

***Hungary:
partner in trade and investment***





Political & Economic Stability

		2014	2015	2016
Population	million	9.8	9.7	9.7
GDP at current price	billion EUR	103.7	102.7	112,4
real GDP growth	%	3.7	2.9	2.0
GDP per capita (current price)	EUR/capita	10.475	10.160	11.200
Inflation (annual average)	%	-0.2	1.4	0.4
Unemployment	%	7.8	6.2	5.1
Budget balance	% of GDP	-2.5	-2.0	-1.7
Government debt (year end)	% of GDP	76.2	75,5	74.0

Hungary

Land: 93,030 km²

Population:
9.7 million

GDP/capita at PPP:
≈ EUR 18.648
(2014)

Major industries & services in Hungary

Automotive industry (cca. 15% of GDP, 20% of exports)

- Car manufacturing (Suzuki, Mercedes-Benz, Audi)
- Engine manufacturing (Audi, GM Opel)
- Supply industry (electronics, tyres etc.)

Electronics manufacturing (cca. 15% of GDP, 37,3% of exports)

- Household electronics, mobile phones and transmission equipment, circuit boards

Information and communication technology

- Software development
- Hardware production
- Services (e.g. administration, shared service centres)

Shared Service Centers

- Customer service, HR, standardised financial functions
- Centres of excellence
- Call centers
- **Pharmaceutical & chemical industry**



Automotive industry: facts and figures

Importance in Hungarian industry:

- More than 700 companies, appr. 145,226 employees
- almost 28% of total industrial production (21.5 bn EUR)
- 20% of exports

OEM annual production capacities:

- Suzuki: appr. 300,000
- Audi: appr. 160,000 (TT coupe & roadster, A3 cabriolet)
- Mercedes-Benz: appr. 150,000 (class B & CLA)

Engine manufacturing:

- Audi Hungaria (2 million per year)
- GM Opel Szentgotthard (1 million per year)

Automotive electronics production + R & D:

- Bosch, ThyssenKrupp, Sumitomo Electric, etc.

Tier 1 manufacturers:

- 15 of the world's top 20 present in Hungary



DENSO



Electronics sector at a glance

- Hungary is the second largest electronics exporter in the region* by providing 25% of the sectoral export performance
- Production value: 14,9 billion USD
 - 22.0% of total manufacturing production
 - 37.3% of total exports
- Share of electronics in GDP: 5.34%**
- Balance of trade in electronics: 3780 million EUR
- Total number of employees: 110,000
- Export ratio: 92%
- Recent investments: Alpine Electronics (500 new jobs), Flextronics (600 new jobs), Honeywell (100 new jobs), Rosenberger (new manufacturing hall, 250 new jobs)



* Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia.

** Excluding electrical and electronic equipment for motor vehicles.

Source: KSH, EC, data from 2010

PHILIPS



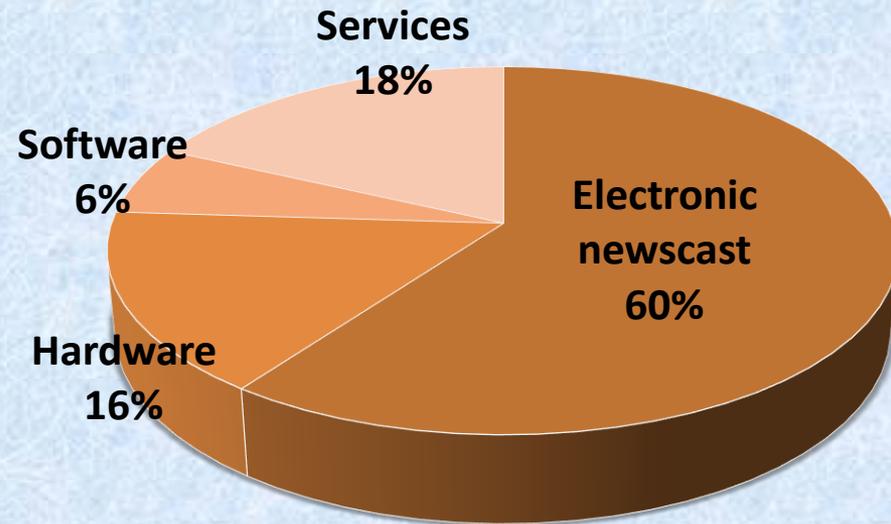
IBM



ICT sector in Hungary

Booming sector

- About 13,7% of the GDP from ICT companies
- 25% of the economic growth in the last 8 years
- Around 311,000 employers directly in the ICT sector



