



CZECHINVEST
Investment and Business Development Agency

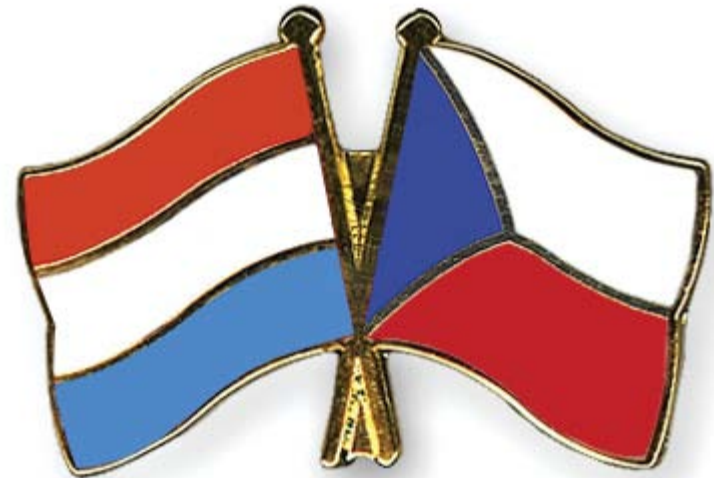
Investment Climate in the Czech Republic



MINISTRY OF
INDUSTRY AND TRADE

The Content of Slideshow

- Czech Republic - Basic Data
- Investment Climate in the Czech Republic
- FDI from Luxembourg to the Czech Republic



Czech Republic: Basic Data

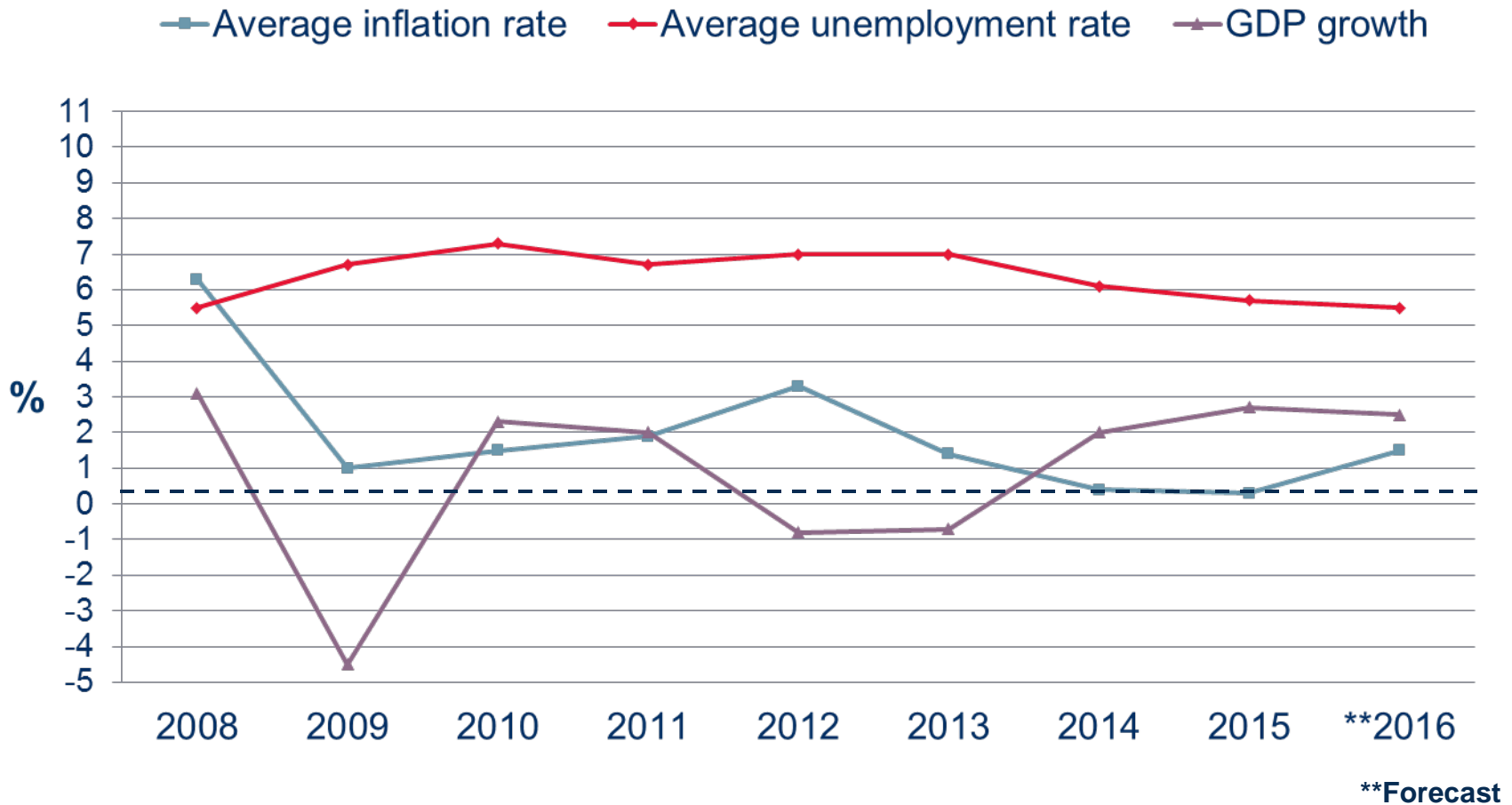
Population (2015)	10.5 million
Labour force (2015)	5.3 million
Unemployment (Actual for: Aug 2015)	6.3%
GDP p.c. in USD (PPP) (2014)	28 466
GDP growth (2014)	2.0%
GDP growth (2015*)	4.4%
Annual inflation (August 2015)	0.5%
Average monthly wage (March 2015)	€997 \$ 1, 054
Export destinations (2014)	Germany (32.0%) Slovak Rep. (8.3%) Poland (5.9%)

