

Lisbon, 9th July 2018

What's making Portugal Attractive?

Real Estate and Tourism Investment Forum:
“What's Up in Portugal”



The better the question. The better the answer.
The better the world works.



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Key findings

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Foreign Direct
Investment in 2017

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Portugal: outpacing
Europe in investors
perspective

What's making Portugal Attractive?

Key findings

1st place

Portugal is leading in attractiveness perception and short-term investment plans are the most optimistic in Europe.

A growing economy

Portugal's economy is growing and the country's good performance in international trade and FDI is among the best in Europe.

Improvement in international rankings

Portugal's performance has been recognized internationally, thanks to its tech scene and innovation friendly policies.

Portugal unveils its regions

Portugal is successfully attracting FDI for all of its seven regions. Although similar in scale, the diversity and differences among them is significant.

Beating records every year

Significant increase with an all-time record in new projects, creating approximately eight thousand jobs.

Optimism is here to stay

Expected improvements in attractiveness and short-term investment plans among investors are the highest in Europe.

What's making Portugal Attractive?

Portugal in numbers

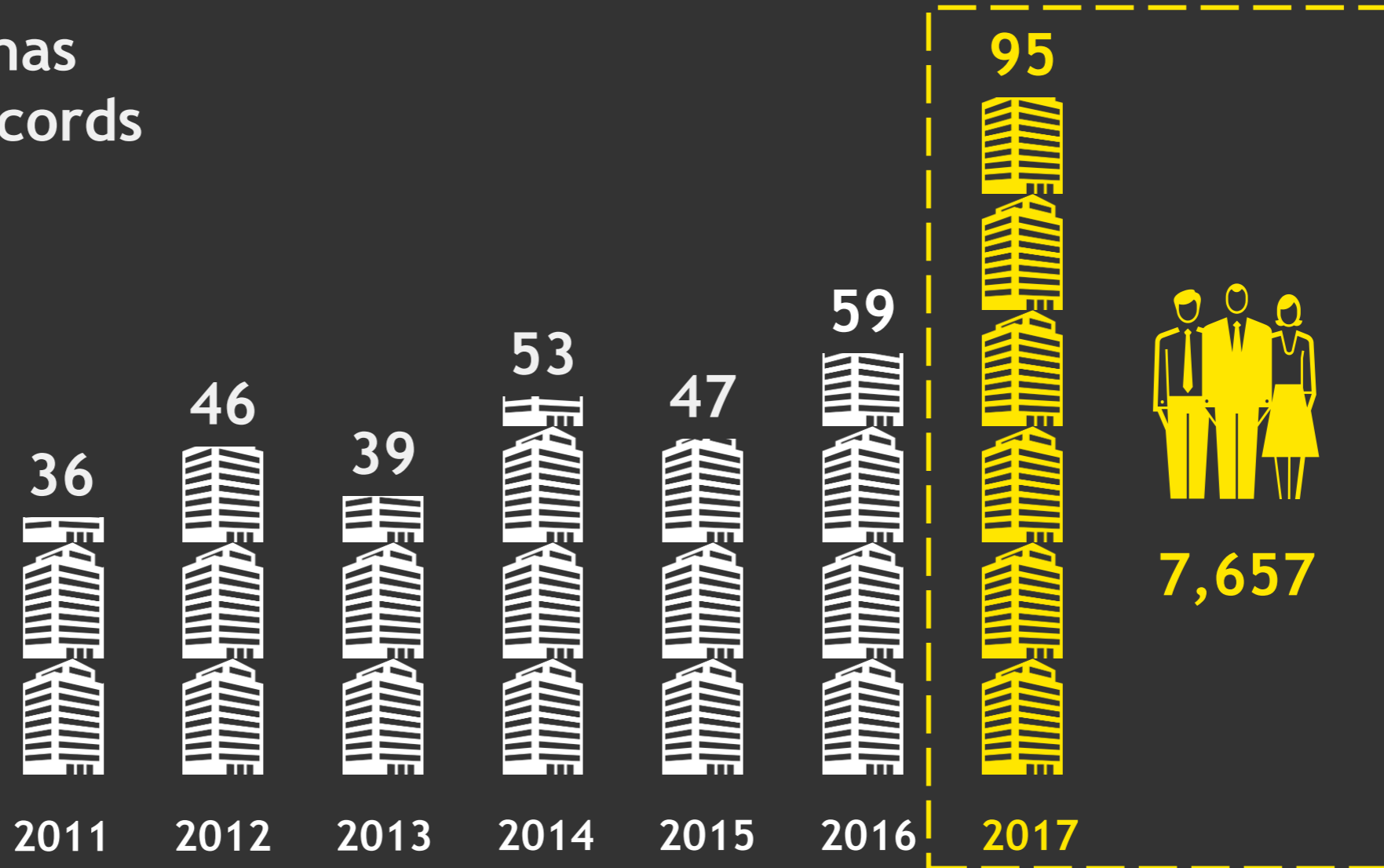
Portugal's economy is growing and key indicators and international rankings show a consistent improvement



What's making Portugal Attractive?

