN EMPLOYMENT |
|---------------|--------------------|---------------|---------|---|---|-------------------------------|-------------------------------|--------------------|---------------------------------|---------------------------------|----------------------|-----------------|-----------------|----------------------|
| 474           | NEW                |               | HR      | VIPNET D.O.O.   | Electronics, information & telecommunications     | 375                           | 404                           | 7.7%               | 4.9                             | 6.2                             | 25.3%                | 1,224           | 1,275           | 4.2%                 |
| 475           | NEW                |               | SK      | ESET,S.R.O.   | Electronics, information & telecommunications     | 372                           | 404                           | 8.7%               | 71.0                            | 73.8                            | 3.8%                 | 500             | 583             | 16.6%                |
| 476           | NEW                |               | HU      | SMR AUTOMOTIVE MIRROR TECHNOLOGY HUNGARY BT.                | Automotive & transport                            | 383                           | 403                           | 5.3%               | 15.1                            | 12.2                            | -18.7%               | 3,601           | 4,351           | 20.8%                |
| 477           | ▼                  | 432           | CZ      | LESY ČESKÉ REPUBLIKY, S.P.                                  | Wood & furniture                                  | 425                           | 403                           | -5.2%              | 199.6                           | 153.9                           | -22.9%               | 3,376           | 3,375           | 0.0%                 |
| 478           | NEW                |               | PL      | PKP INTERCITY S.A.  | Automotive & transport                            | 476                           | 401                           | -15.6%             | -12.9                           | 10.7                            | 182.8%               | n.a.            | 8,136           | n.a.                 |
| 479           | NEW                |               | RO      | GLENCORE AGRICULTURE ROMANIA SRL                            | Agriculture, meat, agri-food & wines              | 277                           | 401                           | 44.8%              | 2.7                             | 2.8                             | 1.1%                 | 55              | 53              | -3.6%                |
| 480           | NEW                |               | CZ      | PHILIP MORRIS ČR A.S.                                       | Agriculture, meat, agri-food & wines              | 378                           | 399                           | 5.8%               | 94.0                            | 102.3                           | 8.9%                 | 1,103           | 1,100           | -0.3%                |
| 481           | ▼                  | 471           | PL      | BRENNTAG POLSKA SP. Z O.O.*                                 | Minerals, chemicals, petroleum, plastics & pharma | 398                           | 399                           | 0.3%               | 17.5                            | 17.5                            | 0.2%                 | 555             | 585             | 5.4%                 |
| 482           | ▼                  | 453           | PL      | KRONOSPAN SZCZECINEK SP. Z O.O.                             | Wood & furniture                                  | 405                           | 399                           | -1.6%              | 3.1                             | 10.6                            | 238.7%               | 580             | n.a.            | n.a.                 |
| 483           | ▲                  | 494           | EE      | SELVER AS   | Non-specialised trade                             | 382                           | 399                           | 4.3%               | 8.5                             | 12.2                            | 43.9%                | 2,317           | 2,442           | 5.4%                 |
| 484           | ▼                  | 296           | SK      | OMV SLOVENSKO, S.R.O.                                       | Minerals, chemicals, petroleum, plastics & pharma | 411                           | 398                           | -3.2%              | 13.0                            | 15.8                            | 22.0%                | 107             | 183             | 71.0%                |
| 485           | NEW                |               | BG      | HUVEPHARMA EOOD*  | Minerals, chemicals, petroleum, plastics & pharma | 313                           | 397                           | 27.0%              | 57.5                            | 63.5                            | 10.5%                | 72              | 146             | 102.8%               |
| 486           | ▲                  | 490           | RO      | SCHAEFFLER ROMANIA SRL                                      | Mechanics & precision                             | 384                           | 395                           | 3.1%               | 8.3                             | 15.5                            | 86.3%                | 3,804           | 4,194           | 10.3%                |
| 487           | ▲                  | 497           | PL      | FERMY DROBIU WOŹNIAK SP. Z O.O.                             | Agriculture, meat, agri-food & wines              | 368                           | 393                           | 6.7%               | 7.0                             | 4.3                             | -38.8%               | 1,200           | 1,563           | 30.3%                |
| 488           | NEW                |               | PL      | ZAKŁADY GÓRNICZO-HUTNICZE BOLESŁAW S.A.*                    | Metals  | 363                           | 390                           | 7.6%               | 23.8                            | 50.7                            | 112.8%               | n.a.            | 3,417           | n.a.                 |
| 489           | NEW                |               | CZ      | JIP VÝCHODOČESKÁ, A.S.                                      | Non-specialised trade                             | 383                           | 389                           | 1.6%               | 0.3                             | 1.4                             | 333.2%               | 1,200           | 1,200           | 0.0%                 |
| 490           | NEW                |               | EE      | RIMI EESTI FOOD AS  | Non-specialised trade                             | 368                           | 389                           | 5.6%               | 1.0                             | 3.7                             | 264.1%               | 2,155           | 2,202           | 2.2%                 |
| 491           | NEW                |               | BG      | ASTRA BIOPANT   | Agriculture, meat, agri-food & wines              | 168                           | 388                           | 131.3%             | -0.7                            | 6.4                             | >1,000%              | 124             | 128             | 3.2%                 |
| 492           | ▼                  | 440           | PL      | SLOVNAFT-POLSKA S.A.  | Minerals, chemicals, petroleum, plastics & pharma | 416                           | 387                           | -6.9%              | 1.2                             | 5.5                             | 340.6%               | 35              | 36              | 2.9%                 |
| 493           | NEW                |               | CZ      | DAIKIN INDUSTRIES CZECH REPUBLIC S.R.O.                     | Mechanics & precision                             | 373                           | 387                           | 3.8%               | 25.2                            | 22.3                            | -11.4%               | 830             | 952             | 14.7%                |
| 494           | NEW                |               | RO      | SOCIETATEA NAȚIONALĂ DE TRANSPORT GAZE NATURALE TRANSGAZ SA | Automotive & transport                            | 348                           | 386                           | 10.7%              | 107.7                           | 131.0                           | 21.7%                | 4,769           | 4,665           | -2.2%                |
| 495           | NEW                |               | RO      | ROMANIA HYPERMARCHÉ SA                                      | Non-specialised trade                             | 380                           | 384                           | 1.2%               | -8.8                            | -1.3                            | 85.3%                | 4,779           | 4,316           | -9.7%                |
| 496           | NEW                |               | PL      | SOLARIS BUS & COACH S.A.                                    | Automotive & transport                            | 383                           | 384                           | 0.2%               | 2.8                             | 1.2                             | -59.0%               | n.a.            | 2,215           | n.a.                 |
| 497           | NEW                |               | LT      | RIVONA UAB  | Agriculture, meat, agri-food & wines              | 379                           | 384                           | 1.4%               | 5.4                             | 1.5                             | -72.1%               | 926             | 1,005           | 8.5%                 |
| 498           | ▼                  | 429           | CZ      | SKANSKA A.S.  | Construction                                      | 439                           | 384                           | -12.6%             | 14.4                            | 7.9                             | -45.0%               | 4,000           | 4,000           | 0.0%                 |
| 499           | NEW                |               | SK      | SPP - DISTRIBÚCIA, A.S.                                     | Utilities & public services                       | 362                           | 383                           | 5.8%               | 99.5                            | 143.0                           | 43.6%                | 1,397           | 1,341           | -4.0%                |
| 500           | NEW                |               | BG      | LIDL BULGARIA EOOD END KO COMMNDITE                         | Non-specialised trade                             | 331                           | 382                           | 15.4%              | 3.6                             | 10.3                            | 187.2%               | 1,844           | 2,072           | 12.4%                |

151<sup>ST</sup>  
PLACE

For over 20 years, MOL has carefully built its presence in Romania by investing from scratch or by economically well-argued acquisitions, always having the same goal: serving a customer on the move.