* current

Source: Czech Statistical Office 2015, Czech Ministry of Finance April 2015, IMF 2015



Basic Economic Indicators



Source: Ministry of Finance. Macroeconomic Forecast. April 2015

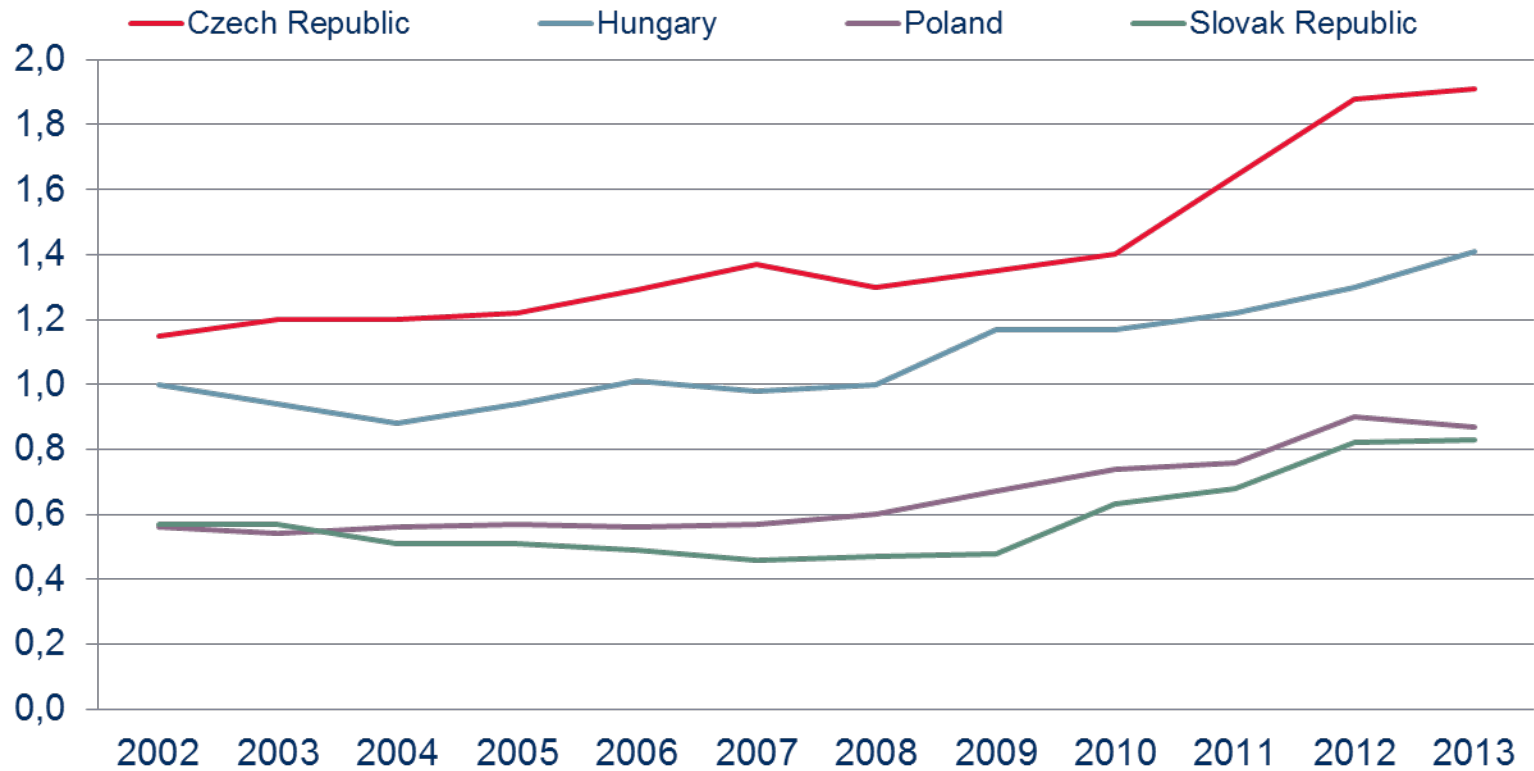
CEE Comparison of Outlook for Year 2015:

