



ENTERPRISE GREECE
INVEST & TRADE

NEWSLETTER FEBRUARY 19

**INVESTING IN
HEALTHCARE**

**RECORD GREEK
EXPORTS**

**BANKS TACKLE
BAD LOANS**

Investing in Greek Healthcare

Foreign investors have been acquiring leading private hospitals in Greece, banking on the sector's growth potential and the country's status as a regional hub in health and life sciences.

In the past two years, leading private equity fund CVC Capital Partners – one of the largest private equity funds in the world -- has acquired the Metropolitan Hospital based in the southern suburbs of Athens, and the Ygeia hospital group based in the northern suburbs. It has also acquired one of hospitals belonging to the Iaso health group, and is currently in the process of buying a second.

Last spring, San Francisco-based Farallon Capital, another private equity fund, raised its stake in Greece's Euromedica group to 17.5% after acquiring €200 million in the company's debt from local Greek banks. More recently, a tender for the former Red Cross-owned Henry Dunant hospital – now controlled by Piraeus Bank – drew strong interest from several foreign investors, including Farallon Capital and United Arab Emirates sovereign wealth fund Mubadala Investment Company.

As it is, Greece is already a major hub for both R&D and testing in life sciences research. With six doctors per 1,000 inhabitants, Greece has the highest per capita ratio of doctors in the OECD and the sector commands almost one-fifth of total research and development spending in the country, well above the European average.

Greece serves as a regional hub for clinical trials of new pharmaceutical products, and its dozens of local pharmaceutical producers are leading exporters – particularly in generics -- to the rest of Southeast Europe. Overall, the Greek pharmaceutical and life sciences sector accounts for 3.5% of GDP and €1 billion worth of exports.

Many industry experts say that Greece's health sector also holds future prospects in new areas as well. These include a growing role for medical tourism and, by leveraging the country's warm climate and Mediterranean location, Greece could also draw seniors from across Europe and become a leading provider of long-term care and services for the elderly.

Greece's Life Sciences Sector in Numbers

We support

26.000
direct &
86.000
total jobs

By 2021, the industry can have an additional contribution to the economy of

€2.000.000.000
and create
25.000 
new jobs

The industry accounts for

18%
of total Research & Development expenditure in Greece

Aggregate contribution to the Greek economy

€6.100.000.000
or
3,5%
of Greek GDP



28 
production plants operated by SFEE member companies across Greece

It is the 2nd largest export product of the Greek economy

Export activity increased by
10%
in the past three years



€1.000.000.000
in pharmaceutical exports to 100 countries



€400.000.000
in taxes and social security contributions

€1 bn 
in domestic pharmaceutical production output

€150.000.000
in R&D investment



news in **brief**

Greek Bonds

Greece successfully issued a new, 5-year government bond, it's first since exiting the last of its three financial support packages last August and further demonstrating the country's renewed access to international markets. The bond was more than four times subscribed and priced at a yield of 3.60%. The strong demand for the issue underscore growing investor demand for Greek debt, with yields on both short-term Greek paper and also the benchmark 10-year bond recently falling to multi-month lows.

Greek Economy

The European Commission has raised its growth forecast for Greece this year to 2.2% and to 2.3% next year, according to its winter forecasts. The report said that net exports were the main driver behind Greece's economic recovery, but that growing consumer demand and increased investment spending were also helping to support growth.

Balkan Exports

Enterprise Greece organized two seminars for Greek businesses on export opportunities in Southeast Europe, traditionally an important market for Greek exporters. The seminars, held in the first week of February in Athens and Thessaloniki and in cooperation with the Greek foreign ministry, are part of the country's National Strategic Development Plan 2020-30.

Athens Hotel

The historic Esperia Palace Hotel in central Athens has been sold to Israel's Fattal Hotel Group, which aims to renovate the property and re-open it as a five star hotel. The hotel is owned by Greece's social security fund and was the first of several, centrally located properties being sold off by the fund.

