

# Equity Investment Forum –Athens

## EBRD's Engagement in Greece

7 December 2015



**European Bank**  
for Reconstruction and Development

## **EBRD sees itself as a catalyst for private sector re-engagement in Greece**

- Approved as a Country of Operation in 2015
- Established Athens operation and hiring staff,
- Staff from London have been developing a country strategy and pipeline for Greece and Cyprus
- Participation in the bank recapitalisation represents a significant milestone and signals that EBRD is open for business

**EBRD operates according to the concepts of “sound banking principles” and “additionality “**

## Continue to push scalability and replicability

- Support for the private sector is a priority – direct loans or via banks for SMEs.
- Support larger corporates to return to capital markets.
- Debt and Equity solutions across real economy key sectors
- Energy Efficiency and sustainable energy projects are a key focus across all industry sectors.
- Off balance sheet solutions for NPL resolution
- Commercialisation of infrastructure
- Catalyst role on key privatisations

# Local Currency and Capital Market Development (LC2)



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- EBRD supports capital market development
  - Strategic initiative of EBRD
  - Full-time dedicated team focused on capital markets development and co-ordination
  
- EBRD's activities strongly influence capital market development
  - Policy dialogue
  - Technical cooperation projects
  - Capital Market Solutions for SME
  - Guarantees
  - Asset Backed Securities/Covered Bonds
  - Bond issues – senior/subordinated
  - Investments in Private Equity Funds
  - Investments/equity participation in companies, FIs and CMI
  - Pre-IPO and IPO investments
  - Exits via IPO

# Challenges for Greece



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## Specifics of companies

- Mainly SMEs
- Not listed or no intention to list
- Reliance on bank financing
- Prefer to list abroad

## Ownership structure of listed companies

- Few majority owners
- Small free float

## Venture Capital/Private Equity

- Underdeveloped
- Opportunistic

## Lack of attractive stocks

- Few top performers
- Corporate Governance
- Partly weak fundamentals
- Value orientation
- Lack of growth segment

## Pension system

- Trust/confidence issues
- Missing capital market orientation

## Domestic institutional investors

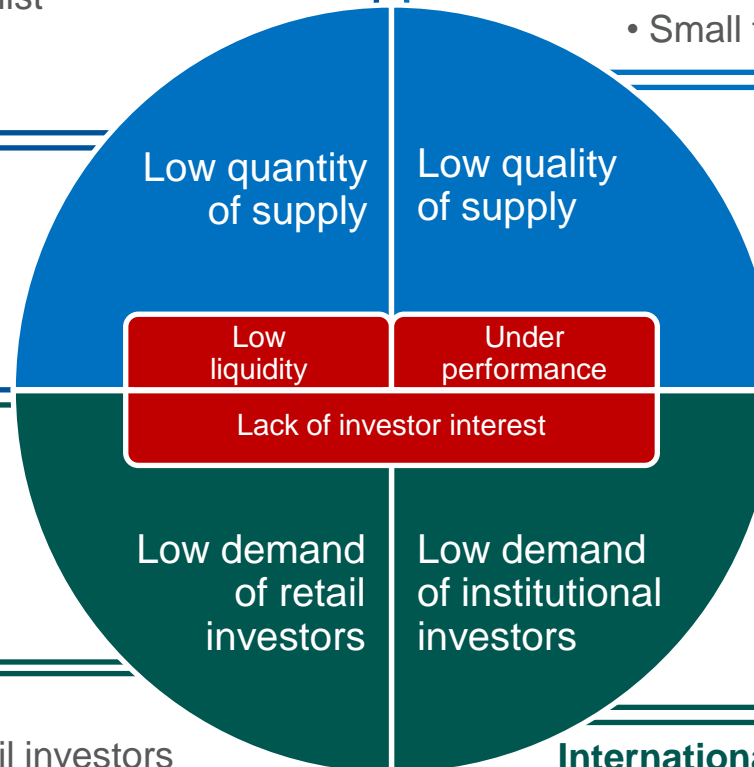
- Insufficient number of local institutional investors
- Low level of local stock investments

## Private stock ownership

- Small number of active retail investors
- Lack of awareness/education
- Invest outside of country- crisis based

## International investors

- Lack of demand based on low trust/perceived country risk
- Lack of research coverage on SME/Corporate



# Contacts



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# 2016 Annual Meeting & Business Forum

We look forward to welcoming you on  
11 & 12 May next year in London, UK

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