Key Performance Indicators	Czech Republic	Slovak Republic	Poland	Hungary
Population (mil.)	10.5	5.4	38.5	9.9
GDP (%)	2.5	2.7	3.3	2.3
GDP p.c. in USD (Current Prices)	19,800	19,030	15,400	13,440
Unemployment (%)	6.0	13.2	9.5	7.8
Total investment (GDP %)	22.7	19.0	21.4	19.4
General Gov. Gross Debt (GDP %)	44.4	55.7	49.0	79.2

Source: IMF 2015 (World Economic Outlook Database)

Total Expenditure on R&D

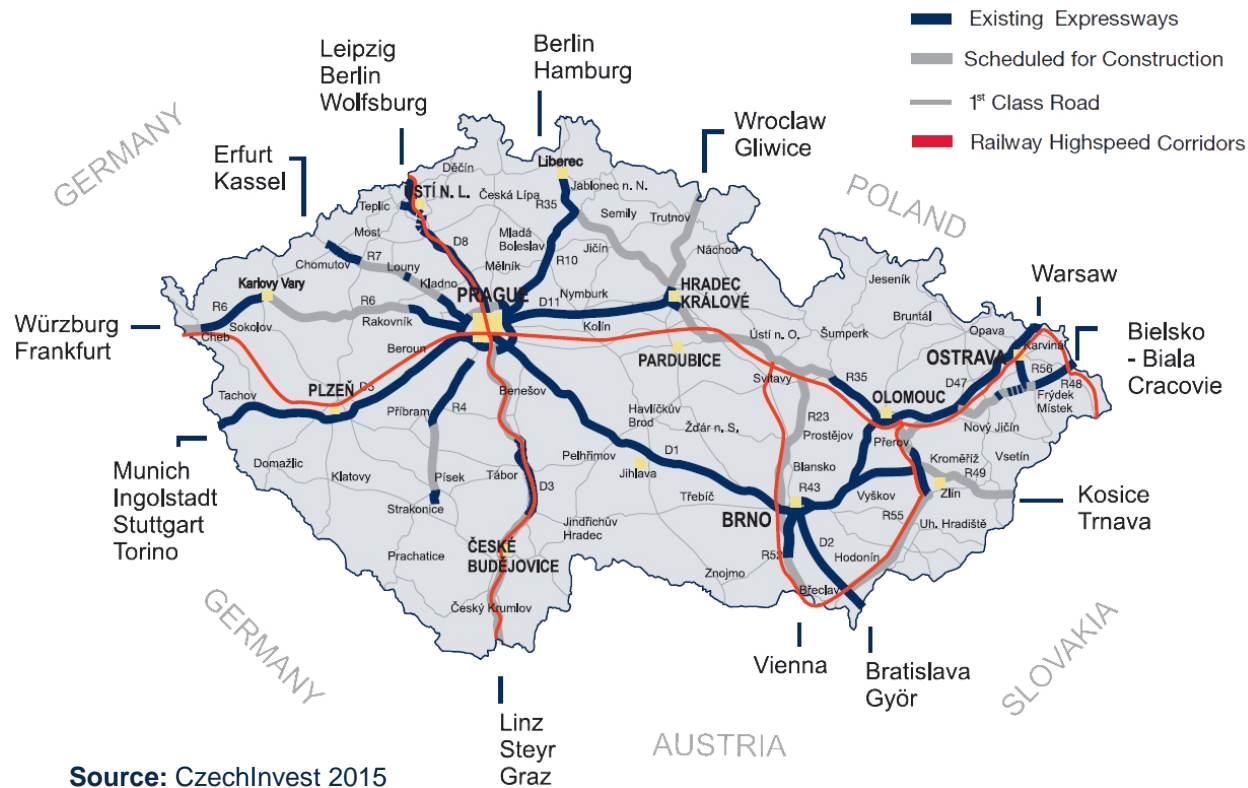
Percentage of GDP



Source: Eurostat, 2015

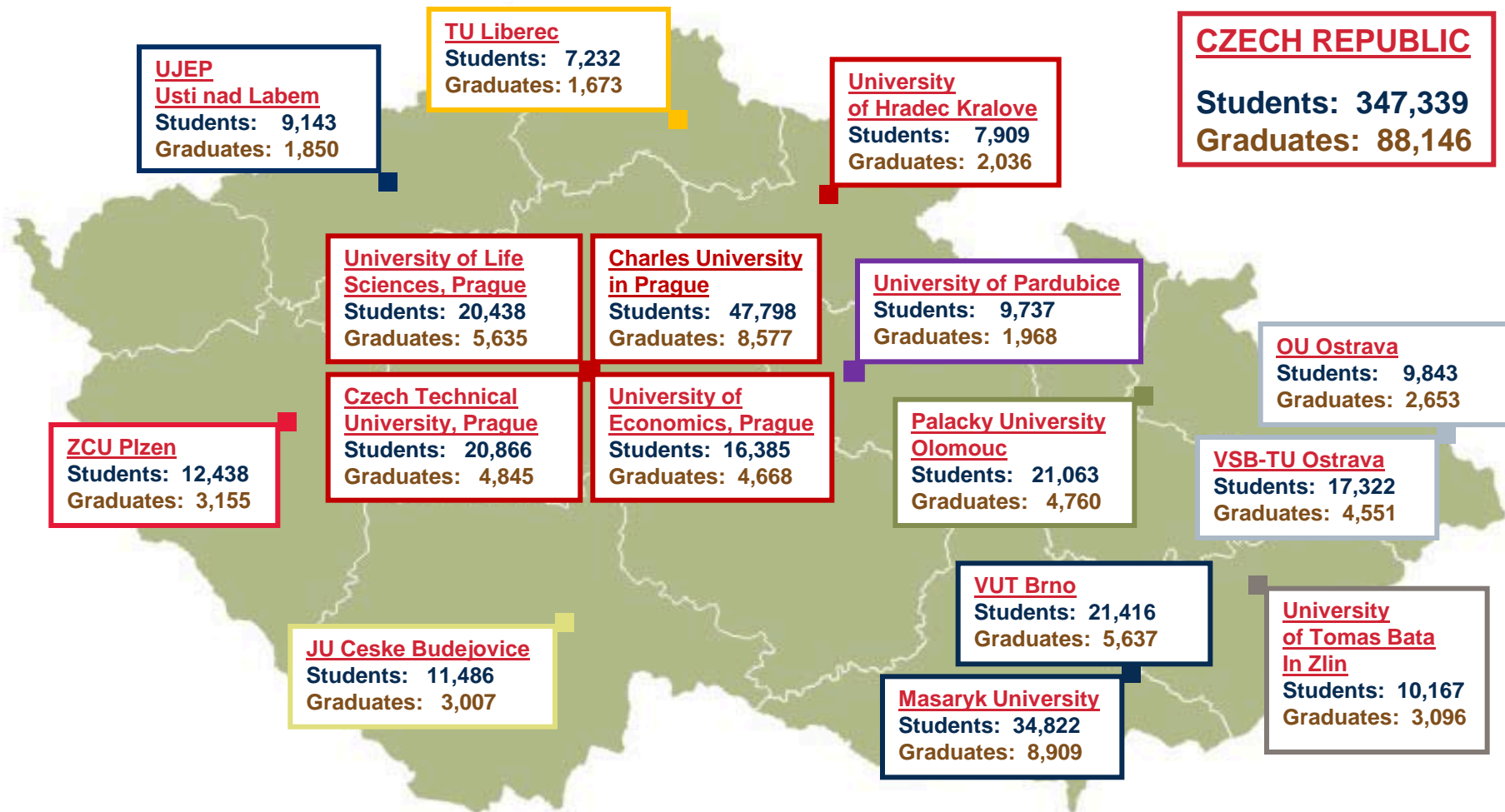
Location and Infrastructure

- Great geographical location
- Great access to both emerging eastern as well as established western markets
- Advanced infrastructure – densest railway network in CEE, complementary highways



