

The evolving role of Central Europe in the European Economy: Sources of Growth for the Future

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“more sustainable than southern peers, and more promising than that of other emerging markets”

Guillermo Tolosa and Evghenia Sleptsova

European Convergence Moves East, Oxford Economics, 10 October 2017

- Brand building
- Development of home grown industrial technology and service expertise
- Regional expansion
- Export diversification



- Manufacturing sector - on average 30% of overall value added
- Knowledge intensive industries
- Dynamic service industries, with emergence of “near shoring”

2010-2016



Atlantic Grope (incorporated in Croatia)

- Integrated food and beverage company, with 19 production facilities in Europe.
- Market capitalization: €407.5 m
- First transaction with EBRD in 2010 - acquisition of Slovenia-based Druga Kolinski, a leading regional branded FMCG group. EBRD participated in a larger financing package providing €57.5m (equity and mezzanine).
- Long-term relationship with EBRD: further projects in 2012, 2014 and 2016.

2008-2016



Can-Pack S.A. (Poland)

- A major producer of aluminium, steel and glass packaging from Poland with operations in 17 countries worldwide.
- 2016: Sales US\$ 1.4bn, EBITDA US\$ 284m
- EBRD supported cross-border expansion into Russia (construction of production facilities).
- Loans in 2008 and 2012 for the total amount of US \$105m, syndicated.
- In 2016, EBRD also subscribed to €40m of €325m privately placed bonds of Can-Pack S.A. to finance energy-efficient investments in Poland and Romania.

2006-2017



Sponsor: Barlinek S.A.(Poland)

- The largest wooden floorboard producers in Europe.
- EBRD supported cross -border expansion to Ukraine (greenfield/ project finance), CAPEX and W/C
- Debt and portage equity (minority stake) for the total amount of EUR 60m
- Syndication carried out by EBRD in Poland (Unicredit, Calyon)
- Role of EBRD:
 - long term financing organised in Poland on attractive terms (given the risks)
 - policy dialogue, relationship with local authorities

2006-2011



Sponsor: Cersanit S.A.(Poland)

- The largest Polish manufacturer of complex bathroom fittings and ceramic tiles.
- Cross border expansion to Ukraine (greenfield/ project finance) and Russia (acquisition/ restructuring of a distressed asset).
- EBRD provided debt and portage equity (minority stake) for the total amount of EUR 81m
- Syndication carried out by EBRD in Poland (Unicredit Pekao, Calyon)
- Role of EBRD:
 - long term financing organised in Poland on attractive terms (given the risks)
 - policy dialogue, relationship with local authorities



- Tele-Fonika Kable (UK) – a cable and wire producer, founded in 1992 by Mr B. Cupial in Poland. The company has grown from a local to an international player present in over 80 countries. Currently the largest cable and wire producer in CEE and one of the leading cable companies in Europe. Recently acquired JDR Ltd, a leading UK based supplier of subsea umbilical and power cables to the offshore energy industry.
- Docplanner pl. (global) - a vendor of software for doctor practices (online appointment business). Started in Poland and with operations based in Poland. Sells software to doctors in other 10 countries in Europe and Latin America.



- demographic trends
- labour market skills constraints