



18th Annual Capital Link
Invest in Greece Forum



Monday, December 12, 2016
The Metropolitan Club, One East 60th St., New York City

Seeking Growth – Funding Mechanisms for Investments in Greece

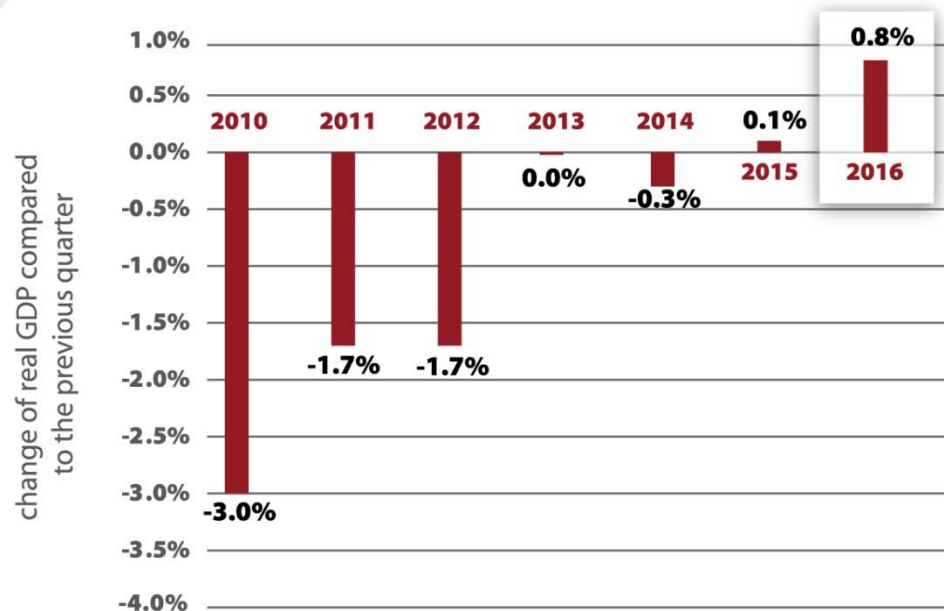
Alexis Charitsis

Alternate Minister of Economy & Development

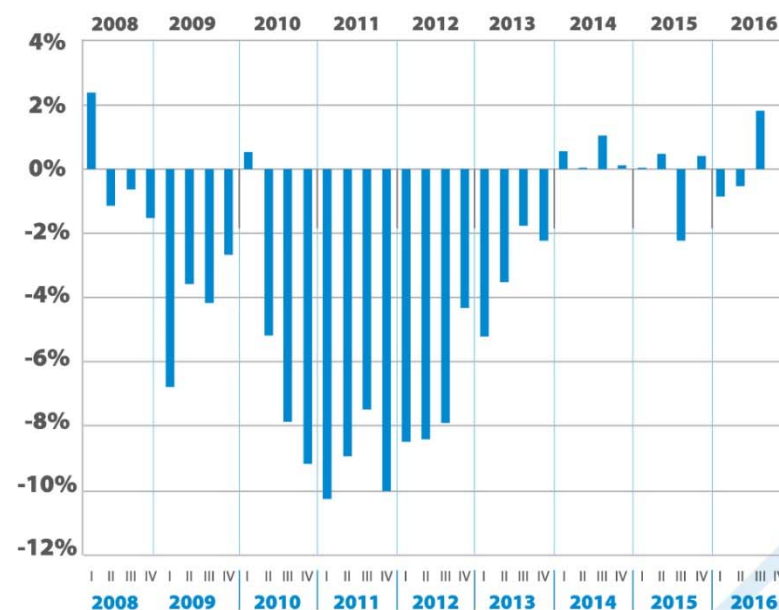
12 December 2016

GROWTH RESUMES AFTER A PROLONGED PERIOD OF RECESSION AND STAGNATION

Q3 Growth rate



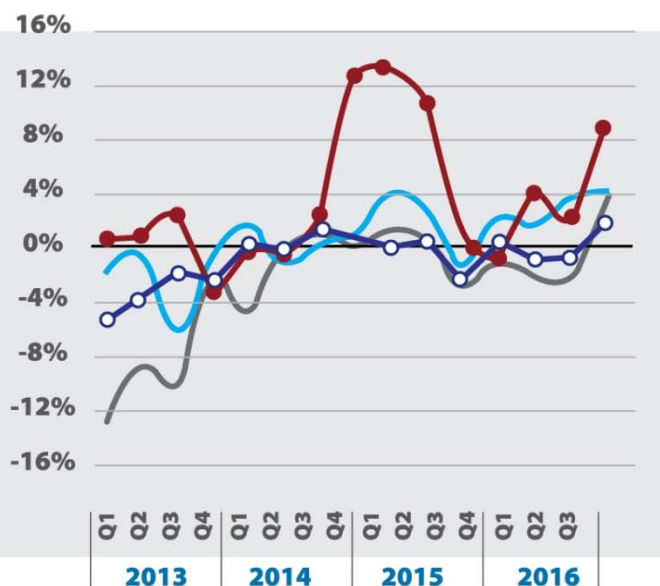
Annual Growth Rate



GROWTH RESUMES AFTER A PROLONGED PERIOD OF RECESSION AND STAGNATION

Strong indications of recovery!

Industrial production, exports volume and retail sales volume

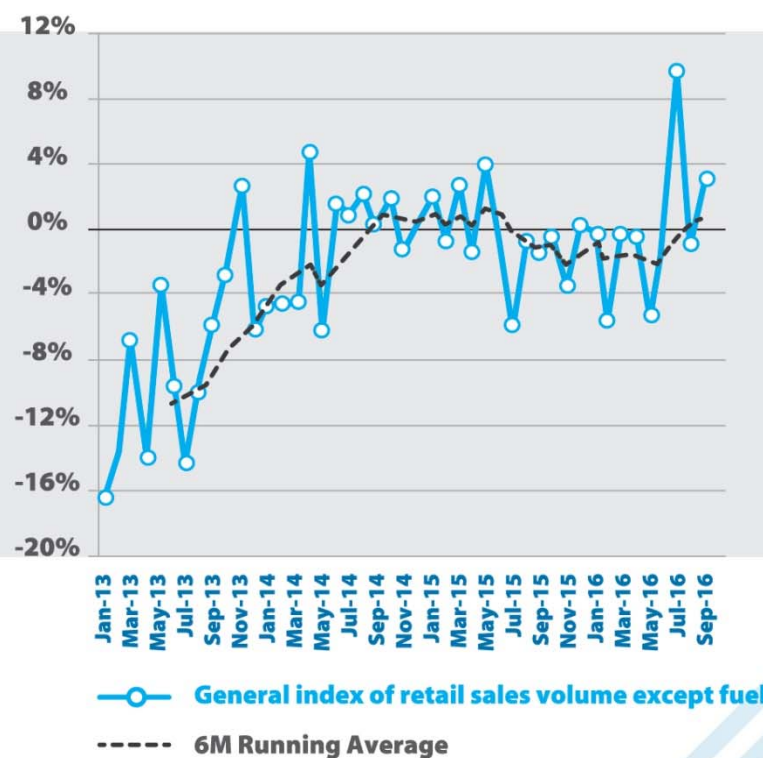


— Industrial production
(processing without petrol derivatives)

— Exports except fuel (volume)

— Retail sales volume (except fuel)

