COFACE

BALTIC TOP 50 RANKING

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The Baltic region's economic growth is strongly driven by domestic demand. The countries benefit from the favourable situation on the labour market as well as rebounding fixed asset investments. Nevertheless, the external environment remains crucial for the Baltic States. The share of exports of goods and services as a percentage of nominal GDP is especially high in Lithuania and Estonia, where it amounted to 82% and 72% respectively last year. In Latvia it was 59%, making dependence on foreign markets a further important factor.

The annual Coface Baltic Top 50 Ranking is based on financial statements available on InfoIcon – the largest single database on company information in CEE.

Table 1:
Coface Baltic Top 50: Country Overview 2018

RANK	COUNTRY	NO. OF LISTED COMPANIES	TURNOVER IN EUR MILLIONS	NET PROFIT IN EUR MILLIONS	EMPLOYMENT	COFACE ASSESSMENT 2018	POPULATION (IN MILLIONS)	GDP PER CAPITA (IN EUR)	GDP GROWTH (IN %)	INFLATION (IN %)	UNEMPLOYMENT RATE (IN %)	LABOR FORCE (IN MILLIONS)
1	Lithuania	29	29,654	860	186,483	A3	2.8	16,100	3.5	2.5	6.2	1.3
2	Estonia	14	8,408	364	31,885	A2	1.3	19,500	3.9	3.4	5.4	0.6
3	Latvia	7	7,435	187	17,870	A3	1.9	15,300	4.8	2.6	7.4	0.9

Sources: National Statistical Offices, Eurostat, Coface.

2 ECONOMIC OUTLOOK BALTIC REGION

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Strong household consumption is partly compensating for the effects of weakening global demand. However, the Baltic region's high exposure to foreign markets will result in lower growth rates than in previous two years.

Baltics' economic growth is strongly driven by domestic demand. Countries benefit from the favourable situation on the labour market as well as rebounding fixed asset investments. Nevertheless, the external environment remains crucial for Baltic States. The share of exports of goods and services as a percentage of nominal GDP is especially high in Lithuania and Estonia where it amounted to 82% and 72%, respectively last year. In Latvia it was 59% making dependence on foreign markets also an important factor.

The renewed strength of the Lithuanian economy in 2017/18 is expected to fade in 2019 as growth starts moving towards its potential level. Reduced pressure on the labour market (thanks to a slight increase in immigration and a fall in employment) and low productivity growth, in the absence of structural reforms, should moderate wage growth and, therefore, private consumption, which is the main contributor to growth (two thirds of GDP). Tax reforms introducing a progressive taxation system are especially beneficial for the poorest households, which, thanks to their higher marginal propensity to consume, should mitigate the deceleration in consumption. The level of wages, particularly the minimum wage, will nevertheless remain quite high relative to productivity, which will negatively impact the competitiveness of companies, hurting export performance.

In Latvia, despite the continued deceleration that began in 2018, growth is expected to remain at a good level in 2019. Private consumption is the main driver of Latvian activity. It increased by 3.2% in 2018, and an increase in real wages, coupled with a further decline in unemployment, should help to maintain this momentum. However, the chronic decline in labour force participation rates is expected to continue due to the significant emigration of skilled youth and the decline in the working-age population, but could be slightly offset by an increase in the retirement age, which is to be raised by three months each year to reach age 65 in 2025.

Lively investment in Estonia (24% of GDP in 2018) continues to contribute to growth in 2019. Private investment is supported by sustained business confidence and the high capacity utilisation rate. In addition, companies enjoy a tax exemption on reinvested profits. Public investment, boosted by European funds, will benefit the development of infrastructure, particularly in transport and education. However, growth is expected to slow in 2019. Private consumption – the traditional driver of growth – should continue to expand, but its contribution will be limited by a smaller increase in the employment rate. Wage growth, fuelled by the shortage of skilled labour as a result of emigration and population decline, is also expected to be lower.

METHODOLOGY

The Coface Baltic Top 50 ranking is a joint project of the Coface branch offices in Central Europe. This ranking covers the largest companies in the region – based on their turnover for the calendar year of 2018. The study includes Estonia, Latvia and Lithuania.

The largest companies in each of the above countries (turnover ≥ EUR 300 million) were identified, excluding financial service providers such as banks, insurance companies, leasing firms and brokers. The ranking of the Coface Baltic Top 50 companies is based on revenues and includes other key corporate indicators, such as net profits and the number of employees. Turnover and profit were converted into EUR, using the exchange rate at the end of 2018. The data were taken from our **Coface InfoIcon** database and supplemented with external information as required. Companies which were invited to participate in the survey but refused to take part are not included in the final ranking.

