



TOP 500

Central Europe
2014

“Central European countries are in the process of changing themselves. They are turning away from a focus on low-cost labour to become knowledge-based economies driving the innovation that builds more competitive and profitable companies, economies, regions and continents.”

Alastair Teare, Chief Executive Officer, Deloitte Central Europe

The results of the 2013 ranking of the 500 largest companies in Central Europe illustrate an uncertain situation in the region. They show a deteriorating economic position and unstable geopolitical situation affecting the performance of CE enterprises. 2013 saw a slowdown in revenue growth among the largest companies in Central Europe. This is the third year in a row which showed an increase in the number of companies reporting a decline in revenues. This negative trend is also confirmed by the results of the Top 500 for the first quarter of 2014 (with an average revenue decrease of -3.1%).

The macroeconomic data does not give much cause for optimism. The main factor which has supported economic growth in Central Europe was a recovery in the eurozone, which triggered the growth of exports among CE countries.

However, the stability of this pro-growth factor is questionable, taking into account the deterioration in sentiments in Germany, as evidenced by the latest ZEW indicator readings. Positive sentiments among CE business leaders and CFOs in 2013 (as indicated by the PMI measure, as well as the results of the Deloitte CE CFO Survey carried out in October-November 2013) have worsened in the first half of 2014. The latest Polish edition of the CFO Survey, conducted in mid-2014, showed that companies are worried about the stability of the region's geopolitical situation. Observable trends suggest a worsening situation in Central Europe and are hindering optimism in the financial forecasts for the region's largest companies in the months to come.

Ranking insights

Poland continues to lead the CE Top 500 Ranking with 161 companies. In this edition of the Ranking, the largest increase in number of companies was recorded by Romania (up by six companies). Together with Ukraine they experienced the highest increase in the number of companies in the Consumer Business & Transportation sectors (up by five in Romania and by three in Ukraine). Lower numbers were recorded by the Slovenia and Hungary (both down by three companies compared with the last year), for whom the median decrease in revenue in euros in 2013 was greater than for the whole CE region.

A breakdown of the Top 500 by sector shows that Manufacturing sector was on the rise in the ranking and delivered an average growth of 2.9%. Consumer Business & Transportation have been on the rise for the past few years, but company revenues in these sectors increased by only 1.1% in 2013 (as compared to an average increase of 4.8% in 2012). Average revenues in the Energy & Resources sector (with 146 companies in the Ranking) fell by -1.8% (compared with a 3.5% increase the year before). Real Estate, which is represented by just seven companies, suffered the biggest fall in revenues (-15.7%). In the Technology, Media & Telecommunications (TMT) sector, 2013's fall in revenues in EUR was worse than the previous year's decline (-4.9% in 2013 compared to -3.2% in 2012).

Top 10

The first four places in the Ranking remained unchanged. As in the previous year, first place was taken by PKN Orlen (despite a 5.8% decrease in EUR revenues), followed by Hungary's MOL and then ŠKODA Auto. The Ukrainian energy sector company DTEK moved from seventh up to fifth place. DTEK was the most impressive mover in the seventh edition of the Ranking – last year, it jumped from 32nd to seventh place after 108% revenue growth as a result of acquisitions made.

Rank	Company short name	Country	Revenues from sales 2013
1	PKN Orlen	Poland	27,037.2
2	MOL	Hungary	18,121.1
3	ŠKODA AUTO	Czech Republic	10,311.2
4	Metinvest	Ukraine	9,619.0
5	↑ DTEK	Ukraine	8,721.6
6	ČEZ	Czech Republic	8,344.0
7	↑ Energorynok	Ukraine	8,033.1
8	↑ Jeronimo Martins Polska	Poland	7,806.4
9	↑ PGNiG	Poland	7,627.7
10	PGE	Poland	7,158.6

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