



## P R E S S R E L E A S E

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### **Coface publishes CEE TOP 500 Companies:**

#### **Biggest players benefit from favourable business conditions in CEE**

- **Booming economy: +4.2% increase in turnover**
- **Poland wins again, Czech Republic climbs to second place, followed by Hungary**
- **Sectors: 12 out of 13 sectors report increase in turnover - only oil & gas remains in difficulties**

2015 was a good year for Central and Eastern Europe. Average GDP growth was 3.3%, following 2.6% in 2014. Private consumption rose, due to declining unemployment and increasing wages. EU funds supported investments. In short, the CEE enjoyed a booming economy. But how did the largest businesses perform?

Coface, the international credit insurance company, is presenting its eighth annual study on the Top 500 companies in Central and Eastern Europe: the Coface CEE Top 500. The study ranks the 500 largest businesses in the region by turnover and analyses additional facts, such as number of employees, company frameworks, sectors and markets.

*“The developments in the ranking of the Top 500 companies illustrate the economic conditions of the past year – and it was a successful one”* explains Katarzyna Kompowska, Coface Region Manager Central and Eastern Europe. *“Economies benefited from rising domestic demand, due to growing private consumption (supported by declining unemployment and rising wages), as well as from increasing investments in most economies. Positive export rates were achieved, thanks to the gradual recovery of the CEE’s main trading destination, the Eurozone (where GDP growth rose by +1.6%) and important support through EU funding. The ensemble of these factors made 2015 a year of sound growth for businesses. As a result, the Top 500 companies finished 2015 with increased turnovers and stable employment rates.”*

#### **Top 500 players: increased turnover, modest recruitment**

The CEE Top 500 companies increased their turnover by 4.2%, to nearly EUR 593 billion, with an enormous rise of +73.7% in net profits, to reach EUR 26.9 billion. The largest companies in CEE remain very important employers for the region. Overall, 4.3% (+0.5%) of the region’s total labour force is employed by companies in the CEE Top 500. This has a positive effect on employment rates.



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### **Top 3 countries: private consumption is the economic driver**

Poland, by far the largest economy in the region, is home to most of the top players in CEE. Due to its strong domestic demand, it weathered the financial crisis relatively well. In total, 167 Polish companies are represented in the top 500 ranking, although this is nine less than in 2014. The Polish economy has been delivering very solid growth rates, of above 3%, since 2014.

The Czech Republic is the country with the highest growth rate (+4.5%) in CEE. It also has one of the lowest unemployment rates in the entire EU (5.1%). The Czech Republic takes second place in the ranking. Public investment boosted the economy, as did efficient use of funds from the previous EU budget. 71 Czech businesses are present in the Top 500 CEE companies. This is the fourth consecutive year that the country has increased its presence in the listing. Total turnover grew by +3.1% and net profits by +16.9%, to reach EUR 4.9 billion.

Hungary remains on the podium but has lost one position. In total, 69 Hungarian companies are represented in the listing - four fewer than in 2014. Nevertheless, the remaining Hungarian giants reported the highest turnover growth of all countries, at +13.8%. The country has enjoyed solid growth rates since its recession in 2012 and reported +2.9% in 2015.

### **Sectors: minerals, chemicals, petroleum, plastics & pharma is the only negative performer**

A continuing positive trend was recorded by the majority of the sectors in the CEE Top 500. 12 out of 13 sectors increased their turnovers compared to the previous year. Strong rises were achieved by textiles, leather & clothing, with +14.8%, while automotives & transport recorded +10.3%. The traditionally most important sector in the ranking remains minerals, chemicals, petroleum, plastics & pharma, accounting for 111 companies out of 500. Nevertheless, this is the only sector that recorded a decrease in turnover (-8.3%), due to the negative effects of the oil crisis.

Favourable business conditions are continuing in 2016. *“The forecast for the CEE region in 2016 is nearly at the same level as 2015, with an estimated average growth rate of 3.0%. Further improvements in the labour market and growing confidence will strengthen household consumption as the main growth driver for CEE economies”* adds Grzegorz Siewlewicz, Senior Economist Central and Eastern Europe. *“The contribution of investments will not be as high as last year, due to a slow start to new EU co-financed projects, which is weakening the expansion of the construction sector and various other industries connected with it. On the external side, CEE countries will remain active exporters - although the slowdown of global trade could hamper their ambitions.”*



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**About Coface**

The Coface Group, a worldwide leader in credit insurance, offers companies around the globe solutions to protect them against the risk of financial default of their clients, both on the domestic market and for export. In 2015, the Group, supported by its 4,500 staff, posted a consolidated turnover of €1.490 billion. Present directly or indirectly in 100 countries, it secures transactions of 40,000 companies in more than 200 countries. Each quarter, Coface publishes its assessments of country risk for 160 countries, based on its unique knowledge of companies' payment behaviour and on the expertise of its 660 underwriters and credit analysts located close to clients and their debtors.

In France, Coface manages export public guarantees on behalf of the French State.

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The company's [credit insurance](#) offer integrates credit assessment, [collection services](#) and cover for unpaid debts. Multinational businesses can protect their worldwide subsidiaries through Coface's international network.

The company also provides access to domestic and international [business information](#) and a collection network at home and overseas. Coface is also a recognised operator in the London [political risk](#) market. [www.cofaceuk.com](http://www.cofaceuk.com) and [www.coface.ie](http://www.coface.ie)