Source: CzechInvest 2015

Main Universities 2014/2015



Source: Ministry of Education, Youth and Sports , 2015

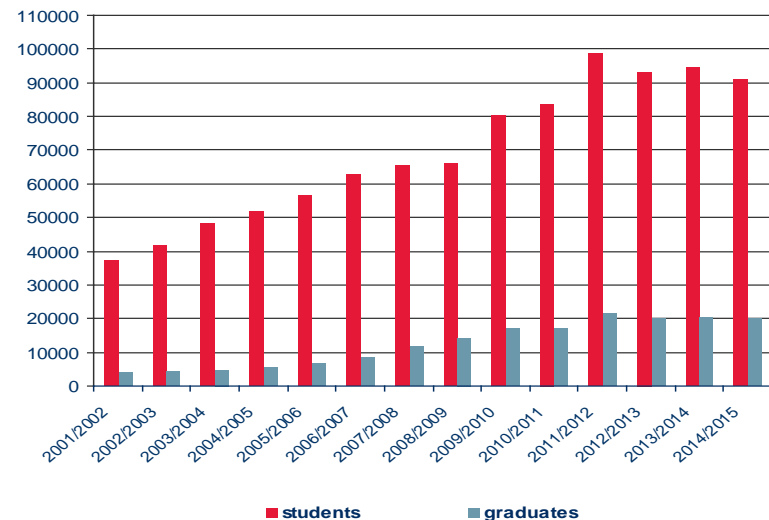
Favourable Labour Costs

- Creative, innovative, skilled and experienced labour force
- Lower costs compared to Western Economies
- Steady inflow of new graduates into the labour market

Average hourly wages (EUR) in 2014

Country	EUR
Germany	24.4
Austria	23.2
France	23.1
EU-28	18.6
United Kingdom	18.6
Czech Republic	6.9

Number of students and graduates at Czech technical Universities



Source: CzechInvest, 2015, Eurostat 2015

Taxation in the Czech Republic

Corporate income tax	19%
Personal income tax	15%
Withholding tax	15% (standard rate, may be modified by Double Tax Treaties)
Value-added tax	standard 21%, reduced 15% and lowered 10%
Real estate tax	rates vary by type, location and purpose of use
Real estate transfer tax	4% (flat rate)
Road tax	rates vary by engine capacity (passenger cars) or weight and number of axles (other commercial vehicles)
Excise tax	on gasoline, alcohol and tobacco only
Energy tax	on electricity, natural and other gases, and solid fuels



Source: PricewaterhouseCoopers, 2015

Investment Risk Rating

COUNTRY	STANDARD AND POOR'S	MOODY'S	FITCH
Czech Republic	AA-	A1	A+
Slovakia	A	A2	A+
Poland	A-	A2	A-
Bulgaria	BBB	Baa2	BB+
Hungary	BB+	Ba1	BB+
Romania	BB+	Baa3	BBB-
Russia	BB+	Ba1	BBB-