Successful players present in Hungary:



Agricultural Technology

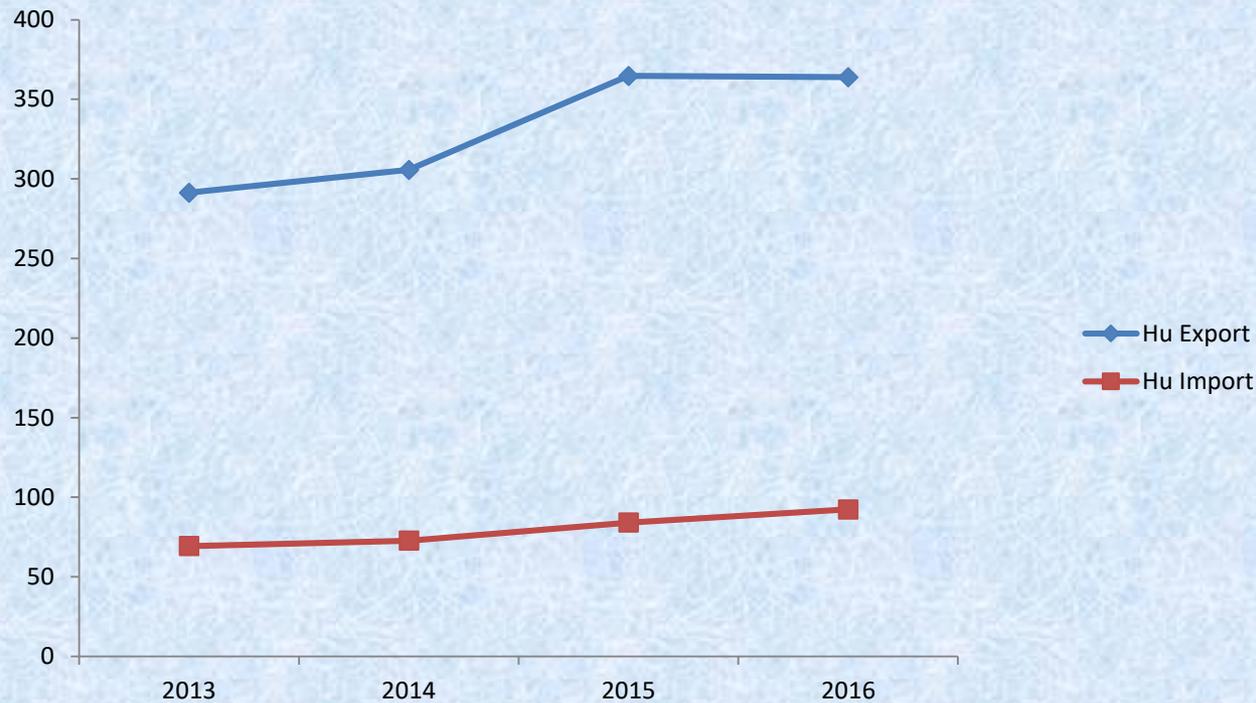
- Corn and sunflower cultivation equipments, adapters
- Machinery of grain technology
- Animal breeding
- Milk processing technologies, turnkey milk farm
- Slaughterhouse and meat processing equipment



