

*Investing in your future*



**EUROPEAN  
UNION**

European Regional  
Development Fund



NATIONAL  
STRATEGIC  
REFERENCE FRAMEWORK  
2007 – 2013



OP "Development of  
the Competitiveness  
of the Bulgarian  
Economy" 2007-2013



Project "Promoting the advantages of investing in Bulgaria"  
BG 161PO003-4.1.01-0001-C0001, with beneficiary InvestBulgaria Agency, has been implemented with the financial support of the European Union through the European Fund for Regional Development and the national budget of the Republic of Bulgaria.



# INVEST IN BULGARIA



# CONTENT

<b>1. Introduction</b>	<b>4</b>
<b>2. General overview of Bulgaria</b>	<b>8</b>
2.1. Geography	10
2.2. Demographic profile	16
2.3. Main cities	18
2.4. History	28
2.5. Political profile	40
2.6. Economic profile	42
<b>3. Human resources</b>	<b>52</b>
3.1. Universities	56
3.2. Schools	64
<b>4. Cost of doing business</b>	<b>68</b>
4.1. Taxes	70
4.2. Salaries	71
4.3. Land and rents	72
4.4. Utilities	74
<b>5. Infrastructure</b>	<b>76</b>
<b>6. Government support</b>	<b>84</b>
<b>7. Key sectors and success stories</b>	<b>90</b>
7.1. Food and beverage industry	92
7.2. IT	106
7.3. Electrical engineering and electronics	122
7.4. Healthcare and medical tourism	136
7.5. BPO	144
7.6. Mechanical engineering	154
7.7. Transport and logistics	166
7.8. Chemistry and related industries	174
7.9. Other sectors	190
<b>8. Other information</b>	<b>194</b>



Bulgaria stands for a critical mass of highly-qualified, well-educated professionals who bring together proven practical understanding of business with high-level theoretical skills to deliver efficient, cost-effective international solutions.

A. T. Kearney



The three factors which contributed to a decision in favor of Bulgaria as a place to invest included: access to our core raw material, country's geographic location and the current tax situation.

Ingrid Janker, CEO, Knauf Bulgaria

Bulgaria is the only country in the EU with a credit rating upgrade by Moody's since the beginning of 2010.

Bulgaria has the lowest government debt in the European Union (18.9 % of GDP) and one of the lowest budget deficits (-0.5%) as of 2012.



“Bulgaria offers a good mix of high skills, fairly low labor costs and good production quality.

”  
Accelerance

“Substantial EU funding available following Bulgaria’s EU accession.

”  
Business Monitor International

“The investment conditions here are wonderful. The country has large capacity to produce raw materials locally.

”  
Achille Bardelli  
Member of the Board of Directors of Orgachim, one of the first investors in the chemical industry in Bulgaria

-----  
D-check is the most comprehensive and pedantic check for the aircraft serviceability. It is also known as Heavy Maintenance Visit (HMV). Usually, such a check takes between 21 and 60 days depending on the aircraft and the number of the technicians.

Lufthansa Technik Sofia managed to perform only within 16 days the quickest D1 check on Airbus A320 among the whole group of 31 companies.





Customers of the Bulgarian companies are world industry leaders such as BMW, Renault, Peugeot, Ford, Audi. For example, cylinder heads for 6-cylinder V-engine Audi are produced exclusively by Montupet plant in Bulgaria.

---



In 2010 Bulgaria became one of the six target logistics centers of HP worldwide which provide customer services and outsourcing of IT and software operations.

---



- Bulgaria hosts Europe's biggest synthetic soda ash plant and the biggest oil refinery on the Balkans.
- Bulgaria was the world's largest producer and exporter of lavender oil in 2011 and also is among the top 15 producers of buffalo and sheep milk in the world.



Bulgaria ranks second in Europe after Iceland in the number of the mineral springs, providing all types of mineral water existing in nature.

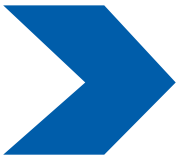
...If you want first-class mathematicians, try looking in Bulgaria.

William Fitzsimmons, Dean of Admissions and Financial Aid, Harvard College



Bulgaria, Romania and other locations in the outskirts of Europe are playing a new twist in the craze for sending technology development offshore.

Business Week



The Bulgarian ELKA 6521 was the first European electronic calculator. ELKA 6521 was among the most popular electronic calculators in Europe in the 1960s and 1970s. In 1975 Bulgaria exported more than 30 000 electronic calculators ELKA for Switzerland.



EnerSys Bulgaria manufactures batteries weighing more than 300 tons for UK and German submarines.



## GENERAL OVERVIEW OF BULGARIA





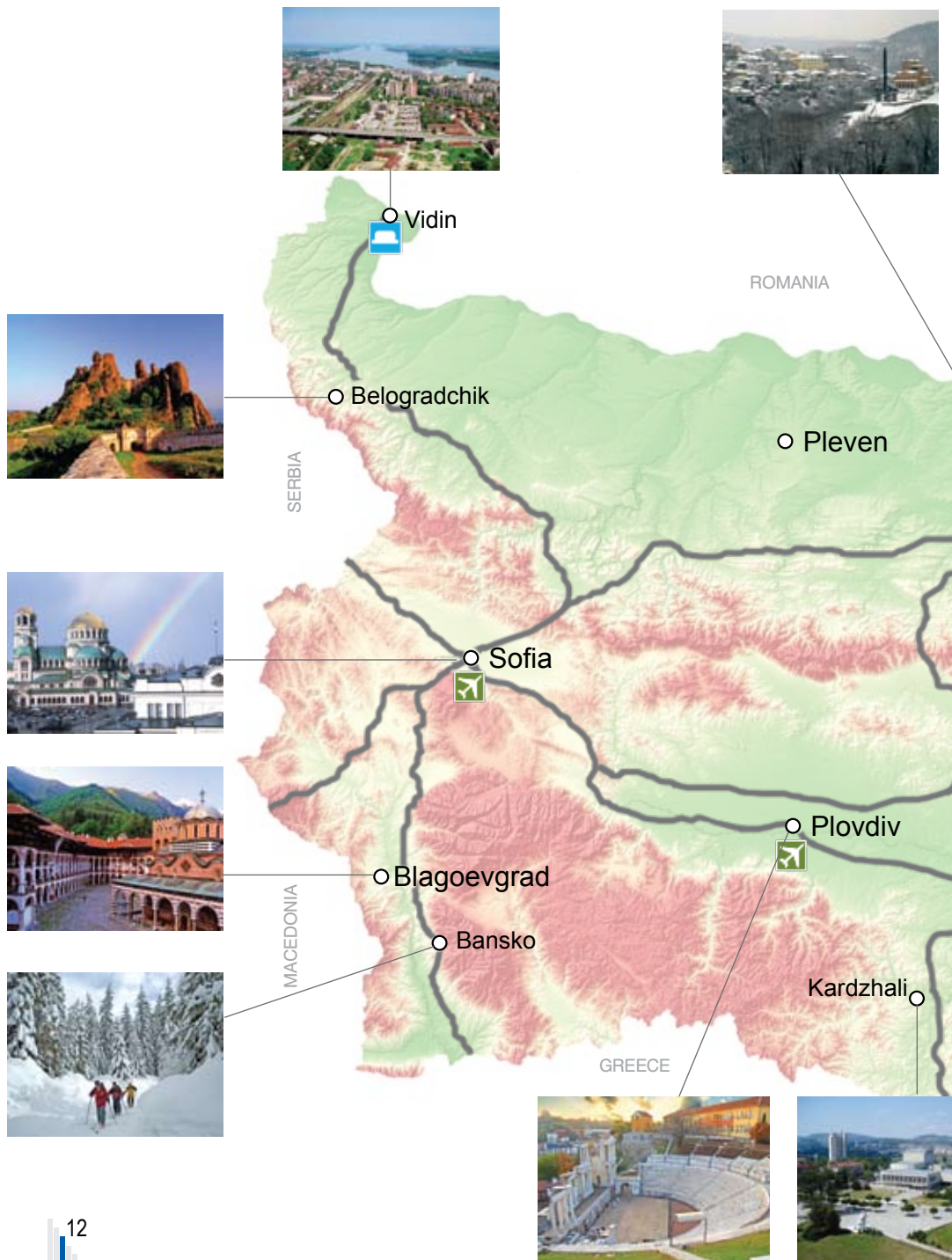
Bulgaria is situated on the main roads



which connect Europe to Asia









- MAP EXPLANATION
- AIRPORT
  - RIVERPORT
  - SEAPORT

## Bulgarian nature has everything - from high mountains ....



Rila is the sixth highest mountain in Europe and the highest one on the Balkan Peninsula. It features one of Bulgaria's most visited tourist destinations, known as the Seven Rila Lakes.



Vitosha is situated in close proximity to Sofia. The mountain offers unique opportunities for both recreation and sport.



In 2012 Bulgaria was visited by over 8 800 000 foreign tourists. This is an increase over the previous year by 1.9%.



Pirin is the most beautiful mountain of alpine type in Bulgaria.



The Rhodopes are one of Bulgaria's most interesting mountains in terms of flora and fauna, settlement architecture and cultural heritage

## ... to beautiful beaches

### History coexists with modernity in Bulgaria



The town of Nessebar (Messembria) was inhabited in the 6th century BC. During the Bronze Age it was one of the most developed cities on the Black Sea, and today is one of the cultural objects under the protection of UNESCO.



11 beaches in Bulgaria were awarded with the prestigious “Blue Flag” award in 2010.

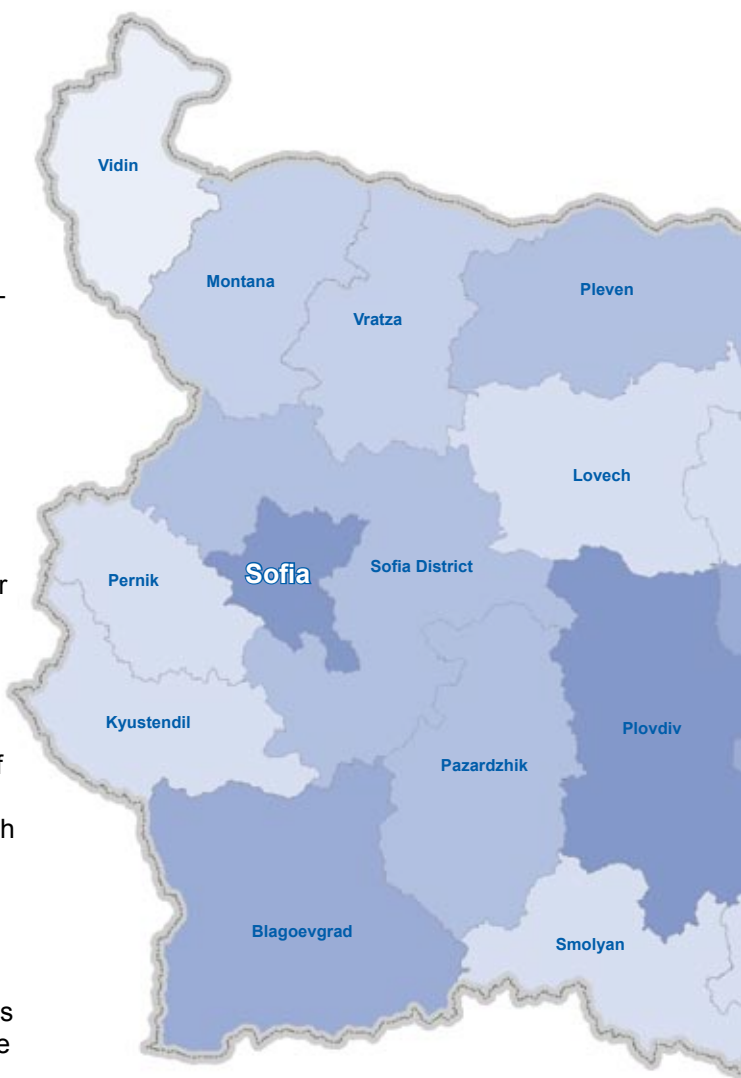
The Bulgarian Black Sea coast offers a good opportunity for recreation, entertainment, and sports activities.



There are 142 official resorts in the country, 58 of them are spa, 56 – mountain and 28 - sea resorts.

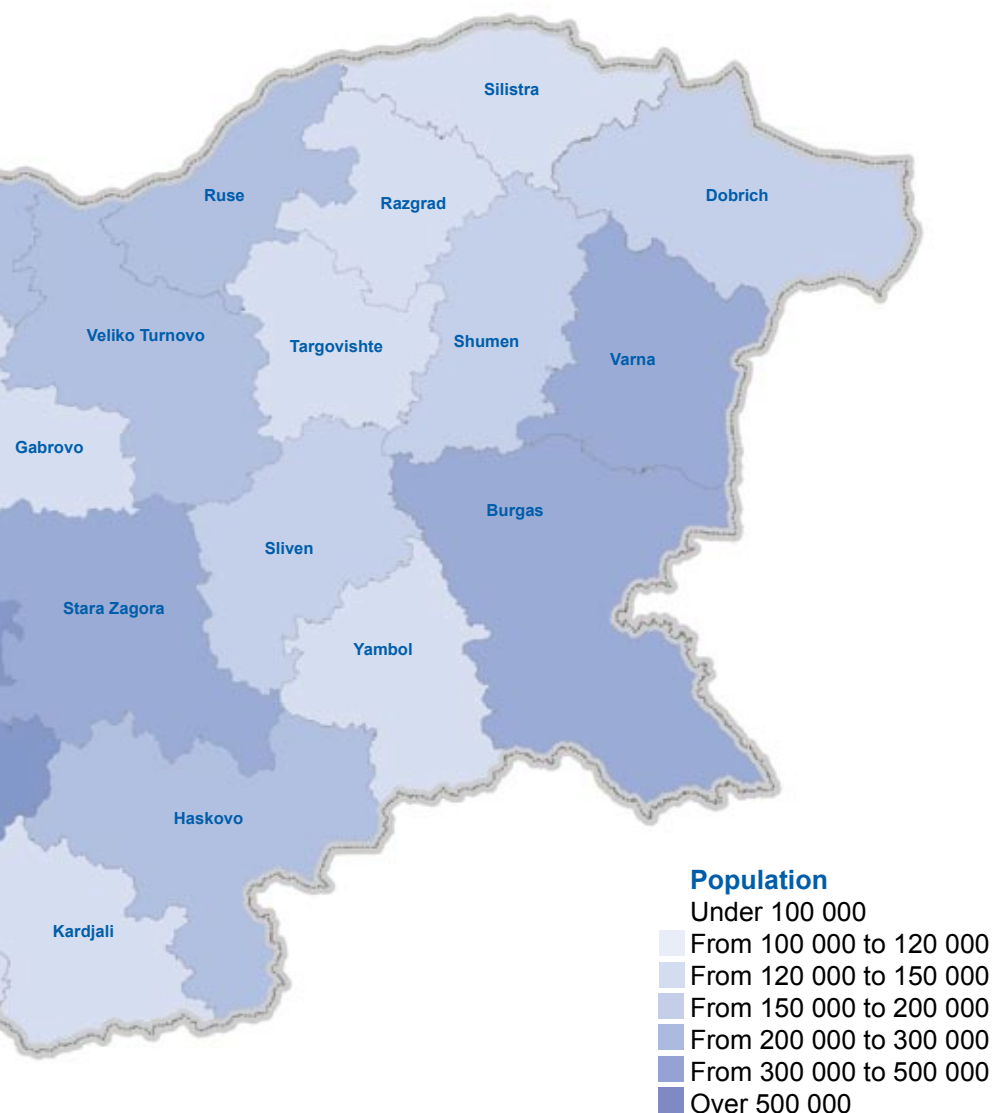
## Bulgarian population stood at 7.36 million people in 2012

- 68% of the population is of working age
- About 60% of the working age population (25-64 years) speak at least one foreign language
- Approximately 80% of the working-age population have secondary or higher education
- Around two thirds of the students in the country learn English or German
- Bulgaria is a highly urbanized country as over 5 million people live in cities





## Population by regions, as of 01.02.2012



## Sofia



- Population: 1 539 080
- Sofia is the capital of Bulgaria
- Center of the legislative, executive and judiciary power (the National Assembly, the Presidency and the Council of Ministers)
- Sofia is the 13th largest city in the European Union
- Financial hub, home of the Bulgarian National Bank, the Bulgarian Stock Exchange, the Financial Supervision Commission

### In Sofia:

- is concentrated 1/4 of the workforce of the country
- is centered 1/6 of the industrial production of Bulgaria
- are produced 34.3 percent of GDP in Bulgaria



### Educational Snapshot:

- 16 language schools with business curriculum
- 18 language schools with IT curriculum
- 21 universities
- 26 000 graduates per year
- Sofia Airport (SA) is the largest passenger and cargo airport in Bulgaria. Over 70 shipping companies work with SA, including FedEx, In Time (UPS); DHL, TNT, DB Schenker



In the VIII century BC at the place of a neolithic city was situated the ancient tracian city of Serdica – named after the Thracian tribe Serdi. The reason for the settlement of these lands are the hot mineral springs that abound in the Sofia area.

Sofia is the only European capital that offers 8 different types of mineral water that can treat up to 100 thousand people daily. There are about 50 hydrothermal springs in the surroundings of Sofia.

Prof. Kostadin Shterev - hydrologist

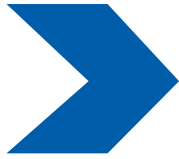
## Plovdiv



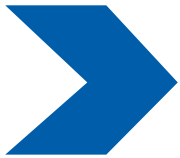
- Population: 683 027
- One of the major administrative, industrial, transport, educational and tourist centers
- One of the fastest growing cities with an average GDP growth of 12-13%
- Well-developed transport infrastructure including an international airport
- Three of the ten Pan-European corridors pass near the city (IV, VIII and X)
- The International Plovdiv Fair has been organized since 1892, and nowadays is one of the most important trade events and one of the largest exhibition centers in Southeastern Europe

### Educational Snapshot:

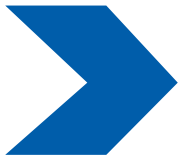
- 2 universities
- 3 language schools
- 10 100 graduates per year



The patented airplane of Georgi Bojinov was constructed only nine years after the first flight of the Wright brothers and introduced innovations that were evaluated and used later in supersonic aircrafts. The original is located in The Plovdiv Museum of Aviation.



The Roman Stadium in Plovdiv is one of the largest Roman buildings in the Balkans. Its length is 180 meters and its capacity - 30 000 people.



The Ancient Theater was built in I-II century. Due to the good acoustics, owing to the specific architecture of the theater, it is still used for concerts and other events with a capacity of around 5 000-7 000 spectators



The Ancient Theater

## Veliko Tarnovo



- Population: 258 494
- One of the oldest settlements in Bulgaria with rich history and culture
- The main attraction is a well preserved Medieval fortress, named Tsarevets
- Well developed transport and communication infrastructure
- Major roads: European route E85 connecting Alexandroupolis with Bucharest and E772 connecting Sofia with Varna

### **Educational Snapshot:**

- 2 universities
- 8 high schools
- 8 500 graduates per year



The Arbanasi open air architectural museum is situated 5km from Veliko Tarnovo. It is on the list of 100 National Tourist Sites of Bulgaria and features well preserved houses dating from 13-14th century.

Tsarevets Hill in Veliko Tarnovo has five thousand-year history. It was inhabited during the Copper Age, as the first village on the hill dates from 4200 BC.

### Sound and Light

The audiovisual performance “Sound and Light,” which conflates colourful lights, sound effects and verbal narrative is a historical narration of the most important moments of the Bulgarian history. It first took place in 1985 and still is the city’s main tourist attraction.



## Varna



- Population: 475 074
- Bulgaria's biggest Black Sea city. Major port, as well as tourist, business and university centre
- Headquarters of the Bulgarian Navy and merchant marine
- Varna region produces 5.4% of the national GDP. It is third in the country by foreign investments per capita
- Well-developed transport infrastructure including an international airport
- Varna Airport provides flights to some of the biggest cities in Europe - Brussels, Vienna, London, Moscow
- Major roads include European routes E70 to Bucharest and E87 to Istanbul, and Pan-European corridor VIII

### **Educational Snapshot:**

- 12 language schools with Business, Mathematics and IT curriculum
- 8 technical educational institutions
- 5 universities and higher schools
- 9 300 graduates per year



The Botanical garden in Balchik is famous for its collection of large cactuses and succulents, exposed in an open area of about 1 ha. The garden is the second of its kind in Europe after that of Monaco. In this unique garden grow over 2 500 plant species.



## Burgas

- Population: 415 817
- Situated on the Black Sea coast
- Major tourist destination as well as a major administrative, industrial, and educational center
- Well-developed transport infrastructure, including international airport
- The Pan-European corridor VIII (Dures - Tirana - Skopje - Sofia - Plovdiv - Varna) passes through the city
- The Port of Burgas is the largest one in Bulgaria. It operates 28 vessel berths featuring dwt of 125 000 t to be handled



### Educational Snapshot:

- 2 universities
- 4 language schools
- 3 500 graduates per year



Spirit of Burgas is a music festival for Bulgarian and international music. In 2009, the event was indicated by "The Times" as one of the 20 best festival destinations in the world.



## Blagoevgrad



- Population: 323 552 - district
- Educational, administrative, transport, agricultural and tourist centre (famous for nearby cultural and natural landmarks, as well as for the nearby Bansko ski resort)
- Located along Pan-European Corridor IV. A new highway connecting West European destinations with Greece is under construction
- Railway line connecting Sofia to Thessaloniki passes through Blagoevgrad

### **Educational Snapshot:**

- 2 universities
- 3 language and several secondary schools with focus on business studies
- 3 000 graduates per year



In 1991 in Blagoevgrad was established the first American University in Bulgaria. Currently it has 1 100 students from 45 countries from 5 continents. About 60% of the students are international.

## Ruse

- Population: 235 252
- The biggest Bulgarian river port and a big industrial centre (automotive industry, ceramics and chemistry)
- Near the city is located one of the first industrial zones in Bulgaria, which hosts international companies like Montupet, Keros Bulgaria and many others
- Located along Pan-European corridor IX and the Danube Bridge - the major road and rail connection between Bulgaria and Romania
- Ruse is 60 km away from the international airport Bucharest
- The central part of the town is famous for its unique architecture from the late 19th and the beginning of the 20 century.

### Educational Snapshot:

- 1 university
- 3 language schools
- 2 000 graduates per year



Ruse is often called “Little Vienna” because of the architectural monuments, which combine baroque, modern, neoclassical and art Secession style.



Slavs, Bulgars and Thracians tribes lived on the territory of the Bulgarian state before its foundation.



During the reign of Khan Krum (**803-814**) were written the first laws in Bulgaria.



The Bulgarian state was established in **681** Khan Asparuh is considered its founder.

**864**

Christianity was adopted as an official religion in Bulgaria during the reign of Boris I.





**886**

Cyril and Methodius created the first Slavic alphabet - the Glagolitic. Later it was re-modeled by their Bulgarian disciples and the Cyrillic alphabet was adopted officially in Bulgaria.



Tsar Ivan Asen II (**1218-1241**) was the first Bulgarian ruler, who is known to have minted gold coins with his image.

**893 - 927**

Bulgaria bordered on three seas - the Aegean, Adriatic and Black during the reign of Tsar Simeon I the Great.



**1396**

Bulgaria became part of the Ottoman Empire.





"Fish Primer", written in **1824** by Petar Beron was the first Modern Bulgarian textbook.



**1836**  
The first Bulgarian factory (for textiles) was opened in Sliven.



**1866**  
The first railway line Ruse-Varna was opened.



**January 2, 1835**  
The first Bulgarian secular school was opened in Gabrovo.



**1860**  
The first steam mill in the country was built in Svishtov.



**1874-1876**  
The first of its kind indoor bridge in the Balkans was built in Lovech by Nicola Fichev.



**March 3, 1878**

The San Stefano peace treaty was signed. It put an end to the Russo-Turkish War and restored the Bulgarian state.



**1897**

Solvay opened its sugar plant in Sofia.

**1882**

Franz Milde, helped by a group of local entrepreneurs from Shumen, started one of the oldest breweries in Bulgaria: Shumensko Pivo.



**1894-1899**

More than 120 industrial enterprises were established with Bulgarian and foreign funds and more than 600 km railways were built.

**1901**

One of the first foreign investments in the country was made - the shoe polish factory in Ruse, the current Orgachim.



**1954**

The soda ash factory in Devnya was built, now the biggest facility of Solvay Group in Europe.



**1963**

The petrochemical complex Neftochim (now Lukoil Neftochim) was opened in Burgas.



**1937**

Bulgarian physicist Georgi Nadzakov discovered the so-called photoelectric effect, later used for the invention of photocopying equipment.

**December 14, 1955**

Bulgaria became a member of the UN.



**1965**

Began the bottling of Coca-cola in Bulgaria.





**1967**

The first Factory for Computing Technology in Bulgaria was established.

**1967-1970**

In Plovdiv began assembling of the cars Renault 8 and Renault 1.



**1974**

The first nuclear reactor in NPP Kozloduy was put into operation in Bulgaria.



**1989**

Began Bulgaria's transition from socialism and planned economy to democracy and market economy.

**1984-1988**

Pravec 8M was made – very modern for its time with larger memory and 2 microprocessors. Pravec 16, made in 1985 was an analog of IBM PC XT released in late 1981.





**1990**

Bulgaria was the world's largest exporter of rose oil, used for the perfume industry.



**1993**

Started its manufacturing operations in Bulgaria.



**1994**

Kraft purchased the confectionery plants in Svoje and Kostinbrod.

**1991**

Opened offices in Bulgaria.



**May 7, 1992**

Bulgaria became a member of the Council of Europe.



**1993**

Established sensor manufacturing facility in Sofia.



**1994**

Bought the largest manufacturer of chocolate and confectionery "SHZI Sofia".





**1996**

Acquired the state owned electronic component company Avangard.

**1997**

Heineken and Coca-Cola Hellenic Bottling Company acquired the control share of brewery Ariana.

**1994**

Opened a branch in Bulgaria. It is currently the absolute leader on the Bulgarian market of fresh dairy products.



**1997**

Privatized the largest Bulgarian manufacturer of power transformers and tap changers.





**LUKOIL**

**1999**

Acquired 58% in Neftochim – Burgas which remains the biggest oil refinery on the Balkans.



**2000**

Established their Bulgarian operations for microelectronic components.



**2000**

Came in Bulgaria through the purchase of part of ProSyst company.