MEMBER OF MOL GROUP

From a station opened in 1995, we reached over 200 units, two oil products, one LPG terminal, concrete plans to support electrical mobility. To all this, we added a unique concept developed in our Fresh Corner stations, which focuses on healthy eating and a non-oil service portfolio that we are constantly completing. All of the above examples show the complexity of MOL Romania's activities and our commitment to the client.

Beyond being a quality fuel supplier, we understand to be a partner for those in motion, this being the main factor underlying all of our developments. We believe in the potential of the Romanian market and we will continue to be mindful of all the opportunities that might come.



**Camelia Ene**  
CEO & Country Chairman  
MOL Romania

# ECONOMIC OUTLOOK

BY GRZEGORZ SIELEWICZ  
ECONOMIST CENTRAL  
& EASTERN EUROPE





## BULGARIA

A4

Coface Country  
Risk Assessment  
June 2017

A4

Coface  
Business Climate  
June 2017

+3.0%

Coface 2017  
GDP forecast

**Dynamic growth of private consumption and net exports supported a 3.4% expansion of the economy last year. On the other hand, investments suffered from a slow transition to the new EU budget, which remains an important source of co-financing.**

Growth is expected to remain solid, reaching 3.0% this year but it should be more broadly balanced. The acceleration of EU funding will support investment, and household consumption is likely to remain strong.

The latter is supported by growing employment, moderate inflation and rising consumer confidence. The unemployment rate reached its level of ten years ago. The improved economic situation in Bulgaria's trading partners is positive for exports which have already been growing steadily this year.

Bulgarian businesses perceive an improvement, according to business sentiment surveys. Service sectors, especially ICT and tourism, have been

delivering solid results. On the supply side, the manufacturing and business sectors are the main engines of growth.

Risks for a solid growth environment include slower implementation of EU funding, with some public investment programmes in particular running behind schedule. Nevertheless, the baseline scenario assumes the return of private and public investments as significant growth contributors. Falling unemployment will continue to fuel economic growth next year.

Continued economic  
recovery

**Table 2:**  
Coface Bulgarian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME                           | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|--|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | 25           | BULGARIAN ENERGY HOLDING JSC*          | Utilities & public services                       | 3,419         | 3,105         | -9.2%  | 70.1            | -39.6           | -156.6% | 88              | 87              | -1.1%  |
| 2    | 44           | LUKOIL NEFTOHIM BURGAS JSC             | Minerals, chemicals, petroleum, plastics & pharma | 2,614         | 2,299         | -12.0% | -62.4           | 60.9            | 197.5%  | 1,454           | 1,409           | -3.1%  |
| 3    | 77           | AURUBIS BULGARIA JSC*                  | Metals  | 2,144         | 1,651         | -23.0% | 112.0           | 100.6           | -10.2%  | 836             | 854             | 2.2%   |
| 4    | 83           | NATSIONALNA ELEKTRICHESKA KOMPANIA JSC | Utilities & public services                       | 1,636         | 1,549         | -5.4%  | -45.6           | -65.8           | -44.3%  | 2,163           | 2,095           | -3.1%  |
| 5    | 99           | LUKOIL-BULGARIA LTD                    | Minerals, chemicals, petroleum, plastics & pharma | 1,536         | 1,404         | -8.6%  | -3.2            | -2.0            | 37.0%   | 2,796           | 2,806           | 0.4%   |
| 6    | 198          | KAUFLAND BULGARIA FOOD & CO*           | Non-specialised trade                             | 760           | 851           | 11.9%  | 42.1            | 45.4            | 8.0%    | 7,498           | 7,765           | 3.6%   |
| 7    | 287          | CEZ ELECTRO BULGARIA                   | Utilities & public services                       | 717           | 650           | -9.2%  | 4.4             | 0.3             | -92.3%  | 79              | 81              | 2.5%   |
| 8    | 325          | ADVANCE PROPERTIES LTD*                | Others  | 508           | 574           | 13.1%  | 33.4            | 50.9            | 52.4%   | 57              | 56              | -1.8%  |
| 9    | 344          | EXPRESS LOGISTIC AND DISTRIBUTION LTD  | Agriculture, meat, agri-food & wines              | 506           | 546           | 7.8%   | -0.3            | 1.9             | 820.0%  | 876             | 907             | 3.5%   |
| 10   | 363          | BULGARGAZ JSC                          | Minerals, chemicals, petroleum, plastics & pharma | 716           | 518           | -27.6% | 10.4            | 18.8            | 80.1%   | 59              | 60              | 1.7%   |



## CROATIA

B

Coface Country  
Risk Assessment  
June 2017

A3

Coface  
Business Climate  
June 2017

+2.8%

Coface 2017  
GDP forecast

**After emerging in 2015 from a long period of recession, economic activity in Croatia strengthened further last year, reaching a growth rate of 2.9%.**

The first months of 2017 have also delivered good results, especially in the retail and tourism sectors. Nevertheless, the financial troubles of Agrokor, Croatia's largest employer, have been significant, with the company having difficulties in refinancing its liabilities. This affected not only Agrokor's suppliers but also the economy overall. The collapse of Agrokor is expected to have a negative effect on the country's growth rate for 2017. It will be reflected not only in slower growth of industrial production but also in deteriorating confidence and weaker consumption and investments as a consequence. On the other hand, lower unemployment and rising wages, as well as the personal income tax reform, will keep private consumption growing at solid rates. Investment growth will be supported by transfers from the EU budget.

The tourism sector is likely to make an even larger contribution to the economy, thanks to a growing number of tourists and increasing investments in the sector.

Despite labour market improvements, the unemployment rate remains high, reaching 13.2% in April 2017. Due to structural mismatches this does not eliminate labour shortages, which are particularly prevalent in shipbuilding, metals, construction and transport as well as tourism.

Economic activity weakened  
by collapse of largest  
employer

**Table 3:**  
Coface Croatian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME                                   | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|--|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | 61           | INA D.D.                                       | Minerals, chemicals, petroleum, plastics & pharma | 2,311         | 1,977         | -14.5% | -159.1          | 21.2            | 113.3%  | 7,792           | 4,387           | -43.7% |
| 2    | 153          | HRVATSKA ELEKTROPRIVREDA D.D.                  | Utilities & public services                       | 1,110         | 1,041         | -6.3%  | 214.9           | 175.1           | -18.5%  | 443             | 428             | -3.4%  |
| 3    | 193          | HEP - OPERATOR DISTRIBUCIJS-KOG SUSTAVA D.O.O. | Utilities & public services                       | 928           | 875           | -5.7%  | 95.9            | 88.2            | -8.0%   | 7,680           | 7,569           | -1.4%  |
| 4    | 217          | HRVATSKI TELEKOM D.D.                          | Electronics, information & telecommunications     | 789           | 803           | 1.7%   | 118.2           | 120.2           | 1.7%    | 4,045           | 4,045           | 0.0%   |
| 5    | 317          | PLIVA HRVATSKA D.O.O.                          | Minerals, chemicals, petroleum, plastics & pharma | 509           | 588           | 15.4%  | 22.5            | 73.4            | 226.5%  | 2,118           | 2,095           | -1.1%  |
| 6    | 334          | PETROL D.O.O.                                  | Minerals, chemicals, petroleum, plastics & pharma | 639           | 560           | -12.3% | 9.2             | 13.1            | 42.6%   | 767             | 788             | 2.7%   |
| 7    | 356          | LIDL HRVATSKA D.O.O. K.D.                      | Non-specialised trade                             | 489           | 527           | 7.7%   | 24.5            | 32.1            | 30.7%   | 1,884           | 1,981           | 5.1%   |
| 8    | 369          | PLODINE D.D.                                   | Non-specialised trade                             | 513           | 511           | -0.3%  | 4.7             | 10.1            | 115.3%  | 3,315           | 3,315           | 0.0%   |
| 9    | 429          | KAUFLAND HRVATSKA K.D.                         | Non-specialised trade                             | 423           | 444           | 5.1%   | 0.9             | -3.9            | -537.2% | 3,040           | 3,061           | 0.7%   |
| 10   | 437          | HEP PROIZVODNJA D.O.O.                         | Utilities & public services                       | 437           | 433           | -1.0%  | 44.6            | 56.7            | 27.0%   | 2,000           | 1,869           | -6.6%  |



## CZECH REPUBLIC

A2

Coface Country  
Risk Assessment  
June 2017

**The Czech labour market remains strong with the unemployment rate falling below 4% – stronger than other CEE countries in this regard. Buoyant consumer confidence, combined with private consumption, is driving economic growth.**

koruna, however this policy change was expected and business entities, mostly exporting companies, were prepared for the removal of the cap, making their products less competitive on foreign markets.