— GDP



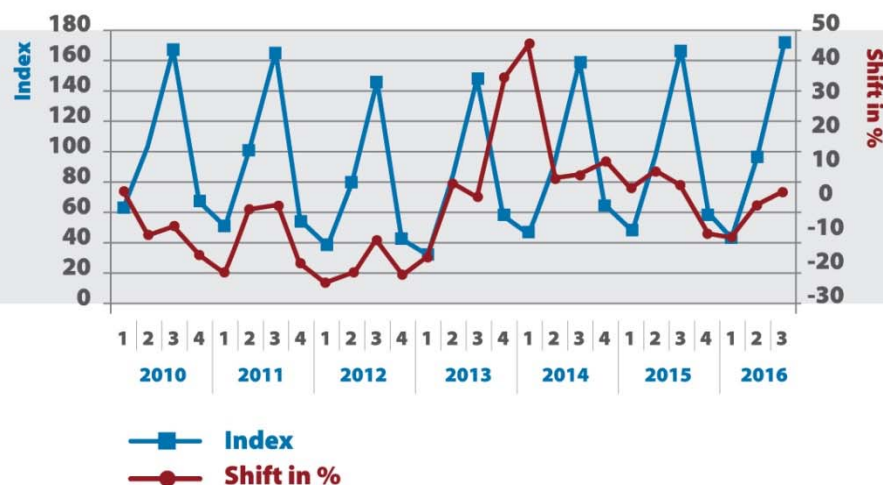
— General index of retail sales volume except fuel

----- 6M Running Average

GROWTH RESUMES AFTER A PROLONGED PERIOD OF RECESSION AND STAGNATION

Tourism industry:

Turnover Index in sector of Accommodation and Food Service activities

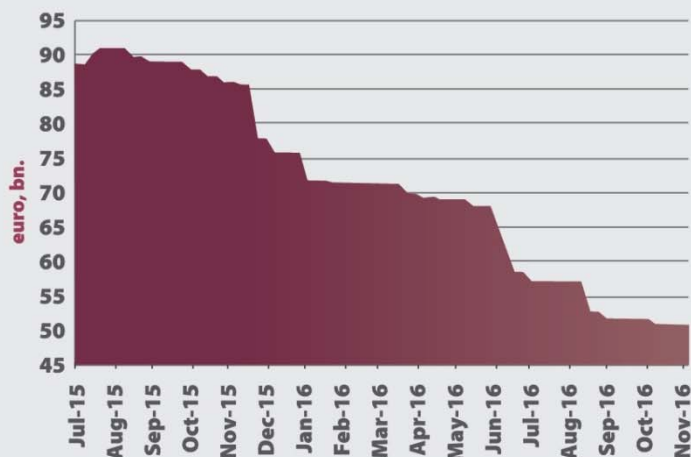


YEAR	TRIMESTER	INDEX	ANNUAL SHIFT (%)	TRIMESTER SHIFT (%)
2010	1	64,0	2,9	-18,5
	2	103,3	-10,2	61,5
	3	166,6	-7,5	61,2
	4	66,1	-15,8	-60,3
	ANNUAL AVERAGE	100,0	-8,2	
2011	1	50,8	-20,6	-23,1
	2	101,0	-2,2	98,8
	3	164,7	-1,2	63,0
	4	54,0	-18,2	-67,2
	ANNUAL AVERAGE	92,6	-7,4	
2012	1	38,6	-24,0	-28,5
	2	80,0	-20,8	107,0
	3	145,7	-11,5	82,2
	4	42,3	-21,7	-70,9
	ANNUAL AVERAGE	76,7	-17,2	
2013	1	32,1	-16,9	-24,1
	2	84,2	5,2	162,0
	3	147,5	1,2	75,3
	4	57,6	35,9	-61,0
	ANNUAL AVERAGE	80,3	4,8	
2014	1	46,5	44,9	-19,2
	2	89,8	6,7	93,1
	3	158,8	7,6	76,7
	4	64,1	11,3	-59,6
	ANNUAL AVERAGE	89,8	11,8	
2015	1	48,1	3,5	-24,9
	2	97,6	8,6	102,7
	3	166,4	4,8	70,5
	4	58,3	-9,1	-65,0
	ANNUAL AVERAGE	92,6	3,1	
2016	1	42,8	-11,2	-26,6
	2	96,3	-1,3	125,2
	3	170,7	2,6	77,3