**1999**

The US Acid & Fertilizers bought the majority share in Agropolychim. Today, the company exports phosphorus and nitrogen fertilizers to five continents.

**2000**

Opened its refrigerator manufacturing facility in the Marica industrial zone near Plovdiv.



**2001**

The company entered Bulgaria. Major Clients of the division are BMW, Peugeot and Ford.





**2002**

Opened manufacturing facility for the production of sensors and high value added electronic and electro-mechanical products.



**2005**

Opened its outsourcing center in Bulgaria, which serves 26 countries.

**2003**

Was the first foreign outsourcing company, which opened an office in Bulgaria.



**April 2, 2004**

Bulgaria became a member of NATO.

**2005**

Built a new glass factory near Targovishte. By 2010, Şişecam increased its factories to four, manufacturing products that are unique to the region.





**2006**

Opened its Global Delivery Center in Sofia. The location was chosen in a competitive selection process involving fourteen countries.



**2006**

Montupet opened a state-of-the-art automotive parts factory in Ruse.



**January, 1st 2007**

Bulgaria became member of EU.



**2007**

Extended its Sofia Global Delivery Center, providing end-to-end business process services for IBM needs around the globe.



**2007**

Built its plant for wire harnesses in Yambol.



**2008**

German company Lufthansa Technik opened maintenance facility for repair and overhaul of aircrafts like Airbus A320 family and the Boeing 737 series .





## ixetic

**2008**

German companies IXETIC and Witte Automotive opened their plants respectively in Rakovski Industrial Zone and Ruse for production of automotive components.



Unilever

**2011**

Acquires Bulgaria's ice cream maker Darko, the second largest ice cream company after Nestle.



Great Wall

**2012**

Opened the car manufacturing plant established by Litex Motors Corporation in cooperation with the Chinese Great Wall Motor Co.

**2010**

Yana Intermodal Terminal opened near Sofia, at the crossroad of 3 pan-European corridors, serving the European and the Central Asian markets.

**2011**

Three Bulgarian IT companies (E-card, Telerik, Investor.bg) were included in the "Deloitte" ranking of the 50 fastest growing technology companies in Central Europe.

INVESTOR.BG

**2013**

Coca Cola Enterprises moved to Bulgaria its F&A operations covering around 170 million customers in Western Europe

*Coca-Cola Enterprises Inc.*

Bulgaria is a parliamentary republic with well-defined legislative, executive and judicial branches of power



### Legislative power

The National Assembly contains 240 members, elected for four years. It is the only legislative body of the Republic of Bulgaria.



### Executive power

The Council of Ministers is the main body of executive power in Bulgaria. It is elected for a 4-year term.



### Judicial power

The jurisdiction is administered by the Supreme Court, Supreme Administrative Court, appellate, district, and regional courts.



### President of the Republic of Bulgaria

Directly elected for 5-year term with one possible re-election. Head of the state and supreme commander of the armed forces.

## National symbols

### Coat of arms

The state emblem of Bulgaria is a gold lion rampant on a dark gules shield.



### Flag

The flag of the Republic of Bulgaria is three-coloured: white, green and red, placed horizontally from the top down.



The first Bulgarian constitution was adopted in 1879 by the Constituent Assembly in the city of Veliko Tarnovo (hence the name Tarnovo Constitution). It was innovative, progressive and liberal for its time, affirming the principles of privacy and private property. The city of Sofia became the capital of Bulgaria.

Bulgaria has experienced rapid economic growth over the last years coupled with strong fiscal performance:



**Bulgaria is strategically located and provides access to the following markets:**

- South-East Europe – a 122 million inhabitant, high growth market
- EU – Bulgaria offers the lowest cost , zero tariff access to a 500m inhabitant market
- CIS, Middle East and North Africa

**Bulgaria offers a combination of political and macroeconomic stability and incentives for doing business:**

- Stable parliamentary democracy; EU, NATO and WTO member
- Bulgaria's currency is fixed to the Euro under a currency board arrangement
- Lowest tax rate and one of the lowest labor costs in the EU coupled with special incentives for investors
- EU funding – more than €10 bn in EU funds

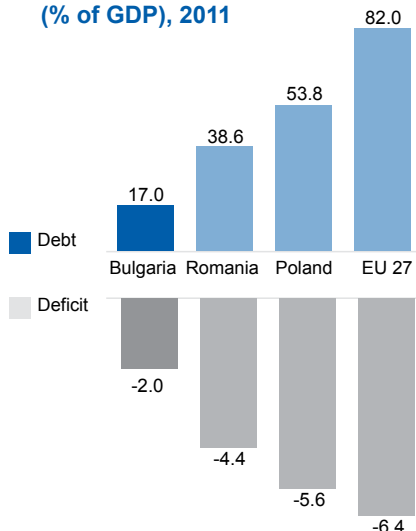
## Bulgaria has exemplary macroeconomic fundamentals

### 2012 Economic Snapshot:

GDP (€ bn):	39.7
Exports (€ bn):	26.5
Net FDI (% of GDP):	3.5
GDP growth (%):	0.8
Unemployment (%):	11.4
Inflation rate (annual change,%):	3.7
Government deficit (% of GDP):	-0.5e
Government debt (% of GDP):	18.9
Current account balance (% of GDP):	-1.3
Long-term credit ratings:	
Moody's:	Baa2 stable
S&P:	BBB stable
Fitch:	BBB stable

Source: Bulgarian National Bank. National Statistics Institute. Ministry of Finance Bulgaria

### Government debt and government deficit in Bulgaria, Romania, Poland and EU 27 (% of GDP), 2011



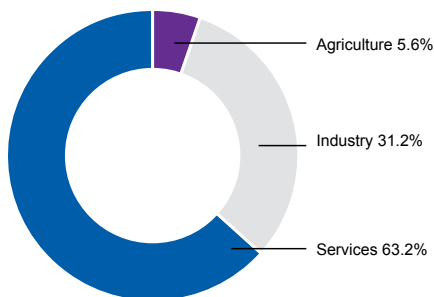
- The Bulgarian economy had a constant growth of above 6% in the period 2000-2008
- The economy stabilized in 2011 with GDP growth of 1.8% for 2011, and 0.8 % in 2012
- The budget deficit in Bulgaria is one of the lowest in Europe for for 2012: -0.5e%
- There are no currency fluctuations due to a currency board, introduced in 1997 – the Bulgarian Lev is pegged at 1.95583 to the Euro
- Bulgaria has the lowest government debt to GDP ratio in the EU27 in 2012



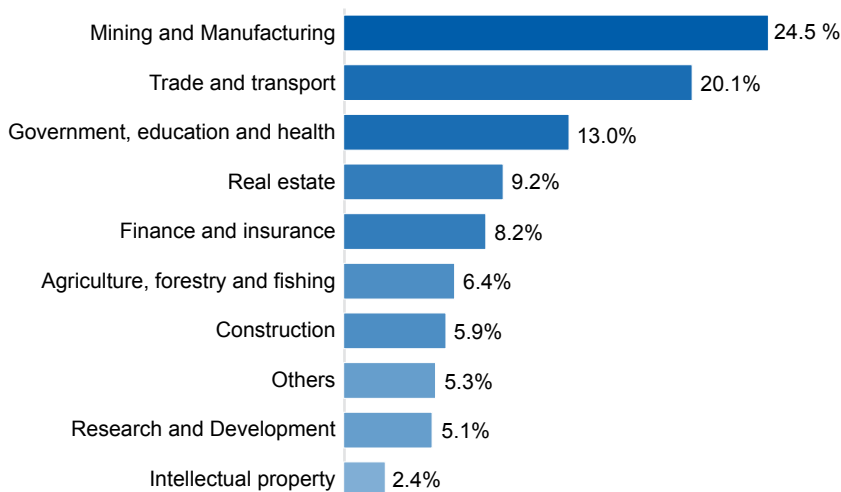
Bulgaria is the only European country with an increased credit rating by Moody's since the beginning of 2010.

- The World Bank ranks Bulgaria sixty-fifth position in the world regarding GDP per capita (purchasing power parity) of \$14 020
- The contribution of the service sector to the GDP has increased more than 2 times in the last 20 years

**GDP Breakdown 2012**

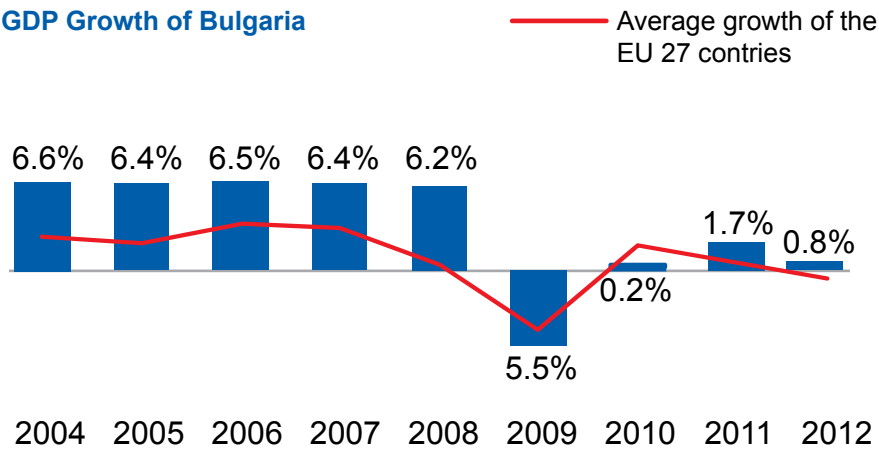


**GDP breakdown by main subsectors (2012)**

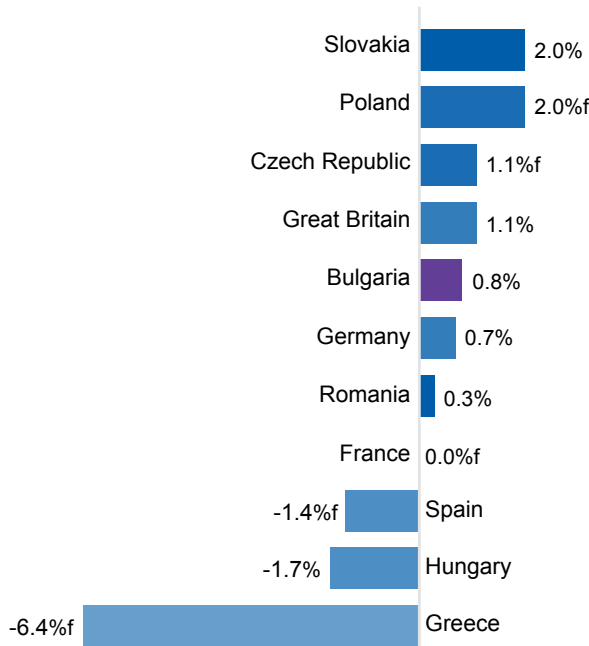




GDP Growth of Bulgaria



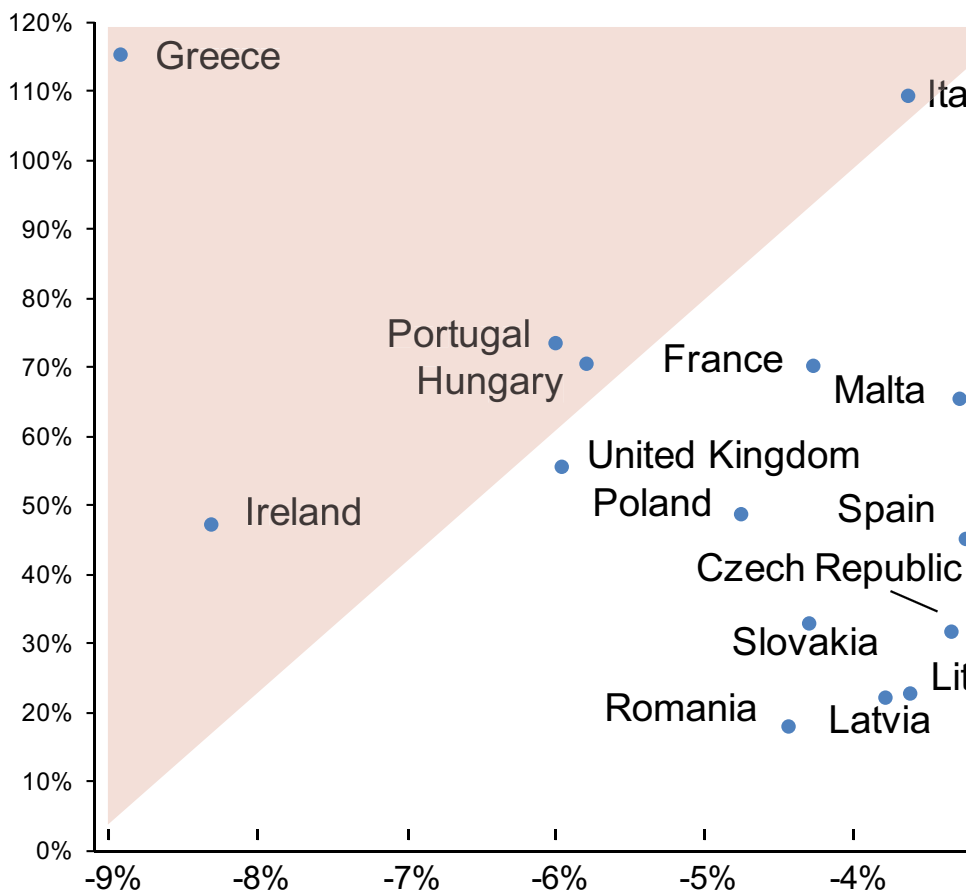
GDP Growth : Bulgaria vs. European Peers (2012)



## Budget deficit levels are minimal...

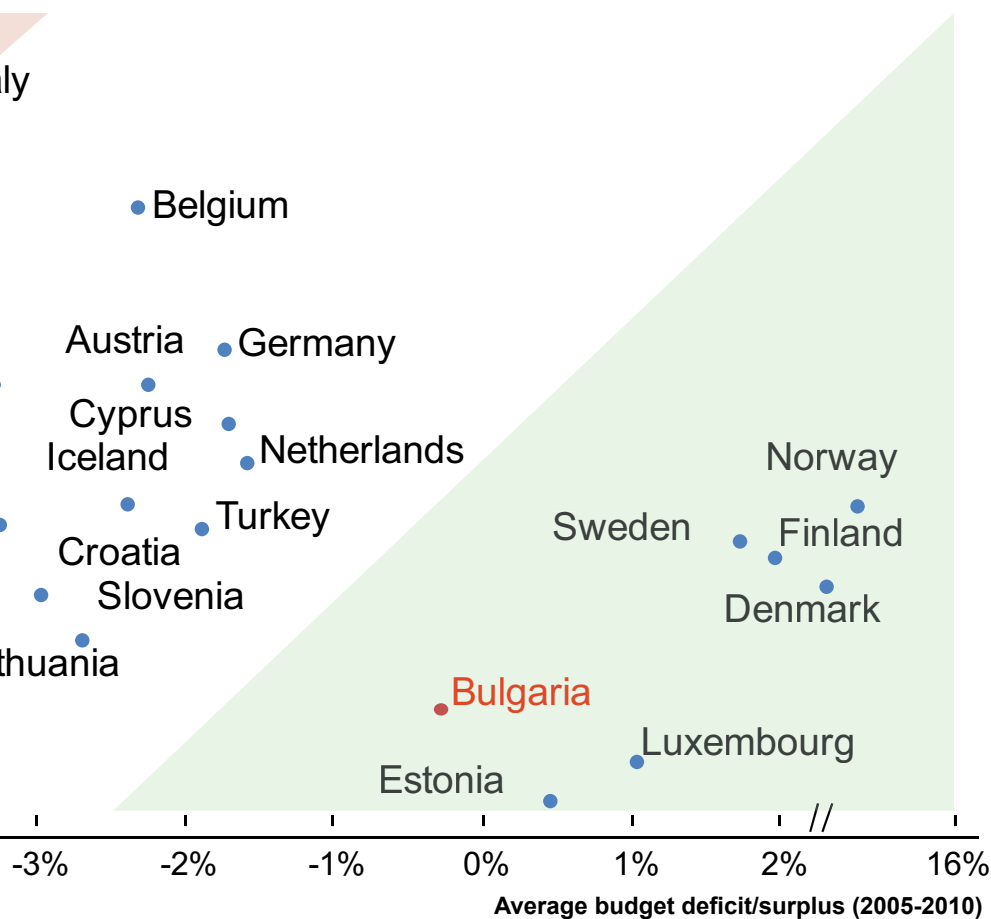
- Bulgaria continues to boast one of the lowest budget deficits in the region and the European Union
- The government imposed fiscal consolidation and structural reforms, privatization of unprofitable assets and a more conservative budget for 2012

**Average government debt (2005-2010)**

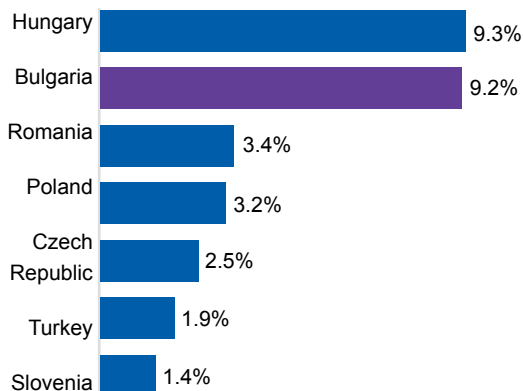


## ...and tamed by a low public debt

- Bulgaria has one of the lowest public debts in Europe, following the consistent reduction policy of the last three governments
- In response to the financial crisis, Parliament passed a strict debt ceiling in 2010

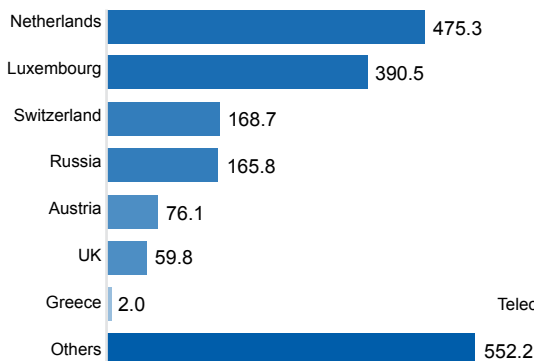


## FDI of GDP, average % for 2008-2012

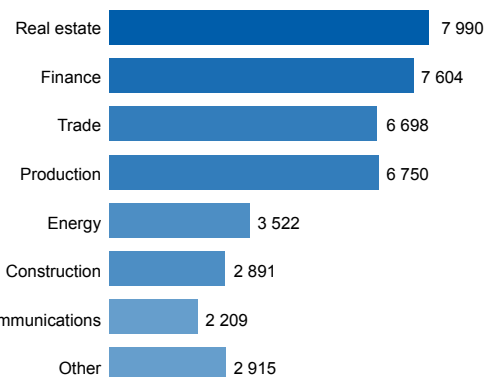


- More than 80% of the FDI come from the EU countries
- Before the crisis, investments were mainly concentrated in the real estate and financial sectors, whereas in the past two years they tend to divert to the manufacturing sector

### Amount of FDI by country, January-December 2012 (€ m.)

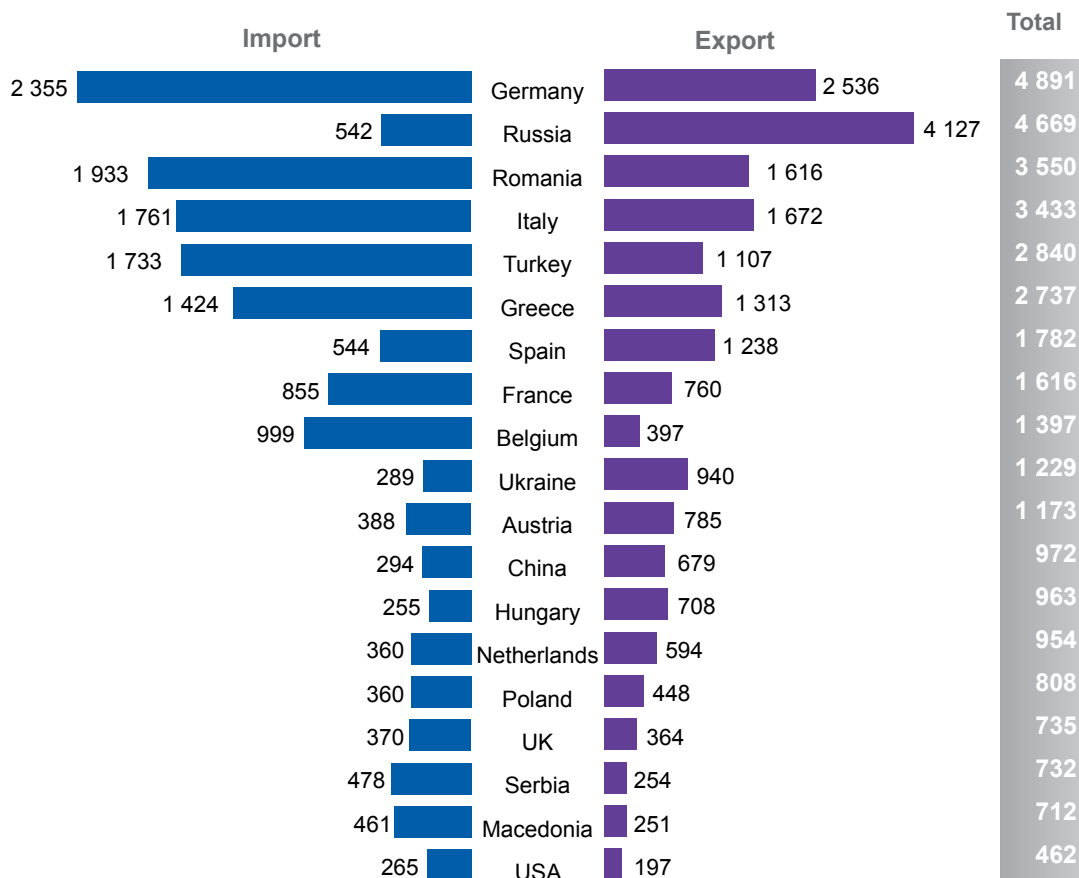


### Amount of FDI by industry, 1996-2012 (€ m.)



## Major trading partners include Germany, Russia, Italy and Romania

Trade by countries, 2011 (€ m.)



## Top 50 companies by revenue in Bulgaria, 2011 (€)

Position	Company	Sector	Revenue
1	Lukoil Neftochim Bourgas	Petrochemicals	3 446
2	Aurubis Bulgaria	Metals	2 389
3	Lukoil Bulgaria	Trade	1 783
4	National electricity company	Energy	1 628
5	OMV Bulgaria	Trade	936
6	Bulgargaz	Energy	837
7	Naftex Petrol	Trade	687
8	CEZ Bulgaria	Energy	636
9	Overgas	Energy	618
10	Mobiltel	Telecommunications	526
11	Stomana Industry	Metals	479
12	Bulgarian Telecommunications Company	Telecommunications	458
13	Kozloduy NPP	Energy	452
14	Kaufland Bulgaria	Trade	420
15	Cosmo Bulgaria mobile	Telecommunications	413
16	E-ON Bulgaria	Energy	407
17	METRO Cash and Carry Bulgaria	Trade	372
18	Thermal power plant Maritsa Izток 2	Energy	340
19	Sofia Med	Metals	333
20	EVN Bulgaria	Energy	329
21	Saksa	Trade	324
22	Toplofikacia Sofia	Energy	307
23	Petrol	Trade	299
24	KCM	Metals	297
25	Electricity System Operator	Energy	285





Position	Company	Sector	Revenue
26	Mines Maritsa Iztok	Mining and quarrying	283
27	K&K Electronics	Trade	281
28	Shell Bulgaria	Trade	272
29	Eko Bulgaria	Trade	243
30	ContourGlobal Maritsa East 3 TPP	Energy	241
31	CEZ distribution Bulgaria	Energy	234
32	Billa Bulgaria	Trade	232
33	Nafta Trading	Trade	232
34	Sopharma trading	Pharmacy	230
35	Promet Steel	Metals	229
36	Agropolychim	Chemistry	224
37	Lukoil - Bulgaria Bunker Ltd	Petrochemicals	224
38	Rometrol Bulgaria	Trade	216
39	Libra	Pharmacy	213
40	Sting	Pharmacy	196
41	Bulgartransgaz	Energy	194
42	Kaven Orbico	Transport	193
43	LIDL Bulgaria	Trade	190
44	Papas oil	Food and beverages	189
45	SEVAN	Agriculture	189
46	Bulgarian Maritime Fleet	Transport	180
47	Bulgaria Air	Transport	180
48	EVN distribution Bulgaria	Energy	178
49	Solvay	Chemistry	173
50	Ideal Standard- Vidima	Machines and equipment	172





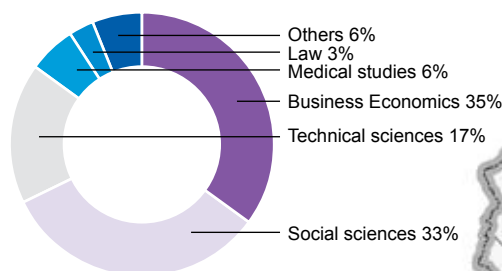
**HUMAN RESOURCES**



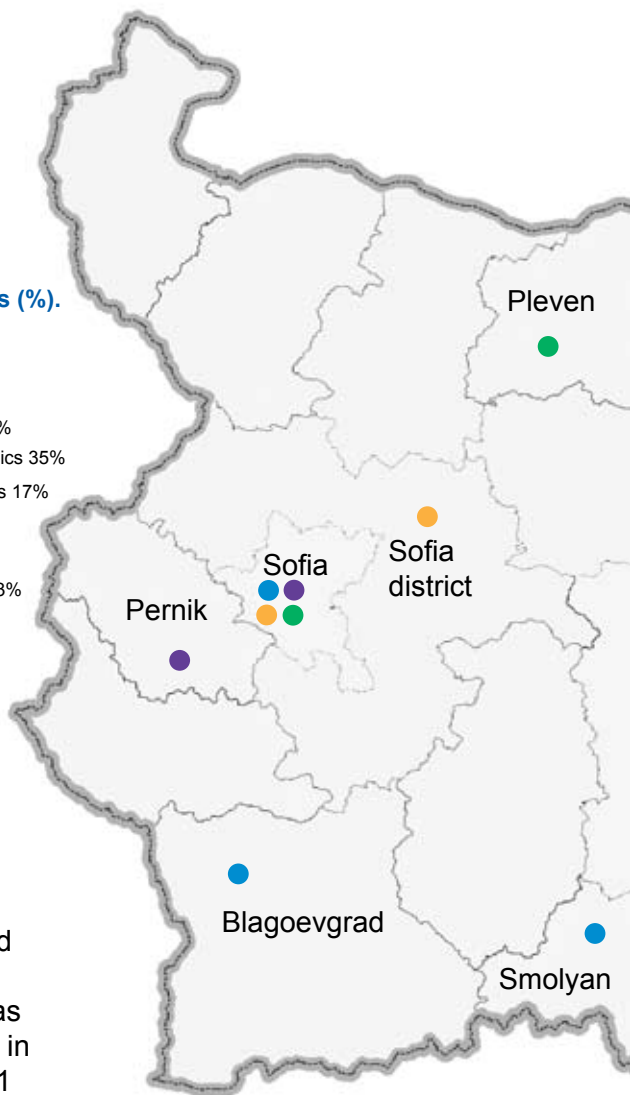
## Distribution of the universities in Bulgaria

