

The ABCs of GREECE Competitive Advantages in the Global Supply Chain

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Introduction:

- A. GREECE Financial Stability**
- B. GREECE Logistics Powerhouse**
- C. GREECE Export Opportunities**

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Introduction - GREECE

- A **new era** of a western global economy and GREECE being a periphery country is changing.
- The **global trade routes** are currently changing direction and the center of gravity in geopolitics is shifting to Asia.
- **GREECE is situated at the crossroads** of three continents, at the intersection of Asian and European trade routes, and is strategically placed to serve as a transport hub between Europe, Asia and Africa.
- **GREECE is at the center** of an area with a population of 140 million people having a heritage of political stability, part of the euro-zone infrastructure, and a solid currency. GREECE has a solid base of executives and vastly improving transportation infrastructure.

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A. GREECE Financial Stability

A1. Greece debt is one-third (1/3) of peers

- Greece net debt as a percentage of GDP is one-third (1/3) of the average for Ireland, Italy, Spain, and Portugal.
- Net debt as a % of GDP for Greece credit peers are: Ireland 76%, Italy 112%, and Spain 63%, and Portugal 70%.
- International accounting standards, either IFRS or IPSAS, should be used to calculate Greece debt.
- Greece net debt has been verified by a big four accounting firm as of December 31, 2013.
- Exact details of Greece net debt are contained in a 53-page Expert's Opinion, which is available under a confidentiality letter.

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A. GREECE Financial Stability

A2. Greece interest expense is one-third of peers

- Greece has cash interest expense as a percentage of revenue of 3.5%, which is one-third of its credit peers.
- Greece credit peers have cash interest expense as a percentage of revenue of: Ireland 12.2%, Italy 10.3%, Spain 8.1%, and Portugal 10.1%.
- Greece has weighted average cash interest expense of approximately 1% vs. peer average of 3.6%.
- Greece has concessionary interest rates on approximately 86% of its debt.
- Greece has concessionary debt with negative interest costs.

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A. GREECE Financial Stability

A3. Greece has strongest debt oversight

- Greece has strong EU treaty covenants that prevent Greece adding additional debt.
- Greece has regular oversight by both the EC and the IMF.
- Both the EC and the IMF have teams in Greece to monitor financial stability and performance.
- The EC and the IMF have over €200 billion in outstanding loans to Greece.
- The ECB is actively engaged in cooperation with the EC and the IMF.

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B. GREECE Logistics Powerhouse

B1. Greece geostrategic position advantages

- **Access** European, African, Middle Eastern and Central Asian markets faster, more efficiently and with lower impact on the environment.
- **Faster delivery:** On average, companies can get products **7 - 10 days faster** using Greece.
- **Cost savings:** Faster delivery times translate to lower cost, shorter lead times and accurate forecasting.
- **Environmental sustainability:** decrease in CO2 emissions.

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B. GREECE Logistics Powerhouse

B2. Greece infrastructure advantages

- **Solid transportation and telecommunication infrastructure and ever improving network**
- **Relatively low logistics costs – competition to contribute to further reduction**
- **Modern Logistics and Green technology widely used, albeit with margins for further development**
- **High potential for the creation of **logistics centers & parks****
- **Integral part of the new **Trans-European Transport Network (Ten-T)****

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B. GREECE Logistics Powerhouse

B3. Greece human capital advantages

- Greeks are **well educated** and Greece has one of the highest rates of university degree and post-graduate studies.
- **Fluent** in foreign languages with multicultural background, and over half speak English
- Greece has a **significant heritage** in experienced logistics managers.
- Greeks have always had **a strong tradition** in commerce and transport.
- Greeks act with “**filotimo**” which is mostly about respect and doing the right thing.

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C. GREECE Export Opportunities

C1. Greece agricultural opportunities

- **Agriculture**

Greece has **high quality** agricultural products, ideal to support the expanding interest in healthy foods and Mediterranean diet with high potential in numerous markets. Greece **is the third** olive oil producer globally.

- **Advantages of investing in agricultural industry are:**

- Low operating costs
- EU production standards and regulations
- Access to the emerging growth markets
- Global trend to the Mediterranean diet
- Highly experienced and qualified labor force

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C. GREECE Export Opportunities

C2. Greece tourism opportunities

- Greece is one of the **top 10 tourism destinations** in the world. The number of tourism visits over the last decade has shown a steady increase **with 20m** in 2014 almost twice Greece population.
- Investment opportunities for tourist industry are for:
 - Conference and Congress Centers
 - Spas and Thalassotherapy Centers
 - Marinas
 - Integrated Resorts
 - Thematic Tourism
 - Eco Tourism

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C. GREECE Export Opportunities

C3. Greece rising stars for investment opportunities

- The “rising stars” for investment opportunities are:
 - Manufacturing of generic pharmaceuticals
 - Aquaculture
 - Medical tourism
 - Waste management
 - Specialized food categories
 - Development of classical educational programs
 - Regional cargo hub development

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Conclusion

- *Greece is a unique opportunity for investments with Competitive Advantages in the Global Supply Chain, financial stability and added value human assets and “filotimo”.*
- *“There is a moment when an opportunity appears. And when there is an opportunity time is short.” Hippocrates*

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