Nevertheless, Czech exports benefit from inclusion in Western European manufacturing chains and higher demand coming from the Eurozone. Inflation is expected to exceed 2%, supported by price increases for food and services as well as a further tightening of the labour market and low unemployment.

On the other hand, labour shortages in the Czech Republic are the highest among all CEE countries and companies find it hard to fill vacancies, particularly for specialised jobs. This situation also results in rising wages. Moreover, it limits growth in production capacities, which would be beneficial for increasing Czech exports in line with growing foreign demand. Both private and public investments are expected to increase and further contribute to growth. The economy is expected to grow by 2.7% this year and 2.8% in 2018.

A2

Coface  
Business Climate  
June 2017

+2.7%

Coface 2017  
GDP forecast

As inflation has returned to 'normal' the central bank decided to abandon the exchange rate cap in April 2017 which had been in force for the last 3 years. The move had some minor impact on the value of the



Strong labour market



Table 4:

Coface Czech Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME                                 | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|--|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | 2            | ŠKODA AUTO A.S.                              | Automotive & transport                            | 11,651        | 12,876        | 10.5%  | 1,140.2         | 1,313.4         | 15.2%   | 23,700          | 23,700          | 0.0%   |
| 2    | 7            | ČEZ, A. S.*                                  | Utilities & public services                       | 7,776         | 7,539         | -3.1%  | 760.2           | 830.0           | 9.2%    | 5,500           | 5,400           | -1.8%  |
| 3    | 11           | HYUNDAI MOTOR MANUFACTURING CZECH S.R.O.     | Automotive & transport                            | 4,649         | 5,282         | 13.6%  | 203.5           | 313.5           | 54.0%   | 2,585           | 2,585           | 0.0%   |
| 4    | 18           | ALPIQ ENERGY SE                              | Utilities & public services                       | 6,462         | 3,375         | -47.8% | 9.9             | -51.2           | -618.3% | 100             | 110             | 10.0%  |
| 5    | 26           | UNIPETROL RPA, S.R.O.                        | Minerals, chemicals, petroleum, plastics & pharma | 3,782         | 3,047         | -19.4% | 200.3           | 172.0           | -14.1%  | 1,626           | 1,800           | 10.7%  |
| 6    | 38           | ČEZ PRODEJ, S.R.O.                           | Utilities & public services                       | 2,673         | 2,477         | -7.3%  | 179.2           | 132.2           | -26.2%  | 227             | 96              | -57.7% |
| 7    | 50           | KAUFLAND ČESKÁ REPUBLIKA V.O.S.              | Non-specialised trade                             | 2,043         | 2,159         | 5.7%   | 78.5            | 77.3            | -1.5%   | 11,741          | 12,302          | 4.8%   |
| 8    | 51           | CONTINENTAL AUTOMOTIVE CZECH REPUBLIC S.R.O. | Automotive & transport                            | 1,980         | 2,148         | 8.4%   | 28.6            | -40.7           | -242.4% | 7,003           | 7,000           | 0.0%   |
| 9    | 54           | CONTINENTAL BARUM S.R.O.                     | Automotive & transport                            | 2,135         | 2,088         | -2.2%  | 122.8           | 130.2           | 6.0%    | 3,600           | 3,600           | 0.0%   |
| 10   | 65           | MORAVIA STEEL A.S.                           | Metals  | 2,129         | 1,867         | -12.3% | 102.7           | 86.1            | -16.2%  | 306             | 300             | -2.0%  |



## ESTONIA

A2

Coface Country  
Risk Assessment  
June 2017

**Estonia benefits from a more diversified export structure compared to other Baltic peers, however higher exposure to Nordic countries than is the case for other CEE economies was affected by the slower growth of those trading partners last year.**

expected to increase slightly, due to an increase in the effective pension age and growing immigration, mostly as a result of Estonians returning from abroad.

A1

Coface  
Business Climate  
June 2017

+2.3%

Coface 2017  
GDP forecast

In 2017 Estonian exports will experience increased demand thanks to an upswing in Finland and Russia as well as good prospects in other key markets, including Sweden, Germany and the other two Baltic States. After reaching 1.6% growth last year Estonia will experience positive economic development.

The improving business environment is confirmed by growing business confidence, supported by better prospects and increasing demand. Industrial production and construction output have gained momentum with both benefitting from increased investment activity in 2017.

The growth rate will reach 2.3% this year and 2.8% next year. Along with new EU funds as co-financing for investments and an increased tendency for companies to invest in fixed assets, this segment of domestic demand will strengthen to support economic growth. Household consumption remains a significant growth contributor, however it is likely to be less buoyant this year due to rising inflation and tax hikes. Moreover, the unemployment rate is



Better prospects on export markets amid growing domestic demand



Table 5:

Coface Estonian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME              | MAIN SECTOR                                   | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE   | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|---------------------------|---|---------------|---------------|--------|-----------------|-----------------|----------|-----------------|-----------------|--------|
| 1    | 124          | ERICSSON EESTI AS         | Electronics, information & telecommunications | 1,196         | 1,213         | 1.4%   | -1.5            | 7.4             | 585.8%   | 1,418           | 1,491           | 5.1%   |
| 2    | 412          | TALLINK GRUPP AS          | Automotive & transport                        | 471           | 456           | -3.3%  | 0.1             | -33.0           | >-1,000% | 6,966           | 7,234           | 3.8%   |
| 3    | 427          | MAXIMA EESTI OÜ           | Non-specialised trade                         | 440           | 445           | 1.1%   | -2.5            | -11.7           | -369.5%  | 3,761           | 3,912           | 4.0%   |
| 4    | 483          | SILVER AS                 | Non-specialised trade                         | 382           | 399           | 4.3%   | 8.5             | 12.2            | 43.9%    | 2,317           | 2,442           | 5.4%   |
| 5    | 490          | RIMI EESTI FOOD AS        | Non-specialised trade                         | 368           | 389           | 5.6%   | 1.0             | 3.7             | 264.1%   | 2,155           | 2,202           | 2.2%   |
| 6    | -            | ENEFIT ENERGIATOOTMINE AS | Utilities & public services                   | 262           | 340           | 29.5%  | -81.4           | 60.1            | 173.9%   | 644             | 934             | 45.0%  |
| 7    | -            | TELIA EESTI AS            | Electronics, information & telecommunications | 310           | 296           | -4.5%  | 52.1            | 23.9            | -54.2%   | 1,925           | 1,860           | -3.4%  |
| 8    | -            | COOP EESTI KESKÜHISTU     | Non-specialised trade                         | 280           | 293           | 4.7%   | 2.2             | 1.7             | -21.5%   | 831             | 622             | -25.2% |
| 9    | -            | SILBERAUTO AS             | Automotive & transport                        | 214           | 290           | 35.5%  | 2.3             | 5.0             | 120.8%   | 67              | 64              | -4.5%  |
| 10   | -            | EESTI ENERGIA AS          | Utilities & public services                   | 344           | 288           | -16.2% | 109.2           | 54.8            | -49.8%   | 6,015           | 5,840           | -2.9%  |



## HUNGARY

A4

Coface Country  
Risk Assessment  
June 2017

A3

Coface  
Business Climate  
June 2017

+3.6%

Coface 2017  
GDP forecast

**Last year GDP growth in Hungary slowed to 2.0%. Similar to the experience in other CEE countries, the economy suffered from a lower inflow of EU funds, due to the transition to the new European budget.**

There was a significant contraction of investments, which fell by more than 15% in 2016. This severe contraction resulted in a negative contribution by domestic demand to GDP growth, despite good dynamics in private consumption. Indeed, household spending is benefitting from rising employment and higher wages. The unemployment rate has dropped below 5% this year while wages have increased, partly thanks to raising the general minimum wage as well as an increase in the guaranteed minimum wage for skilled workers. Closer to the elections in 2018 both these categories will be increased further. The stimulus for wage increases comes from a tight labour market. Labour shortages have become an important constraint for many companies, both in their existing business activities and for development

potential. It applies mostly to skilled employees. Skill mismatches are still present in the Hungarian labour market.