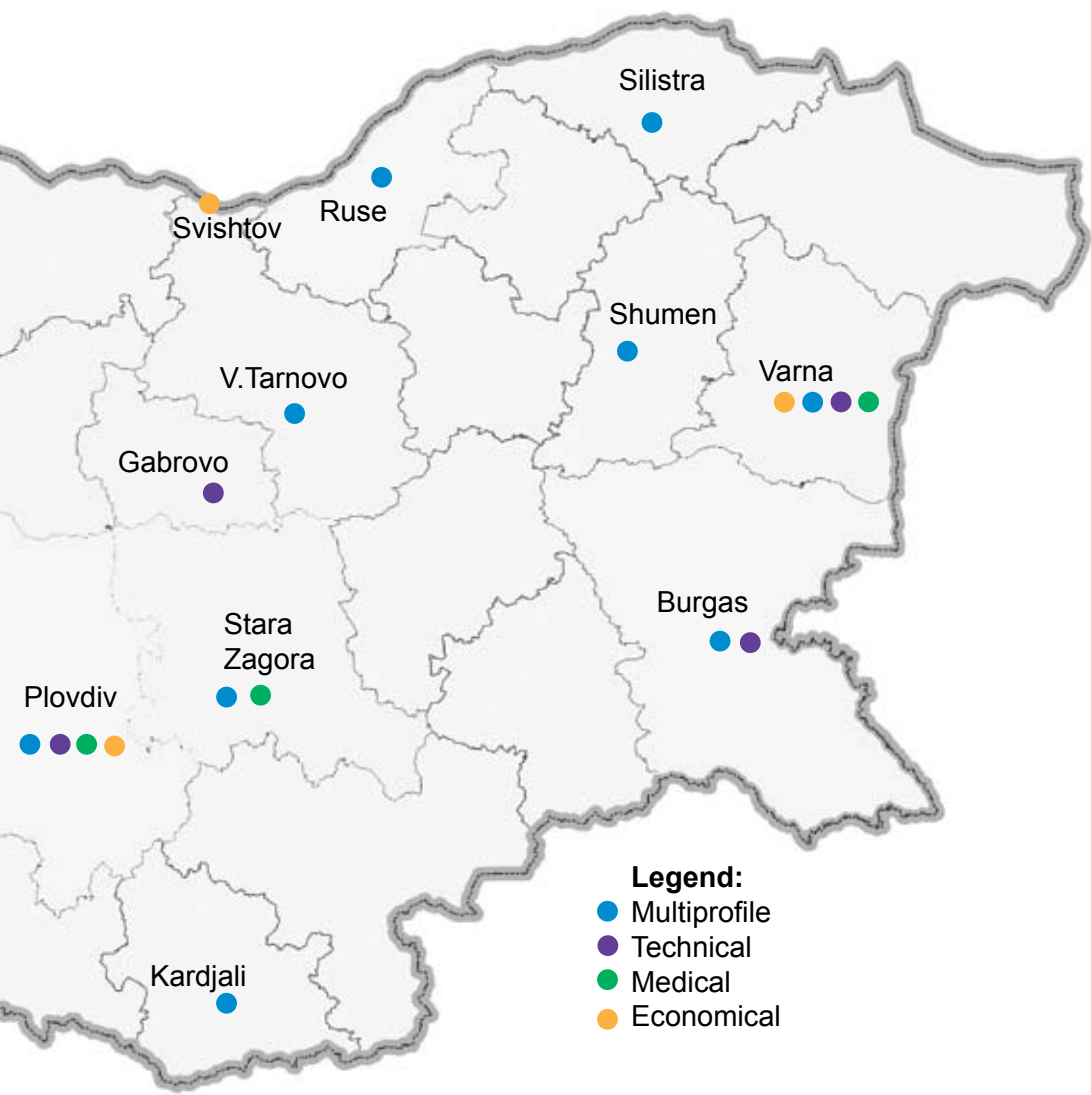
- Bulgaria has 51 universities, with over 60 000 well-prepared graduates per year

### Distribution of the students by majors (%)



- In 2011/2012, students - Bulgarian citizens in universities and specialized higher schools are 253.2 thousand. Their number has increased by 7.6 thousand in comparison with 2010/2011 academic year or by 3.1%







[www.mu-sofia.bg](http://www.mu-sofia.bg)

## Medical University - Sofia

- Faculty of Medicine
- Faculty of Dental Medicine
- Faculty of Public Health
- Faculty of Pharmacy
- Students are trained at the 13 university hospitals: "Alexandrovska", "Sveta Ekaterina", "Tsaritsa Joanna", "Maichin Dom" and others
- Approximately 4 000 students are in training, including 800 foreign students from 51 countries
- Around 2 000 are teachers and researchers, and 2 300 are training for specialists



[www.mu-pleven.bg](http://www.mu-pleven.bg)

## Medical University - Pleven

- Faculty of Medicine
- Faculty of Public Health
- Faculty of Healthcare
- Medical College
- Specialties: medical rehabilitation and occupational therapy, public health and health care management, nurse, midwife, medical laboratory technician and X-ray technician and others
- Around 800 students are trained there
- Approximately 4 100 Bulgarian and 600 foreign students from 29 countries have received their education at MU Pleven



[www.meduniversity-plovdiv.bg](http://www.meduniversity-plovdiv.bg)

## Medical University - Plovdiv

- Faculty of Medicine
- Faculty of Dental Medicine
- Faculty of Public Health
- Faculty of Pharmacy
- Medical College
- Specialties: medical laboratory technician, radiology laboratory technician, physical therapist, dentist, pharmacy, health inspector
- Around 2 500 students and 200 PhD students are trained there



## Sofia University

- 25 000 students
- Winners of prestigious regional and global competitions
- Laboratories run by IBM, Oracle; affiliate center of Harvard University
- Faculties of Modern languages, Philosophy, Law, Pedagogy, Journalism and Communication, Economics and Business Administration, Mathematics and Informatics, Natural Sciences
- Double diploma programs with Paris Sorbonne and Bordeaux IV, City University of Seattle; Business and technical majors taught in English, French, or German



[www.uni-sofia.bg](http://www.uni-sofia.bg)

## University of National and World Economy- Sofia

- 16 000 students
- Faculties of Economics, Business, Management and Administration, Finance and Accounting, Infrastructure and Economics, International Economics and Politics, Law, Applied informatics and Statistics
- The specialized center for language studies assures the students' proficiency in business or diplomatic English, French, German, Russian, and Spanish (each student chooses a first and a second language)



[www.unwe.bg](http://www.unwe.bg)

## American University in Bulgaria, Blagoevgrad

- 1 200 students
- One of the most famous American universities in the region
- 63% international students
- Departments of Languages and Literature, Business, Computer Science, Economics, Journalism and Communication, Mathematics and Science, Political Science



[www.aubg.bg](http://www.aubg.bg)



[www.ue-varna.bg](http://www.ue-varna.bg)

## Varna University of Economics

- 12 000 students
- Faculties of Finance and Accounting, Business, Management, Informatics, Modern Languages
- The department of language studies offers training in English, German, French, and Russian to all bachelor and masters students, as well as optional courses in Japanese, Korean, Spanish, Italian, Dutch, and Danish



[www.uni-ruse.bg](http://www.uni-ruse.bg)

## Ruse University

- 8 000 students
- Works with Cornell University in a Special Partnership Program
- Faculties of electronics, business and management, transport and logistics, law, natural sciences optional English, Russian, French, or German courses
- Besides the numerous national and European projects and initiatives carried on by the University, there is a special focus on cross-border cooperation with Romania



[www.uni-plovdiv.bg](http://www.uni-plovdiv.bg)

## Plovdiv University

- 12 000 students
- Faculties of Economic and Social studies, Mathematics and Informatics, Modern languages, Law, Philosophy and History
- The University collaborates with other educational institutions from the EU, India, Indonesia, Canada, Columbia, Mexico, Russia, and Turkey, among others



[www.uni-svishtov.bg](http://www.uni-svishtov.bg)

## Svishtov Economics Academy

- 10 000 students
- Faculties of Economic Accounting, Finance, Management and Marketing, Production and Commercial Business, IT
- The Academy takes part in Programs of the European Union in collaboration with European Universities

## Varna Free University

- 12 000 students
- Departments of International Economics and Politics; Administration and Management; Informatics; Law; Psychology
- 12 Languages offered in the curriculum
- Hosts the first Balkan Russian center, as well as a large Media Center, comprised of TV and radio studios and an information agency working with international and regional agencies and news outlets



[www.vfu.bg](http://www.vfu.bg)

## Veliko Tarnovo University

- 14 000 students
- Renowned for its faculty of Modern Languages
- Faculties of Economics, Law, Mathematics and Informatics, Philosophy, History
- Hosts international cultural and language centers for advanced studies



[www.uni-vt.bg](http://www.uni-vt.bg)

## Burgas Free University

- 6 000 students
- Centers for economic and management studies, informatics and technical studies, humanities, law
- Takes part in major international academic and research programs, hosts a CISCO academy and partners with major Bulgarian and international banks and companies for career placement



[www.bfu.bg](http://www.bfu.bg)



[www.tu-sofia.bg](http://www.tu-sofia.bg)

## Technical University of Sofia

- 18 000 students
- Faculties of automatics, electronic and electrical engineering, mechanical engineering, engineering, etc.
- Sole representative of BEST for Bulgaria. BEST unites students from 67 technical universities of 27 European countries and organizes engineering competitions and trainings



[www.tu-varna.acad.bg](http://www.tu-varna.acad.bg)

## Technical University of Varna

- 8 000 students (more than 500 foreign students)
- Course of Chemical Machine Engineering
- International Specialized Labor Exchange with employers from Germany, Norway, Denmark, among others
- A Bulgarian TU Varna student won an international competition for an ergonomic device project for Electrolux



[www.uctm.edu](http://www.uctm.edu)

## University of Chemical Technology and Metallurgy – Sofia

- 4 000 students
- Courses accredited by the European Federation of National Engineering Associations /FEANI/
- Courses: Chemical Engineering taught in German, Industrial Chemistry taught in French, Material Sciences taught in English
- Cooperation with universities such as Queen Mary University of London, Hamburg University of Technology, National Polytechnic Institute of Toulouse, among others



[www.mgu.bg](http://www.mgu.bg)

## University of Mining and Geology

### “St. Ivan Rilski” – Sofia

- 5 000 students
- Foreign students from almost 40 countries
- Departments of geology, engineering mechanics, automation, chemistry, environment protection, etc.
- Complex training and qualification center and local Cisco Networking Academy

# Shell Eco-marathon Europe 2012 – The electric automobile of the students in Technical University of Sofia was ranked second in terms of energy efficiency



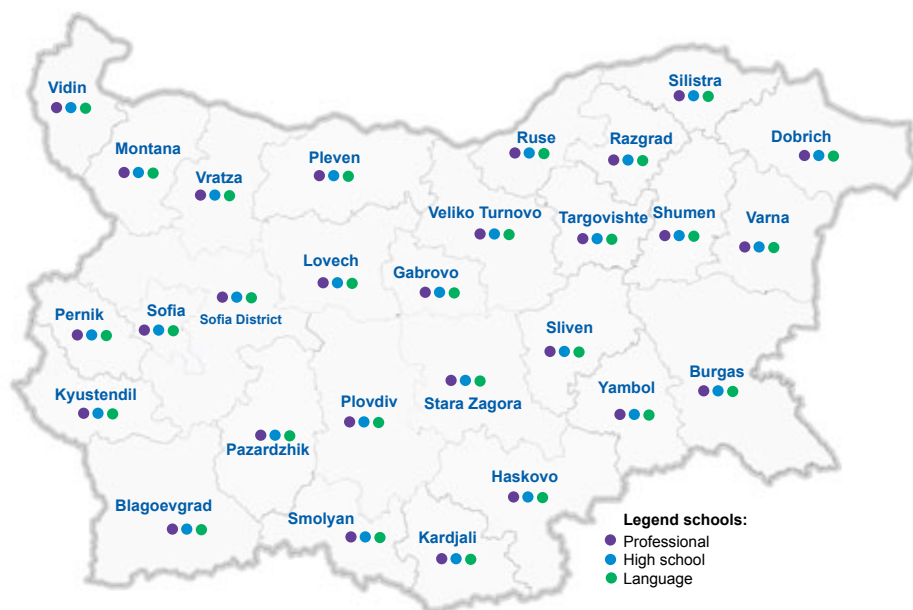
Bulgarian students finished second among other European countries in terms of energy efficiency in this year's initiative for fuel economy Shell Eco-marathon 2012. The students from Bulgaria were among the winners in ranking managing to cover 1885.5 kms with 1kWh energy.

This is the first time that our country was presented in the racing for sustainable electric mobility with an electric vehicle, called Eco 1, which has a rechargeable plug-in battery (gathering energy from the electric network). This automobile was especially designed and built by the Bulgarian students for their fifth consecutive participation in the race.

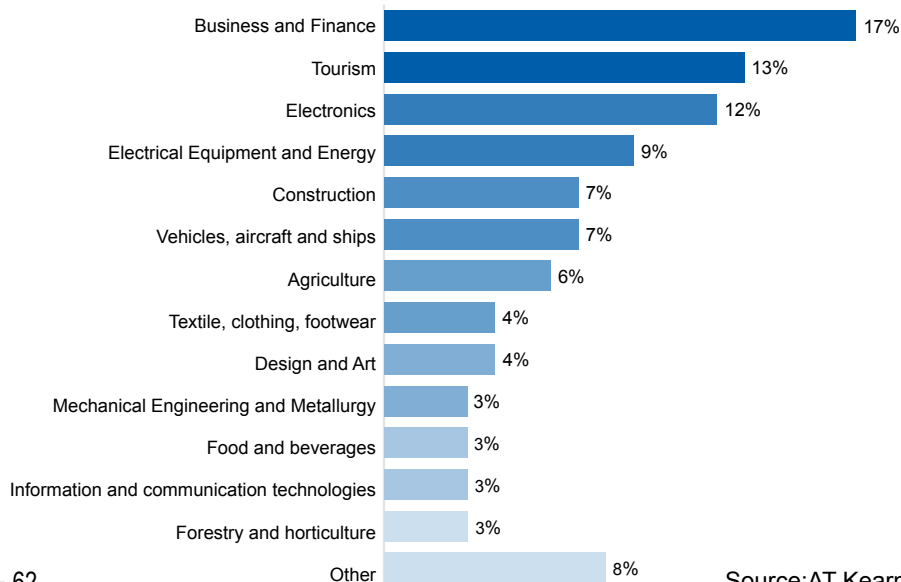
Eco 1 is a concept for an urban automobile of the future - green, compact and easily accessible. All of the innovations are developed through scientific research and scientifically proven theories. Contemporary methods and software for design and simulation were used.

The team of students that developed the invention has enough experience and has proven its efficiency in competitive conditions with other similar concepts across Europe in Shell Eco-marathon 2008, 2009, 2010 and 2011. They seek to improve the technical parameters of the automobile and to derive applications from them which would serve as components in mass production.

## Secondary schools in Bulgaria

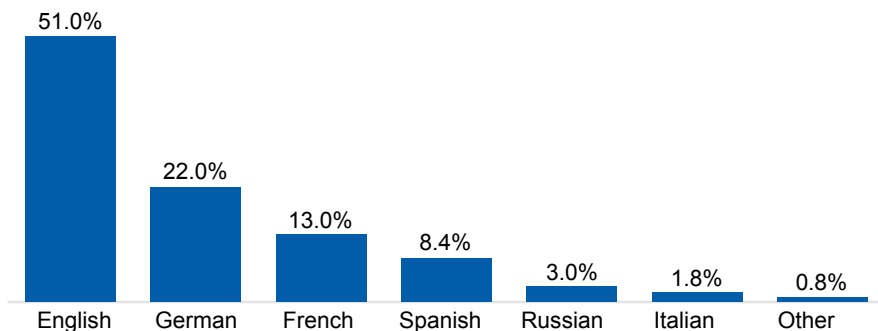


### Students in vocational secondary schools by specialties (total = 149 300)





### Breakdown of students by languages studied at foreign language schools



In Bulgarian secondary language schools, students learn a foreign language intensively for a year, after which study all major subjects in that language. Additionally, a second foreign language must be chosen.

- In Bulgaria there is a system for early foreign language teaching of students from first through fourth grade (7 - 11 years), 84.3% of them study a foreign language, mainly English
- 98% of secondary school students have foreign language courses and 73% study two or more languages
- The share of PCs with Internet access has increased from 88.0% in 2007/2008 academic year to 93.7% in the last 2011/2012 academic year







### German Language High School, Sofia

- About 140 students per grade, the best 50 receive a German diploma, the rest – a Sprachdiplom (Certificate for German Language Proficiency)
- Classes taught by German professors, study trips in Germany
- Best students awarded with prestigious scholarships for prestigious German universities
- Advanced courses in English as a second language, first places in national Olympiads in English



### Sofia High School of Mathematics

- Over 150 golden, silver and bronze medals in international mathematics Olympiads since 1970
- Medals also in international Olympiads in Informatics, Mathematical Linguistics, Physics, Music
- Graduates continue their education in world's top universities
- Focus on English and German – 5 classes per year study English and Mathematics and one class – German and Mathematics



### First English Language School, Sofia

- All subjects except Bulgarian language and literature are taught in English
- UNESCO associated school since 1978
- Regular Open Society and Fulbright scholarships for tertiary education in the US and UK
- International students from Albania, Moldova, Romania, Russia, Turkey, Vietnam, etc.



### National Trade and Banking High School, Sofia

- Established in 1912 by Sofia Chamber of Commerce
- The largest economic professional school, 1 200+ students
- Offers Professional Diploma in: Banking, Commerce, Customs and Tax Administration, Operational Accounting, Business Administration, Informatics
- Internships in large banks and companies
- Students have won 93 team and individual awards in the US, Switzerland, France, Germany, Finland, Slovakia and Bulgaria between 2001 and 2012

### **Vocational Secondary School of Electrical Engineering and Automation – Sofia**

- 700 students
- Courses: Automated Systems, Automation of Continuous Production Processes, Electrical Machines and Apparatuses, etc.
- Every year the school participates in the Manager for a Day initiative organized by Junior Achievement Bulgaria
- Production practice is a compulsory element of the education process



### **Pravets Vocational School of Computer Technology and Systems**

- Accredited by the Technical University of Sofia in 1986.
- Over 2 000 ICT graduates
- Curricula includes advanced classes in microprocessor techniques, computer architecture, multimedia, etc.
- 957 hours of English are provided



### **Professional High School of Lifting, Construction and Transport Equipment – Sofia**

- About 90 students graduate each year
- Focus towards five professions in the field of transport technology
- Evening courses offering professional qualification in crane operating, road construction equipment, fork and electric lift driving
- Additional courses for corporations in accordance with their needs and desired aims



# The team of Technical University Sofia – branch Plovdiv won a prize for unmanned air vehicle

In a race which took place at the military airport in Dolna Metropolia (October, 23 and 24, 2012), students from the Technical University of Sofia - branch Plovdiv, who study Aeronautical Engineering, were ranked first thanks to the designed and constructed by them unmanned aircraft.

Seven teams in military and civilian fields took part in the competition.

The knowledge and skills of the students were assessed via team presentation, static display and flights. Each aircraft needed to overfly a 200m-wide square, to drop a load of 500gr in a particular target (the middle of the square), to return the same route and to land. The main goal was to demonstrate stability of the aircraft before and after releasing the load.

Aircraft constructors from Plovdiv achieved a certain level of distinction owing to dynamic presentations, teamwork, excellent design of the aircraft and perfect flights.

Aeronautical engineers from the university usually start working in Lufthansa Technik Sofia Ltd. Sofia Airport, where they deal with basic repair works of Boeing 737 and Airbus 320.



# Bulgarian high school students take the first place in mathematics and information technologies competitions each year.

Total number of medals (2008-2012):



The first Olympiad in Informatics took place in the town of Pravets, Bulgaria, in May 1989.

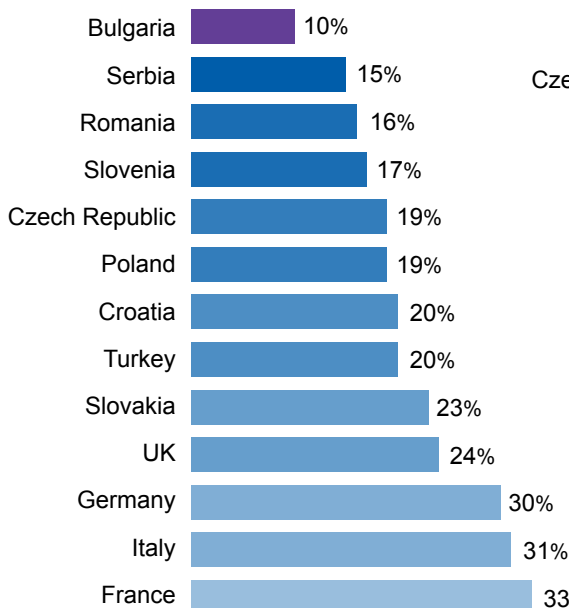
- International Olympiad in Mathematics, Physics and Informatics (Kazakhstan) 2011
- International Olympiad in Mathematics in Indonesia 2011 (including Champions Cup and the first team prize) and Thailand 2010
- 20th, 21st, 22nd and 23rd International Olympiad in Informatics (Egypt, Thailand, Canada, Bulgaria)
- 49th, 50th, 51st and 52nd Olympiad in Mathematics (Spain, Germany, Kazakhstan and the Netherlands)
- International competition "Wizards at Mathematics", India, 2009 (including gold and silver team award)



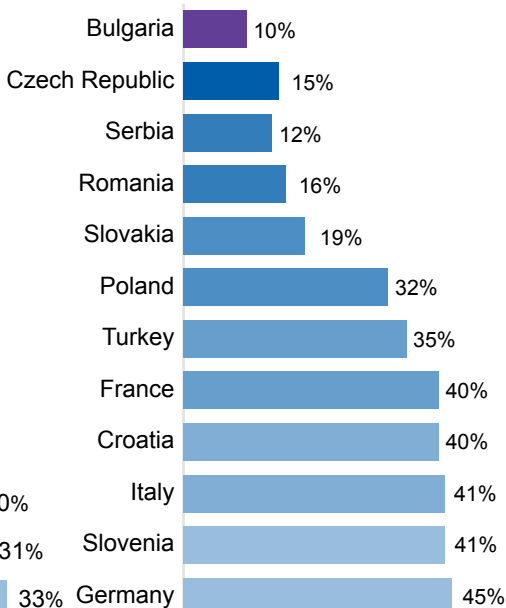
# **COST OF DOING BUSINESS**



## Corporate tax rates across Europe



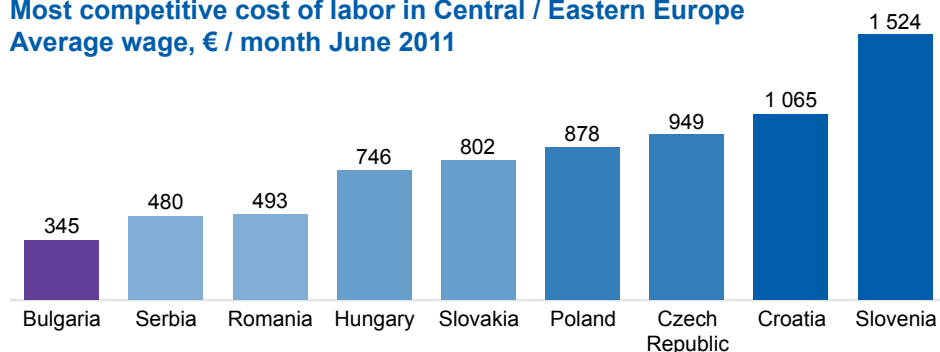
## Personal income tax



- 2 years VAT exemption on equipment imports for investment projects over EUR 5 million, creating at least 50 jobs
- 5% dividend tax (0% for EU citizens)
- 61 treaties for avoidance of double taxation and over 60 agreements on mutual protection and promotion of foreign investments



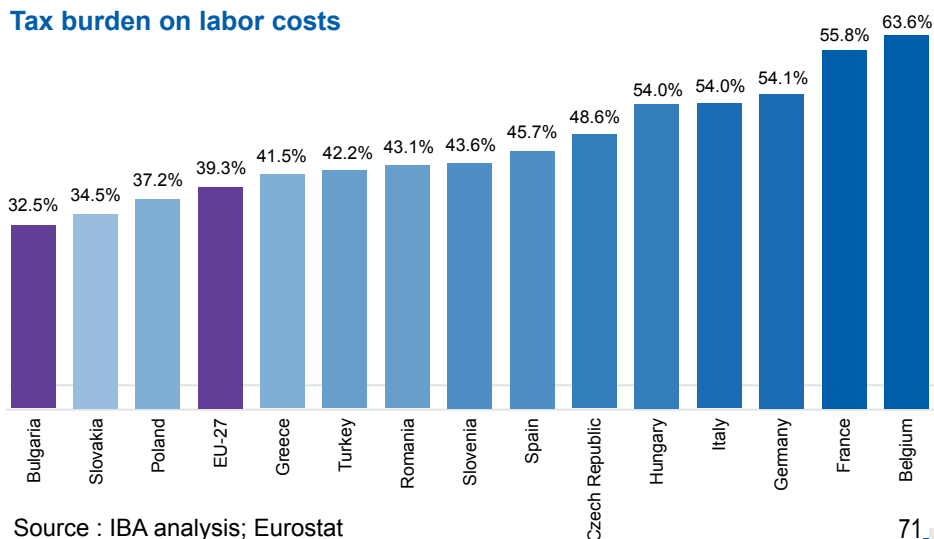
## Most competitive cost of labor in Central / Eastern Europe Average wage, € / month June 2011