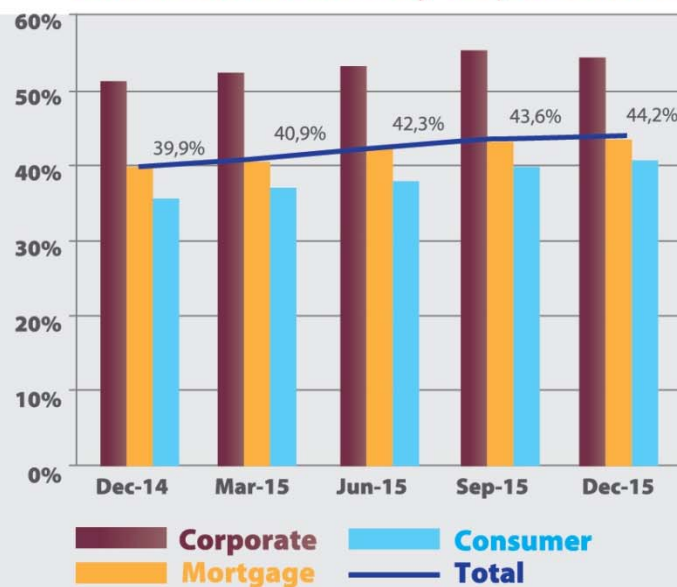
AND WILL PROBABLY ACCELERATE IN THE COMING QUARTERS

- **Gradual relaxation of capital controls**
- **Normalisation of access to ECB funding**
- **Rebuild of confidence in the banking sector**