Note: Foreign Currency Long-Term Sovereign Debt Ratings, 8th July 2015

Source: Czech National Bank, 2015

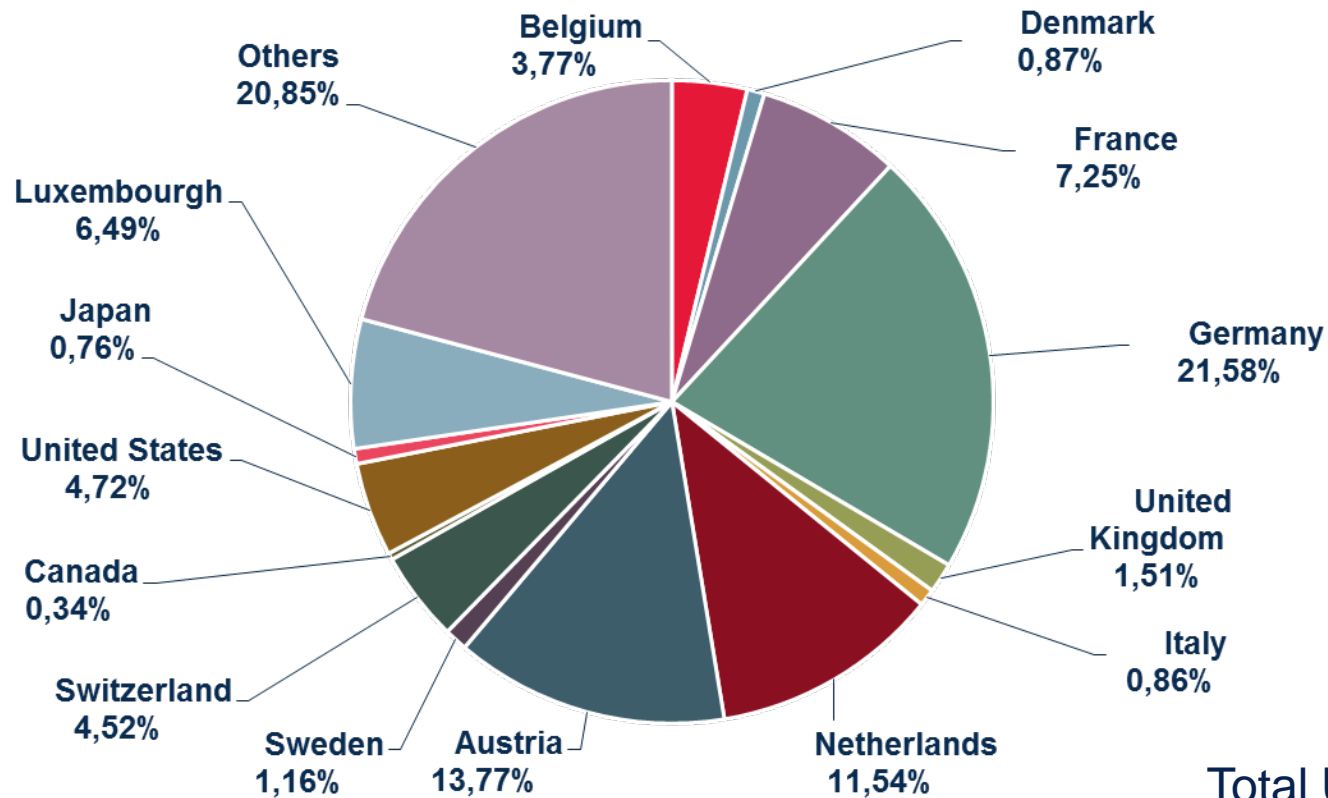
THE 2015 IMD WORLD COMPETITIVENESS SCOREBOARD

Czech Republic is at the top of the CEE countries in the competitiveness of the world economies

Rank 2015 (14)	Country	Score
1 (1)	USA	100.000
2 (4)	China Hong Kong	96.037
3 (3)	Singapore	94.950
4 (2)	Switzerland	91.616
5 (7)	Canada	90.410
....		
10 (6)	Germany	85.637
29 (33)	Czech Republic	70.834
33 (38)	Poland	68.758
46 (45)	Slovak Republic	57.176
48 (48)	Hungary	56.996