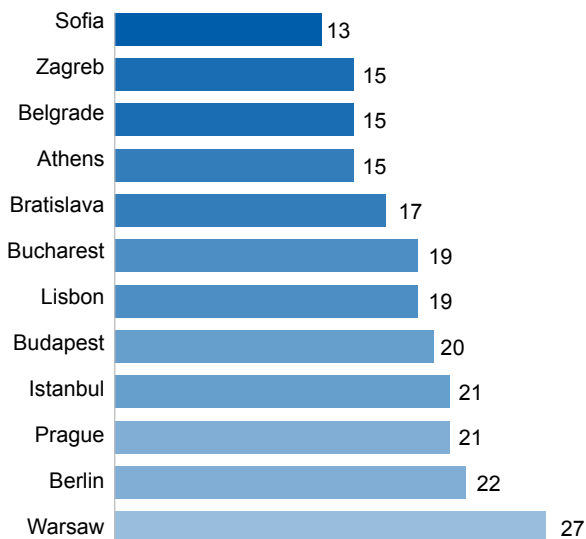
## Average gross monthly salary by sectors (2012, €)

Public Sector	405
Agriculture, forestry and fishing	304
Manufacturing	327
Production and distribution of electricity, gas and water	794
Construction	320
Logistics	403
Information and communications	905
Finance and Insurance	749
Real Estate	394
Healthcare and social work	381

## Tax burden on labor costs

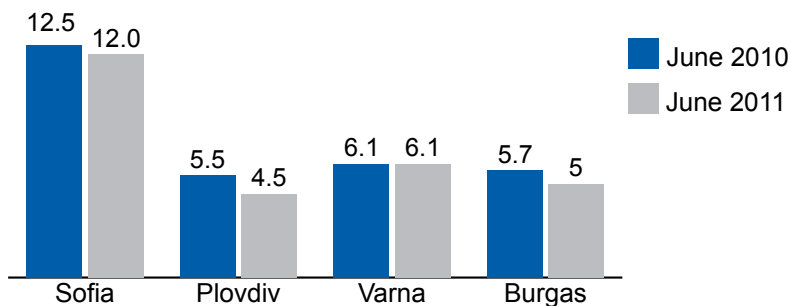


## Average monthly prime office rent in Sofia and other selected European cities, (€ per sq m)

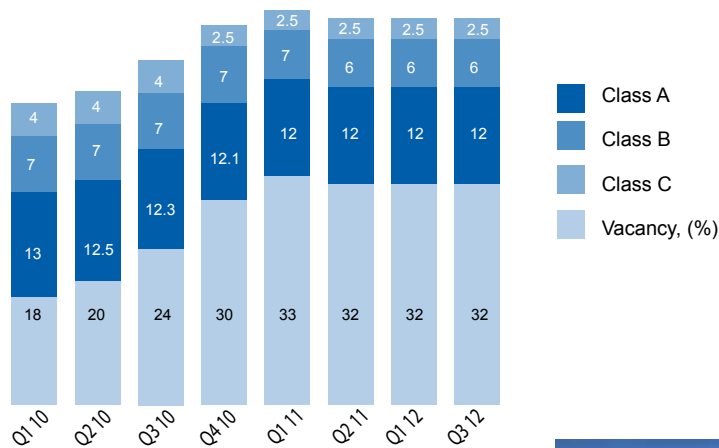


- Office space rents in Bulgaria are the lowest in the region
- The modern office stock in Sofia is 1 405 700 sq m of which 45% is Class A  
The office space under active construction stands at 306 000 square meters
- Average prime office rent in Sofia is €13/ sq.m., and the vacant office space is 30%

### Average office rent, Sofia compared to other Bulgarian cities, (€ per sq m/month), 2011 vs. 2012



Office rents (€ per sq.m. per month) and vacancy in Sofia, 2010 - 2012



Business Park Sofia is the largest office park in Southeastern Europe with a total built up area of 300 000 sq.m. It is a genuine multifunctional high-tech business park, located within 15 minutes’ drive from the city center and Sofia Airport.



Business Park Varna is a multifunctional office building complex located on an area of 67 430 sq.m. It has a unique design and excellent infrastructure. Its location is within 5 minutes’ drive from Varna Airport and 10 minutes’ drive to Varna city center.



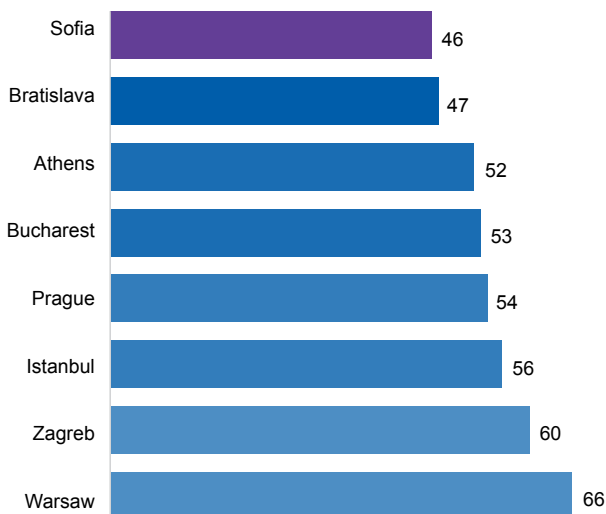
European Trade Center in Sofia Bulgaria, opened in 2010 and has an office area of 72 300 sq.m. It is located at a 10 minutes’ drive from Sofia city center and just a few minutes drive from Sofia Airport.



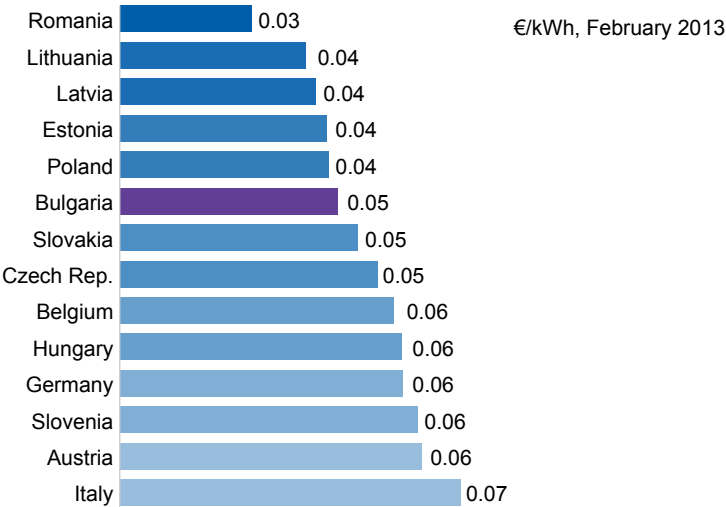
- Prime industrial and logistics space in Sofia is about 628 000 sq.m. with approximately 67 000 sq.m. of new supply in Q2 2011
- An estimated additional 32 000 sq. m. of industrial space is currently under construction
- Vacancy rate is about 8% and rents of industrial facilities are among the lowest in Europe and rent levels in the rest of Bulgaria are even lower



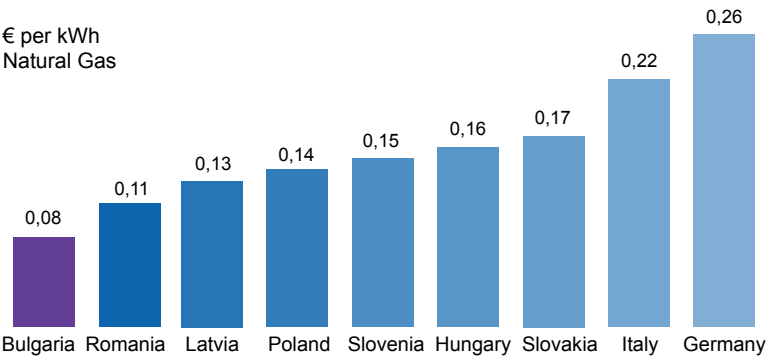
### Average monthly industrial rents in Sofia compared to other European cities, (€ per sq m/month) Q4, 2012



Bulgarian cost of electricity for industrial users is 70% of the European average



Bulgarian cost for natural gas for industrial users is 85% of the European average



Water supply costs € 0.89 for industrial use in Sofia city



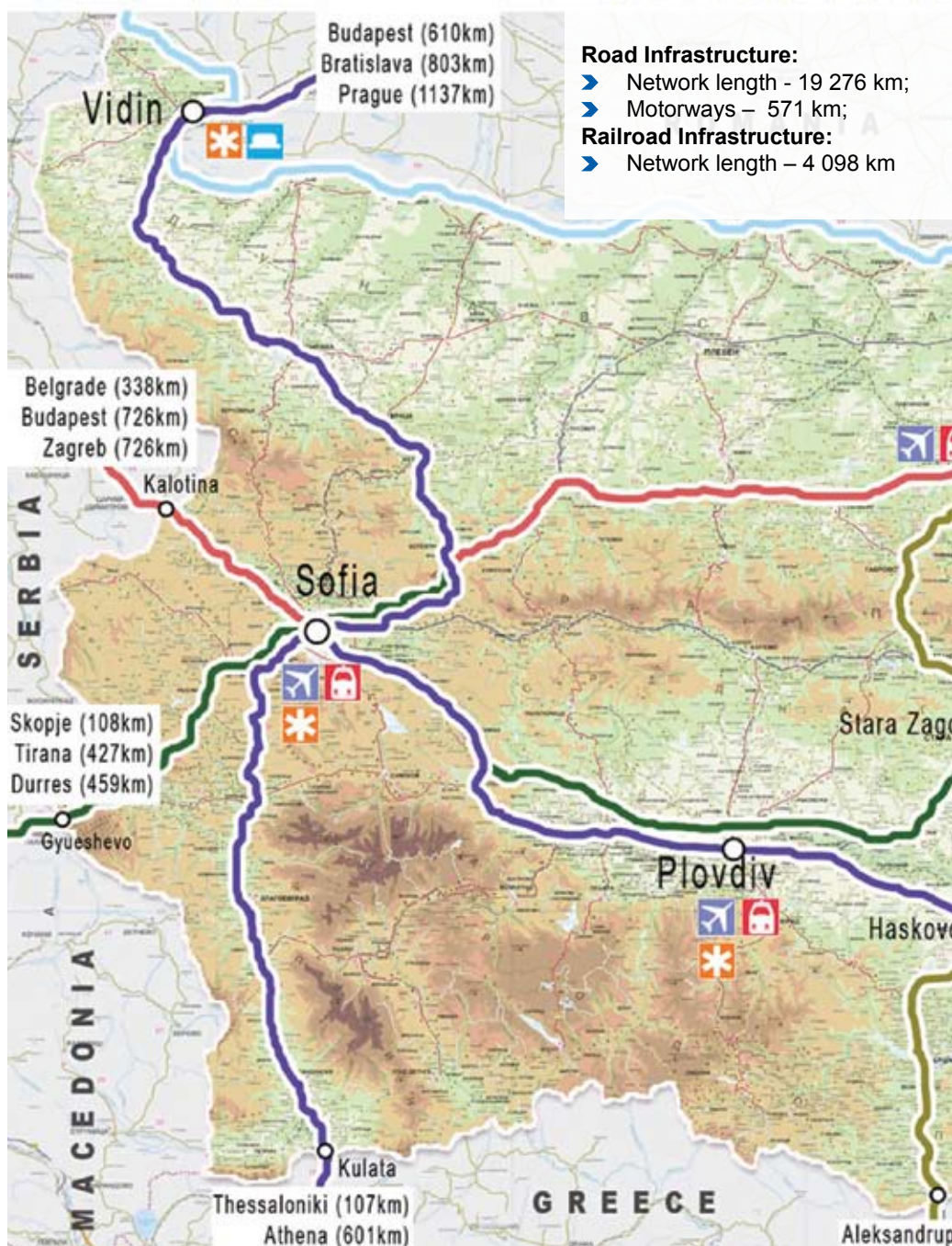
Bulgaria is the 22nd largest electricity exporter in the world among 211 countries.



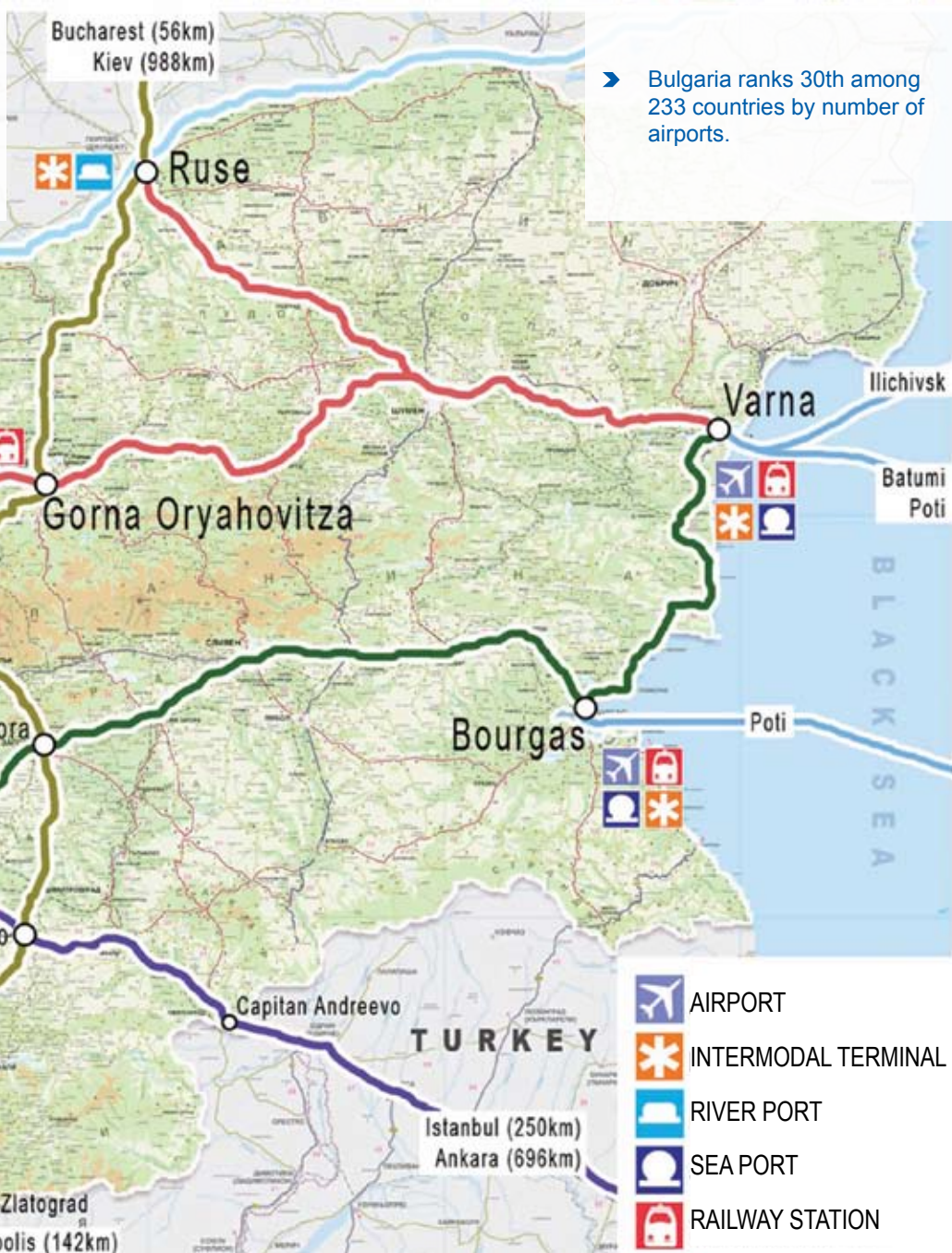
# INFRASTRUCTURE











## Sofia – Bozhurishte Industrial Park

- Convenient for light and semi-heavy industries, warehouses, logistics and distribution centers, showrooms, among others
- Located on the international road Belgrade - Sofia - Istanbul, 5 km from Lyulin Highway, 30 km from Hemus Highway, 23 km from Sofia Airport, 150 km from Lom River Port
- Gas supply; local road network and railway line; direct transport connections to the capital

### Location:

Bozhurishte - Sofia

**Total space:** 1 914 000m<sup>2</sup>

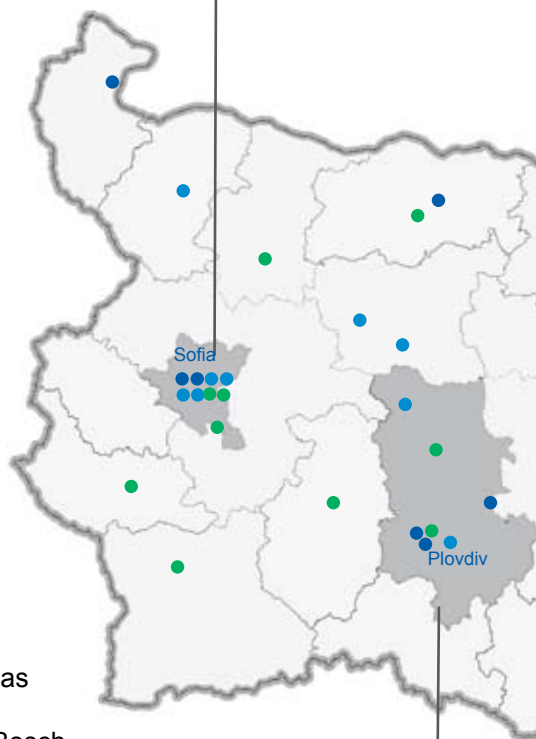
About 60 industrial zones in Bulgaria offer free spaces and well-developed infrastructure.

## Plovdiv

- Direct connections to Pan-European Transport Corridors IV, VIII, X
- Chosen by international names such as Liebherr - Holding GmbH, Ferrero, Schneider Electric, Mercedes Benz, Bosch Group
- Internal road network, gas supply; customs office
- Near Trakia Highway; 18 km from Plovdiv Airport
- Construction of industrial facilities with lease financing from banks and with the required initial permits

**Location:** Plovdiv

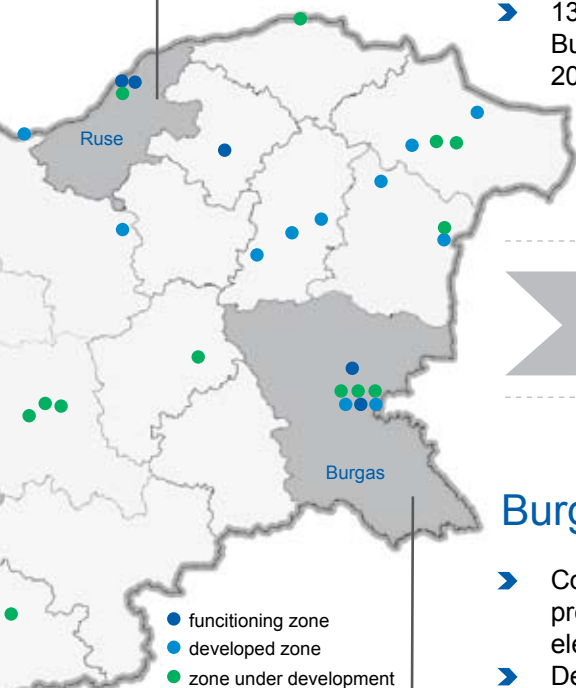
**Free space/Total space:**  
800 000/ 3 000 000m<sup>2</sup>



## Ruse Industrial Park

**Location:** Ruse  
**Total space:** 640 000 m<sup>2</sup>

- Ruse is a big international transport center located on the crossroad of Pan-European Transport Corridors VII and IX and featuring the only bridge over the Danube connecting Bulgaria and Romania
- Investors: Montupet, Keros Bulgaria, MBM Metalwork
- Internal road network
- Gas supply
- 130km from Hemus Highway, 70 km from Bucharest Airport, 190 km from Varna Airport, 200 km from Port Varna



A catalogue of Industrial Zones in Bulgaria is available at:  
<http://www.investbg.government.bg/>

## Burgas

**Location:** Burgas  
**Free space/Total space:**  
30 000/60 000 m<sup>2</sup>

- Convenient for: environmentally friendly productions such as IT, textile, engineering, electrical installations
- Developed infrastructure and complete logistics solutions
- 15km from Trakia Highway, 12 km from Burgas Airport, next to Port Burgas which handles 2/3 of national imports and exports
- Internal road network, own railway line
- Fast and facilitated customs services

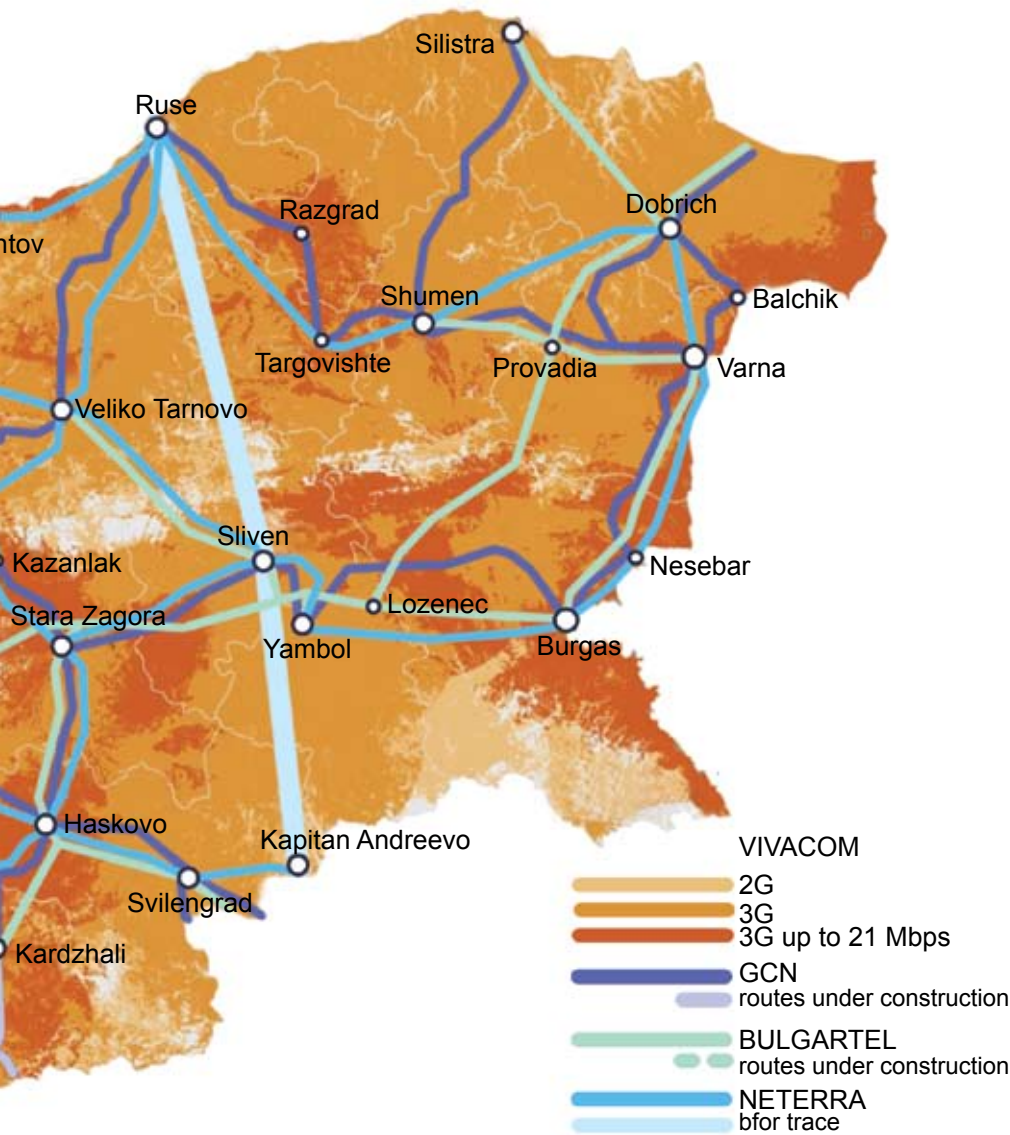
## Optical network and 3G coverage of



Recent study by Pando Networks shows that Bulgaria ranks third in the world in terms of fastest internet connection (1,611 Kbps download speed)



the main telecom operators (2011)





**GOVERNMENT SUPPORT**

## The government of Bulgaria provides advantageous conditions for doing business through incentives for foreign investors and local companies as well as substantial EU funds

Bulgaria achieved a vast improvement in terms of ease of starting a business, leaping from 81st position out of 183 countries in the 2009 Doing Business report to 59th in the 2012 report



### **Governmental and European support for the business in Bulgaria includes:**

- Incentives provided by the Investment Promotion Act
- Tax incentives
- Employment and training incentives
- EU Funds:
  - For the program period 2014-2020 Bulgaria will have access to EU funding amounting to more than 8 billion euro of EU funds
  - 95% of EU funds set aside for Bulgaria for the program period 2007 -2013 are contracted





## The Investment Promotion Act (IPA) also provides several types of incentives for Foreign investors

The Investment should be in manufacture or services sector and be related to the setting up of a new establishment, expansion, output diversification into new additional products or a fundamental change in the overall production process of existing establishments.

### IPA – Investment value thresholds, (€, m)

Region or Sector	Class B	Class A
General	2.5	5
In municipalities with unemployment rate equal or more than the country average	1	2
In high-tech activities in the manufacturing industry for the entire country	1	2
In high-tech activities in the services, computer technologies and R&D sectors for the entire country	0.5	1

### New criteria – number of jobs created

Region or Sector	Class B	Class A
General case : Production sector	€1m 100 jobs	€2m 150 jobs
General case: Services sector	€0.25m 100 jobs	€0.5m 150 jobs
In municipalities with unemployment rate equal or more than the country average	10 jobs	25 jobs
In high-tech activities in the manufacturing industry for the entire country	10 jobs	25 jobs
In high-tech activities in the services, computer technologies and R&D sectors for the entire country	25 jobs	50 jobs

### Incentives include:

- Financial support for vocational training of persons for obtaining professional qualifications
- Ownership rights over real estate (private state or private municipal property) without a tender
- Subsidies for infrastructure building (for class A)
- Accelerated administrative services
- Reimbursement of expenses paid by employer for social security and health insurance of employees (~17.9% of gross salary) for the period of 24 months

### Priority investment projects

- All the incentives for Class A and B
- Financial grants of up to 50% for education and R&D projects and up to 10% for manufacturing projects

## Other incentives

### Tax relief:

- Opportunity for R&D expenditure write-off
- 2 - year VAT exemption for imports of equipment for investment projects for over 5 million euro, creating at least 50 jobs
- Possibility to use annual rate of tax depreciation up to 50% for computers, computer peripheral equipment, software, etc.