Investments rebounded this year with solid growth rates, however the improvement trend has been interrupted to some extent by a statistical base effect, with a low level recorded in 2016. Investments are expected to keep growing, with support from EU-funded and public investment in infrastructure as well as private investment. This is also reflected in rising automotive production capacities, making this sector an even stronger contributor to Hungarian exports.

“  
Solid growth  
rates anticipated  
”

**Table 6:**  
Coface Hungarian Top 10  
Turnover and net profit in EUR millions

| RANK | RANK TOP 500 | COMPANY NAME                             | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE  |
|------|--------------|--|---|---------------|---------------|--------|-----------------|-----------------|--------|-----------------|-----------------|---------|
| 1    | 3            | MOL MAGYAR OLAJ- ÉS GÁZIPARI NYRT.*      | Minerals, chemicals, petroleum, plastics & pharma | 13,259        | 11,468        | -13.5% | -1,028.4        | 812.2           | 179.0% | 5,372           | 4,828           | -10.1%  |
| 2    | 6            | AUDI HUNGARIA MOTOR KFT.                 | Automotive & transport                            | 8,338         | 7,554         | -9.4%  | 441.7           | 342.8           | -22.4% | 12,015          | 12,159          | 1.2%    |
| 3    | 17           | MERCEDES-BENZ MANUFACTURING HUNGARY KFT. | Automotive & transport                            | 3,401         | 3,403         | 0.1%   | 65.8            | 64.4            | -2.1%  | 3,715           | 3,543           | -4.6%   |
| 4    | 19           | MVM MAGYAR VILLAMOS MŰVEK ZRT.*          | Utilities & public services                       | 4,008         | 3,338         | -16.7% | 46.6            | 156.2           | 235.4% | 303             | 338             | 11.6%   |
| 5    | 28           | GE INFRASTRUCTURE HUNGARY HOLDING KFT.*  | Mechanics & precision                             | 14,533        | 2,890         | -80.1% | 10,183.4        | 334.4           | -96.7% | 2,050           | 10,627          | >1,000% |
| 6    | 46           | MAGYAR SUZUKI ZRT.                       | Automotive & transport                            | 1,976         | 2,284         | 15.6%  | 57.8            | 37.8            | -34.6% | 3,072           | 2,919           | -5.0%   |
| 7    | 57           | TESCO-GLOBAL ÁRUHÁZAK ZRT.               | Non-specialised trade                             | 1,943         | 2,053         | 5.7%   | 41.9            | 164.5           | 292.9% | 18,611          | 18,611          | 0.0%    |
| 8    | 62           | SAMSUNG ELECTRONICS MAGYAR ZRT.          | Electronics, information & telecommunications     | 2,401         | 1,969         | -18.0% | 75.6            | 68.9            | -8.8%  | 1,866           | 1,845           | -1.1%   |
| 9    | 63           | ROBERT BOSCH ELEKTRONIKA GYÁRTÓ KFT.*    | Electronics, information & telecommunications     | 2,883         | 1,936         | -32.8% | 65.7            | 59.4            | -9.6%  | 10,511          | 4,995           | -52.5%  |
| 10   | 73           | WIZZ AIR HUNGARY LÉGIKÖZLEKEDÉSI KFT.    | Automotive & transport                            | 1,573         | 1,730         | 10.0%  | 226.4           | 224.3           | -1.0%  | 2,282           | 2,046           | -10.3%  |



## LATVIA

A3

Coface Country  
Risk Assessment  
June 2017

A3

Coface  
Business Climate  
June 2017

+3.4%

Coface 2017  
GDP forecast

**In 2016 Latvia recorded a slowdown in growth, achieving only 2.0%. This reflected weaker investments during the transition to the new EU budget and partially the economic deterioration of a crucial trading partner – Russia.**

The outlook for this year is much better. Coface expects Latvia to record a growth rate of 3.4% in 2017, i.e. the highest GDP growth among the Baltic states. Investments will support the recovery of the construction sector and are likely to contribute above half of the growth in 2017. Public investment in infrastructure will make a significant contribution to the recovery. Household consumption will continue to grow, with rising employment and growing income. The latter is also benefitting from an increase in the minimum wage but its level remains still relatively low.

In 2018 private consumption will be supported by a further increase in the minimum wage and a planned decrease in personal income tax rates. Moreover, the unemployment rate is expected to drop further.

On the external side, exports are benefitting from a gradual increase in momentum. Key factors here are an anticipated higher volume of exports to Western Europe but also a gradual improvement in the Russian economy. Indeed, increased Russian demand has been already confirmed in the first months of 2017. Nevertheless, the net contribution of exports is likely to be negative this year, due to increased imports, as a result of consumer demand as well as higher inputs for investments.

“  
Household consumption  
and fixed asset investments  
drive growth  
”

**Table 7:**  
Coface Latvian Top 10  
Turnover and net profit in EUR millions

| RANK | RANK TOP 500 | COMPANY NAME                    | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|---------------------------------|---|---------------|---------------|--------|-----------------|-----------------|--------|-----------------|-----------------|--------|
| 1    | 205          | RIMI LATVIA SIA                 | Non-specialised trade                             | 785           | 831           | 5.8%   | 27.4            | 32.1            | 17.0%  | 5,690           | 5,786           | 1.7%   |
| 2    | 230          | URALCHEM TRADING SIA            | Minerals, chemicals, petroleum, plastics & pharma | 1,133         | 778           | -31.3% | 25.1            | 9.8             | -61.0% | 30              | 37              | 23.3%  |
| 3    | 269          | MAXIMA LATVIJA SIA              | Non-specialised trade                             | 689           | 694           | 0.7%   | 19.2            | 12.0            | -37.5% | 7,948           | 7,686           | -3.3%  |
| 4    | 368          | LATVENERGO AS                   | Utilities & public services                       | 521           | 514           | -1.5%  | 94.8            | 137.4           | 45.1%  | 1,464           | 1,478           | 1.0%   |
| 5    | -            | ELKO GRUPA AS                   | Electronics, information & telecommunications     | 368           | 382           | 3.8%   | 8.7             | 8.4             | -3.8%  | 203             | 223             | 9.9%   |
| 6    | -            | CIRCLE K LATVIA SIA             | Minerals, chemicals, petroleum, plastics & pharma | 394           | 358           | -9.0%  | 19.0            | 21.6            | 13.8%  | 747             | 749             | 0.3%   |
| 7    | -            | ORLEN LATVIJA SIA               | Minerals, chemicals, petroleum, plastics & pharma | 460           | 356           | -22.6% | 2.3             | 1.8             | -22.4% | 8               | 8               | 0.0%   |
| 8    | -            | LATVIJAS GĀZE AS                | Utilities & public services                       | 391           | 344           | -12.0% | 30.5            | 37.5            | 22.9%  | 1,264           | 1,271           | 0.6%   |
| 9    | -            | SADALES TĪKLS AS                | Utilities & public services                       | 292           | 316           | 8.0%   | -10.8           | 0.0             | 100.0% | 2,561           | 2,554           | -0.3%  |
| 10   | -            | SAMSUNG ELECTRONICS BALTICS SIA | Electronics, information & telecommunications     | 292           | 281           | -3.6%  | 5.8             | 5.3             | -8.9%  | 63              | 56              | -11.1% |

\* consolidated, \*\* estimated, n.a. not available.