Gradual decline in ELA reliance

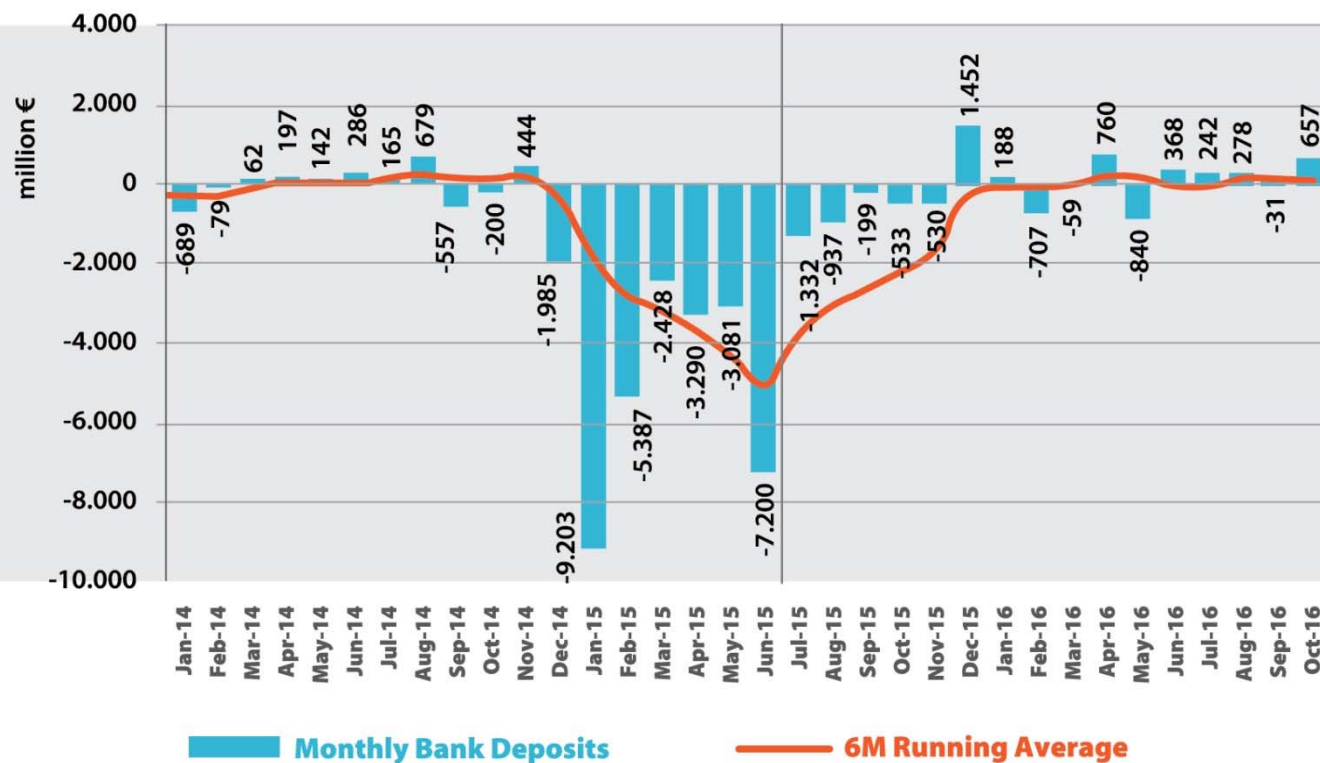


Evolution of non-performing loans including restructured loans by major sectors (EUR bn)



AND WILL PROBABLY ACCELERATE IN THE COMING QUARTERS

Bank Deposits



WHILE MEDIUM-TERM PROSPECTS BECOME BRIGHTER

Debt relief

Eurogroup 5/12 ➤ Short term debt relief measures



20% reduction by 2060

135 billion € nominal debt relief

the Gross Financing Needs ratio GFN/GDP progressively
reduces to 4.8% of GDP by 2060

Medium term & long term measures ➤ sustainability



18th Annual Capital Link