Source: IMD, World Competitiveness Yearbook, May 2015

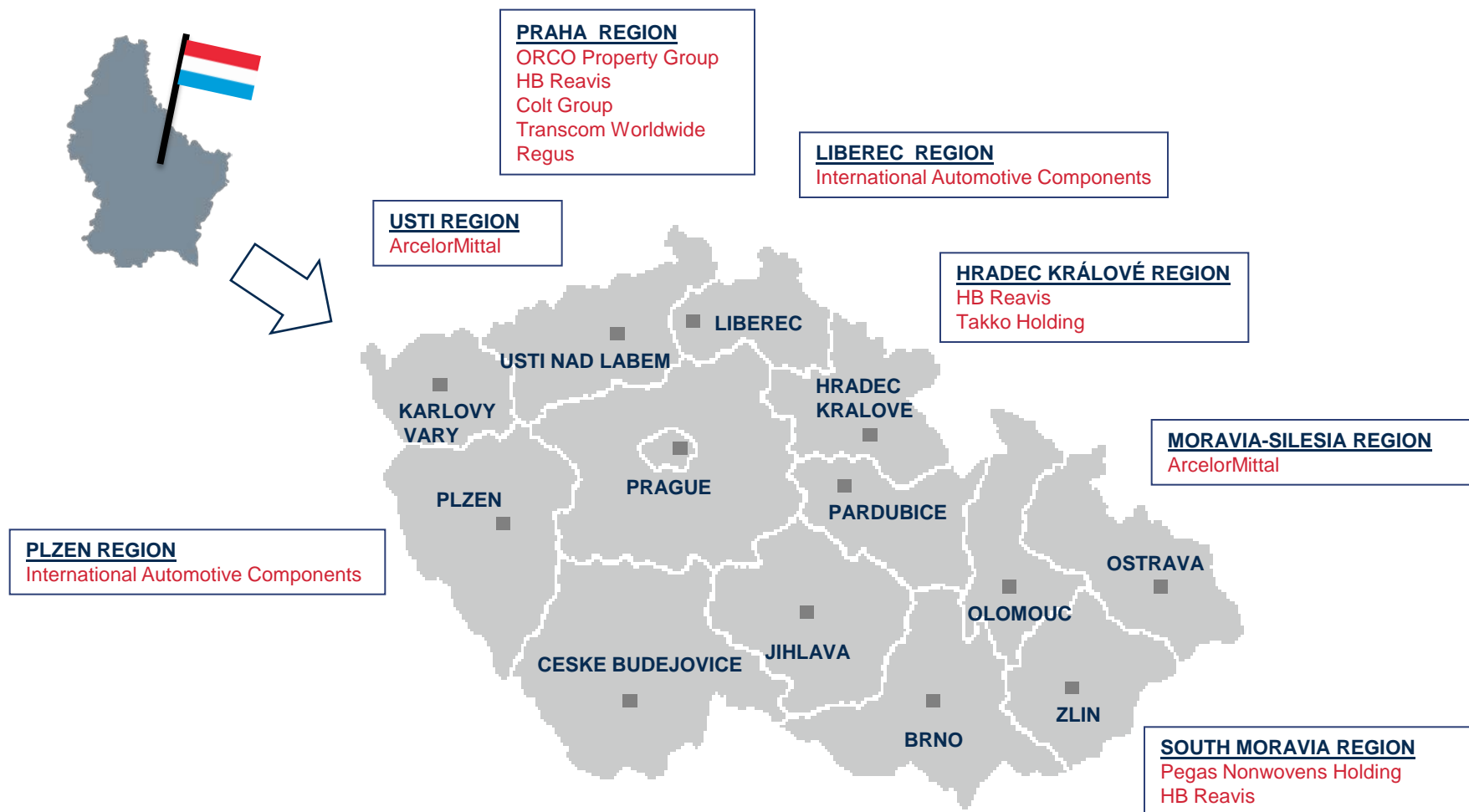
Cumulative FDI Inflow by Country 2000 – 2014



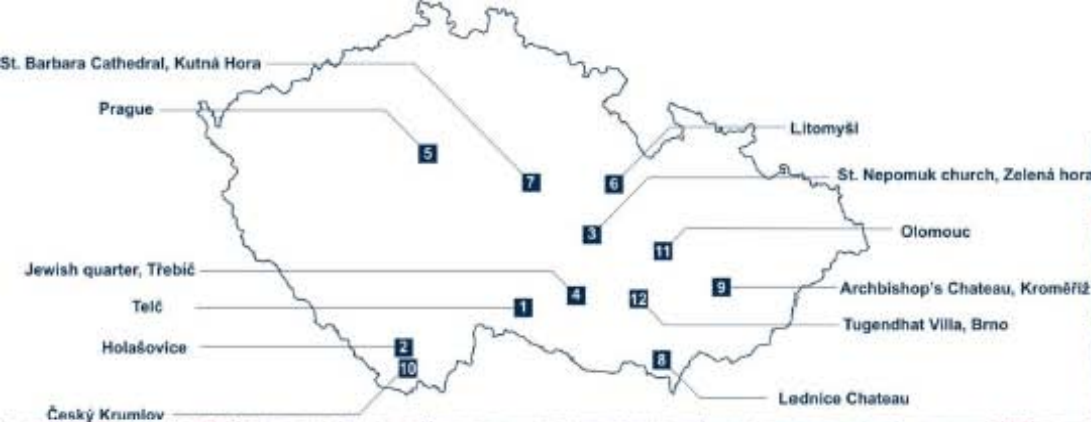
Total USD: 106.01 billion
Total EUR: 89.03 billion