COFACE BALTIC TOP 50

POSITION 2018	CHANGE IN POSITION	POSITION 2017	COUNTRY	COMPANY NAME	MAIN SECTOR	TURNOVER IN EUR MILLIONS 2017	TURNOVER IN EUR MILLIONS 2018	CHANGE IN TURNOVER	NET PROFIT IN EUR MILLIONS 2017	NET PROFIT IN EUR MILLIONS 2018	CHANGE IN NET PROFIT	EMPLOYMENT 2017	EMPLOYMENT 2018	CHANGE IN EMPLOYMENT
1	-	1	LT	ORLEN LIETUVA AB*	Minerals, chemicals, petroleum, plastics & pharma	4,006	4,706	17.5%	211.5	23.8	-88.8%	1,597	2,253	41.1%
2	-	2	LT	VILNIAUS PREKYBA UAB*	Others	3,283	4,241	29.2%	173.2	227.6	31.4%	34,798	43,888	26.1%
3	-	3	LT	MAXIMA GRUPE UAB*	Non-specialized trade	2,826	3,451	22.1%	74.9	116.7	55.9%	31,000	40,300	30.0%
4	NEW		LV	URALKALI TRADING SIA	Minerals, chemicals, petroleum, plastics & pharma	2,055	1,944	-5.4%	18	16.54	-8.1%	39	51	30.8%
5	▼	4	LT	MAXIMA LT UAB	Non-specialized trade	1,547	1,638	5.9%	54.1	106.5	96.8%	15,536	14,659	-5.6%
6	▼	5	LV	ELKO GRUPA AS*	Electronics, information & telecommunications	1,409	1,497	6.3%	12	7.92	-35.3%	900	1000	11.1%
7	▼	6	LT	LIETUVOS ENERGIJA UAB*	Utilities & public services	1,064	1,216	14.3%	93.5	6.5	-93.1%	4,513	3,813	-15.5%
8		8	LT	SANITEX UAB*	Agriculture, meat, agro food & wines	945	1,026	8.6%	8.7	20.4	134.0%	3,757	3,955	5.3%
9	▼	7	EE	TALLINK GRUPP AS*	Automotive & transport	967	950	-1.8%	46.5	40.0	-13.9%	7,406	7,430	0.3%
10	▲	17	LT	ME INVESTICIJA UAB*	Automotive & transport	677	903	33.4%	85.7	64.3	-24.9%	8,086	11,780	45.7%
11		11	LV	RIMI LATVIA SIA	Non-specialized trade	870	894	2.7%	41	45.30	10.9%	5,748	5717	-0.5%
12	▼	10	LV	URALCHEM TRADING SIA	Minerals, chemicals, petroleum, plastics & pharma	872	885	1.6%	35.7	16.3	-54.4%	44	49	11.4%
13	▼	9	LV	LATVENERGO AS*	Utilities & public services	926	878	-5.1%	322	75.96	-76.4%	4,075	3617	-11.2%
14	▲	15	EE	EESTI ENERGIA AS*	Utilities & public services	754	875	16.1%	100.8	106.2	5.4%	5,708	5,678	-0.5%
15	▼	13	EE	NG KAPITAL OU*	Others	783	822	5.0%	30.7	31.2	1.7%	4,888	4,959	1.5%
16	▼	14	LT	ACHEMOS GRUPE KONCERNAS UAB*	Others	781	783	0.3%	29.7	-16.5	-155.6%	4,700	4,800	2.1%
17	▼	16	LV	MAXIMA LATVIJA SIA	Non-specialized trade	730	777	6.4%	23	21.92	-5.6%	7,424	7427	0.0%
18	▲	24	LT	GIRTEKA LOGISTICS UAB	Automotive & transport	561	764	36.1%	11.6	19.1	64.0%	484	630	30.2%
19	▲	21	LT	KESKO SENUKAI LITHUANIA UAB*	Construction	632	732	15.8%	9.9	0.0	-100.0%	7,541	7,359	-2.4%
20	▼	12	EE	ERICSSON EESTI AS	Electronics, information & telecommunications	815	702	-13.9%	3.8	3.4	-12.0%	1,547	1,495	-3.4%
21	▲	25	LT	VIADA LT UAB*	Minerals, chemicals, petroleum, plastics & pharma	541	685	26.5%	4.8	5.0	3.3%	1,529	2,599	70.0%
22	▲	47	LT	EUROAPOTHECA UAB*	Minerals, chemicals, petroleum, plastics & pharma	367	683	86.0%	19.1	17.8	-7.0%	3,037	3,867	27.3%
23	▼	18	EE	TALLINNA KAUBAMAJA GRUPP AS*	Others	651	681	4.6%	29.8	30.4	2.0%	4,182	4,283	2.4%
24	▼	20	LT	PALINK UAB	Non-specialized trade	643	649	1.0%	9.9	22.2	125.2%	6,916	6,626	-4.2%
25	▼	19	LT	LINAS AGRO GROUP AB*	Agriculture, meat, agro food & wines	645	634	-1.6%	8.4	9.5	12.5%	2,217	2,199	-0.8%
26	▼	23	LT	MG BALTIC KONCERNAS UAB*	Others	607	632	4.0%	22.7	19.4	-14.5%	3,866	3,981	3.0%
27	▼	22	LT	ENERGIJOS SKIRSTYMO OPERATORIUS AB	Utilities & public services	611	604	-1.2%	77.6	15.7	-79.8%	2,503	2,454	-2.0%
28	-	28	LT	SPECTATOR UAB*	Others	510	593	16.2%	14.7	7.8	-47.3%	776	796	2.6%