## LITHUANIA

A3

Coface Country  
Risk Assessment  
June 2017

**The improvement of the Lithuanian economy started in the last quarter of the previous year. In that period resurging investments and growing exports (especially service exports) joined the main driver of growth, which was private consumption.**

Exports will benefit from more positive prospects in crucial export destinations, i.e. the EU and Russia. These are already showing good development in demand. Coface's forecast assumes that the Lithuanian economy will grow by 3.1% this year and 3.2% in 2018.

A3

Coface  
Business Climate  
June 2017

In 2017 those positive developments have been continued. The new EU budget is gradually producing increasing investment, while growing mortgage credits are boosting the new housing element of the construction sector, where activity is strong.

+3.1%

Coface 2017  
GDP forecast

Private consumption will be still an important growth factor but its contribution could be lower than last year as a result of not only stronger investment but also smaller gains in households' purchasing power, due to higher inflation. Nevertheless, this will remain the key driver of the economy, benefitting from a strong labour market and sizeable growth in wages.



**Stronger domestic and external demand**



Table 8:

Coface Lithuanian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME                 | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|------------------------------|---|---------------|---------------|--------|-----------------|-----------------|--------|-----------------|-----------------|--------|
| 1    | 20           | ORLEN LIETUVA AB*            | Minerals, chemicals, petroleum, plastics & pharma | 3,730         | 3,267         | -12.4% | 213.3           | 219.0           | 2.7%   | 1,569           | 1,562           | -0.4%  |
| 2    | 22           | VILNIAUS PREKYBA UAB*        | Others  | 3,171         | 3,250         | 2.5%   | 101.8           | 94.7            | -7.0%  | 34,941          | 36,052          | 3.2%   |
| 3    | 33           | MAXIMA GRUPE UAB*            | Non-specialised trade                             | 2,683         | 2,693         | 0.4%   | 77.1            | 32.8            | -57.4% | 31,400          | 30,900          | -1.6%  |
| 4    | 87           | MAXIMA LT UAB                | Non-specialised trade                             | 1,524         | 1,503         | -1.4%  | 72.4            | 53.1            | -26.7% | 17,145          | 16,982          | -1.0%  |
| 5    | 144          | LIETUVOS ENERGIJA UAB*       | Utilities & public services                       | 1,048         | 1,071         | 2.1%   | 55.3            | 118.4           | 114.2% | 5,300           | 4,500           | -15.1% |
| 6    | 210          | SANITEX UAB*                 | Non-specialised trade                             | 785           | 823           | 4.8%   | 12.8            | 8.1             | -37.0% | 3,122           | 3,443           | 10.3%  |
| 7    | 283          | KONCERNAS ACHEMOS GRUPE UAB* | Others  | 797           | 660           | -17.2% | 85.6            | 36.0            | -58.0% | 4,800           | 4,800           | 0.0%   |
| 8    | 297          | PALINK UAB*                  | Non-specialised trade                             | 597           | 632           | 6.0%   | 9.7             | 8.7             | -9.6%  | 7,627           | 7,382           | -3.2%  |
| 9    | 305          | LINAS AGRO GROUP AB*         | Agriculture, meat, agri-food & wines              | 574           | 616           | 7.4%   | 9.2             | 3.9             | -57.1% | 2,334           | 2,261           | -3.1%  |
| 10   | 322          | KONCERNAS MG BALTIC UAB*     | Others  | 539           | 581           | 7.8%   | 22.3            | 28.6            | 28.1%  | 3,629           | 3,716           | 2.4%   |



## POLAND

A3

Coface Country  
Risk Assessment  
June 2017

**As in other CEE countries, GDP growth in Poland suffered a slowdown last year due to weaker investments during the transition to the new EU budget. Nevertheless, growth reached 2.7% in 2016, i.e. a relatively solid level. The main contribution came from strengthening private consumption.**

retirement age from October 2017. The tightening labour market will drive wages growth.

A2

Coface  
Business Climate  
June 2017

That trend continues this year with households still strongly supporting Polish growth. The unemployment rate has reached the lowest level for the last 26 years while wages continue to rise. Moreover, the child allowance that was introduced last year is encouraging further retail sales growth in Poland. In a strong labour market environment, skill shortages have been rising. Companies have been reporting difficulties in filling vacancies, despite a sizeable inflow of Ukrainian workers to Poland. Labour shortages are expected to remain a constraint, especially as unemployment rates are expected to decrease further and the labour supply will be affected by the lowering of statutory

After a slump in fixed assets investment, this will contribute positively to growth in the coming years. However the first months of 2017 showed that companies have remained relatively reluctant to make significant increases in their investments. Growth in this area came mostly from small and medium enterprises increasing their investments in machinery. Nevertheless, private investments will grow, and this is already reflected in public infrastructure projects which started to recover. Coface forecasts that Poland will record growth of 3.6% in 2017 and 3.3% in 2018.



**Strong private consumption and rebounding investments**



Table 9:

Coface Polish Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME                                  | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|---|---|---------------|---------------|--------|-----------------|-----------------|--------|-----------------|-----------------|--------|
| 1    | 1            | POLSKI KONCERN NAFTOWY ORLEN S.A.*            | Minerals, chemicals, petroleum, plastics & pharma | 20,029        | 18,038        | -9.9%  | 733.1           | 1,301.5         | 77.5%  | 19,932          | 19,730          | -1.0%  |
| 2    | 4            | JERONIMO MARTINS POLSKA S.A.                  | Non-specialised trade                             | 8,900         | 9,867         | 10.9%  | 270.4           | 336.8           | 24.6%  | 55,234          | 55,187          | -0.1%  |
| 3    | 8            | POLSKIE GÓRNICTWO NAFTOWE I GAZOWNICTWO S.A.* | Utilities & public services                       | 8,268         | 7,527         | -9.0%  | 484.3           | 532.6           | 10.0%  | 25,419          | 25,271          | -0.6%  |
| 4    | 9            | PGE POLSKA GRUPA ENERGETYCZNA S.A.*           | Utilities & public services                       | 6,472         | 6,370         | -1.6%  | -688.6          | 581.8           | 184.5% | 39,321          | 38,924          | -1.0%  |
| 5    | 12           | EUROCASH S.A.*                                | Non-specialised trade                             | 4,607         | 4,811         | 4.4%   | 52.2            | 43.1            | -17.5% | 11,622          | 11,966          | 3.0%   |
| 6    | 13           | GRUPA LOTOS S.A.*                             | Minerals, chemicals, petroleum, plastics & pharma | 5,149         | 4,746         | -7.8%  | -59.7           | 230.2           | 485.6% | 4,850           | 4,888           | 0.8%   |
| 7    | 15           | KGHM POLSKA MIEDŹ S.A.*                       | Minerals, chemicals, petroleum, plastics & pharma | 4,537         | 4,343         | -4.3%  | -1,135.8        | -1,008.8        | 11.2%  | 33,598          | 33,370          | -0.7%  |
| 8    | 16           | TAURON POLSKA ENERGIA S.A.*                   | Utilities & public services                       | 4,141         | 4,001         | -3.4%  | -409.1          | 83.9            | 120.5% | 24,277          | 25,542          | 5.2%   |
| 9    | 21           | FCA POLAND S.A.                               | Automotive & transport                            | 3,112         | 3,255         | 4.6%   | 82.2            | 58.4            | -28.9% | 3,260           | 3,128           | -4.0%  |
| 10   | 30           | VOLKSWAGEN POZNAŃ SP. Z O.O.                  | Automotive & transport                            | 2,231         | 2,834         | 27.0%  | 30.0            | 1.4             | -95.5% | 7,141           | 7,939           | 11.2%  |



## ROMANIA

A4

Coface Country  
Risk Assessment  
June 2017

A3

Coface  
Business Climate  
June 2017

+4.5%

Coface 2017  
GDP forecast

**GDP growth remains at high levels and Romania is the leader of growth in the CEE region. Private consumption is supported by cuts in VAT rates, which have been implemented in various stages since 2015.**

Moreover, households are benefitting from several increases in minimum wages, public sector compensation and pensions. The unemployment rate dropped to a historical low while the level of average wages has been increasing. As a result, private consumption is growing and this has recently recorded much higher activity than in the past. However another part of domestic demand – fixed assets investment – has not shown the expected improvement.