Source: Czech National Bank, 2015

Selected Luxembourg Investors in the Czech Republic



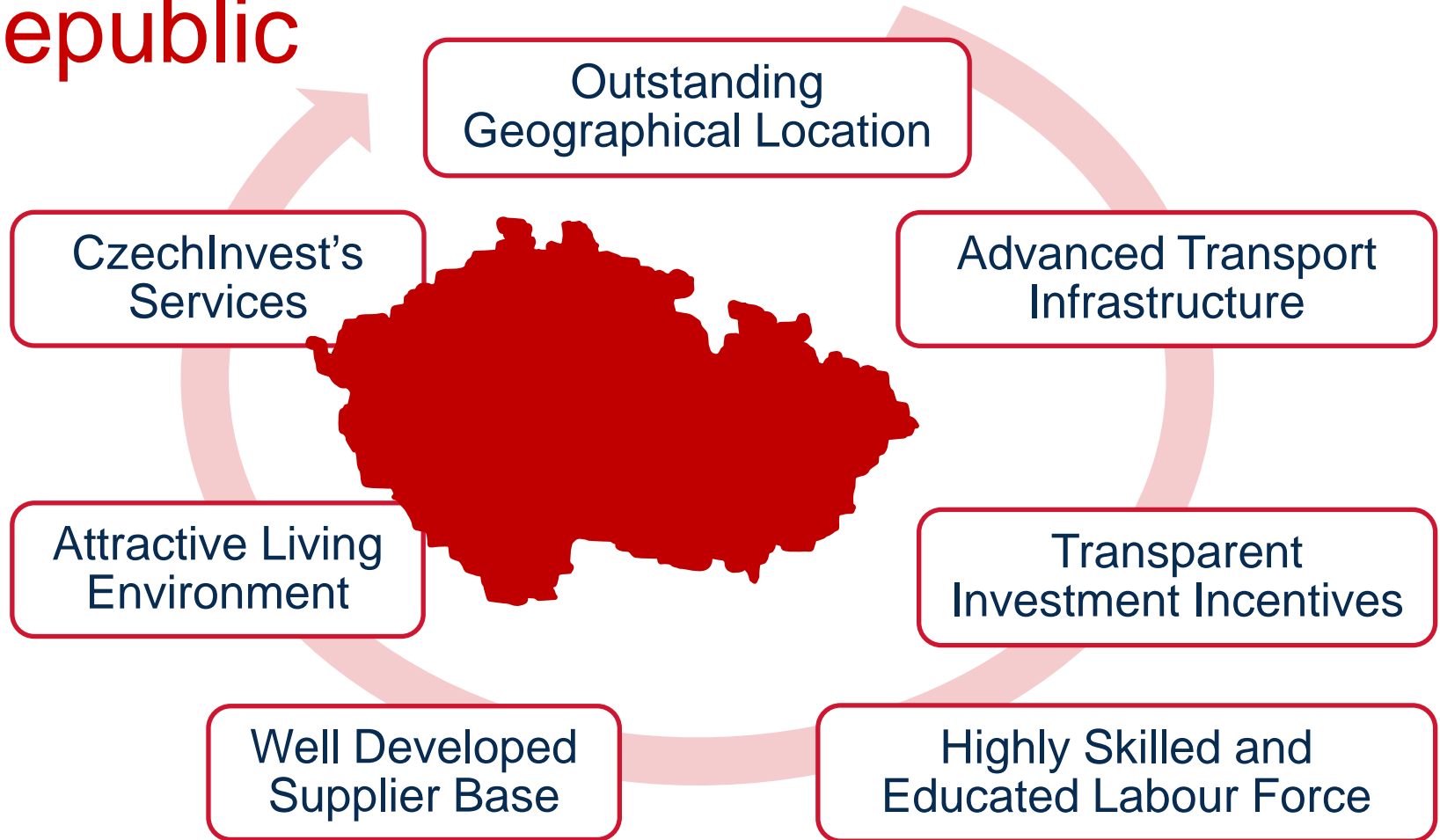
Source: fDi Markets 2015



Czech
UNESCO
Heritage

12 Czech
wonders of
the world

Reasons to Invest in the Czech Republic



Source: Czech government, 2015

Thank you for your attention.

Contact us!
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