### Employment and training incentives:

- Up to 1 year minimum salary and reimbursement of social / health care security for employing young people and disadvantaged people through the Employment Agency
- An employer who provides maintaining and improvement of the qualification of the hired workers and employees can apply for granting of half of the maximum determined amount necessary to train one person (the maximum sum is BGN 450 according to the National Operative Employment Plan).

## Development of rural areas program

- Total budget – € 3.2 bln
- Eligible applicants are SMEs agricultural producers and municipalities
- Schemes are periodically reopened.
- Investments, directed at environmental protection are considered priority
- Measures under this program provide funding ranging from € 200 000 to € 4mln and can be implemented for:
  - Modernization of Agricultural Holdings
  - Adding value to agriculture/forestry products
  - Diversification into non-agricultural activities
- **Eligible activities:**
  - Purchase of equipment and machinery
  - Building of agricultural facilities (greenhouses, livestock farms, orchards, etc.)
  - Production and sale of renewable or bio-energy
  - Investments in tourism accommodation and amenities of business-oriented private entities etc.



## Operational Program Competitiveness

- Eligible applicants for projects under the OP Competitiveness:
  - Legal entities or sole traders registered under the Commercial Law
  - Headquartered in Bulgaria and directly responsible for implementation of project activities

### Energy efficiency and green economy

- Eligible candidates: SMEs
- Maximum size of the grant: € 200 000 - € 1mln
- **Eligible activities:**
  - Purchase of new equipment to reduce energy consumption in the enterprise;
  - Establishment of systems for heating and ventilation of renewable energy sources
  - Acquisition and implementation of software systems for energy management and others, etc.



## Human Resources Development Program

- Eligible candidates: SMEs
- **Eligible activities:**
  - Providing general or specific training courses or further professional training of employees, including communication in foreign languages, math and IT skills, entrepreneurship.
  - Reimbursement of salaries and social security costs according to the minimum thresholds for the relevant job
  - Reimbursement of commuting costs etc.





**KEY SECTORS + SUCCESS STORIES**





## Advantages of Bulgaria in the sector Food and Agriculture

- Unique environmental conditions support wide variety of crops, fruits and vegetables
- 50% of the territory is agricultural land and prices are among the lowest in Europe
- Environmentally clean and fertile soil - a great variety of the soil cover - presented by 15 soil types, divided in 42 subtypes
- Very high quality organic products (ban on GM products)
- Established local manufacturers and strong traditions in the sector
- EU food legislation integrated in the Bulgarian legislation
- Health and environmental standards make Bulgarian food products fully prepared to meet the highest and most sophisticated demands from consumers
- Significant foreign investment in sectors such as confectionery, dairy and beverages
- Rising demand for novel and ethnic food and drink across Western Europe and beyond will boost demand for traditional Bulgarian production and beverages





- The Rural Development Program has the largest budget in Bulgaria – €3.279 bn (EU – €2.642 bn; national co-financing – €637 mn)
- The Program has the highest fund absorption rate – about 20% – in the country

Bulgaria is one of the top eight EU member states in terms of the growth of the average income from agriculture. In 2010, Bulgaria's average agriculture income grew by 23% compared with 12.3% for the EU 27.



The contribution of the sector to the country's external trade is quite significant – 8.5% of total exports and 9.1% of total imports for the national economy.

Bulgaria is the biggest lavender oil producer and exporter in the world as of 2011.



Bulgaria was the world's second-largest exporter of bottled wine in the 70s and 80s and of rose oil, used worldwide for perfume production in the 1990s.



The major investment so far belongs to the Chinese Tianjin State Farms Agro Business Group Company that has invested EUR 10 mln. for the rent of 2,000 ha of farmland near the village of Boynitsa, Vidin region. This is the first Chinese state investment in the sector of agriculture not only for Bulgaria, but for the entire EU.



- During the '80s former state factories used to produce up to 1 mln tons of canned food and Bulgaria was the main exporter of processed fruits and vegetables for ex-communist countries.
- Bulgaria was the first country in the former Communist bloc where Coca-Cola was produced – since 1965. The representative offices of Coca-Cola formally enter Bulgaria in 1992.



**Established:** 1991

**Location:** Sofia, London

**Employees:** 290

**Products:** manufacturers and exporters of Bulgarian wine



- Many years of experience, generations of talented oenologists, precise laboratory work combined with the use of most modern production techniques
- In the period of economic transition, Domaine Boyar became one of the largest and most prestigious manufacturers and exporters of Bulgarian wines in Europe, North America, Africa, and Asia
- The company's diverse portfolio includes over 120 products of various types and styles of assortments
- In 2010, the Santa Anna Ventures investment company purchased 100% of the company's stock

Domaine Boyar and Sinite Skali are the only Bulgarian wines to make it to the prestigious British ranking "Top 50" of AC Nielsen.

Domaine Boyar cellars:

- Sinite Skali Winery, Sliven
- Korten Cellar
- Shumen Winery

Every year, Domaine Boyar wines win prestigious awards from national and international competitions.



Domaine Boyar is one of the largest exporters of Bulgarian wine in the world, with 80% of its produce exported to world markets. The company's main markets are the UK, Benelux, Russia, Canada, the USA, and Scandinavian countries.



**Established:** 2001

**Location:** Village of  
Ognqnov, Pazarjik

**Products:** production of red  
and rosé wines



- The winery has a production capacity of 1 million bottles of wine and processing of 1 000 tones of grapes in classical French technology
- For the entire period of existence of the winery have been produced a total of 1.78 million bottles
- A significant part of the production is exported to Europe, Asia and North America

Enira 2007 won first place in the competition. "The best wine you can drink in Japan 2011".

The wines being produced in the valley are:

- "Enira"
- "Enira Reserve"
- "Enira Rose"
- "Easy"
- "Syrah by Enira"
- "BV by Enira"



The winery was founded by Count von Neipperg - one of the oldest noble families in Europe, that has been dealing with wine production for about 800 years.

In 2010 the winery "Bessa Valley" reported a 25% increase in domestic sales and a 62% increase in exports. The winery had sales of 130 000 bottles on foreign markets and 90 000 bottles on the domestic market.

The harvests have won many awards over the years : Golden Riton from the Winery of 2006., Golden Barrel 2006., Gold Medal from the 2007 Winery., 2007 Golden Grail. and others.





**Established:** 1995

**Location:** Sofia

**Employees:** 500

**Products:** production of fresh dairy products



- Danone is the world's largest yoghurt producer
- Danone Sredika is an undisputed leader in the Bulgarian market of fresh dairy products
- The company's portfolio includes five brands with over 50 high-quality products
- Investments made over the years exceed BGN 100 million
- 2011 - Sofia. "Danone Serdika" became the first company in Bulgaria to obtain an accredited certification FSSC 22000:2010 - an International Standard developed for certification of systems for managing food safety in production.

The company has won numerous awards, including Gold Star for Quality by the World Quality Support Committee in Madrid and gold medals from the International Plovdiv Fair.

Danone Serdika has a well-developed distribution network both within Bulgaria and the Greek and Adriatic markets.

A new machine was commissioned in 2010, introducing the next-generation Tetra technology. Danone Serdika is the only company in Bulgaria to manufacture products in Tetra Top format.



Danone Serdika was the first company in Bulgaria to hold an accredited International Certificate of Food Safety.





**Established:** 1965/1991

**Location:** Sofia

**Employees:** 200

**Products:** production and export of dairy starter cultures and technologies



- LB Bulgaricum is a technology leader in the dairy industry in Bulgaria
- The company is a leader in the export of know-how, technology and starter cultures for Bulgarian yoghurt and dairy products
- LB Bulgaricum holds top positions in the export of Feta cheese and kashkaval

The company operates two production plants: in Sofia and Vidin, and a modern Research and Development Centre which developed a new generation of starter cultures and healthy food formulas over the past 10 years. The R&D Centre maintains a unique collection of over 900 lactic acid bacteria and more than 100 different combinations of starter cultures.

LB Bulgaricum holds:

- 11 patents for Bulgarian dairy products
- 45 trademarks registered in Bulgaria
- a corporate trademark registered in 26 countries
- 6 designations of origin



... For 30 years, the company's starter cultures and technologies have been used to produce yoghurt under Bulgarian license in Japan, Germany, Switzerland, the Netherlands, Cyprus, Finland, the Philippines, France, and Austria.

The project dedicated to the development of bioactive dairy products with functional effects, was one of the three winning projects in the innovation area in the food industry. The developed products are with scientifically proven beneficial effects for prevention of various diseases such as high blood pressure, etc.



**Established:** 1995

**Location:** Razgrad

**Employees:** 1 000

**Products:** chicken meat products



- Ameta is the largest supplier of chilled chicken meat in Bulgaria
- The company is one of the largest companies in the Food & Beverage sector and a leader in the production of chicken meat
- Its share amounts to approximately 30% of the industrial production of broiler chickens in Bulgaria
- Ameta is a first-class poultry complex and has all the physical resources needed to ensure its economic growth
- Ameta sells its key products under the trade mark “Ludogorsko Pile”

The company is a regular supplier to customers in Greece and Romania, and also exports its products to the Netherlands, France, Germany, and Britain.



Ameta exercises complete control over all separate processes: from purchasing fresh grain to turning it into fresh, nutritious and tasty chicken products.





**Established:** 1992

**Location:** Plovdiv

**Employees:** 4 000

**Products:** Meat processing company



- Bella Bulgaria is the biggest food producer in the country, and occupies a leading position in the meat processing market
- The company owns 5 meat processing factories
- Since November 2004, the entire production cycle is certified under the HACCP system
- Direct deliveries are made to 10 000 points
- Bella Bulgaria successfully operates in the Romanian market, too; the company has established its own marketing units
- The company exports its products to over 20 countries on four continents: Turkey, Slovenia, Moldova, Belgium, the Netherlands, Malta, Italy, Spain, Switzerland, Dubai, Lebanon, the U.S.A., Australia, Great Britain, Greece, and others

#### Bella Bulgaria: Investor of the year 2011 ...

Six brands of "Bella Bulgaria" won awards in this year's Superbrands 2012-2013. The independent study of the Bulgarian market's consumer segment is held for the third time in the country at the initiative of the global organization Superbrands.



Bella exports its products to markets with a population of 500 000 000.





**Established:** 1939

**Location:** Sofia

**Employees:** 1 700

**Products:** Chocolate and confectionery products



- In 1994, NESTLÉ purchased the biggest manufacturer of chocolate and confectionery SHZI Sofia
- Nestle Bulgaria is one of the largest strategic investors in the Bulgarian food industry
- The product range of Nestle Bulgaria includes: baby food, culinary products, chocolate, desserts, chocolate and pastry biscuits, dairy products, cereals, pet food etc.



-----  
Nestle is the first food producer to partner with the Fair Labor Association - FLA.  
-----

The company's sales in 2010 increased by 2%, reaching BGN 260 million.

-----  
Between 1994 and now, the company has invested over BGN 80 million fixed assets and training programmes for its employees.  
-----



Some varieties of the Kit Kat chocolate bar products are made entirely in Bulgaria and exported to various countries around the world.



**Established:** 1924

**Location:** Svoge

**Employees:** 600

**Product:** chocolate products  
and packaged coffee



- In 1993, Kraft Foods entered the Bulgarian market after buying the chocolate factory in the town Svoge
- Kraft Foods Bulgaria is a subsidiary of Kraft Foods Inc., the second largest company worldwide in the food industry
- The company is a leader in the production of coffee and chocolate in Bulgaria

-----  
Nova Brazilia is the undisputed leader in the Bulgarian market for packaged coffee. Every second packet of coffee sold in Bulgaria is Nova Brazilia.  
-----

The company owns well-known and favourite brands such as Nova Brazilia, Jacobs, Milka, Tobleron Suchard, Svoge.

-----  
Approximately 25 % of Kraft Foods Svoge products are intended for export, the main destinations being Romania, the former Yugoslav republics, Turkey, and North America.  
-----



The annual production capacity in the mix of products manufactured by the Svoge factory is about 12 000 tonnes.



**Established:** 1995

**Location:** Sofia

**Employees:** 700

**Products:** production and sales of croissants

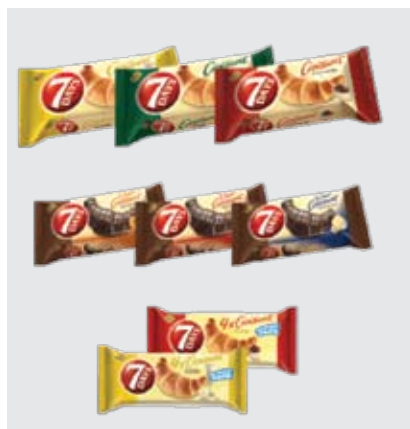


- Chipita Bulgaria is part of Chipita S.A. - a Greek company with strong presence in 35 countries
- The company has invested € 45 million in our country for the past 10 years
- Chipita Bulgaria holds 75% of the market in croissants and packaged snack food in Bulgaria
- Brands: croissants, rolls and pastry 7DAYS, Bake Rolls and others

Chipita Bulgaria conquered the market with the new croissant it recently started producing. The “Double” croissants are part of the newest flavours which captivated croissant lovers, and Chipita’s the trademark.

The company owns well-known and favourite brands such as Nova Brazilia, Jacobs, Milka, Tobleron Suchard, Svoqe.

New Millennium Award for 2001.



Chipita Bulgaria factories hold certificates from the American Institute of Baking and other certificates required by European partners.



**Established:** 1912

**Location:** Gorna Oryahovitsa

**Employees:** 800

**Products:** production of sugar, confectionery and ethyl alcohol



- Zaharni Zavodi is the largest food-manufacturing complex in Bulgaria
- The Zaharni Zavodi group includes: sugar & confectionery producing plants, ethyl alcohol production facilities, a print house, a TPP, and a repair plant
- In 2006, the sugar factory was separated as an independent company under the name Zahar EAD
- To meet the increased demand for industrial steam and electric energy, in 1960 the company built its own thermal power plant
- 1970 saw the opening of a plant specialising in the production of packaging from paper, cardboard, polyethylene, polypropylene, aluminium foil and other materials

Sladeya Sugar won the Gold Medal for Quality from the International Plovdiv Fair in 2003 and 2004

- Zaharni Zavodi is a market leader in the sales of hard candy and Turkish delight in the Bulgarian market



The consolidated annual turnover of Zaharni Zavodi AD and its subsidiary companies in 2010 was EUR 54.4 million.



**Established:** 1965

**Location:** Sofia

**Employees:** 1 300

**Products:** Production and bottling of non-alcoholic drinks



- Coca-Cola entered the Bulgarian market in 1965 and it became the first country in the former Socialist Bloc to manufacture this soft drink in a joint venture with the local company Texim
- In 1992, Coca-Cola Hellenic Bottling Company Bulgaria acquired the factory
- The company is the largest soft drink producer in the country.
- The company's portfolio includes: Coca Cola, Coca-Cola Light, Fanta, Sprite, Cappy, Schweppes, Bankya, Nestea
- In Bulgaria, Coca-Cola operates three bottling plants: Kostinbrod, Targovishte, and Bankya

-----  
In the autumn of 2011, Sofia was chosen from among 14 European cities, including some capitals, for a major investment of group Coca-Cola Hellenic – the opening of the United Center for Human Resource and Financial Services.  
-----





- Zagorka AD is the successor of an old brewery tradition with over 100 years of history which began with the first brewery established in Stara Zagora in 1902
- Zagorka AD maintains a balanced portfolio of successful brands in all price segments: Zagorka, Ariana, Stolichno, and the corporate brands: Heineken, Amstel, Starobrno and Kaiser



The first beer museum: The World of Zagorka is the first beer museum certified by the Bulgaria Ministry of Culture.



- Kamenitza entered the brewing industry in Bulgaria in 1881
- Kamenitza holds more than 16 prestigious awards



In 2004, Kamenitza AD started production of the only Bulgarian non-alcoholic beer, which to this day remains unmatched in the beer market in Bulgaria. This is Kamenitza 0%.



- Carlsberg Bulgaria is the successor of one of the oldest breweries in Bulgaria - Shumensko Pivo, which it acquired in 2002
- In September 2004, Shumensko Pivo and Pirinsko Pivo pooled their resources and assets under the name of Carlsberg Bulgaria
- Carlsberg Bulgaria is the only beer company in the country which continued its growth in 2010 and the first two months of 2011. It's a leader in the Bulgarian beer market

## Advantages of Bulgaria in the IT sector

- In 2011 the top 100 largest technology companies in Bulgaria generated revenues amounting to 6.8% of GDP
- Three Bulgarian companies are included in the 2011 Deloitte ranking of the 50 fastest growing technology companies in Central Europe
- Bulgaria holds 3rd place in Europe and 10th position worldwide regarding the absolute number of certified ICT professionals
- The country has established strong NGOs in the IT sector
- 56% of the software companies' sales for 2011 are realized abroad. About 60% of them go to Europe, and 35% - to North America

Bulgaria is well-prepared for becoming a regional hub as it hosts a number of world and local IT leaders.





According to The 2013 Study by Bloomberg, Bulgaria ranks 8th in the world and 5th in Europe in Internet speed.

Bulgaria stands for a critical mass of highly-qualified, well-educated professionals who bring together proven practical understanding of business with high-level theoretical skills to deliver efficient, cost-effective international solutions.


A.T.Kearney

Hundreds of small software companies do contract programming for some of the biggest customers in the world, including Boeing, BMW and Nortel. Other giants, such as SAP and Computer sciences have local labs in Sofia.

Business week

Bulgarian IT labour market is among the fastest developing in Europe, with remuneration packages, qualifications of professionals and development opportunities reaching the highest levels in Bulgaria's labour market.

Goal Europe



Bulgaria was the largest manufacturer of PCs within the CMEA, its biggest market being the former USSR.

In 1981 the Bulgarian Microcomputer was represented in an exhibition for robotics in England. It controlled the robot "Robko-01". It was a 1st time a robot was controlled by a microcomputer.





**Established:** 2001

**Employees:** 500

**Activities:** Automotive Research & Development, Engineering



- Created more than 120 electronic devices which you can see in 8 out of 10 cars in Europe
- Performs testing and validation of products safety
- Has 8 centers worldwide for research and development of new products, but the one in Sofia is the largest for car electronics
- Created software for the operation of electronics in the dashboard and multimedia systems in models of almost all car companies
- Funds programs in four technical and one business-oriented universities and has an internship program



### Client: Peugeot

**Description:** Johnson Controls – Bulgaria recently was named a winner of a 2010 PSA Peugeot Citroen Innovations Award for this head up display, The product software was developed entirely in Bulgaria.

This optional device displays key vehicle information such as speed, cruise control, speed limiter status and distance alert times, directly in the driver's primary field of vision, so there is no need for drivers to take their eyes off the road.



**Established:** 1998

**Employees:** 60

**Activities:** Mobile & Wireless  
Software Solutions

- Provides consulting services and delivers technology solutions to clients around the Globe
- Projects range from Telecom-grade back-end services to enterprise and consumer mobile applications



### iMediaShare - Experience Personal TV

- iMediaShare transforms the smartphone into a remote control, allowing seamless streaming of online media on TV, and requires no setup or cables
- Allows one-click wireless streaming of personal and favorite online multimedia to home media centers via a mobile phone
- Addresses the issue of convenient on-demand access to online video content from home TVs and access to channel subscriptions anywhere on any device
- The service aims to provide distribution technology to media companies and video pre-roll ad space for targeted advertisement



**Established:** 1997

**Employees:** 85

**Activities:** Embedded  
Software, OSGi Solutions

- The company was founded in 1997 in Cologne, Germany
- Software development is entirely made in Bulgaria or in cooperation with the offices in Germany and South Korea, with the leading role of the Bulgarian team
- Production is entirely exported

In 2000 half of the employees of the company was formed ProSyst 1, which was bought by SAP and later became SAP Labs Bulgaria.

ProSyst has a truly global customer base ranging from Fortune 100 corporations to individual developers:

Philips, Audi, BMW, Samsung, Deutsche Telekom, Nokia, Siemens, Motorola, Alcatel-Lucent, Cisco, Miele, Johnson Controls, SAP, HP, Bosch, Telefonica etc.



ProSyst's OSGi implementation mBS was sold over  
4 000 000 times.

### The Busch-ComfortTouch



- The Busch-ComfortTouch combines the functions of a house control, a home infotainment centre and entertainment centre
- With the Busch-ComfortTouch, you can operate or dim the lights, control your blinds, regulate the room temperature, play MP3 or video files, access email, surf the web or set the wake up alarm – even by remote control
- Busch-ComfortTouch runs ProSyst mBS OSGi technology



**Established:** 2000

**Employees:** 500

**Activities:** Software research  
& development, maintenance  
& support



The first SAP investment in Southeastern Europe. As a technological center involved in the R&D of SAP's platforms for developing business processes and applications, the Lab contributes to the foundation of the on-premise deliveries such as SAP NetWeaver, Composition Environment, BPM, PI, Enterprise Portal – including their administration and lifecycle management. In the on-demand space, the Lab is delivering the major part of SAP's Java OnDemand Platform.

Eleven years ago SAP came to Bulgaria to fill out a concrete product gap and stayed because of the talent. By leveraging that potential, over the last years the SAP Labs Bulgaria grew to more than 500 employees and managed to position SAP as a key player in the worldwide Java community. The Sofia Lab investment into the Enterprise Java space powers up practically all Java-based products at SAP.

Plamen Tilev, Managing Director, SAP Labs Bulgaria.



SAP NetWeaver Platform  
Development.

The Lab is one of the pioneers and leaders in applying Lean thinking and agile methodologies to large-scale software development in Bulgaria.



**Established:** 2000

**Personnel:** 150

**Activities:** Software development

<http://melon.bg>

Own products (40+ mobile apps):

- 200 000 app downloads per month
- Over 10 million devices host Melon Apps



offers turn-by-turn voice driving instructions for Windows Phone devices. It displays relevant travel information like hotels, gas stations, speed cameras, etc. GPS Voice Navigation offers a choice of four map and routing providers: Google®, Bing®, Nokia® and MapQuest®. This app consistently ranks in the Top 3 paid Travel applications on the U.S. market and most others.



### **Pre-installs for Nokia, est. 5 000 000 devices:**

Since 2007 Nokia has licensed a fully functional version of Advanced Call Manager for global distribution with the Nokia E71, E66 and E63 thus making the application instantly available to Nokia users as part of the standard preloaded software offering. Advanced Call Manager, Advanced Device Locks and SMS Spam Manager have been included as part of the built-in software set for the Nokia E-series in the APAC region. Full versions of SMS Spam Manager and Easy Reject are preinstalled on a range of Nokia E-series and N-series phones in Nokia India.



**Established:** 1992

**Personnel:** 400+

**Activities:** Software Development and Integration Services, R&D, IT Consulting, Outsourcing



Bulgarian software enterprise Sirma Group Holding (SGH) is one of the largest software groups in SEE, and includes 21 companies and joint ventures.

The company represents a new generation of IT ventures where cost effectiveness is only one of the competitive advantages, along with innovative expertise, Agile Software Development, and an extensive know-how in the hottest sub-segments of software engineering.

Many of the Company solutions are honored with some of the most prestigious professional accolades. The major factor that contributes to the company's success is the blend of a unique proposition of highly skilled IT teams, focus on innovations and knowledge based business solutions, and competitive prices.

Sirma focuses its efforts on the most advanced fields of software development:

- E-governance
- Mobile services and applications
- Telecommunications
- Banking and Finance
- Web Platforms
- ERP, CRM, BPM and BI
- Semantic technologies
- Corporate Search Tools
- Managed Hosting Services
- Private Cloud Computing
- CAD/CAM, packaging and cutting solutions.

“The most important thing at the start of every new venture is the team you rely on. People make a difference and bring inspiration to the projects; the rest is simply a matter of resources planning.”

Tsvetan Alexiev, CEO

The group has offices and partners in USA, UK, Germany, Norway, Canada, Brazil and Turkey, enabling it to work more efficiently, taking into account specific needs of each local market.





**Established:** 2011 (through the acquisition of Siemens IT Solutions and Services in Bulgaria)

**Employees:** 100

**Activities:** Homeland security systems, Cloud



- Ranked #1 System integrator in Bulgaria for 2010 (According to Computerworld IT Top 100 Companies in Bulgaria)
- The largest SAP integrator in Bulgaria (ERP, CRM, BI, HR) with more than 60 implementations on the local market



Official Global IT partner for the Olympics in London 2012, for the Winter Games in Sochi in 2014 and Rio de Janeiro in 2016.

**The Bulgarian subsidiary of the company was a part of the project.** Atos integrated, managed, backed up the giant IT

system that sends the competition results and athlete information to the various audiences and media representatives in less than 0.3 seconds. As Worldwide IT Partner of the International Olympic Committee, Atos was responsible for leading the consortium of IT partners to design, build and operate the massive, mission critical IT infrastructure and solutions that supported the London 2012 Games.



Bulgaria could be a perfect provider of boutique IT services as well as the EU platform for penetration in the smaller Eastern European markets. The country's biggest advantage is its macroeconomic predictability and the risk management capabilities of Bulgarian software engineers.

Veska Davidiva, CEO, Atos, Bulgaria



**Established:** 1999

**Employees:** 100

**Activities:**

Software development,  
System integration

- Bulgaria is one of the few locations worldwide for CISCO's software development core activities
- Completed major infrastructure projects for Bulgaria's largest telecom companies

#### Investor in educational initiatives:

Cisco has a long history in education and talent development with Cisco Networking Academy. Cisco Networking Academy program was launched in Bulgaria in 1999. Currently there are 50 academies and over 3 500 students participating in the program across the country. Since the launch of Cisco Networking Academy, over 17 000 Bulgarian students participated in networking academy courses.

#### Sofia R&D Office

Cisco Sofia R&D office is a part of the Cisco Enterprise Collaboration Platform. Currently employs around 70 people who work in various roles covering the full spectrum of software research and development.



Bulgaria is the perfect location for a small and medium investment in the IT sector, which needs a wide spectrum of services provided by qualified multilingual human resources at optimal price.

