



News Release

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CEOs concerned about the future of Greece and capital market instability, and demand bold decisions to boost growth

PwC's 15th Annual Global CEO Survey report for Greece highlights the threats and opportunities for the private sector

Athens, 30 January 2012 – CEOs in Greece and the Eurozone are concerned about the course of the economy and their own companies' growth prospects, while globally confidence is starting to grow, according to PwC's 15th Annual Global CEO Survey. In the context of the global survey, PwC Greece prepared a separate local report for the second consecutive year, comparing results from the 2010 report. The Greek report, conducted between September – December 2011, polled the opinions of 45 CEOs from the leading organisations in the private sector across the country.

Concerns about the global economy heightened

The survey highlights the uncertainty and concern about Greece's future, the global economy and the lack of stability in capital markets. CEOs in the Eurozone appear quite concerned, but there is added confidence on a global scale due to the more positive environment in emerging economies.

CEOs in Greece are also uncertain about their organisations' growth prospects in both the short and long term. According to the survey, pessimism is even higher than in 2010. They consider the inability to finance the growth of their companies and the increasing tax burden to be the largest threats to their businesses.

From the survey, it was evident that CEOs were disappointed and had lack of trust towards the government. Almost all participants from Greece (93%) expressed strong doubts in the government's ability to handle the problems caused by the national debt and the global economic crisis, effectively. It's important to note that this percentage is even higher than the 85% of respondents who expressed their doubts in 2010.

Priorities for the Government

CEOs polled in Greece strongly demanded that the government make and implement bold decisions aiming at the reorganisation of the state, cost-cutting in the public sector and growth. They consider the government's top priorities today to be the ensuring of stability in the financial sector (59%), the reduction of poverty and inequality (46%) and the improvement of the country's infrastructure (44%).

CEOs in Greece are also very concerned about the increasing tax burden, much more than CEOs in the Eurozone (Greece 82% - Eurozone 46%). Tax is one of the main factors driving them to invest in foreign markets.



Changes in corporate strategy

Largely influenced by the debt crisis in Europe, the majority of Greek CEOs (90%) are making changes to their corporate strategy and are reviewing risk management procedures. CEOs are expecting more changes in the following 12 months, mainly concerning capital investment decisions (82%) and their capital structure (79%). Regarding the restructuring activities they have undertaken in the past 12 months, almost all CEOs in Greece (90%), as in the Eurozone, have implemented cost-reduction initiatives. The second most quoted restructuring activity was the outsourcing of a business process or function.

Human resources: A focus on productivity and education

In this period of economic volatility, CEOs are changing their strategy regarding human resources. They are reviewing their priorities, placing a larger emphasis on skills, training, as well as staff productivity. It is important to note that almost half of the participants plan to increase their companies' investment on creating and fostering a skilled workforce.

Unemployment in the private sector

When asked about the total headcount in their organisations globally, over half of the CEOs in Greece (54%) stated a decrease in staff in the past year, while 41% also mention that they plan further decreases in the next 12 months. According to the survey conducted in 2010, 60% of Greek CEOs had already decreased headcount in the previous 12 months and 36% were planning to do so in the coming year. These percentages are the highest in the Eurozone - as well as globally - and are a clear reflection of the huge unemployment problem in the country.

Opportunities for growth

Despite the crisis, Greek CEOs find opportunities to grow their businesses, primarily in three ways: by expanding in new geographic markets, by entering into new joint ventures and/or strategic alliances, as well as by increasing their share in their existing markets. It is also important to note that CEOs in Europe, as well as globally, state that there are investment opportunities at this time mainly in emerging markets.

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Notes to editor

1. For PwC's 15th Annual Global CEO Survey, 1,258 interviews were conducted in 60 countries in the last quarter of 2011. 291 interviews were conducted in Western Europe, 440 in Asia Pacific, 150 in Latin America, 236 in North America, 88 in Central and Eastern Europe, and 53 in the Middle East & Africa. The full survey report with supporting graphics can be downloaded at www.pwc.com/ceosurvey.
2. In Greece, 45 CEOs from top companies in several sectors participated in the survey. The sectors include: energy, food & beverage, consumer and industrial products and services, banking and financial services, health and pharmaceutical, transportation & logistics and shipping, retail, telecommunications and technology. The survey was conducted by PwC Greece in collaboration with the global PwC team responsible for the survey.
For a copy of the Greek report, please contact the Marketing & Communications department in PwC Greece, Michelle Karaolides, michelle.karaolides@gr.pwc.com, +30 210 6874028.

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