Hungary–Greece bilateral trade

Hu export 363,9M €, Hu import 92,3M € 2016

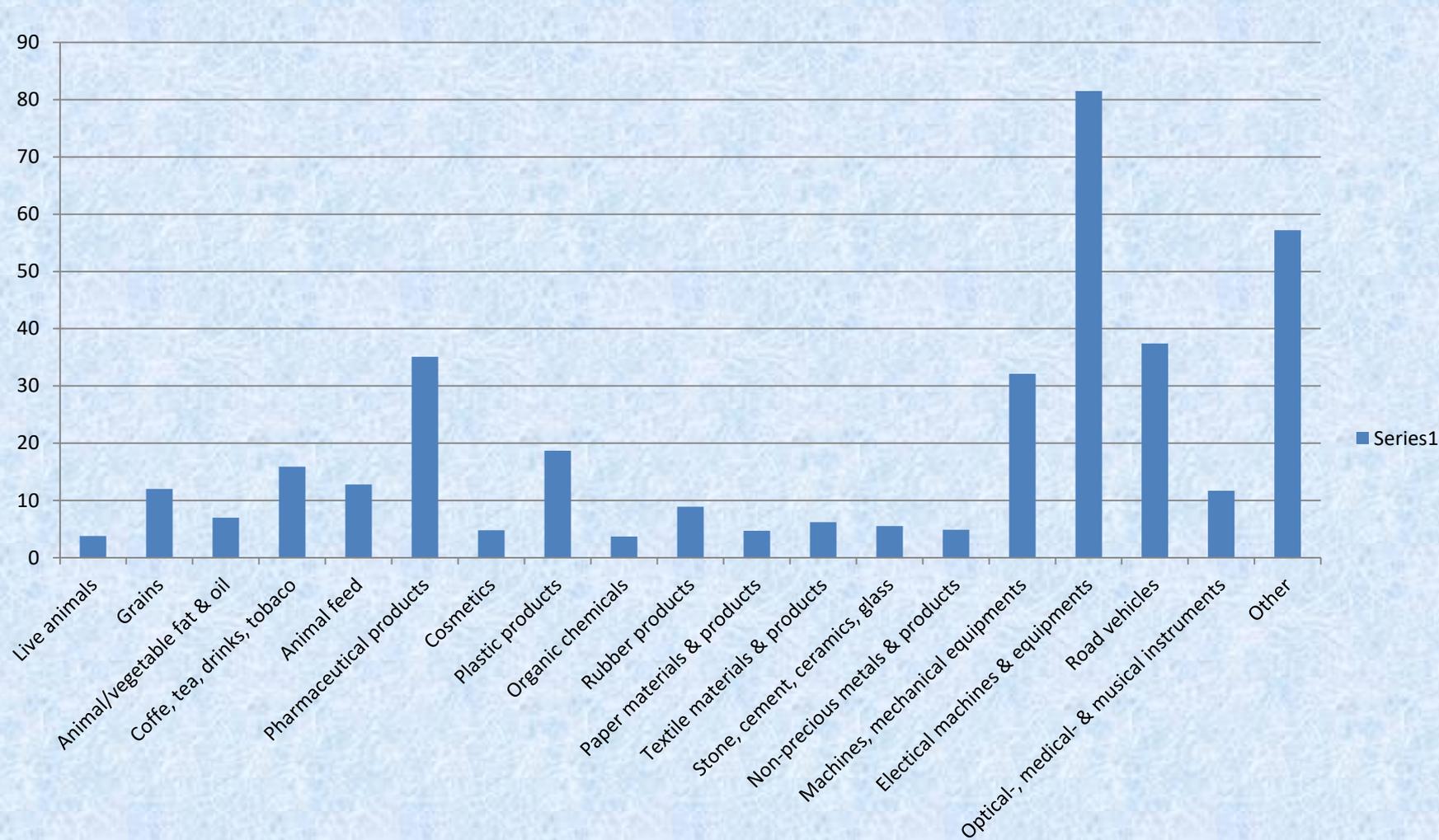
Million EUR



Source: Hungarian Central Statistical Office

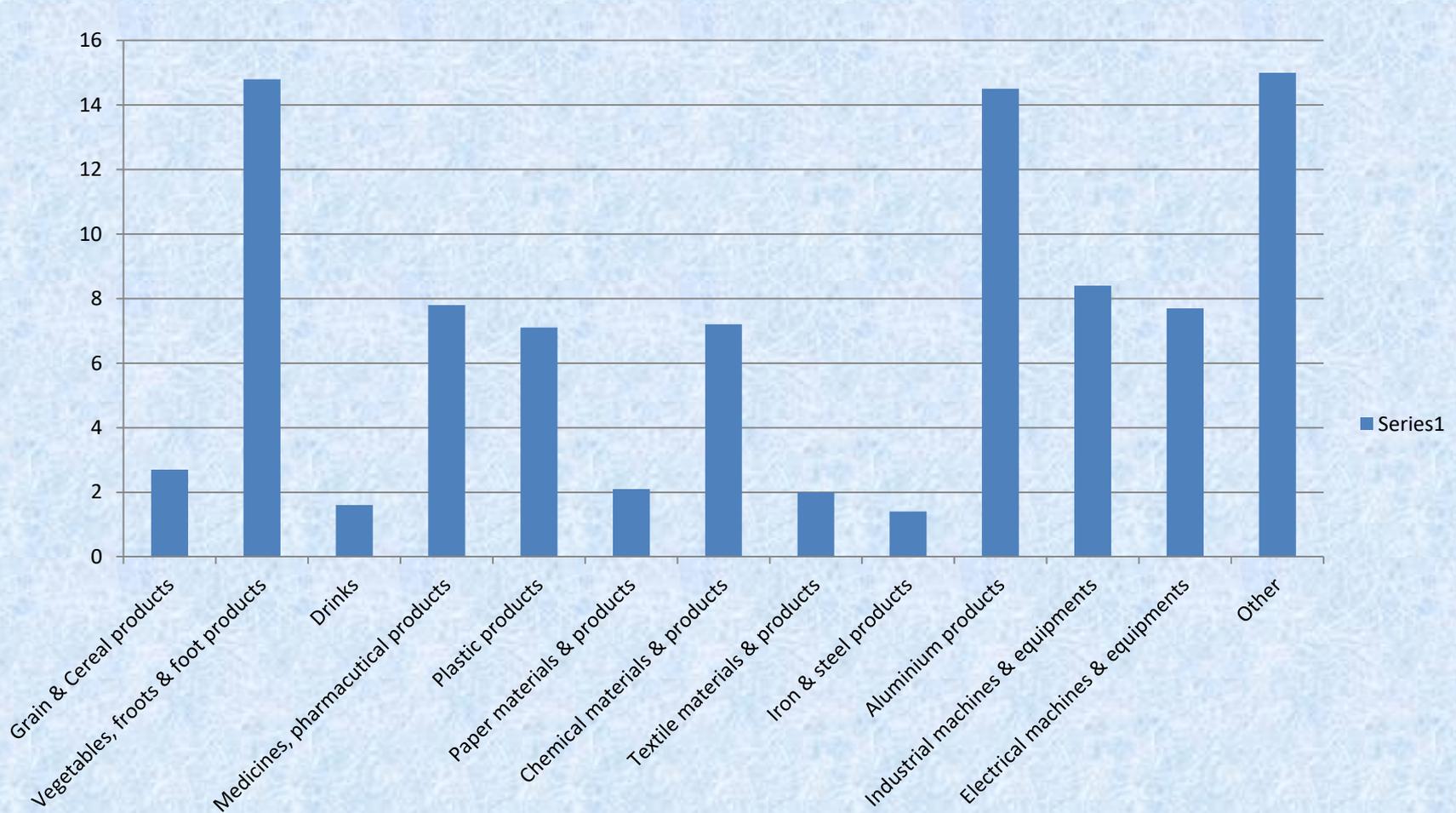
Hungary's exports to Greece 2016

363,9 million EUR same as in 2015



Hungary's imports from Greece, 2016

92,3 million EUR 9,8 % increase Year on Year



Hungary - Greece cooperation possibilities



Water management



Defense industry



Waste treatment



Oil and gas industry



Alternative and renewable
energy sources



R & D, knowledge &
technology transfer



Agricultural and food
processing technologies



Pharmaceuticals and
medical equipment

Food processing industry

Comparative advantages of Hungarian exporters:

- 100% GMO free raw materials
- Excellence in traditional skills & expertise
- Modern production and processing technology
- Highest international standards in food safety



Main products of Hungarian companies:

- Fresh and frozen pork meat and meat products, bacon, traditional sausage & salami, ham etc.
- Poultry (chicken, turkey, goose, duck) and poultry products, ham, sausage, foie gras
- Dairy products
- Frozen and canned vegetables and fruits
- Confectionary products, honey
- Wine, sparkling wine
- Mineral water



Environmental industry

Water and wastewater management:

- Wastewater treatment
- Sewage sludge treatment
- Complex projects in water management
- River regulation
- Health tourism, hotel and spa development



Waste management:

- Environmental remediation:
- Soil, groundwater
- Hazardous and non-hazardous waste: collection, transportation and pre-treatment
- Technologies for utilization of hazardous waste
- Waste incineration works and heat utilization plants



Renewable energy:

- Thin film solar module manufacturing technologies including related equipment and turn-key production lines
- Vacuumtube, direct flow solar collectors for setting up small or large solar thermal systems



Key reasons to invest in Hungary

- **Competitive Tax System**

15% flat-rate personal income tax

The corporate tax rate has been reduced to **9% flat** in 2017 being the lowest in EU

Well-qualified, cost effective labour force

- **Investment friendly political measures (financial support, tax allowances)**
- **Strategic geographical location**
- **Highly developed logistical, transportation & telecommunication infrastructure**
- **High level of educational system, 21 international schools**
- **Establishment cost of companies in Hungary**

Limited Partnership> 235-555 €

Limited Liability Company> 395-825 €

Joint Stock Company> 395-825 €

- **You can start business/establish a company in 5days**
- **Excellent industrial park & office infrastructure**
- **Quality of life**



**THANK YOU FOR YOUR
ATTENTION!**