Borislav Dimitrov, General Manager,  
CISCO Bulgaria



**Established:** 2008 (acquisition of Software Company OBS by CSC)

**Personnel:** 660

**Activities:** Software Development, Integration and Maintenance

[www.csc.com](http://www.csc.com)

As an essential Solution Center for CSC in Europe, CSC Bulgaria has been providing innovative, customized and easy to implement IT solutions.

The Company portfolio of services includes full scope of software development activities and various IT services such as. Net and Java applications development, dataware house solutions development, database administration, etc.



CSC Bulgaria manages projects in their entirety (writing of specifications, developments, tests, integration and maintenance).

Amongst CSC clients are some of the biggest companies from the Financial Services sector.

CSC manages projects in their entirety (writing of specifications, developments, tests, integration and maintenance)

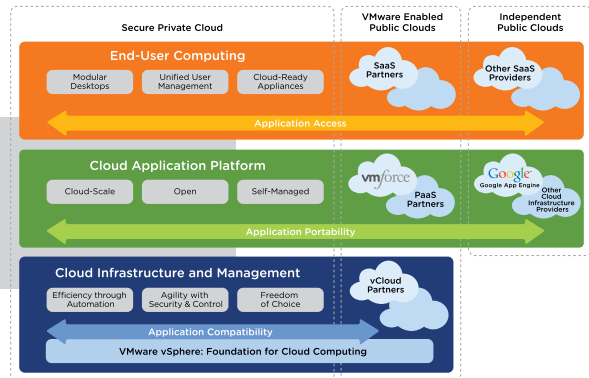




**Established:** 2007  
(by acquiring the outsourcing company Sciant)  
**Employees:** 300  
**Activities:** Cloud and Infrastructure, Management, Automation and Availability

- The largest Global Development Center for the company in the EMEA region and the 3rd largest R&D site for VMware globally
- Recognized as the most mature site outside of Palo Alto and one the most successful VMware R&D centers throughout the world

Products driven by the team in Bulgaria are: vSphere Client, VC Orchestrator, PowerCLI. The team has significant contribution towards: vCloud Director, Virtual Center, Site Recovery Manager, vCOPs.



VMware has made and continues to make significant investments in Bulgaria. The team in Sofia is adding strategic value to the overall product portfolio of the company and the plan is for a continuous growth and development.

The company also invested in a state of art office facilities for 400 people, high-quality in-house lab space, and a co-location datacenter, which is hosting equipment for the EMEA R&D Engineering teams.

Diana Stefanova, Managing Site Director for VMware Bulgaria

## fadata

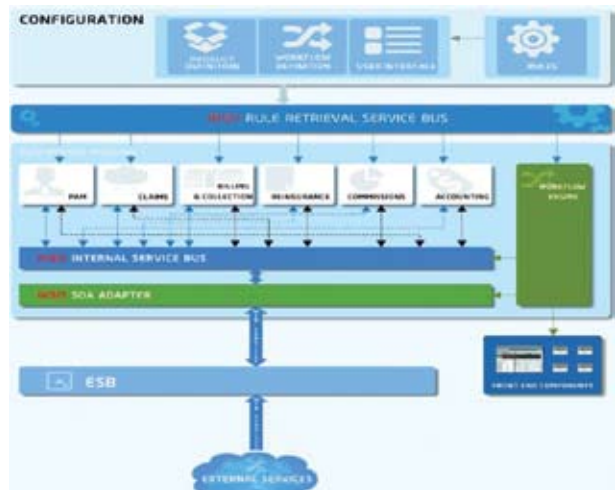
**Established:** 1990

**Employees:** 170

**Activities:** Software development and implementation

- Provides global distribution system and supports subsidiaries as well as partners' network in more than 20 countries
- Completed over 180 projects across Europe, Middle East, Africa, Asia, and America

- Software for insurance business of companies selling Property & Casualty, Life & Pension and Health policies
- Modular solution that provides full coverage of all aspects of insurance business area both horizontally and vertically



- Global customer base with more than 40 installations for insurance companies
- Organizing the straight through processing, which may be activated by INSIS, external systems, customer web sites and agency portals
- Ranked N1 in all but 1 areas of analysis in the latest Gartner report discussing the Critical Capabilities for European Non-Life Policy Administration Systems
- Recognized for its ability to expand with the business in multiple countries and companies, its flexibility through its rules approach and customer-centric concept

# Netage<sup>BG</sup>

**Established:** 1998

**Activities:** Web design & development

**Specialties:** Online media, E-shops, Corporate websites, SEO

- Clients: **220 +**
  - Projects: **350 +**
  - Awards: **70 +, 3 times**
- “Agency of the Year”**

**Clients include:**

- The World Bank
- Fibank
- Colliers International
- Lindner etc.

Completed over 350 projects for more than 220 large corporate clients in the United States, Europe and Bulgaria, building web sites to international quality standards.

Developed highly sophisticated systems for online media content management, e-shops, portals, intranets.

Integrated clients' corporate websites with ERPs, CRMs and other 3rd party software.



## NetageSolutions

Your Edge<sup>TM</sup>

is the premier provider of CRM software and online reporting systems for the alternative assets industry, including private equity and venture capital firms, hedge funds, real estate investment firms, funds of funds, prime brokers, family offices, and institutional investors.

With over a decade of industry experience, Netage Solutions' Dynamo<sup>TM</sup> is the proven platform for more than 200 of the world's premier alternative investment firms. Collectively, company clients manage \$400 billion in assets.



**Established:** 2000

**Personnel:** 200+

**Activities:** Software development, Services, R&D, Mobile Products

<http://musala.bg>



### Services

Musala Soft is a software engineering services company, specialized in nearshoring and offshoring, delivery of complex and large scale software projects, IT consulting and solution implementation. Clients include IBM Corporation, Cisco, VMware, SAP, Allianz, HP, Piraeus Bank, OMV, Bulgarian National Revenue Agency, Dutch Customs, etc.

- IBM Premier Business Partner for Software
- Microsoft Gold Certified Partner
- Oracle Certified Partner
- TIBCO Consulting Partner

### R&D

The Applied research and development center is focused on research and advancements in the scientific fields related to information visualization (especially on small screens) automated testing on mobile devices, software system analysis, software modernization and software evolution.

### Products

**The newest product offerings are for mobile devices include:**

cAPPAlogue - high definition, easy-to-use product catalogue that allows the entire shopping experience to become truly mobile. The focus of this product is to engage the customers into experiencing the products they would like to buy offline or online, anytime and anywhere. Integration with e-Commerce platforms.

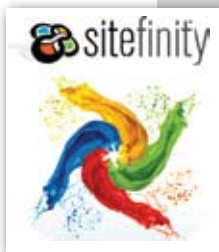




**Established:** 2002  
**Employees:** 350  
**Activities:** Software development

- Over 100 000 organizations in 94 countries use Telerik products
- Telerik customers include many Fortune 500 companies, as well as renowned educational, governmental and non-profit institutions
- 9 offices worldwide

In October of 2007, Deloitte Touche Tohmatsu ranked Telerik 3rd in its “Rising Star” Technology Fast 50 program for the 50 fastest growing technology companies in Central and Eastern Europe, The award is based upon the percentage revenue growth over the previous three years.



**The next-generation web platform for public websites and intranets**

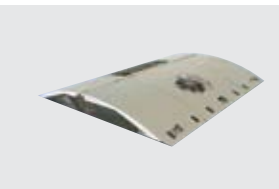
Sitefinity – the next-generation web platform for public websites and intranets trusted by over 8,000 customers, among which Heathrow Airport, Toyota, Coca Cola, BASF, Bayer, AT&T, IKEA and many other leading companies in various industries.

Telerik is Microsoft Gold Certified Partner. Microsoft announced Telerik as winner of the 2010 Central and Eastern European Partner of the Year Award. The company was selected based on its Sitefinity content management system (CMS).

**Products:**

- Data Access – OpenAccess, a convenient tool for building powerful data layers for all popular databases through a visual designer
- TeamPulse – the tool that helps teams organize their work, collaborate and share knowledge

# Advantages of Bulgaria in the Electrical Engineering and Electronics Sector



## What is manufactured in Bulgaria?

- World class batteries for submarines, yachts, trains, airplanes, helicopters, military applications
- High performance transformers for the needs of the electric power industry. Bulgarian manufactured power transformers are equipped with the most advanced manufacturing and testing equipment
- High end energy saving sensors for various applications in different industries ranging from automotive through food and beverage production to agriculture equipment
- Top quality amplifiers and high frequency power products used in the radio communication sector
- Wide range of capacitor and capacitor banks used by electrical distribution utilities and large industrial power users
- Semiconductors and semiconductor products used in medical, machine building and automotive manufacturing globally by companies such as BMW, GM, Mercedes
- Wire harnesses and cables for the automotive industry in France and Spain
- Top quality household and commercial refrigerators and freezers for the needs of the European market
- Printed Circuit Boards (PCBs) and microelectronic components for industrial applications used all over the world
- LED chips and LED lighting equipment according to the modern trends in the lighting industry

## Bulgaria has particularly strong traditions in the electrical engineering and electronics sector

- In the 1980s Bulgaria supplied more than 40% of the mainframe and personal computers in Eastern Europe
- More than 130 000 people were employed in the sector at its peak during the 1980s
- Electrical Engineering and Electronics Sector comprised of more than 25% of total Bulgarian manufacturing at the time

The Bulgarian born NASA engineer and scientist Peter Petroff invented the digital watch and the wireless heart monitor in the 1960s.



The first electronic computing machine was created by John Atanasoff, an American scientist of Bulgarian descent.



Ballasts and lighting equipment manufactured by the Bulgarian company Electrostart are used in the lighting of historic monuments in Peru, including the legendary “lost city of the Incas” Machu Picchu.



**Established in Bulgaria:** 1999

**Employees:** 800 +

**Activity:** Energy management, integrated solutions for smart grid, smart buildings and cities



- French multinational company - world leader in energy savings, electric distribution products and industrial automation

#### Schneider Electric in Bulgaria:

- The first manufacturing facility in Bulgaria started in 1999 but the company had commercial presence in Bulgaria since 1990
- Schneider Electric Bulgaria operates two manufacturing facilities in Perushtitsa and Plovdiv
- 60% of the components used in the Bulgarian manufacturing are supplied by local companies
- Schneider Electric received “Investor of the year in the industrial automation industry” award in 2007



Schneider Electric is a world leader in energy saving technologies and the Bulgarian operation was first in the world to manufacture company's energy saving timers and switches.

#### Key Products manufactured in Bulgaria:

Energy saving electric switches

PLCs

Buttons

Sensors

Energy saving timers



**FESTO**

**Established in Bulgaria:** 1993

**Employees:** 440

**Activity:** production of magnetic sensors and automation applications



- 100% owned by the German company Festo AG & Co.KG
- Since 1997 Festo Bulgaria has been specializing in manufacturing of sensors and sensor applications
- Operates two manufacturing facilities in Sofia and Smolyan

In 2012 planning to build a new manufacturing facility with total area of 7 600 sq. m.



Festo Bulgaria manufactures over 880 different products distributed by Festo AG all over the world.

### Key Products manufactured in Bulgaria:

Production of fluid and magnetic sensors with various applications in automotive, machine building and other industries.

Cable applications for sensors and valves.





**Established in Bulgaria:** 1989

**Employees:** 100

**Activity:** designs, manufactures and sells worldwide audio and radio amplifying technology



- Started its business from a small garage in 1989
- 100% of company production is exported
- The first company from Bulgaria to supply electronics for the most competitive markets in the world simultaneously – USA, Germany, Japan
- Experiencing 5% growth in sales for existing products and developing a large portfolio of new innovation technologies which can be used in varieties of industries with higher organic growth rates



ACOM is innovation based company that serves customers from 110 countries around the globe.

In 2011, ACOM started a joint venture with a large global private equity fund for development of other innovative products outside the pure amplification technology.

#### Key Products:

- High Frequency (HF) equipment used in radio communication industry
- HF antennas for commercial, government and amateur markets
- Antenna crank-up masts
- Systems for short range network radio communications



ACOM is working closely with young engineers program at the Sofia Technical University.



**Established in Bulgaria:** 1996

**Employees:** 300+

**Activity:** high and medium voltage electrical equipment, automation parts, engineering solutions



- Global leader in power and automation technologies and electrical equipment
- The ABB group of companies operates in 100 countries and employees 130 000 people
- ABB has five locations in Bulgaria



ABB companies in Bulgaria export their products in Russia, Iraq, Romania, Mexico, Brazil, Sweden, Norway, China, Germany, France.

### **Key Activities and Products manufactured in Bulgaria:**

Circuit breakers and disconnectors for industrial purposes

Capacitor banks used by electrical distribution utilities and large industrial power users

Generating sets

Automation parts used in manufacturing industries

Engineering solutions







**Established in Bulgaria:** 2007

**Employees:** 3 400

**Activity:** manufactures electrical wire harnesses for the automotive industry



- Owned 100% by the Japanese Yazaki Corporation
- Present in 50 countries and employs more than 170 000 people worldwide
- Holds 35% market share of the world wire harnesses for the automotive industry



Yazaki Bulgaria main customers are the automotive manufacturers in France and Spain.

### Yazaki Bulgaria:

Established in Yambol industrial zone, investment of more than EUR 30 mln.

In 2012, in Sliven Yazaki opened its second factory in Bulgaria.

Bulgarian facility spreads on 50 000 m<sup>2</sup>, with 24 250 m<sup>2</sup> of the area dedicated to manufacturing facility.

Yazaki Bulgaria has not only an assembly department but also an engineering division providing wire harnesses for the automotive industry.





**Established in Bulgaria:** 1993 as EPIQ

**Employees:** 2 000+

**Activity:** electronic assembly, module assembly, development & manufacture of plastic injection moulds & factory automation equipment



- In July 2011 the Belgian EPIQ group sold, EPIQ Electronic Assembly EOOD to Integrated Microelectronics, Inc (IMI), a Philippines based company
- IMI subcontracts for well-known names in the automotive sector, including Valeo, Denso, Brose and EF
- IMI manufactures components for famous brands in the consumer electronics like Tefal, Rowenta, De Longi



IMI manufactures more than 230 products and exports them mostly to the European markets.

## IMI Bulgaria:

IMI Bulgaria is located in Botevgrad, 60 km from Sofia.

Main Activity includes PCB Assembly and Testing, System Product Integration Tooling and plastic injection.

The Bulgarian operations are among the leading international suppliers to the automotive, consumer electronics and industrial appliance markets.





**Established in Bulgaria: 2007**

**Employees: 600+**

**Activity:** tubular lead acid industrial batteries



- World leader in the manufacturing of industrial batteries and specialty batteries
- EnerSys and its predecessor companies have been manufacturers of industrial batteries for over 100 years
- Operates manufacturing and assembly facilities in 12 countries for customers in over 100 countries



**EnerSys Bulgaria manufactures batteries weighing more than 300 tons for UK and German submarines.**

- EnerSys facilities in Bulgaria cover 206 000 sq.m., incl. 58 600 sq.m. of buildings
- Bulgarian production of tubular lead acid batteries serves the markets of motive power and reserve power applications, as well as the rail and mining markets

#### **Key Products manufactured in Bulgaria:**

Submarines batteries

Solar batteries

Batteries for the mining industry

Railway batteries

Explosion proof batteries

Stationary batteries





**Established in Bulgaria:** 1997

**Employees:** 650+

**Activity:** production of power and distribution transformers, high voltage apparatuses, tap changers, solar power systems



Hyundai Heavy Industries Co. Bulgaria manufactures oil-filled power transformers for power substations, hydro-electric & thermal power plants, industrial enterprises.

All power and special transformers are equipped with Tap Changers developed and manufactured in Bulgaria.

Tap Changers manufactured in Hyundai Heavy Industries Co. Bulgaria are installed in a wide range of transformers and are currently in operation in Russia, South Korea, Romania, United States and many other countries in Asia, Europe, South and North America.



Hyundai Heavy Industries Bulgaria exports its transformers and tap changers to more than 50 countries in Europe, Asia, America, Africa.

## Key Activities and Products manufactured in Bulgaria:

Power Transformers

High Voltage Apparatuses

Tap Changers

Solar Power Systems



**LIEBHERR**

**Established in Bulgaria:** 2000

**Employees:** 1 700+

**Activity:** manufacturing of refrigerators and freezers for domestic and commercial use, railway vehicle equipment



Liebherr Hausgeraete Marica Ltd. is a 100% owned subsidiary of Liebherr Hausgeräte Ochsenhausen GmbH–Germany

Liebherr Hausgeräte employs a workforce of approx. 22 000 in more than 100 companies on 6 continents



Liebherr Hausgeraete Marica has the capacity to manufacture more than 600 000 refrigerators annually.

### **Liebherr Hausgeräte Marica :**

Liebherr Hausgeraete Marica EOOD is located in Marica Industrial Zone in Plovdiv region.

Total investment in the company's Bulgarian operations is approximately EUR 86 mln.

Liebherr's facilities are built on 200 000 sq. m., of which 55 000 manufacturing facilities and warehouses.

97% of the Liebherr Marica output is exported to the EU markets.





**Established in Bulgaria:** 2000

**Employees:** 300+

**Activity:** microelectronic component manufacturing, sensors, IC's for the automotive industry



- Melexis is a Belgian company, leading manufacturer of advanced mixed signal semiconductors, sensor ICs, and programmable sensor IC systems
- Melexis is present in 12 countries worldwide



Melexis Bulgaria IC's are used in the vehicles of companies like Mercedes-Benz, BMW, Audi, VW, Suzuki, Toyota, GM and Ford.

### Melexis Bulgaria:

Melexis Bulgaria is based in Sofia in a 7 800 sq. m. facility containing office space, R&D, test areas, and over 1 000 m<sup>2</sup> clean rooms for handling semiconductors.

In 2006 and 2007 Melexis invested over EUR 13 m to improve its Bulgarian operations.

Melexis Bulgaria is involved in component manufacturing, R&D and testing activities.



**SIEMENS**

**Established in Bulgaria:** 1991

**Employees:** 500+

**Activity:** manufacturing of equipment for transformers, energy engineering, industrial engineering and medical engineering solutions



Siemens is a multinational conglomerate, the largest European based electronics and electrical engineering company

The company and its subsidiaries employ more than 400 000 people worldwide



Siemens chose Bulgaria for the home of its engineering outsourcing centers for house automation systems and conventional energy sources, servicing 12 countries .

**Key Activities and Products manufactured in Bulgaria:**

- Ingredients for high tension measure transformers used in the energy sector
- High voltage electrical engineering components for the electric industry
- Automation and control devices used in manufacturing industry
- Engineering solutions

Siemens has been represented as a company in Bulgaria since the end of the 19th century when it participated in the building of the national telegraph network.

The Bulgarian branch of the company offers its full range of engineering solutions and services.

A state of the art facility in Pravets Bulgaria was built in 2011 and manufactures high voltage electrical engineering components.

Siemens Bulgaria has been cooperating with all local technical universities in developing future engineers through establishing masters programs and engineering labs and workshops.





**Established in Bulgaria:** 1959

**Employees:** 575

**Activity:** manufactures starter batteries, stationary batteries, solar batteries, batteries for military applications, locomotive batteries, LED production, recycling



Monbat is a Bulgarian company with almost 60 year history and traditions in the manufacturing of batteries.

One of the fastest growing battery companies in SEE with 2010 revenues in excess of EUR 80 million.

Operates two battery manufacturing facilities in Bulgaria located in the towns of Montana and Dobrich.

Owens two recycling facilities in Romania and Serbia.

Monbat maintains intensive R&D activities in cooperation with the Bulgarian Academy of Science.

Works in cooperation with many large international companies such as Vodafone, Ericsson, Huawei.



Monbat exports 85% of its products. 24% of the sales are realized on the German market.

## Advantages of Bulgaria in the Healthcare and Medical Tourism

- Excellent geographical, climatic and environmental conditions
- The unique combination of seaside, mountains and mineral water makes Bulgaria a suitable place for health promotion throughout the year
- Long-standing tradition in balneology and spa tourism
- Refurbished world-class medical and rehabilitation centres and hotels
- Highly qualified and experienced healthcare staff
- Relatively low cost of medical services
- Well-developed network of private cosmetic surgery and dental clinics





“Bulgaria is among the countries combining low prices for medical services with experienced medical personnel and has the potential to become a destination of choice for the so-called health tourists”.

Reuters, from the report of the Economist Intelligence Unit, September 2011



Bulgaria ranks second in Europe after Iceland and is well ahead of countries with proven tradition in balneology in terms of existing, developed and registered (certified) mineral water resources. Every known type of natural mineral water has its representative in Bulgaria.

	Czech Republic	Hungary	Bulgaria
Number of mineral springs	463	450	600
Average temperature of mineral water	70 ° C	65-70 ° C	70-75 ° C
Warmest spring geyser	73 ° C	96 ° C	103 ° C

- In Bulgaria there are huge reserves of underground mineral springs
- The total usable annual volume of mineral water reserves is over 100 million cubic meters, but only 6% of these deposits have been well studied

## Bulgaria's biggest advantage is that mineral



water is available throughout its territory



## The most significant effects of mineral water treatment in Bulgaria are:

- Lowering blood pressure and improving heart functions
- Regeneration and strengthening of the immune and cardiovascular systems
- Improved metabolism
- Elimination of functional disorders
- Anti-inflammatory effect
- Some mineral waters enhance the body's resistance to radiation effects
- Beneficial effects for bronchitis, joint, kidney, skin, gynaecological diseases and others
- Health-enhancing underwater massages and underwater gymnastics



Evidence of the healing properties of Hissar mineral water is the local Museum of Kidney Concrements - a collection of about 10 000 stones excreted during and after medical treatment in Hissar.



### Bulgaria provides significant recreation and tourism potential with its 102 resorts

- 34 of national importance (five mountainous and ten at the seaside)
- 68 of local importance (spa, forest and seaside)

#### **Velinograd**

##### **The Spa capital of the Balkans with 80 mineral springs**

- The city called the “Pearl of the Bulgarian SPA” offers numerous sanatoriums, clinics, modern spas and hotels



#### **Sandanski**

##### **The town recognized as the best natural “hospital” in Europe for bronchial asthma**

- Studies show that climatotherapy in Sandanski leads to complete curing of clinical symptoms such as breathlessness, coughing and expectoration in 80% of patients, reducing the need for medication



The resort has more than 20 springs with similar characteristics - hyper thermal (72 ° -81 °), low mineralized, silicic, mildly fluorine, suitable for drinking and spa.

#### **Pomorie**

##### **The most popular and modern mud therapy centre in the country**

- Curative mud is a natural product with inorganic and organic composition, formed as a result of geological, chemical, biological processes and physico-geographical factors: climate, soil, water, flora and fauna







### Hissar

**A resort with a millennial history, used by the Thracians and in Roman times**

- Hissar differs from our other resorts on the abundance of its hot springs and their diverse chemical composition, temperature and treatment properties. Each source has its own application, name and romantic legend...



### Pavel Banya

Resort with seven mineral springs located in the unique Rose Valley.



### St.St. Constantine and Elena

- The oldest resort on the Bulgarian Black Sea coast, with a specific microclimate, purifying negative ions, old deciduous forest and mineral springs



### Sofia and Bankya

- In the outskirts of Sofia there are about 50 hydrothermal deposits, which are environmentally friendly sources, springing from a great depth



Each resort has its thermal springs with curative effects on various organs and body parts.

Mineral waters are also edible.

Most resorts are located in the mountainous regions of Bulgaria and provide fresh air and perfect conditions for recovery.

# 2006 saw the largest foreign investment in healthcare:

### Tokuda Hospital Sofia

Tokushukai Medical Corporation is now one of the largest hospital chains in the world, operating over 280 hospitals in Japan and one in Bulgaria! Over 120 million Euro was invested in Bulgarian healthcare.

#### The general hospital features:

- 32 clinics and wards
  - 3 operating units in 22 surgical rooms
  - Modern diagnostic centre
  - High-tech equipment
  - Centre for Preventive Medicine
- 
- Tokuda marked its fifth anniversary by making a strategic investment in **medical tourism**, by opening the first international hospital ward for the so-called “medical” tourists
  - More than 8 000 patients from other countries are treated at Tokuda - 400 from the U.S., 800 from Canada, 1 000 from the EU and 350 from Russia and the CIS, 200 from the Middle East and from Serbia, Greece, Macedonia, and Romania
  - Tokuda Hospital Sofia provides world-class medical care to patients at significantly **lower prices** and no waiting lists

“The international ward was created in response to growing interest in **Bulgaria as a medical tourism destination**. Globalization and free access to information enabled millions of people to travel to receive diagnosis, treatment and rehabilitation in countries providing state-of-the-art facilities, high technology, qualified staff and competitive prices.

Dr Georgi Simeonov , Executive Director of DCC Tokuda

## Advantages of Bulgaria in the BPO sector

- The average BPO company provides services in more than 25 languages
- Bulgaria prides itself on the system of foreign language secondary schools where after a year of intensive study of a foreign language students switch to studying main subjects in the respective foreign language
- About 60 000 students graduate annually from all Bulgarian universities. About 50% of the graduates get their degrees in majors applicable to the needs of the BPO industry
- 98% of the students enrolled in secondary school in Bulgaria study a foreign language, 73% study at least two foreign languages
- Office rents in Sofia are the lowest in the region and are likely to remain low due to oversupply of office space
- Attrition rate in most Bulgarian BPO centers is several times lower than that in the rest of Europe



According to the Yearbook data of the British National Outsourcing Association (NOA) Bulgaria once again is among the stars in the off shoring and outsourcing industry, this time as a popular destination for the pharmaceutical sector.

- Most BPO firms expect the size of the Bulgarian outsourcing market to increase by up to 100% over the next 3 years
- IT & Internet, followed by tourism, telecommunications and retail are expected to generate the biggest interest in the Bulgarian outsourcing services
- The number of employed in the Bulgarian BPO sector grew from 0 to around 15 000 over the last 10 years

“The opening of HP Global Delivery Centre in 2006 put Bulgaria on the BPO&ITO investment map of the world. The selection of Bulgaria as one out of the six HP strategic hubs in the world in 2010 reconfirmed the quality of Bulgarian specialists.”