Tourism Record

Advance tourist bookings are growing at a double-digit rate, signaling another banner year ahead for the Greek tourism industry, Tourism Minister Elena Kountoura said. Speaking in a radio interview on Alpha, she said 2018 was a record year for Greek tourism with the country welcoming 33 million visitors and collecting €16 billion in revenues.

Marina Privatization

Greece's privatization agency received three binding offers for the Alimos Marina south of Athens, the largest marina in southeast Europe. The three bidders include Aktor Concessions, Aviareps-Cosmos Consortium and Lamda Dogus Marina Investments. The privatization is expected to be completed through an online auction to be held in March.

Piraeus Port

The port of Piraeus, controlled by Chinese shipping giant Cosco, handled a record 4.9 million TEUs of containers in 2018 making it the second busiest container terminal in the Mediterranean. According to data from the port authority, the number of containers increased by 18.4% compared with a year earlier.

Mergers & Acquisitions

The number of mergers and acquisitions in Greece increased sharply last year, according to a report by consultancy PwC, reflecting growing business activity in the country. In 2018, Greek corporates engaged in 51 M&A deals worth a combined €3.8 billion, compared with 39 transactions worth a total of €1.9 billion a year earlier.

Greek Exports Reach Record Highs

GREEK CHEESES

FETA

Feta is arguably the best-known Greek cheese abroad. In 2004, the European Union granted Greek Feta a PDO (Protected Designation of Origin) status and issued a decree prohibiting European countries other than Greece from using the name Feta. In Europe, similar cheeses are called “brined white cheese.” Within Greece, Feta can be made only in specific regions: Macedonia, Thrace, Thessaly, Central Mainland Greece, the Peloponnese, and Lesbos.

ANTHOTYRO [an-THO-tee-ro]

The word literally means “blossom cheese,” named after the way the curds “blossom” as they are stirred. The curds rise to the tops of the vats and open in a shape resembling flower blossoms. The cheese is similar to ricotta, but lightly salted. It is eaten fresh with jam or honey, and often baked into sweet pastries, especially around Easter.

GRAVIERA [Gra-vee-AIR-a]

One of the best table cheeses in Greece and produced in several areas. Graviera is generally a nutty, pale yellow cheese with a hard rind made either from sheep’s milk or from cow’s milk, depending on the region. Some of the best-known sheep’s milk Gravieras come from Crete, Mytilene, Dodoni, Arta and Kalpaki. Cow’s milk Graviera, which is yellower and a little creamier, is made mostly in Tinos, Syros, Naxos, Corfu, Larissa, and Serres.

KASSERI [Ka-SEH-ree]

Kasseri is the most popular table cheese after Feta. It is a mild, yellow, spuncurd cheese made from either ewe’s or cow’s milk.

KEFALOGRAVIERA

[ke-fa-lo-gra-vee-AIR-a]

Another pale yellow cheese with a hard rind and an abundance of small air pockets. As its name indicates, it falls somewhere between Graviera and Kefalotyri in both flavor and texture.

KEFALOTYRI [ke-fa-lo-TEE-ree]

A very hard, light yellow sheep’s or goat’s milk cheese with a sharp, tangy flavor. The cheese is made mainly in Crete, as well as in Naxos, Cephalonia, Thessaly, and Epirus. It is a popular grating cheese.

LADOTYRI [la-do-TEE-ree]

Another unique product, the name of which means “oil cheese.” The cheese, which is shaped like miniature barrels, is steeped in olive oil and aged for several months. Lesbos is the most famous place in Greece for Ladotyri.

MANOURI [ma-NOO-ree]

This is a creamy, buttery, mild, white cheese that is sold in log-shaped loaves. It is excellent as a dessert cheese, topped with honey, or with poached fruits, and complements the sweet wines of Greece exceptionally well.

METSOVONE [me-tso-VO-ne]

This is a rich, hard, smoked, yellow cheese made in Metsovo, Epirus. It resembles smoked Provolone. Metsovone is made in large sausage-like loaves, usually from raw cow’s milk.

MYZITHRA [mee-ZEE-thra]

The word dates to the 16th century, when it referred to a kneaded cheese. Myzithra is a soft, white cheese that resembles cottage cheese and is a byproduct of Feta.