At the same time, generous fiscal stimulus measures have led to a widening budget deficit. The overall government balance rose from -0.8% of GDP in 2015 to -3.0% in 2016 and it is expected to stay in this area for the next few years. Export companies

are benefitting from increased foreign demand. This applies chiefly to the electrical equipment and automotive sectors, however Romania also attracts many FDI projects, which are especially evident in the service sectors. Household consumption will remain the principal driver of Romanian growth. Although exports are likely to maintain good growth dynamics, the contribution of net exports to GDP growth will be negative, due to strong imports. Coface expects that the Romanian economy will expand by 4.5% this year and 3.7% next year.



**Fiscal stimulus strengthens consumption but also widens deficit**



**Table 10:**  
Coface Romanian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME                                   | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|--|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | 14           | AUTOMOBILE-DACIA SA                            | Automotive & transport                            | 4,222         | 4,575         | 8.4%   | 98.7            | 100.6           | 1.9%    | 13,884          | 13,835          | -0.4%  |
| 2    | 23           | OMV PETROM MARKETING SRL                       | Minerals, chemicals, petroleum, plastics & pharma | 3,255         | 3,173         | -2.5%  | 72.9            | 85.0            | 16.5%   | 222             | 220             | -0.9%  |
| 3    | 31           | OMV PETROM SA                                  | Minerals, chemicals, petroleum, plastics & pharma | 3,016         | 2,759         | -8.5%  | -138.9          | 200.0           | 244.0%  | 15,581          | 14,380          | -7.7%  |
| 4    | 52           | KAUFLAND ROMANIA SCS                           | Non-specialised trade                             | 2,021         | 2,135         | 5.6%   | 143.0           | 143.9           | 0.7%    | 13,263          | 14,070          | 6.1%   |
| 5    | 64           | ROMPETROL RAFINARE SA                          | Minerals, chemicals, petroleum, plastics & pharma | 2,162         | 1,933         | -10.6% | 18.6            | 15.4            | -17.0%  | 1,173           | 1,085           | -7.5%  |
| 6    | 68           | ROMPETROL DOWNSTREAM SRL                       | Minerals, chemicals, petroleum, plastics & pharma | 1,816         | 1,807         | -0.5%  | -30.6           | 13.7            | 144.7%  | 1,577           | 894             | -43.3% |
| 7    | 69           | BRITISH AMERICAN TOBACCO (ROMANIA) TRADING SRL | Agriculture, meat, agri-food & wines              | 1,619         | 1,802         | 11.3%  | 96.0            | 148.1           | 54.3%   | 715             | 674             | -5.7%  |
| 8    | 119          | CARREFOUR ROMANIA SA                           | Non-specialised trade                             | 1,135         | 1,250         | 10.2%  | 28.1            | 36.2            | 28.5%   | 7,985           | 9,101           | 14.0%  |
| 9    | 123          | LIDL DISCOUNT SRL                              | Non-specialised trade                             | 1,041         | 1,229         | 18.1%  | 37.9            | 48.0            | 26.7%   | 3,771           | 4,265           | 13.1%  |
| 10   | 128          | LUKOIL ROMANIA SRL                             | Minerals, chemicals, petroleum, plastics & pharma | 1,198         | 1,182         | -1.3%  | 7.7             | -3.6            | -146.2% | 2,986           | 2,819           | -5.6%  |



## RUSSIA

B

Coface Country  
Risk Assessment  
June 2017

C

Coface  
Business Climate  
June 2017

+1.0%

Coface 2017  
GDP forecast

**After two years of recession the Russian economy returned to positive growth. Nevertheless, Coface only expects this to reach a weak level of 1% this year.**

Activity in the hydrocarbon sector, which is an important factor for exports and the entire economy, is expected to progress only slightly: at the end of 2016, production reached a record level, but the lack of investment and the maturity of numerous oil fields limit the prospects for increasing production capacities. Moreover, Russia has committed to lowering its production in accordance with the OPEC agreement. A slight recovery of domestic demand is likely to be beneficial for manufacturing sectors, including food processing, chemical/pharmaceutical and automotive. Fixed asset investments picked up slightly, but this could be considered as an effect of the recovery, especially as they were previously declining.



**Recovery initiated but its pace is slow**



Private consumption will support growth, after making a negative contribution in the last two years. It will benefit from a slow increase in household incomes and the strengthening currency. Confidence is improving and inflation is coming close to the central bank's target of 4%. Inflation is likely to remain at similarly low levels and unemployment will be stabilised. However a faster recovery is constrained by a lack of reforms. Stabilised oil prices and improved demand prospects for trading partners should support Russian exports. Coface forecasts that GDP growth in Russia will reach 1.5% in 2018.

**Table 11:**  
Coface Russian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, only, n.a. not available.

| RANK | COMPANY NAME               | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|----------------------------|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | PJSC GAZPROM*              | Minerals, chemicals, petroleum, plastics & pharma | 94,453        | 95,040        | 0.6%   | 12,522.5        | 13,024.1        | 4.0%    | 462,400         | 467,400         | 1.1%   |
| 2    | OJSC ROSNEFT OIL COMPANY*  | Minerals, chemicals, petroleum, plastics & pharma | 80,093        | 77,574        | -3.1%  | 5,536.5         | 3,126.0         | -43.5%  | 261,500         | 295,800         | 13.1%  |
| 3    | PJSC LUKOIL*               | Minerals, chemicals, petroleum, plastics & pharma | 80,459        | 73,775        | -8.3%  | 4,552.8         | 3,229.3         | -29.1%  | 106,200         | 105,500         | -0.7%  |
| 4    | OJSC RUSSIAN RAILWAYS*     | Automotive & transport                            | 30,964        | 33,177        | 7.1%   | 127.2           | 160.1           | 25.8%   | 808,900         | 774,000         | -4.3%  |
| 5    | STATE CORPORATION "ROSTEC" | Mechanics & precision                             | 17,729        | 19,689        | 11.1%  | 1,539.7         | 1,368.6         | -11.1%  | 445,000         | 462,000         | 3.8%   |
| 6    | PJSC "MAGNIT"              | Non-specialised trade                             | 14,784        | 16,716        | 13.1%  | 918.5           | 846.2           | -7.9%   | 265,982         | 271,369         | 2.0%   |
| 7    | X5 RETAIL GROUP*           | Non-specialised trade                             | 12,579        | 16,076        | 27.8%  | 220.4           | 346.7           | 57.3%   | 167,488         | 196,128         | 17.1%  |
| 8    | OJSC "SURGUTNEFTGAS"       | Minerals, chemicals, petroleum, plastics & pharma | 15,593        | 15,876        | 1.8%   | 11,844.1        | -964.7          | -108.1% | 118,000         | 117,000         | -0.8%  |
| 9    | PJSC INTER RAO*            | Utilities & public services                       | 12,939        | 13,502        | 4.4%   | 370.5           | 953.5           | 157.4%  | 50,797          | 47,930          | -5.6%  |
| 10   | JSC "TRANSNEFT"            | Automotive & transport                            | 12,685        | 13,190        | 4.0%   | 2,230.6         | 3,622.2         | 62.4%   | 70,118**        | 69,663**        | -0.6%  |



## SERBIA

**B**Coface Country  
Risk Assessment  
June 2017**B**Coface  
Business Climate  
June 2017**+3.2%**Coface 2017  
GDP forecast

**Last year the Serbian economy recorded the highest growth since 2008, reaching 2.8%. Household consumption increased but even stronger support came from growing exports.**

Moderate growth in private consumption is expected to accelerate this year, thanks to increasing employment, higher wages and growing consumer confidence. The contribution of investments is likely to remain stable, supported by FDI inflows. Export dynamics will remain steady, thanks to a revival of the main trading partners, however higher imports will make the contribution of net exports nearly flat.