Sasha Bezuhanova, Public Sector Director, HP Central and Eastern Europe





**Established:** 2006  
**Employees:** 4 000 +  
**Languages:** 15  
**Activities:** Customer  
Interaction Services, IT/  
Software operations



- HP Global Delivery Centre was officially opened in May 2006 and serves as a delivery platform for support, engineering and IT outsourcing services for HP customers in EMEA region
- Bulgaria was chosen among 14 other countries – candidates for the investment
- In 2010 Bulgaria became one of the 6 designated delivery hubs that support client demand for cost-efficient, scalable services that effectively meet business needs



In 2010 Bulgaria became one of the six HP target logistic centers worldwide.

Customers include 21 companies from 2011 Fortune Global 500.

### HP Global Delivery Centre exported services for €109.7 mln in 2011

Bulgaria is a strategic site for HP Global IT Outsourcing operations. As one of our core delivery centers globally, we place a significant amount of critical operational responsibilities in Bulgaria. We are extremely satisfied with the quality of talent, productivity, and the passion for customer service of the Bulgarian employees who have joined the HP family and look forward to even more contributions in the future.

**Pete Karolczak**, SVP, GM IT Outsourcing, Enterprise Services at Hewlett-Packard  
HP's University program in Bulgaria



**Established:** 2007  
**Employees:** 530  
**Languages:** 27  
**Activities:** Customer  
Relationship Management,  
Finance & Administration



In 2007 IBM opened a Global Delivery Center in Bulgaria. Out of Sofia, IBM currently provides end-to-end business process services for IBM needs in the region and all over the world.

The procurement team processes all purchase orders of office stationary and equipment for IBM offices in the entire CEE region.

**Customers include:**

- Bulgarian National Bank
- National Social Security Agency
- National Revenue Agency
- Ministry of Defense
- Ministry of Finance
- National Customs Agency
- Coca Cola Bulgaria
- Xerox
- Skype



30+ Nationalities  
represented in  
Bulgaria

Sofia GDC is considered a strategic location for IBM. The qualified young team has allowed it to innovate and establish best practices that are implemented across the IBM network of global delivery centers.

**Joseph Lazarus**

General manager, IBM GDC Bulgaria

Our experience in the Bulgarian labour market pool is not only that we have been able to attract very educated and talented, multilingual individuals but also that most of those individuals possess an immense drive for their own growth and self-development.

**Boyka Docheva**

HR Partner, IBM GDC Bulgaria



**Established** 2004

**Personnel:** 750

**Languages:** 15

**Activities:** Contact Center Services, HR Outsourcing, IT Outsourcing and Hosting services

- The Bulgarian outsourcing company with the widest portfolio of services
- Member of ISO/PC 259 of ISO 37 500: A guide to outsourcing
- Forecasted CAGR for the period 2012-2014 – 25%

“We receive feedback from our clients that our productivity is higher than in other European countries – price and quality!”

#### **Customers:**

Hewlett Packard, Oracle, Coca-Cola, Stream Global Services, Microsoft, Telecom Austria Group (in Bulgaria, Serbia and Macedonia), UniCredit Bulbank, DSK Bank (OTP Group), AIG and Allianz

#### **History Milestones**

- The first International client – 2007
- Acquisition of BTC Contact – the first international outsourcing center in Bulgaria – 2008
- Certification of ISO 9001 and ISO 27 001 - 2009
- Opening of the first international location – Skopje, Macedonia 2010
- Interactive Intelligence Elite Partner – 2010
- Opening second site in Bulgaria in second biggest city – Plovdiv





**Established:** 2008

**Employees:** 260

**Activities:**

Customer interaction service,  
Back office transactions,  
F&A



**Finalist of the UK Award for Operational Excellence 2011,  
organized by the National Outsourcing Association**

**Clients include:**

- Leading anti-virus companies
- Leading PC hardware manufacturer
- Leading banking and insurance company
- No.1 North America e-learning company

Sutherland's plan in the next 18 months is to continue with the expansion in other cities in Bulgaria

## 75% of clients are in the Fortune 500 space

Bulgaria is the top performing geography of Sutherland with 100% referencable clients and best talent when it comes to technical capabilities. Smaller Delivery team compared to our own delivery locations like Philippines, US or India but services provided are with higher complexity with a stress on language, skill and medium.

**Satish Ramachandran,**  
Senior Director – Service Delivery,  
Sutherland



Sole provider of customer service in Europe for one of the largest international telecom companies.



Sutherland's headcount has grown 7 times since 2008. 40% of the current middle management are home grown.



**Established** in 2008

**Employees:** 360

**Languages:** 17

**Activities:**

Customer interaction  
services,

Back office transaction



- In May 2008 began its activity with three international projects and investment of over €1.2 mln
- Second office in Sofia opened in September 2011

Sofia was chosen for 3 main reasons – the convenient location of the airport, the availability of highly motivated and educated labour, the quality of the buildings and technical infrastructure.



60K maintains links with universities in Sofia. The company CEO leads lectures at Sofia University.

“ We are currently looking at setting a third call center here, probably in one of the other major cities such as Plovdiv, Varna, Burgas, Veliko Tarnovo.

**John Gladwish**, CEO, 60K ”



Annual attrition rate is less than 3%, as compared to European and Global average of 24%. (Times News New York)

“ Bulgaria has a lot of potential with respect to technical infrastructure, human resources, location in comparison to the UK and mainland Europe and legislation here is favourable to investment.

**John Gladwish**, CEO, 60K ”



**Established:** 1999  
**Employees:** 290+  
**Languages:** 30+  
**Activities:**  
 Knowledge Processes  
 Outsourcing



Besides in Sofia, the company is also located in Veliko Tarnovo, where it has an ongoing internship program in the local university.

Boasting one of Southeast Europe's most stable monetary systems, Bulgaria is in prime position to offer a sustainable macroeconomic environment, low risk levels and solid economic growth.

**Iliya Krastev**, CEO, All Data Processing

## case study



is a business and financial news and information provider which brings access to detailed coverage on the fast-growing companies, economies and markets of ten Southeast European nations. It allows you to access major index data including index pricing, indices' constituent lists and top indices' gainer and loser data, company, price and other market information from all active stock exchanges in the region and spot and cross rates for all SEE currencies.

### Customers:

**All Data Processing has customers from over 75 countries:**

- News Corporation
- Thomson Reuters
- Bloomberg
- APA
- LexisNexis
- Reed Elsevier
- EBSCO, etc.



**Established:** 2004

**Employees:** 550

**Languages:** 20+

**Activities:**

Customer Interaction Services

Transformation Solutions

Financial and Accounting

Services



- Bulgarian BPO company, 3 office locations
- 50+ clients from the EU and the USA

**2004** - Founded by Philippe Ougrinov and Xavier Marcenac in Sofia.

**2009** - Opened Plovdiv office.

**2011** - EBRD becomes shareholder in CallPoint. This is the first investment for the bank in business process outsourcing in BG.

**2012** - TELUS International, a global BPO company and wholly-owned subsidiary of Canadian headquartered TELUS Communications, partnered with CallPoint New Europe, a European contact center group with four delivery sites in south-eastern Europe.



Aims at expanding its portfolio of services, with heavy focus on F&A services. Plans to hire up to 2000 people in 3 years.



Bulgaria is a small, boutique country, with very flexible legal framework and no restrictive regulations for this business at all.

**Phillipe Ougrinov**, CEO, CallPoint New Europe



### 2010 in Numbers

10 million	Customer interactions processed
200 000	Outbound calls per month
600 000	Inbound calls per month
100 000	Handled e-mails per month
65%	CAGR (for the past five years)



**Established:** 2006  
**Employees:** 546  
**Languages:** 22  
**Activities:** F&A, Technical support, Customer Care, Back office



- Bulgarian office received an award for best operating company location in Europe (the Mean More Award, based on quality/cost analysis, value added, employee satisfaction, and operational depth)
- Received Sitel President Award for Q1 2011

**Cooperates with foreign cultural institutes in Bulgaria, as well as with:**

- Sofia University
- Technical University Sofia
- University of National and World Economy
- New Bulgarian University
- AIESEC

“The education system in Bulgaria is well structured and gives still good basis. This assures the faster assimilation and learning of new skills.

**George Uzunov,**  
Site Director, Sitel Bulgaria

“Bulgarian people are highly motivated for working in an international environment and give their best at the job, since these companies offer career development opportunity.

**George Uzunov,**  
Site Director, Sitel Bulgaria

# Advantages of Bulgaria in the Mechanical engineering sector

- Established traditions and experience in the Transport equipment and mechanical engineering sector
- Continuous growth between year 2000 and the time of crisis
- Qualified assembly workforce at affordable cost
- Availability of experienced engineers
- More than 205 000 people working in the sector
- Export oriented sector
- Infrastructure well suited for the needs of the manufacturing industry
- Easy access to EU, Russian/CIS and Middle East markets
- Close to the CEE automobile clusters
- Network of technical universities and colleges
- Vibrant mix of international and local companies from the mechanical engineering sector with successful operations in Bulgaria
- Component manufacturers are active in producing high precision and endurance components for various European customers



FDI growth in the sector is 126% in 2011 compared to 2008.

About 57000 are the students in Bulgaria for 2011/2012 that study transport, machine, electrical and other relevant technologies in 22 universities and colleges in the country.

There is a very positive business climate, which can be further improved with a better support from the authorities and the people's strong will to learn and progress.

Philippe Peroz

Managing Director at SKF Bearings Bulgaria



Bulgaria is still among the main producers of universal lathes in the world.

Customers of Bulgarian companies are companies like BMW, Renault, Peugeot, Ford, Audi. For example, Montupet plant in Bulgaria produces engine heads for the whole series "Q" of Audi.



The production of forklift trucks in Bulgaria is a leading sector, ever since the country has become specialized in it as a member of the former economic union, COMECON. Three decades ago, the Bulgarian producers generates 20% of the world production with an annual production of more than 80 000 forklift trucks, thus the holding company at that time Balkancar Holding was among the three biggest suppliers of engine driven and electric driven forklift trucks in the world – together with the American company Clark and Japanese company Toyota.





- Lufthansa Technik is a world company, specialized in the maintenance and repair of aircrafts
- Lufthansa Technik Sofia was founded in 2007 as a joint venture between Lufthansa Technik AG and Bulgarian Aviation Group
- More than 400 highly qualified engineers and mechanics are working for the company.
- The only repair base of Lufthansa Technik for Eastern Europe is located in Bulgaria.
- Initial investment of EUR 20 million, with which it acquired Class A certificate for investment
- In Bulgaria the company performs D-check – the most comprehensive and demanding check for an airplane
- Since 2008, more than 50 heavy checks have been performed for customers like BMI, Bulgaria Air, Oman Air, Ural Airlines and many others.
- In 2011 Lufthansa Technik Sofia decided to expand its activity and to invest another EUR 13 million
- On 14.09.2011 the company was awarded for a second time with a certificate for class A investor for its expansion
- The company is working very well with the biggest technical universities for the recruitment of its employees

Lufthansa Technik Sofia is the first foreign site with German EASA 145. It was successfully obtained after audits on 28th of October 2008. The hangar, which is one of the most modern in the MRO (Maintenance, Repair and Overhaul) industry offers:

- 2 bays for 2 narrow body aircraft simultaneously, 3 more under construction
- IL-/D- Checks capability incl. full painting

D-check is the most comprehensive and pedantic check for the aircraft serviceability. It is also known as Heavy Maintenance Visit (HMV).

Lufthansa Technik Sofia manages to perform only within 16 days the quickest D1 check on Airbus A320 among the whole group of 31 companies.



- Automobile manufacturing plant established by Litex Motors Corporation in cooperation with the Chinese Great Wall Motor Co Ltd
- Class A investment issued by InvestBulgaria Agency
- Location - Bahovitsa Village, Lovech Region
- The plant started operation in February, 2012 with capacity 50 000 automobiles per annum. The expectations are that the investment of EUR 96.4 million will open approximately 2 000 job places



The best advantage of Bulgaria as a place for business development is the highly qualified work force, the youth's potential, and the good business climate in the country.

The company is the only Chinese producer of automobiles, who presently sells on the European market and holds the respective type approval for its products pursuant to the European Community requirements.



## Why Bulgaria?

Bulgaria has experience in the production of automobiles. In the country, for example, a series of facilitations are available, related to the tax legislation for class A investors. From this point of view we think that there are good conditions for the automotive industry development in the country.



### Premium<sup>3</sup>

### Mobility. Dynamics. Innovation

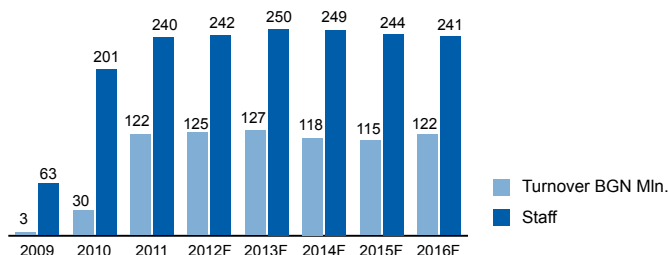
One of the world's leading manufacturers of hydraulic and vacuum equipment used in engine management, transmission, suspension and braking systems of vehicles.

#### IXETIC in Bulgaria

- The second largest factory for the company is in Bulgaria
- Some of its biggest clients are Mercedes and BMW, for which IXETIC produces hydraulic pumps
- From first hole to an operating plant within only 11 months – times quicker than in Western Europe
- Bulgaria has been preferred to Romania, Poland, Slovakia and the Ukraine due to the stability and the traditions in the machine building sector
- More than 250 employees
- Certified for class A investor since July, 2008
- Clients: BMW, Mercedes, Toyota, Porsche, Audi, Volkswagen, Ford, Honda, Renault, MAN, Navistar, Daimler, ITEC, Scania and Volvo

It is already possible to develop a highly technological business in Bulgaria and the foreign companies know that.

Ivaylo Petrov

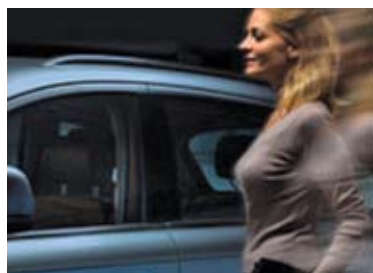


We have intentions for plant expansion, as well as for doubling of production and staff by 2015.



- Innovative and powerful know-how in the development and production of technical solutions for locking and latching systems
- Production Locations in Asia, South America, North America and Europe
- About 70 employees in Bulgaria
- Common development of technological high-quality locking and latching systems
- Main customers are the most automobile manufacturers in Europe
- Further development is assured in August 2008 by establishing WITTE Automotive Bulgaria EOOD in the town of Ruse. Starting as office for Design and Purchasing activities, it was enlarged by starting production in May 2010 with the first WITOL (Tolerance compensation system) products
- In 2011 WITTE Automotive Bulgaria increased the Production volumes for more than 4 times in comparison to those of 2010
- Over the next three years Witte will invest more than 7.51 million BGN in its new plant located in "Ruse Industrial Park".

The investment includes capital expenditure on land and buildings, production equipment, assembly lines etc. After the realization of the investment the total number of the employees will reach 410 people.





Montupet (France) - manufacturer of aluminum parts for the automotive industry (cylinder heads, engine blocks, inlet & exhaust manifolds, brake parts, structure)

### Montupet Bulgaria

- Greenfield investment in Ruse 2006
- Size of investment: EUR 110 million for the period 2005 – 2011
- Planned expanding in 2012
- Products – parts for engines, chassis and brake systems
- Estimated turnover: EUR 50 million
- Employees: 667
- Certified by external auditors according to the ISO/ TS 16949(automotive) and ISO 14001 standards
- Main clients of the plant are Renault, Peugeot, Audi, BMW, Ford and Volvo
- Produced quantities of components for car engines 1 255 000



The French Montupet company will invest EUR 30 million in expanding of the plant for automotive parts in Ruse. The plans are to be built a new production hall with an area of 10 sq m, which will be a half of the currently available manufacturing base.

---

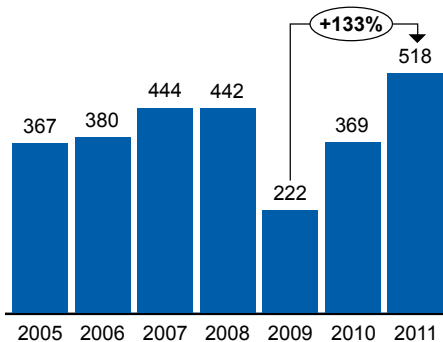
**In Bulgaria, the Montupet plant produces engine heads for the whole series “Q” of Audi**

---

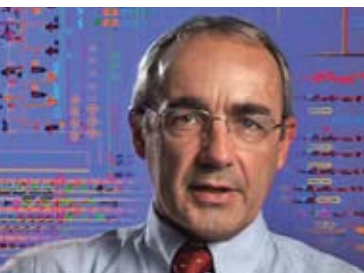




- M+S Hydraulic is a leading producer of hydraulic motors, servo-steering s, valves, brakes and accessories, used in all machine building industries. The products find application in the agricultural industry and transport
- Founded in 1963
- Privatized in 1997
- Location: Kazanlak
- About 1 000 employed
- Turnover: BGN 63 million
- The products of the company find application in the agricultural industry and transport
- Exports its production to European and other world markets
- The company occupies 6th place in the world for the production of hydraulic and orbital motors for application in the mobile and industrial systems with geometric volume from 12 to 800 cm<sup>3</sup>
- 133 % increase rate of production in 2011 compared to 2009
- M+S Hydraulic is developing many new types for all of its products and has turned into one of the main world producers of hydraulic motors
- Certificates: ISO 9001:2008, OHSAS 18001:1999 and ISO 14001:2004
- The company has R&D unit to improve the products and develop new ones compliant to the market requirements



■ Sales pcs th.



- World producer of bearings and seals
- Came to Bulgaria in 1925
- Markets of the products manufactured in Bulgaria: Europe, America and Asia, but major clients are the automotive manufacturers in Europe, such as: Mercedes, BMW, Volkswagen, Ford, Renault, Peugeot and many others
- The company creates employment for more than 1500 people from the region
- Own educational center for R&D activities is built in the city of Sopot  
Open Doors Days for students from the Technical universities – Sofia and Plovdiv

---

#### Future development?

- SKF Bearing Bulgaria will continue to invest and industrialize new products for main European customers.

---

#### What is the biggest success of your company since it started business in Bulgaria?

- The post 2008 crisis development has been very rapid, with a more than 20 % growth per year in 2010 and 2011.

Philippe Peroz

Managing Director at SKF Bearings Bulgaria



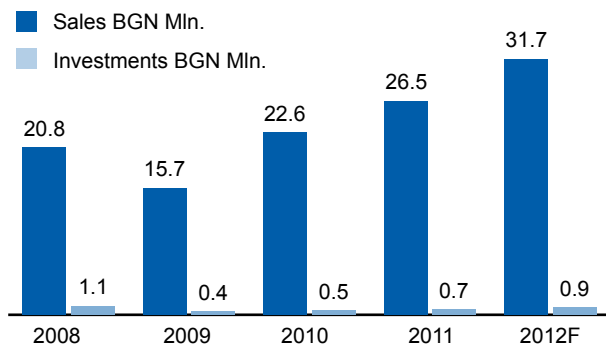


- World producer of seat systems and automobile interior systems
- 1997 – the first plant of Grammer in Bulgaria
- More than 695 employees
- Net sales – BGN 44 million
- Export to Europe, USA, South America and Asia
- Major clients are: Deutsche Bahn, Mercedes, Liebherr, Iveco, Toyota, Linde, Man, Renault Trucks, Scania, Siemens, Audi, Land Rover, Seat, Saab, Skoda, Volkswagen, Ford, GM, BMW, Opel, etc.
- Produces driver's seats for trucks and self-powered machines, tractors, construction equipment, passengers' and driver's seats for trains, tourist and city buses, trolleybuses, etc.



## Future development

- For 2012 increase in the production rate and the number of the employees up to 900 people. Start of the production of new products. The aim is to create a complete chain and to manufacture all products here in Bulgaria.

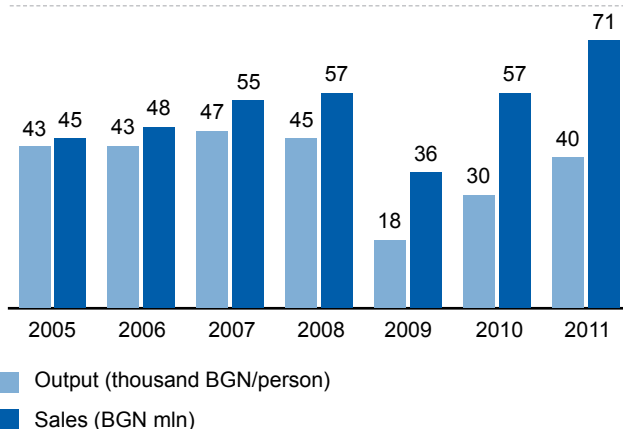




- HES designs, produces and services hydraulic cylinders, which find application in the transport equipment, as well as in construction machines and ships
- Founded in 1968
- Location: Yambol
- Privatized in 1997
- 565 employed
- Turnover: BGN 39.7 million
- Main client in Bulgaria is Palfinger Austria, for which the company is a main supplier of hydraulic cylinders
- Over 95% of the production of the company is sold on the West-European market and in Russia

There are wonderful perspectives for the development of the company and the sector as whole during the next 5 to 10 years.

**Main advantage of the company: quality, accuracy of the supplies, flexibility and competitive prices.**





- Established in 2011
  - Location Musachevo, Sofia district
  - Employees: 500
  - Production: Leather Seat Covers for the Automotive Industry
- 
- Current Plant Capacity is 500 car sets per day
  - 6 000 m<sup>2</sup> Factory space + 700 m<sup>2</sup> offices
  - 13 000 m<sup>2</sup> Surface area of current property

ALC Bulgaria is part of the ALC Group, a Wholly owned South African Company.

Currently the main Customer of the ALC Bulgaria is BMW Germany.



# Advantages of Bulgaria in the Transport and Logistics sector

Bulgaria is ideally located to provide easy access to the markets in Europe, Russia, the CIS countries, Turkey, and the Middle East.

## Bulgaria is an inexpensive place to do business...

- Lowest costs of utilities in Europe
- Lowest price for rents of industrial and office space in Europe
- 10% flat corporate tax, being the lowest in Europe
- Competitive labor costs
- About 3 000 university students graduate from transport and logistics majors per year

## Bulgaria has established a very comprehensive infrastructure...

- 5 Motorways
- 230 Railway stations with capability of loading/unloading cargo
- 4 international airports
- 2 major seaports on the Black Sea
- 4 major river ports on the Danube
- 60 industrial zones





**Established** in 1889

**Employees:** 150

**Activities:** european land traffic, domestic distribution, rail solutions, airfreight, ocean freight, logistics, fairs removal



- Headquarters in Sofia
- 7 Branch Offices:
  - Sofia (2), Varna, Plovdiv,
  - Burgas, Ruse, Sevlievo
- Brand new investments in Varna & Sofia

### Schenker Varna

- 300 sq. m cross-docking
- 3 000 sq.m warehouse for 4 000 pallets
- 164 sq.m office building
- 6 loadingbays with hydraulic ramps
- Bonded Warehouse & customs services
- Highest Technology Standard

### Schenker Sofia

- 2 000 sq. m cross-docking
- 3 000 sq. m warehouse for 4 000 pallets
- 3 600 sq. m Office building
- 30 loadingbays 20 with hydraulic ramps
- Own Railway Siding
- TAPA Level A certified





**Established in 1991**

**Employees: 200**

**Activities:** road, rail, sea freight, combined services, project business, distribution and logistics



- The Bulgarian branch of the company is a regional center for Romania, Greece, Serbia, Macedonia and Hungary
- The company has extensive network of offices in the country covering all border crossing points, ports and major industrial areas
- Continuously ranked in the last years by NSBS, the national freight forwarders' association as Bulgaria's largest forwarding company

**Market served from Bulgaria** - EU, Tunisia, Morocco, Algeria, China, Japan, USA, Turkey, Russia, Turkmenistan, Aserbaidshan, Kasachstan, Armenia, Georgia, Macedonia.

### **Intermodal Terminal Sofia**

- Covered warehousing area: 25 000 sq.m
- Open warehousing area: 30 000 sq.m
- Types of warehouses: groupage, under customs' control, tax
- Railway loading platform
- Location: Modern suburb – Obelya Industrial Zone, at the crossroad of three entry points for Bulgaria – from Romania, Serbia and Greece



Militzer und Muench is co-operating with the Bulgarian Academy of Science on a project for optimization of energy consumption and waste management.



**Established :** 1960

**Employees:** 1 300

**Activities:** road and water transport, full logistics services, including combined logistics



- Logistics network of 74 terminals and offices in 23 countries in Europe and Asia. Part of Willi Betz Group
- 40 000 sq. m warehousing facilities in Sofia, Vidin, Rousse, Burgas and Pazardjik – open and covered areas, warehouses under customs' control, specialized facilities for wind turbines components
- Own ports in Vidin (and in Passau)
- SOMAT is the first European company to create multimodal technology connecting Europe, Asia and the Caucasus region by water
- Currently, SOMAT operates in 2 Ro-Ro terminals on the Danube river:
  - Vidin, with total area of 68 000 sq.m
  - Ruse, with total area of 23 203 sq. m



The company manages operations in Europe, Russia, CIS countries, the Middle East and North Africa from its office in Bulgaria.

**Clients:** Metro, Billa, Carrefour, Kaufland, OMV, Danone, KAI Group Kaolin, Bosch, Ikea, Festo, Ideal Standard, HP, Henkel, Daimler Chrysler, BMW, Toyota, Kraft foods.



SOMAT contributed for the development of the TRACECA corridor.





**Established:** 1947

**Employees:** 130

**Activities:** freight forwarding,  
transports, customs,  
warehousing and logistics



### Why Bulgaria?

Bulgaria has an excellent location, trained staff, and available infrastructure which are more than enough to take advantage of the market opportunities and start a stable business.

- Over 21 000 sq.m terminals and warehouses with special equipment
- Over 49 000 sq.m open storage area
- **Head office:** Sofia
- **Branch offices:**
  - Ports of Burgas & Varna on the Black sea
  - Ports of Lom, Vidin & Ruse on the Danube River
  - Plovdiv – important economic area in the middle of Bulgaria
  - Railway stations in Dragoman, Dimitrovgrad & Svilengrad
  - Kalotina checkpoint with Serbia, Kapitan Andreevo checkpoint with Turkey





**Established:** 1991

**Employees:** over 650

**Activities:** domestic and International transportation, warehousing, logistics



The company is transporting all kinds of loads, including ADR, from Bulgaria to all European destinations and back. Main directions are UK, Benelux, Spain, France, Italy, Germany, Austria, Czech Republic and back to Bulgaria, Romania and Greece. In the recent years BIOMET has expanded its office network in order to secure excellent coordination and control.