Greece’s exports have reached another record high, driven by growing export prowess from Greek companies and growing worldwide demand for Greek products like the country’s famed food and beverage products.

Last year, Greek exports totalled €33.4 billion, according to the latest data from the Hellenic Statistical Authority, up 15.7% from 2017 and are already on track to grow further this year.

Known for its quality Mediterranean produce – like its olives and olive oil – Greek exports of wines, cheeses and other food products have also been gaining recognition in world markets.

WINES

WHITE GRAPE VARIETIES

ASSYRTIKO [a-SEER-tee-ko]

The finest Greek white variety and arguably one of the best in the Mediterranean.

ATHIRI [a-THEE-ree]

Widely grown in the Cyclades and Dodecanese islands. Quite soft and round.

MALAGOUSIA

[ma-la-ghoo-zee-A]

It can impress purely by its remarkable character and individuality.

MUSCAT

Traditionally used for the production of sweet wines.

ROBOLA [ro-BO-la]

The most important grape of the Ionian Islands.

RODITIS [ro-THEE-tees]

Broad and rich, without any heaviness.

SAVATIANO [sa-va-tee-a-NO]

Greece’s most widely-planted white variety.

PINK GRAPE VARIETIES

MOSCHOFILERO

[mo-sko-FEE-le-ro]

Light with vibrant acidity, floral aromas, and incredible elegance.

RED GRAPE VARIETIES

AGHIORGITIKO

[a-gee-or-GEE-tee-ko]

Closely associated with Nemea in the Peloponnese, it produces a huge variation in styles ranging from fresh young reds to dark, full-bodied wines.

KOTSIFALI [ko-tsee-FA-lee]

Mainly cultivated in Crete.

LIMNIO [lee-mnee-O]

It produces full-bodied wines with a high alcohol content.

MAVRODAPHNE

[ma-vro-DAF-nee]

Cultivated in the northwestern Peloponnese and the Ionian Islands, the “black laurel” grape, as its name translates, is deeply colored, with intense aromas.

XINOMAVRO [xee-NO-mav-ro]

A dark red that produces wines of great character.





COMING UP MARCH

Greece Steps up Efforts to Resolve Problem Loans

Greece is stepping up efforts to further reduce the stock of non-performing loans plaguing the Greek banking system, even as Greece's banks continue to beat targets set by European regulators.

Through write-offs, loan sales and restructuring agreements, the banks have reduced their stock of bad loans to less than €85 billion, down from a €107 billion peak in March 2016. By the end of 2021, the Greek banks want to reduce those bad loans by another €50 billion, say banking sources, ahead of targets set by the European Central Bank.

In both Frankfurt and Athens, regulators are discussing a range of options with decisions expected to come in the weeks ahead. The plans range from the creation of special, public entities to absorb or manage bad loans, to a fresh capital injection from bank overseers, to government subsidies for certain distressed assets, like mortgage loans.

In the meantime, Greece has developed an increasingly active secondary market in distressed assets that has attracted more than a dozen foreign funds in the past three years.

- Greek statistics service releases 4Q/2018 GDP data (March 3)
- Enterprise Greece: Greek wines buyers' forum, Athens (March 3-7)
- Foodex Japan 2019, international F&B exhibition, Tokyo (March 5-8)
- The Big 5 Saudi, building products trade fair, Jeddah (March 10-13)
- MIPIM 2019, international property trade fair, Cannes, France (March 12-15)
- Construct Ambient Expo, building products trade fair, Bucharest (March 14-17)
- Cosmoprof Bologna, cosmetics & beauty products fair, Bologna (March 14-18)
- ProWein, wines and spirits trade fair, Düsseldorf (March 17-19)
- Seafood Expo North America, seafood products exhibition, Boston (March 17-19)
- Museum of Arts and Design, jewelry exhibition, New York (March 21-24)

CONTACT US

To learn more about the many investment and trade opportunities Greece offers, visit us today at www.enterprisegreece.gov.gr

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