Invest in Greece Forum

Monday, December 12, 2016
The Metropolitan Club, One East 60th St., New York City



FUNDING DEVELOPMENT - AVAILABLE SOURCES

Our Structure

Public
Investments

Banking Sector
Stock exchange

Direct
Investments

AVAILABLE PUBLIC FUNDING TOOLS

European Structural Funds and other EU-funded programs

New Investment Law

Innovative Financing Instruments

Juncker Plan and further funding from EIB Group
and other International Institutions

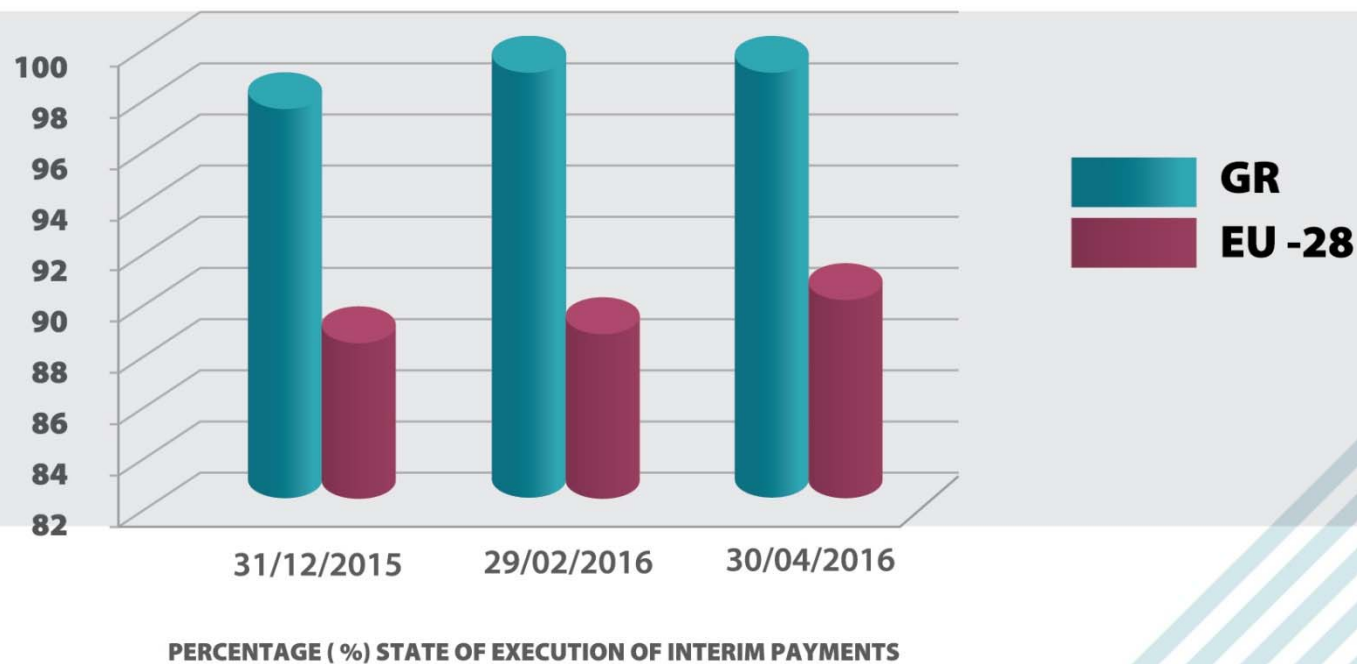
Fast Track/Strategic Private Investments