In first months of 2017 the pace of growth was quite disappointing. Manufacturing has been growing but construction and agricultural production have declined. Inflation reached 4% in April 2017, but the yearly average figure should be lower, thanks to falling food prices. Coface's forecast assumes that GDP growth in Serbia will reach 3.2% this year and 3.6% in 2018. Private consumption will be the main

driver of growth, however the unemployment rate, exceeding 14% in the first months of this year, is constraining the recovery in household spending.

The macroeconomic improvement as well as higher rates of tax collection have enabled the overall government deficit to be reduced significantly, from 6.6% of GDP in 2014 to 3.7% in 2015, and 1.4% in 2016.

**Gradual improvement**

**Table 12:**  
Coface Serbian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME                       | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|------------------------------------|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | 72           | JP EPS BEOGRAD                     | Utilities & public services                       | 1,240         | 1,775         | 43.1%  | 89.0            | 71.0            | -20.3%  | 21,299          | 26,202          | 23.0%  |
| 2    | 94           | NIS A.D. NOVI SAD                  | Minerals, chemicals, petroleum, plastics & pharma | 1,617         | 1,438         | -11.1% | 130.4           | 130.2           | -0.1%   | 3,966           | 3,896           | -1.8%  |
| 3    | 152          | FCA SRBIJA D.O.O. KRAGUJEVAC       | Automotive & transport                            | 1,110         | 1,043         | -6.1%  | 19.3            | 17.2            | -10.9%  | 3,338           | 2,833           | -15.1% |
| 4    | 196          | MERCATOR-S DOO NOVI SAD            | Non-specialised trade                             | 900           | 857           | -4.8%  | 3.1             | -14.5           | -570.1% | 8,723           | 8,830           | 1.2%   |
| 5    | 265          | TELEKOM SRBIJA A.D., BEOGRAD       | Electronics, information & telecommunications     | 708           | 703           | -0.7%  | 132.2           | 122.8           | -7.1%   | 8,660           | 8,203           | -5.3%  |
| 6    | 271          | DELHAIZE SERBIA DOO BEOGRAD        | Non-specialised trade                             | 621           | 683           | 9.9%   | 23.4            | 10.3            | -56.2%  | 7,801           | 8,384           | 7.5%   |
| 7    | 362          | JAVNO PREDUZEĆE SRBIJAGAS NOVI SAD | Utilities & public services                       | 628           | 519           | -17.3% | 24.0            | 17.6            | -26.8%  | 1,123           | 1,105           | -1.6%  |
| 8    | -            | TELENOR DOO BEOGRAD                | Electronics, information & telecommunications     | 363           | 364           | 0.2%   | 78.4            | 72.2            | -7.9%   | 882             | 862             | -2.3%  |
| 9    | -            | VICTORIA LOGISTIC DOO NOVI SAD     | Automotive & transport                            | 332           | 312           | -6.1%  | -13.6           | -16.9           | -23.7%  | 245             | 264             | 7.8%   |
| 10   | -            | KNEZ PETROL DOO ZEMUN              | Minerals, chemicals, petroleum, plastics & pharma | 301           | 295           | -1.8%  | 2.4             | 1.2             | -51.8%  | 818             | 963             | 17.7%  |



## SLOVAKIA

**A3**Coface Country  
Risk Assessment  
June 2017**A2**Coface  
Business Climate  
June 2017**+3.0%**Coface 2017  
GDP forecast

**In the coming years Slovakia is expected to record solid growth rates. According to the Coface forecast, GDP growth will reach 3% this year and 3.5% in 2018.**

The main driving force for the Slovak economy will remain a decreasing unemployment rate and growing wages. As in other CEE countries, the strong labour market position is beneficial for households but companies have been reporting difficulties in filling vacancies, despite offering higher compensation. The unemployment rate fell to 8.7% which is a record low level for Slovakia, and an increase in the minimum wage is scheduled within the next year.

Economic activity will also be strengthened this year by increasing public and private fixed asset investments as well as higher export volumes, mainly to the main destination for Slovak exports, i.e. western Europe.

After last year's contraction in fixed asset investments, resulting from the period of transition to the new EU financing, accelerated investment activity will boost the construction sector this year. This includes the construction, now under way, of a manufacturing plant for Jaguar Land Rover (with an expected operational start in 2018), a regional centre for Amazon employing a workforce of 1,000 and a significant public infrastructure project, the Bratislava ring road.

**Solid economic growth continued**

**Table 13:**  
Coface Slovak Top 10  
Turnover and net profit in EUR millions

| RANK | RANK TOP 500 | COMPANY NAME                          | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|---------------------------------------|---|---------------|---------------|--------|-----------------|-----------------|--------|-----------------|-----------------|--------|
| 1    | 5            | VOLKSWAGEN SLOVAKIA, A.S.             | Automotive & transport                            | 7,227         | 7,587         | 5.0%   | 127.5           | 145.3           | 14.0%  | 10,800          | 12,300          | 13.9%  |
| 2    | 10           | KIA MOTORS SLOVAKIA S.R.O.            | Automotive & transport                            | 5,073         | 5,566         | 9.7%   | 210.1           | 214.0           | 1.8%   | 3,800           | 3,605           | -5.1%  |
| 3    | 27           | SLOVNAFT, A.S.                        | Minerals, chemicals, petroleum, plastics & pharma | 3,416         | 2,906         | -14.9% | 187.0           | 159.1           | -14.9% | 2,389           | 2,316           | -3.1%  |
| 4    | 29           | SAMSUNG ELECTRONICS SLOVAKIA S.R.O.   | Electronics, information & telecommunications     | 2,771         | 2,841         | 2.5%   | 86.8            | 89.9            | 3.5%   | 1,439           | 1,457           | 1.3%   |
| 5    | 37           | PCA SLOVAKIA, S.R.O.                  | Automotive & transport                            | 2,447         | 2,510         | 2.6%   | 26.9            | 35.4            | 31.5%  | 2,447           | 2,535           | 3.6%   |
| 6    | 53           | SLOVENSKÉ ELEKTRÁRNE, A.S.            | Utilities & public services                       | 2,256         | 2,100         | -6.9%  | 24.0            | n.a.            | n.a.   | 4,017           | n.a.            | n.a.   |
| 7    | 60           | U. S. STEEL KOŠICE, S.R.O.            | Metals  | 2,080         | 2,017         | -3.0%  | 43.2            | 270.5           | 525.8% | 10,368          | 10,093          | -2.7%  |
| 8    | 93           | MOBIS SLOVAKIA S.R.O.                 | Automotive & transport                            | 1,261         | 1,443         | 14.5%  | 36.6            | 45.5            | 24.5%  | 1,830           | 1,899           | 3.8%   |
| 9    | 98           | TESCO STORES SR, A.S.                 | Non-specialised trade                             | 1,387         | 1,405         | 1.3%   | 92.6            | n.a.            | n.a.   | 10,000          | 10,100          | 1.0%   |
| 10   | 108          | SLOVENSKÝ PLYNÁRENSKÝ PRIEMYSEL, A.S. | Utilities & public services                       | 1,358         | 1,302         | -4.1%  | 435.1           | 463.0           | 6.4%   | 750             | 731             | -2.5%  |





## SLOVENIA

A3

Coface Country  
Risk Assessment  
June 2017

A3

Coface  
Business Climate  
June 2017

+3.3%

Coface 2017  
GDP forecast

**In 2016, GDP growth in Slovenia reached 2.5%. This was fuelled by growing consumption and exports, while the transition to the new EU budget caused a contraction in investments.**

Nevertheless, the latter seems to be rebounding already from the beginning of this year. Indeed, investments increased by a double-digit growth rate in the first quarter of 2017. That led also to a significant increase in construction activities as well as investments in machinery and equipment.