* consolidated, ** estimated, n.a. not available
EE Estonia, LT Lithuania, LV Latvia.

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29	▲	36	EE	MANOIR ENERGY OU	Minerals, chemicals, petroleum, plastics & pharma	423	567	34.0%	3.9	5.4	36.5%	6	6	0.0%
30	▲	31	LV	ORLEN LATVIJA SIA	Minerals, chemicals, petroleum, plastics & pharma	461	560	21.5%	2.3	3.4	44.6%	9	9	0.0%
31	▲	38	LT	NEO GROUP UAB	Minerals, chemicals, petroleum, plastics & pharma	406	541	33.3%	14.5	31.6	117.4%	179	207	15.6%
32	NEW		LT	VG HOLDING UAB*	Others	489	531	8.7%	21.2	22.8	7.5%	6,128	6,440	5.1%
33	▲	37	EE	ENEFIT ENERGIATOOTMINE AS	Utilities & public services	415	529	27.3%	2.3	57.0	2398.6%	916	921	0.5%
34	NEW		LT	KAUNO GRŪDAI AB*	Agriculture, meat, agro food & wines	467	524	12.1%	6.8	7.6	12.9%	774	751	-3.0%
35	▼	29	LT	VICIUNU GRUPE UAB*	Agriculture, meat, agro food & wines	481	515	7.1%	19.2	22.3	-100.0%	4,698	4920	4.7%
36	NEW		EE	BALTIC SEA BUNKERING OU*	Others	186	493	165.4%	5.3	5.1	-4.6%	95	91	-4.2%
37	NEW		EE	NT BUNKERING AS	Minerals, chemicals, petroleum, plastics & pharma	181	488	169.7%	4.1	4.6	12.4%	18	20	11.1%
38	▼	30	EE	MAXIMA EESTI OU	Non-specialized trade	464	482	3.8%	8.2	7.4	-9.8%	3,912	3,559	-9.0%
39	▲	44	EE	ORLEN EESTI OU	Minerals, chemicals, petroleum, plastics & pharma	371	479	29.1%	1.8	2.3	28.0%	14	14	0.0%
40	▼	33	LT	NORFOS MAŽMENA UAB	Non-specialized trade	440	469	6.7%	7.4	6.4	-13.3%	3,188	3,273	2.7%
41	▼	32	LT	LIETUVOS GELEZINKELIAI AB*	Automotive & transport	448	468	4.4%	27.0	54.8	103.1%	10,787	9,837	-8.8%
42	▼	40	LT	CIRCLE K LIETUVA UAB	Minerals, chemicals, petroleum, plastics & pharma	403	464	15.2%	19.0	22.2	17.2%	624	752	20.5%
43	▲	48	EE	RIVERITO AS*	Others	353	463	31.2%	40.7	41.2	1.0%	785	793	1.0%
44	▼	26	LT	ACME GRUPE UAB*	Electronics, information & telecommunications	527	456	-13.6%	5.9	6.8	16.1%	467	482	3.2%
45	▲	54	LT	TOP SPORT UAB	Others	331	454	37.2%	6.4	9.1	42.3%	331	318	-3.9%
46	▼	34	EE	SELVER AS	Non-specialized trade	431	452	4.8%	13.2	14.6	10.2%	2,533	2,636	4.1%
47	▼	19	LT	LINAS AGRO AB	Agriculture, meat, agro food & wines	449	438	-2.3%	2.1	-7.3	-442.7%	132	127	-3.8%
48	▼	39	LT	RIVONA UAB	Agriculture, meat, agro food & wines	404	432	6.9%	2.8	8.0	180.7%	1,018	1,029	1.1%
49	▼	41	EE	BLRT GRUPP AS*	Others	400	426	6.5%	18.5	15.2	-17.9%	3,630	n.a.	n.a.
50	▼	49	LT	AVIA SOLUTIONS GROUP AB*	Others	337	420	24.5%	5.0	10.2	104.3%	2,297	2,388	4.0%

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