EU-FUNDED PROGRAMS (STRUCTURAL FUNDS AND FURTHER PROGRAMS)

EU-funded programmes - Greece TOTAL 35 BILLION €

2007 – 2013 programming period: **1st in funds absorption**

2014 – 2020 programming period: **50% funds activation**



NEW GREEK INVESTMENT LAW

Type of aid:

1. Tax exemption
2. Subsidy
3. Leasing subsidy
4. Wage subsidy
5. Financing instruments
6. Fixed corporate income tax rate
7. Fast licensing procedures

NEW INNOVATIVE FINANCING INSTRUMENTS

Equity Fund of Funds

1. Innovation window:

- i. Technology Transfer (TT) Fund: pre-seed, proof-of-concept & seed capital
- ii. Accelerator Fund: pre-seed, proof-of-concept & seed capital

2. Early stage window

3. Growth stage window

Public Contribution: 200 M€ - EIF Contribution: 60 M€ - Private Co investors

Leverage to achieve total amount 1 billion€

Entrepreneurship Fund

Loans (Shared Risk) & Guarantees for SMEs

Public Contribution: 400 M€

Total amount following leverage 1 billion€

NEW INNOVATIVE FINANCING INSTRUMENTS

Energy efficiency Fund for households

Public Contribution: 250 M€

Total amount following leverage: 500 M€

Infrastructure Fund

PPP infrastructure projects

PPP energy projects

Public Contribution: 200 M€ - EIB Contribution: 200 M€

Total amount following leverage: 800 M€

JUNCKER PLAN AND FURTHER FUNDING FROM EIB GROUP AND OTHER INTERNATIONAL INSTITUTIONS

**During 2016 alone the EIB Group approved contracts 2,5 billion €
and disbursed 1.43 billion €**

Pipeline new contracts with the EIB for 2017 of 2.5 billion €

New Flagship Projects:

- » Line 4 of the Athens Metro
- » Expansion of the network of Natural Gas in regions of the country
- » Electrical interconnection through the underwater Peloponnese - Crete cable
- » North Road Axis of Crete

FAST TRACK - STRATEGIC INVESTMENTS

Aim: to facilitate and accelerate the development of large scale, investments in Greece.

It provides:

- Fast track licensing process
- Deviations from the existing Spatial and Building legal framework
- Predefined holistic spatial tool, secured by a Presidential Decree
- Possibility for tax breaks and special tax regime.
- Granting of residence permits for executives of Strategic Investments and their families

Under Revision:

- **Mature Public Sector property for development and FDI attraction**
- Provide incentives so as to attract investments in more sectors of the economy
- Further acceleration of licensing process
- Acceleration of the judicial process

SETTING UP AN OPERATIONAL BUSINESS ENVIRONMENT ABLE TO SUSTAIN HIGH-YIELD OPERATIONS

Our Philosophy: Making it Simple!

Key Values:

Simplification

Efficiency

Transparency

Acceleration

WHY INVEST IN GREECE?

1. Greece is rebounding from the deepest crisis since the second world war
2. It is strategically situated in the crossroads of 3 continents, offering access to the rapidly growing markets of the Middle East and the SE Europe
3. It is part of the Eurozone and, at the same time, maintains strong cultural and business bonds with most countries in its immediate region
4. It has an extended network of modern infrastructure and networks
5. Human resources have high dexterities and international experience
6. The new Investment Law offers 12 years of stable tax rates
7. The new legislation facilitates and accelerates the set up of companies and makes the procedure transparent

Thank you