#### Major partners:

- Shell Bulgaria, OMV Bulgaria, Air Liquid, Vitogaz Bulgaria
- Kaufland, Penny Market and Lidl

#### Sevlievo logistics center

Biomet and Ideal Standard International hold the second-largest logistics center in Bulgaria with a total area of 40 000 m<sup>2</sup>. The logistics centre serves the production of the factories and the import of Ideal Standard subsidiaries from Western Europe and Egypt.

- 23 000 pallet spaces
- Loading platforms: 15
- Trucks ready for forwarding: Up to 60 per day





**Established:** 2004

**Employees:** 840

**Activities:** Distribution of FMCG, Logistics, Co-Packing and Transport



Kaven Orbico has set up warehousing facilities in 11 key locations in Bulgaria, equipped with temperature/humidity/odour control in addition to the available refrigerators. The company is the official distributor of Procter & Gamble, Globul, SC Johnson Wax, Mars, Philip Morris, Shell Lubricants and a logistics partner of Kraft, Wrigley, Shell petrol stations and Intersnack. KAVEN ORBICO provides the whole set logistic services for Varta in the regions of Bulgaria and Romania.

Following their contract with leading universities in Bulgaria, precisely UNWE, The American College and European Business School London, Kaven Orbico have no difficulty in recruiting qualified young professionals.

- The company plans to extend its activity to Romania, Macedonia, Serbia, Croatia and Turkey in the following years
- The increasing demand in their business is influenced by the increasing number of manufacturers following the world trend of 3PL and 4PL Outsourcing





**Established:** 2006

**Employees:** 363

**Activities:** transportation, distribution, Integrated logistics services



- Cross-docking service for the transportation of frozen and chilled products
- Daily transportation in Bulgaria and European countries
- Owns a fleet of over 90 specialized refrigerator trucks and vans with capacity of 1 to 20 tons
- The only robotized and certified warehousing facility with capacity of 15 000 pallet-space stored under temperature regime from +4°C till – 20°C on the Balkans

A strategic position in the industrial area of the city of Plovdiv

- In the centre of Bulgaria
- With direct access to Trakia highway
- At the crossroads of Pan-European corridors IV, VIII and X

## Fresh Logic Plus: Logistics Centers in Sofia and Varna:

- Storage capacity for over 2 800 pallet-space
- Dedicated fleet of over 30 vans serving the city and the region



# Advantages of Bulgaria in Chemistry and related industries

- Due to its favorable geographic location, Bulgaria exports chemical products to many markets across five continents
- The country is a leader in the manufacture of chemical products such as soda ash, phosphorus and nitrogen fertilizers and medicinal products
- The country has rich reserves and fields of salt, sand, clay, limestone, kaolin, in proximity to existing industrial areas and complexes
- Bulgaria combines highly qualified professionals in the sector with competitive prices of labor and high relative labor productivity
- The country has well-developed electricity and gas networks



Bulgaria benefits from the advantage of being the Eastern gate to Europe. Its location also contributes to shorter delivery times, which is often very important.

Aydan Faik, Executive Director, Plastchim - T

There are incredible conditions for investment here. The country has a large capacity for local production of raw materials.

Achille Bardelli

Member of the Board of Directors of Orgachim-one of the first foreign investment in the country, dating from 1901.

The three factors which contributed to a decision in favor of Bulgaria as a place to invest included: access to our core raw material, country's geographic location and the current tax situation.

Ingrid Janker, CEO, Knauf Bulgaria



The glassware factory of Şişecam Bulgaria hosts the biggest glass furnace on the Balkans. Major customers include IKEA, Coca Cola, Tesco, Walmart, among others.

The flat glass factory is the first of its kind on the Balkans.



In Bulgaria is situated the biggest soda ash plant in Europe and the largest oil refinery in the Balkans.



**Established in Bulgaria:** 1999

**Employees:** 3 000

**Products:** pharmaceuticals



Actavis Bulgaria is part of Actavis Group - an international generic company specializing in the development, production and sale of high quality generic drugs, which has 10 000 employees in 40 countries around the world.

It offers the most comprehensive product portfolio in Bulgaria - 320 medicinal products.

Pharmaceutical plants in Dupnitsa and Troyan are part of Actavis Group since 2000. Since then, on the three production sites a massive investment program is being held in order to renovate and modernize them in accordance with the international quality standard of the products produced 'Good Manufacturing Practice "(GMP)". The quality systems were fully-upgraded, new production facilities were built, while others were reconstructed.

About 40% of the plants' production is sold on the Bulgarian market. The rest is destined for foreign markets, including the traditional ones -Russia and CIS countries, Ukraine, Belarus. In recent years the Bulgarian plants' products are entering the markets of EU countries such as Slovakia, Poland, Baltic states, Romania and others.

Bulgaria is considered the fifth largest market of our company and that is an extremely high assessment of the activities of Actavis in BG. The massive investment program regarding our production facilities in Dupnitsa and Trojan ranks our plants among the leaders in the pharmaceutical production.

Frank Shtaud - Executive Vice President "Corporate Communications"





**Established:** 1933 (2000 – after privatization „Sopharma” becomes a private pharmaceutical company)

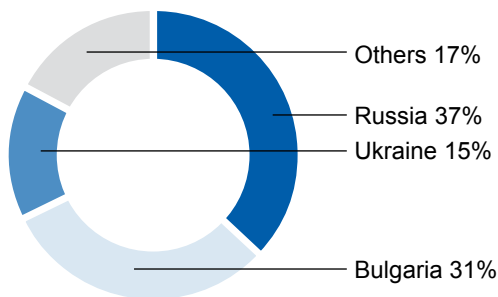
**Employees:** 1 841

**Products:** pharmaceuticals



- The product portfolio of “Sopharma” AD contains more than 200 products, nearly 25% original developments, and over 60% of their own trademarks
- “Sopharma” AD has a total of 15 drug plants, including in Ukraine and Serbia
- All major production facilities of the company are certified by GMP
- In 2010 “Sopharma” AD was been declared a company with the largest contribution to the Bulgarian capital market

**The main markets on which the company sells its products are:**



In 2012 “Sopharma” AD will open a new plant for solid dosage forms in Sofia. The investment amounts to 35 million euros.



**Established:** 2005

**Location:** Ruse

**Employees:** 150

**Products:** ceramic tiles



- Bulgaria was chosen as a place to invest mainly because of its location on a cross road and near customers
- As transport costs account for 25% of the product's end price, low transport costs and small distances are advantages of Bulgaria
- Company's investment amounts to € 26 mln
- 85% of production is for export
- Keros Bulgaria serves the Balkan, Russian and Middle East markets
- The Bulgarian factory is equipped with a newer generation technologies compared to the one in Spain
- The company plans to double its capacity, investing €12 mln in the next 2 years

Bulgaria has enormous potential and I believe that in the next 5-10 years more Spanish companies will be attracted by the business environment in the country.

Salvador Ferrer Ballester  
Executive director Keros Bulgaria

The environment in Bulgaria is very welcome, in particular the higher authorities were of great help.

Salvador Ferrer Ballester  
Executive Director

In Bulgaria, it is easy to find well-trained people speaking foreign languages, but that is not the case in Spain.

Salvador Ferrer Ballester  
Executive Director, Keros, Bulgaria



**Established:** 2004  
**Location:** Sofia, Lukovit  
**Employees:** 85  
**Products:** clay bricks



- The factory in Lukovit is an investment of €30 mln, implemented in just 10 months
- A pioneer for Bulgaria in the production of higher-quality large format clay blocks with vertical perforation
- The clay of the Lukovit field has proved to be among the top-quality materials in Wienerberger Group
- Qualified and motivated staff: 90% of employees are people from the region
- The factory operates entirely on natural gas to achieve environmentally friendly production
- 2008 – the new Wienerberger factory in Bulgaria is the world's facility of the group (among 260 other). It is a prototype of the latest generation of mega factories – fully robotized and automated
- Innovative technologies implemented in this plant were used later in Group's other expansions
- Wienerberger Bulgaria is among the first five top-ranking companies of the group in terms of low energy consumption, cost effectiveness, operating profit, health and safety at work

Bulgaria offers traditions in the production and use of ceramic tiles as well as rich reserves of quality raw material. The market hides great potential.

Atanas Buglov, Manager,  
Wienerberger EOOD





**Established:** 1954

**Location:** Devnya

**Employees:** 700

**Products:** soda ash and sodium bicarbonate



- Solvay's biggest European factory for manufacture of soda ash with a capacity of 1.5 million tons per year
- 85% of company's output is exported to Eastern and Western Europe, Russia, the Middle East, South America, Asia and Africa
- 1997-2011 investments at € 306 m (€ 150 mln in the past three years)

---

**The company accounts for about 1% of Bulgaria's exports.**

---

**Cogeneration – the most innovative energy production method:**

Within the new production capacity investment program, a circulating fluidized bed boiler worth €75 mln was commissioned in Deven Thermoelectric Power Plant in 2010. The installation is with emissions levels fully compliant with the latest European CO<sub>2</sub> and other emissions standards. This is the biggest thermoelectric cogeneration plant on the Balkans.



Solvay Group is the first main partner and technology partner of Solar Impulse – the zero-fuel airplane. The prototype was first exhibited in Bulgaria on the Day of Chemistry at Solvay Sodi, Devnya, on 1.10.2011.



**Established:** 2005

**Location:** Targovishte

**Employees:** 1 500

**Products:** flat glass, household glass, auto glass, processed glass FLT



- The glassware factory hosts the biggest glass furnace on the Balkans. Major customers include IKEA, Coca Cola, Tesco, Walmart, among others
- The household glassware factory manufactures processed glass for the ovens and refrigerators of Indesit, Bosch, Electrolux, etc.
- The flat glass factory is the first of its kind on the Balkans. Flat glass is a high-tech product used mainly in the construction, car-making and furniture industries, in household appliances and agriculture, in energy-generation solar collectors and solar cells
- Şişecam's latest project in Bulgaria is its 2011 investment in an auto glass factory whose customers include Audi, BMW, Dacia, Ford Europe, and Renault
- Capacities generate €128 mln in annual revenues ( € 113 mln in international sale revenues)



Şişecam Bulgaria delivered 6 mln glasses for the 2006 Football World Championship in Germany, or half of total order. In 2010, the company delivered the whole order of 13 mln glasses for the championship in South Africa.





**Established:** 1974

**Location:** Devnya

**Employees:** 950

**Products:** nitrogen and phosphorus fertilizers



- Manufacture of complex fertilizers (DAP, MAP) has been launched

Environmental investment projects at more than € 50 mln in value.

Major ones include:

- Ammonium nitrate installation with design capacity of 1250 t/24h.
- Water treatment plant for the waste water from phosphorus production – implemented in cooperation with the Danish Environmental Protection Agency DEPA
- Liquefied ammonia terminal with a capacity of 10 000 t.
- New phosphor-gypsum waste depot with a total capacity of 7.3 mln tons
- Agropolychim plans to construct in cooperation with Port Varna West a unique logistics hub for liquid cargo
- Share of exports in production varies between 55% and 70%
- Markets: Europe, Latin America, Middle East, Asia
- 2010 exports total 390 thousand tons

“ Studying the market in order to make our investment, we found out that this was the best place for doing business in the region. Start-up requirements were very clear and the available assets provided a good basis.

Krasimir Berbenkov, Executive Director, Agropolychim







**Established:** 1901

**Location:** Ruse

**Employees:** about 500

**Activities:** manufacture of paints, lacquers, resins, phthalic anhydride



- One of the first foreign investments in Bulgaria – in 1901 two Jewish citizens found a shoe polish and lacquers factory
- Majority owner is the English RC2 Fund and the parent company is the Romanian Policolor
- More than 60% of the paints and lacquers are intended for the Romanian market and about 80% of the resins are exported to countries such as Romania, Serbia, Belgium, Austria, etc.
- Since 2009 the entire manufacture of paints and lacquers has been moved from the Romanian factory to Bulgaria



The EuroBioRef project where Orgachim AD is one of the 28 partners from 14 countries was launched in 2010. The project addresses the complete process of biomass transformation from the agricultural product to the commercial end products.

Bulgaria has talented young people open to learning and adopting others experience. I feel at home here.

The investment conditions here are wonderful. The country has large capacity to produce raw materials locally.

Achille Bardelli

Member of the Board of Directors

- The company invests about €2 mln annually in production automation, capacity enhancement and improvement of working conditions
- As a Responsible Care member, in 2011 Orgachim organized an open-doors day





**Established:** 1967

**Location:** Tervel (Dobrich district)  
Aksakovo (Varna district)

**Employees:** 800

**Products:** flexible packages, film



- Company's products include polypropylene yarn and film, BOPP films, polypropylene sewn bags, bottom bags, flexible packages (Flexible Intermediate Bulk Container)
- Close to €30 mln in investment over the past 9 years
- More than 80% of production is sold at the markets of Central Europe. Expansion to Western Europe and North Africa is pending

Bulgaria benefits from the advantage of being the Eastern gate to Europe. Its location also contributes to shorter delivery times, which is often very important.

Aydan Faik, Executive Director, Plastchim - T

- Since 1998, Plastchim – T is the only Bulgarian producer holding a Portabulk license by Hydro Packaging (Cronus Packaging System). Since 2006 it also holds a Levoloop license

#### **Future investment plans:**

- Increase flexible packages (big bags) production capacity by 25%
- Cast polypropylene production, capacity 8 500 t/year
- New biaxial polypropylene film line with a capacity of 30 thousand tons/year (the capacity of the two existing lines is 25 thousand tons/year). This will be a unique production for Bulgaria as well as for many countries of the region – a top-ranking technology



**Established:** 1999  
**Location:** Sofia  
**Employees:** 85  
**Products:** industrial gases



- The company supplies its products to customers in many Bulgarian industries, including metallurgy, food, pharmacy and medicine, environment protection, among others
- The company offers a wide range of logistical solutions and technical expertise
- Exports to Romania, Greece, Serbia and other countries of the region
- Air Liquide produces gases in Bulgaria whereas most of the other companies rely on imports

In 2010 and 2011, the company invested € 25 mln in the air separation installations of its two biggest production facilities in Pirdop and Pernik, as well as in Gabrovo.

We believe that our company will continue to invest in this country.

Francis Bucquet, CEO, Air Liquide  
Bulgaria

The in-house communication and training system facilitates the global exchange of technologies and skills within the group.



It is a pity that Bulgaria is not a wide-known investor destination because the country has enormous development and growth potential. It has the necessary production tools and installations, motivated business people, competitive costs and a growing market. Bulgaria is a financially well managed country.

Francis Bucquet, CEO, Air Liquide Bulgaria



**Established:** 2001

**Location:** Kostinbrod

**Employees:** 82

**Products:** construction and technical mortars



- 2009 – first plant for dry mixtures and mortars with a capacity of 100 thousand tons opened in Kostinbrod
- 2011 – second plant opened near Varna, as well as end-user consulting centers in Plovdiv, Burgas, Varna and Sofia
- To date, investment in Bulgaria totals €12 mln
- Winner of the 2009 Best Employer Award in the SME category, ranking 4th in the Hewitt Associates' study
- The company launched in Bulgaria its innovative product: dust-free light tile adhesives
- 100%-recyclable, waste-free, no-water technology is implemented in the factories



Weber is one of the first members of the Green Circle of Bulgarian Companies established in June 2010.

- Currently, the company focuses on the local market
- Company's perspectives lie mainly in developing the professional network in the field of thermal and hydro-insulation, rehabilitation and reconstruction of existing buildings



**Established:** 1993

**Location:** Sofia

**Employees:** 190

**Products:** plaster board, gypsum fiber board panels



- The company has two factories in Bulgaria:
  - M&A Project 1997 – Vidin, gypsum fiber board panels factory, exports to 25 countries globally
  - Greenfield project 2007 – Mednikarovo, plaster board factory – export to Romania
  - Expansion project – Mednikarovo - mortars factory – in the design phase
- To date, investment totals € 85 mln.
- Cooperation with the German Bulgarian Institute in Pleven for dry construction training. More than 1 000 erectors have been awarded certificates so far
- Each year the company participates in and sponsors the Panorama of Vocational Education organized by the Ministry of Education. The winning team goes to Knauf's international competition (Knauf JuniorTrophy)

Knauf's investment projects in Bulgaria were implemented smoothly compared to other company's projects in other countries. Therefore we believe that Bulgaria is a very good place to invest.



The three factors which contributed to a decision in favor of Bulgaria as a place to invest included: access to our core raw material, country's geographic location and the current tax situation.

Ingrid Janker, CEO, Knauf Bulgaria



**Established:** 1999

**Location:** Devnya

**Employees:** 350

**Products:** cement



- Offers on the market more than 30 different types of specialized products
- Italcementi Group invested more than €200 mln in Bulgaria
- Company's location is a key to its success. The enterprise continues to expand its land and sea exports – mainly to neighboring countries and the Black Sea markets
- According to company's director, these exports are favored by the historical relations of the countries in the region
- The company continues to expand its operations in Bulgaria building a new modern nature-friendly cement installation



Devnya Cement AD recently started exporting to Russia as a major supplier for the 2014 Winter Olympics in Sochi.





**Established:** 1999 (through the acquisition of 58% of the shares of “Neftochim” for 101 million dollars)

**Employees:** over 4 000

**Products:** petrochemical



The company has a processing capacity of 9.5 million tons of oil per year. The technological chain of the refinery has capacity for the primary oil processing - systems for atmospheric and vacuum processing, and It also has a highly developed chain for secondary processing of oil derivatives.



In 2010 the construction was completed and three new installations producing an output in accordance with the last European standard Euro-5 were put into operation. In the next few years “LUKOIL” is planning the construction of a super powered technological complex. For deep processing of gudron whose capacity is 2.5 million tones/ year the investment will amount to over \$1.0 billion. In progress is the opening design of the complex, with which the company will be among the only a dozen refineries around the world having such a technology for deep processing.





**COMPANIES IN OTHER SECTORS**







Telelink is an approved supplier to NATO under a contract for basic supplies to NATO C3 Agency

**Activities:**

- Wireless networks
- System integration
- Smart buildings
- Complete Office Solution
- In 2010 it generated revenues of over 45 million euro
- The group has over 700 employees in the offices in 7 countries in Central and Eastern Europe, about 300 of them are in Bulgaria
- It has a leading role in building new generation networks, and it was among the initiators of the ADSL and triple play imposition
- Clients of the company are the three major Bulgarian telecom operators



During the first year of its existence the company was declared the largest greenfield investment and was awarded "Investor of the Year". At that time were invested over 600 mln euro in the development of GLOBUL network and services.

In August 2005, 100% of the company's shares were purchased by COSMOTE Group - a major player on the telecommunications market in Greece, Romania, Albania and Macedonia.



In 2004 M-Tel was the largest telecom operator in Bulgaria, and the following year it became a part of Mobilkom Austria Group. That deal was the largest foreign investment in the economic history of Austria.

M-Tel is the first telecom operator in Bulgaria and the sixteenth in the world to implement in its 3G network the modern technology High Speed Package Access (HSPA) and thus offering data transmission speed up to 21 Mbps.



In June 2004 the Bulgarian government sold 65 percent of Bulgarian Telecommunication Company to Viva Ventures Holding, a subsidiary of the U.S. private equity fund Advent International.

The integrated management system of VIVACOM is certified under the quality standard of ISO 9001:2008 and the environmental management standard of ISO 14001:2004 with a range of providing electronic communications services, including fixed voice service, mobile voice service in GSM and UMTS, TV, internet access and more.

In November, 2012 Vivacom was restructured and the owner of the company became Viva Telecom Bulgaria.



# OTHER INFORMATION





# Countries whose citizens are not



## Europe

-  EU member states
-  Norway
-  San Marino
-  Monaco
-  Croatia
-  Andorra
-  Lichtenstein



## North America

-  Canada
-  USA
-  Mexico
-  Costa Rica
-  Panama
-  Honduras
-  Guatemala
-  El Salvador
-  Nicaragua



## South America







-  Argentina
-  Brazil
-  Venezuela
-  Paraguay
-  Chile
-  Uruguay

## required to have entry visas

---



### Asia

-  Israel
-  Malaysia
-  Republic of Korea
-  Brunei
-  Singapore
-  Japan



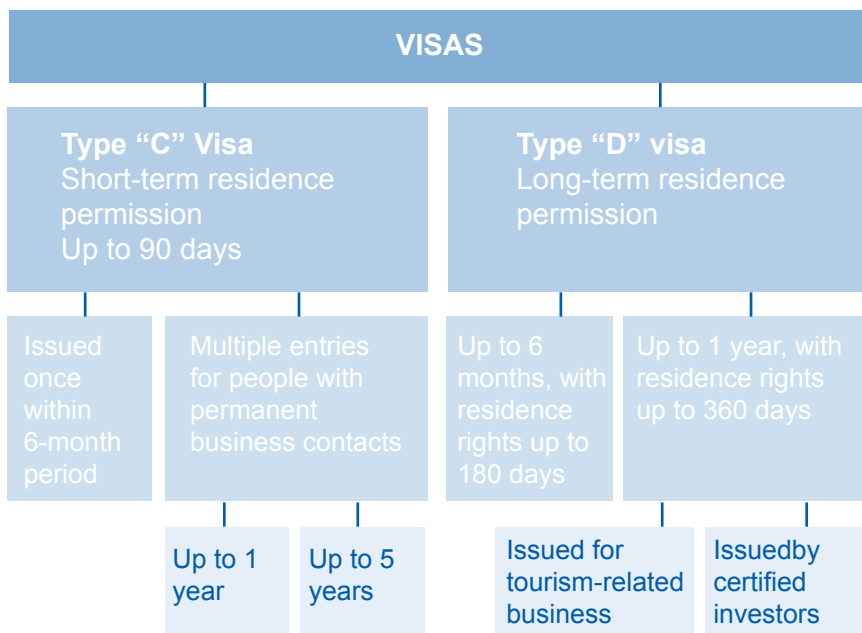
### Australia and Oceania

-  Australia
-  New Zealand

Holders of valid Schengen visas are allowed to enter Bulgaria and stay for 90 days within a 6-month period. They are allowed to stay in Bulgaria for 90 days within each 6-month period.



### There are several types of visas in Bulgaria:



### Permission for permanent residence could receive the foreigners:

- Who have legally and continuously resided in the country in the last 5 years, or
- Who have invested between 250 000-600 000BGN, depending on the region of investment
- Family members of Bulgarian citizens, provided that they have continuously resided in the territory of Bulgaria in the last 5 years

### Citizens of EU countries, Iceland, Liechtenstein, Norway and Switzerland are subject to the following regime:

- 1** Entering and departing Bulgaria is possible with ID card only (no passport required), for a period of 3 months.
- 2** When this period expires, the foreigners are obliged to register themselves and certify that they work, study or have enough money to be self-supporting.
- 3** Hotels and individuals, who host foreign citizens, are obliged to register them at the administrative control offices
- 4** Required documents for registration required include: - Identification card - Document for signed labor contract - People who have been residing Bulgaria for more than 5 years are issued a citizenship.

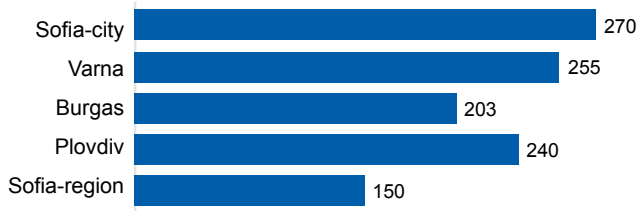
In general, EU, EFTA, and Switzerland citizens need a work permit which is issued under simplified procedure by the Employment Agency. Only the foreigners who have already received their long-term or permanent residence do not need a work permission.



## One could easily rent or buy a home in Bulgaria



Average monthly price for renting a two bedroom apartment home, 2012 (€)



## Cost of living in Bulgaria

### Food

- Lunch in an average-priced restaurant in downtown Sofia costs approx. €15-25. Dinner for two costs approx. €30-50.
- A small bottle of water or a cup of coffee could be purchased for about €1
- Many of the restaurants offering specialized cuisine such as Chinese, Indian, Italian, are relatively reasonable price



### Transportation

- A taxi from the centre of Sofia to the suburbs costs approximately €7-10, and the average price per km is around €0.4
- Roundtrip airplane ticket from Sofia to one of the main tourist centres of the Black sea – Varna – costs €100, while the bus ticket costs €26



### Opportunities for business

Every citizen of EU could register a firm in Bulgaria. Furthermore, each firm registered in a country which is an EU member could register an agency, branch or subsidiary. The registration takes 18 days and 4 procedures.



### Healthcare in Bulgaria

Healthcare contributions in Bulgaria are obligatory for Bulgarian citizens as well as for foreigners who permanently reside in the country. The obligatory healthcare contribution is 8% of the monthly salary. The employer pays 60% of the contribution, while the employee – 40%. The obligatory healthcare insurance provides a basic package of healthcare services.



### Holidays

Each employee or worker is allowed to have at least 20 days paid vacation per year. If the worker/employee takes up duties for the first time, they can use their annual paid vacation provided that they have at least 8 months length of service.





## IBA Services:

- Macroeconomic information
- Legal advice
- Information on operational costs
- Regional data on unemployment, availability of skilled labour force, level of education, infrastructure, foreign investors and industrial zones
- Recommendation of vacant land
- Identification of potential suppliers, subcontractors or joint venture partners
- Individual administrative services
- Contacts with the central and the local authorities
- Contacts with industry chambers, local universities and NGOs organizations





**EUROPEAN  
UNION**

European Regional  
Development Fund



NATIONAL  
STRATEGIC  
REFERENCE FRAMEWORK  
2007 – 2013



OP "Development of  
the Competitiveness  
of the Bulgarian  
Economy" 2007-2013



Project "Promoting the advantages of investing in Bulgaria"

BG 161PO003-4.1.01-0001-C0001, with beneficiary InvestBulgaria Agency, has been implemented with the financial support of the European Union through the European Fund for Regional Development and the national budget of the Republic of Bulgaria.

## InvestBulgaria Agency

- 31 Aksakov Street
- Sofia 1000, Bulgaria
- Tel.: +359 2 985-5500
- Fax: +359 2 980-1320
- E-mail: [iba@investbg.government.bg](mailto:iba@investbg.government.bg)
- [www.investbg.government.bg](http://www.investbg.government.bg)