On the other hand, private consumption has not lost its momentum. Unemployment has fallen, wages are growing and consumer sentiment has been improving. At the same time, inflation remains relatively low, although it has increased and it will be driven significantly by possible fluctuations in energy prices. Additionally, the strong labour market situation will trigger further growth in wages and cause inflation pressure. The banking sector, whose difficulties led to a deterioration of the Slovenian

economy, has been recovering. Non-performing loans have fallen, reaching 5.3% of total loans at the beginning of 2017. As a result, household and corporate lending is recovering, with better access to financing.

Robust private consumption and expansion of investments will be the drivers of growth in the near future. GDP growth will strengthen further and reach 3.3% in 2017 and 3.1% in 2018, according to the Coface forecast.



**Strong consumption to be accompanied by growing investments**



**Table 14:**  
Coface Slovenian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | RANK TOP 500 | COMPANY NAME   | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------|--|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | 24           | PETROL, SLOVENSKA ENERGETSKA DRUŽBA, D.D.                            | Minerals, chemicals, petroleum, plastics & pharma | 3,064         | 3,168         | 3.4%   | 30.1            | 43.7            | 45.2%   | 1,234           | 1,331           | 7.9%   |
| 2    | 78           | GEN-I, TRGOVANJE IN PRODAJA ELEKTRIČNE ENERGIJE, D.O.O.              | Utilities & public services                       | 1,777         | 1,636         | -8.0%  | 8.1             | 8.6             | 6.7%    | 201             | 193             | -4.0%  |
| 3    | 105          | POSLOVNI SISTEM MERCATOR D.D.  | Non-specialised trade                             | 1,404         | 1,348         | -3.9%  | -3.8            | -12.7           | -233.8% | 9,271           | 8,901           | -4.0%  |
| 4    | 121          | HOLDING SLOVENSKE ELEKTRARNE D.O.O.                                  | Utilities & public services                       | 1,304         | 1,238         | -5.0%  | 323.1           | 1,234.4         | 282.0%  | 129             | 150             | 16.3%  |
| 5    | 140          | REVOZ PODJETJE ZA PROIZVODNJO IN KOMERCIJALIZACIJO AVTOMOBILOV D.D.  | Automotive & transport                            | 1,027         | 1,080         | 5.2%   | 11.6            | 15.9            | 37.6%   | 2,005           | 1,987           | -0.9%  |
| 6    | 143          | KRKA, TOVARNA ZDRAVIL, D.D.  | Minerals, chemicals, petroleum, plastics & pharma | 1,087         | 1,072         | -1.4%  | 146.3           | 102.9           | -29.7%  | 4,776           | 4,639           | -2.9%  |
| 7    | 184          | LEK FARMACEVTSKA DRUŽBA D.D.   | Minerals, chemicals, petroleum, plastics & pharma | 849           | 895           | 5.4%   | 115.9           | 74.8            | -35.5%  | 3,152           | 3,402           | 7.9%   |
| 8    | 201          | IJ ACRONI PODJETJE ZA PROIZVODNJO JEKLA IN JEKLENIH IZDELKOV D.O.O.* | Metals  | 665           | 843           | 26.7%  | 10.8            | 51.3            | 375.5%  | 3,126           | 7,239           | 131.6% |
| 9    | 262          | GORENJE GOSPODINJSKI APARATI, D.D.                                   | Electronics, information & telecommunications     | 686           | 712           | 3.9%   | -4.0            | 3.7             | 192.5%  | 4,146           | 4,253           | 2.6%   |
| 10   | 292          | TELEKOM SLOVENIJE, D.D.  | Electronics, information & telecommunications     | 634           | 639           | 0.8%   | 45.9            | 40.5            | -11.9%  | 2,625           | 2,417           | -7.9%  |



## UKRAINE

D

Coface Country  
Risk Assessment  
June 2017

D

Coface  
Business Climate  
June 2017

+2.5%

Coface 2017  
GDP forecast

**The pace of economic growth has stabilised in Ukraine. After recording GDP growth of 2.3% in 2016, the Ukrainian economy expanded by 2.5% year-on-year in the first quarter of 2017.**

Nevertheless, in quarter-to-quarter terms a slight contraction of growth was experienced. Private consumption is driving growth, with a doubling of the statutory minimum wage and a marked increase in average wages. Another component of domestic demand, i.e. gross fixed capital formation, has also been on an expansion track. In terms of foreign trade, both exports and imports surged, however this trend was affected by a sizeable increase in commodity prices, which applied mostly to steel.

Coface forecasts that the Ukrainian economy will expand by 2.5% this year and 3.2% in 2018. The IMF loan programme provides significant support but it also requires implementation of certain reforms, and it is not yet clear if Ukraine will succeed in executing these. The blockade of the separatist-controlled

areas of Donbas has had a negative impact on industrial production and consequently also on the economy. Ukrainians can enjoy visa-free status for entry to the Schengen area since June this year. Although this does not provide the right to work in the EU, it is expected that some Ukrainians will be able to find seasonal jobs in better paid countries, due to labour shortages. On the other hand, this kind of labour outflow could have an effect on the Ukrainian economy, with falling unemployment, increasing wages and higher inflow of remittances.



**Stable growth but challenges remain**



**Table 15:**  
Coface Ukrainian Top 10  
Turnover and net profit in EUR millions

\* consolidated, \*\* estimated, n.a. not available.

| RANK | COMPANY NAME                   | MAIN SECTOR                                       | TURNOVER 2015 | TURNOVER 2016 | CHANGE | NET PROFIT 2015 | NET PROFIT 2016 | CHANGE  | EMPLOYMENT 2015 | EMPLOYMENT 2016 | CHANGE |
|------|--------------------------------|---|---------------|---------------|--------|-----------------|-----------------|---------|-----------------|-----------------|--------|
| 1    | NAFTOGAZ OF UKRAINE            | Minerals, chemicals, petroleum, plastics & pharma | 4,328         | 6,194         | 43.1%  | -963.2          | 1,018.2         | 205.7%  | 736             | 684             | -7.1%  |
| 2    | ENERGORINOK                    | Utilities & public services                       | 4,199         | 5,029         | 19.8%  | 64.2            | 49.3            | -23.2%  | 221             | 222             | 0.5%   |
| 3    | JSC UKRZALIZNYTSIA**           | Automotive & transport                            | 2,308         | 2,555         | 10.7%  | -644.1          | -281.0          | 56.4%   | n.a.            | 276,339         | n.a.   |
| 4    | PJSC UKRGASVYDOBUVANNYA        | Minerals, chemicals, petroleum, plastics & pharma | 843           | 2,112         | 150.7% | 25.4            | 463.8           | >1,000% | 20,667          | 20,673          | 0.0%   |
| 5    | ARCELOR MITTAL KRIVYI RIG PJSC | Metal   | 1,775         | 2,033         | 14.5%  | 53.1            | 103.8           | 95.3%   | 27,546          | 25,012          | -9.2%  |
| 6    | ATB-MARKET LLC                 | Non-specialised trade                             | 1,482         | 1,857         | 25.3%  | 90.7            | 61.6            | -32.0%  | 32,517          | 35,554          | 9.3%   |
| 7    | KERNEL TRADE LLC               | Non-specialised trade                             | 1,194         | 1,635         | 36.9%  | 34.7            | 7.1             | -79.5%  | 655             | 699             | 6.7%   |
| 8    | TEDIS UKRAINE LLC              | Non-specialised trade                             | 1,448         | 1,628         | 12.4%  | 46.0            | -47.0           | -202.2% | 2,603           | 2,540           | -2.4%  |
| 9    | PJSC UKRTRANSGAZ               | Minerals, chemicals, petroleum, plastics & pharma | 961           | 1,473         | 53.4%  | -165.3          | -235.5          | -42.5%  | 21,536          | 20,612          | -4.3%  |
| 10   | DTEK TRADING LLC               | Minerals, chemicals, petroleum, plastics & pharma | 1,275         | 1,424         | 11.6%  | -148.6          | -23.8           | 84.0%   | 16              | 14              | -12.5% |

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