FDI in 2017 - Number of projects and jobs created

FDI in Portugal has reached new records



What's making Portugal Attractive?

FDI in 2017 - Top investors and employers investors

USA and France lead the foreign investment in Portugal



17

USA

2,106

France

13

France

1,942

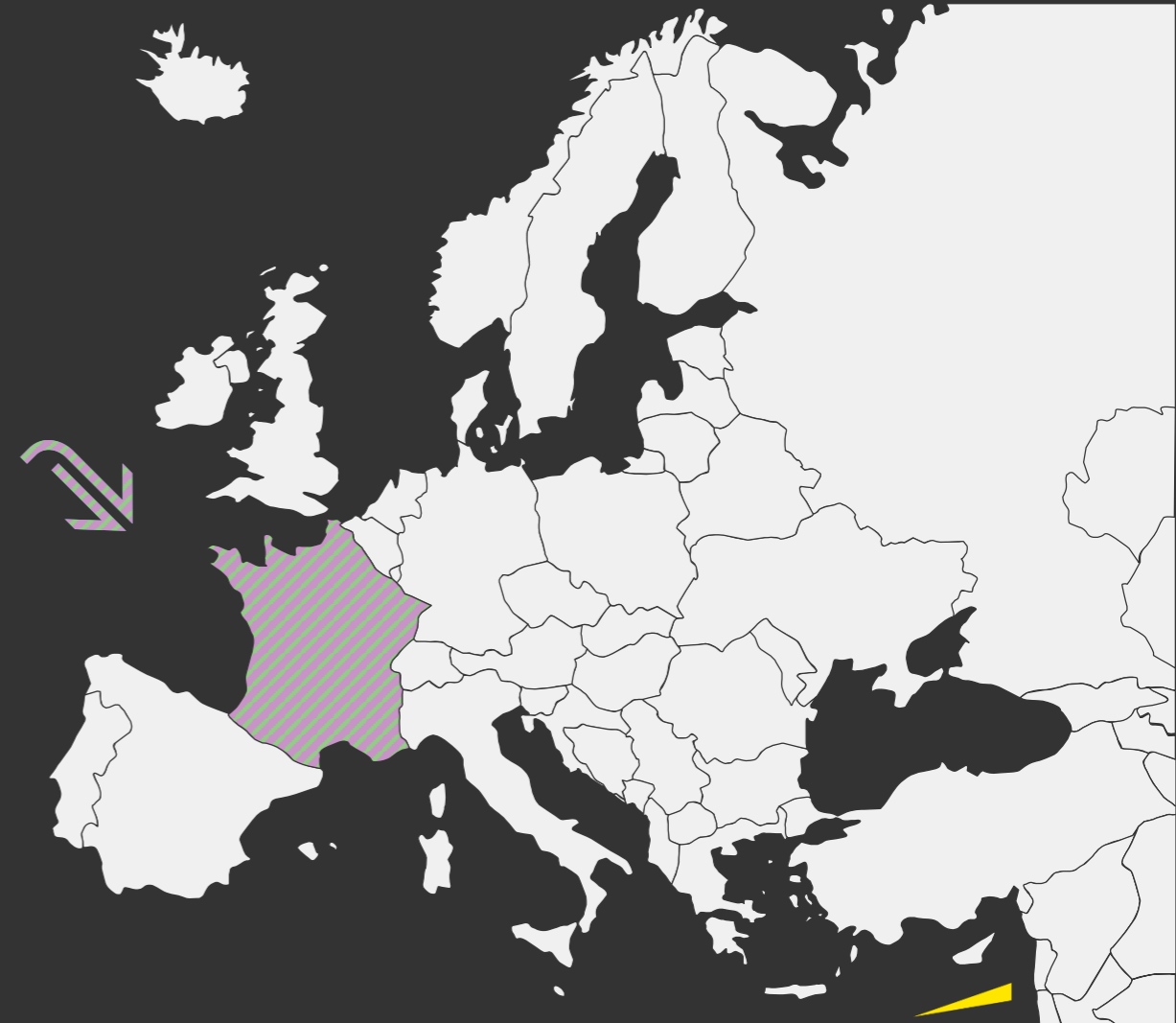
USA

10

Spain/ UK

730

Germany

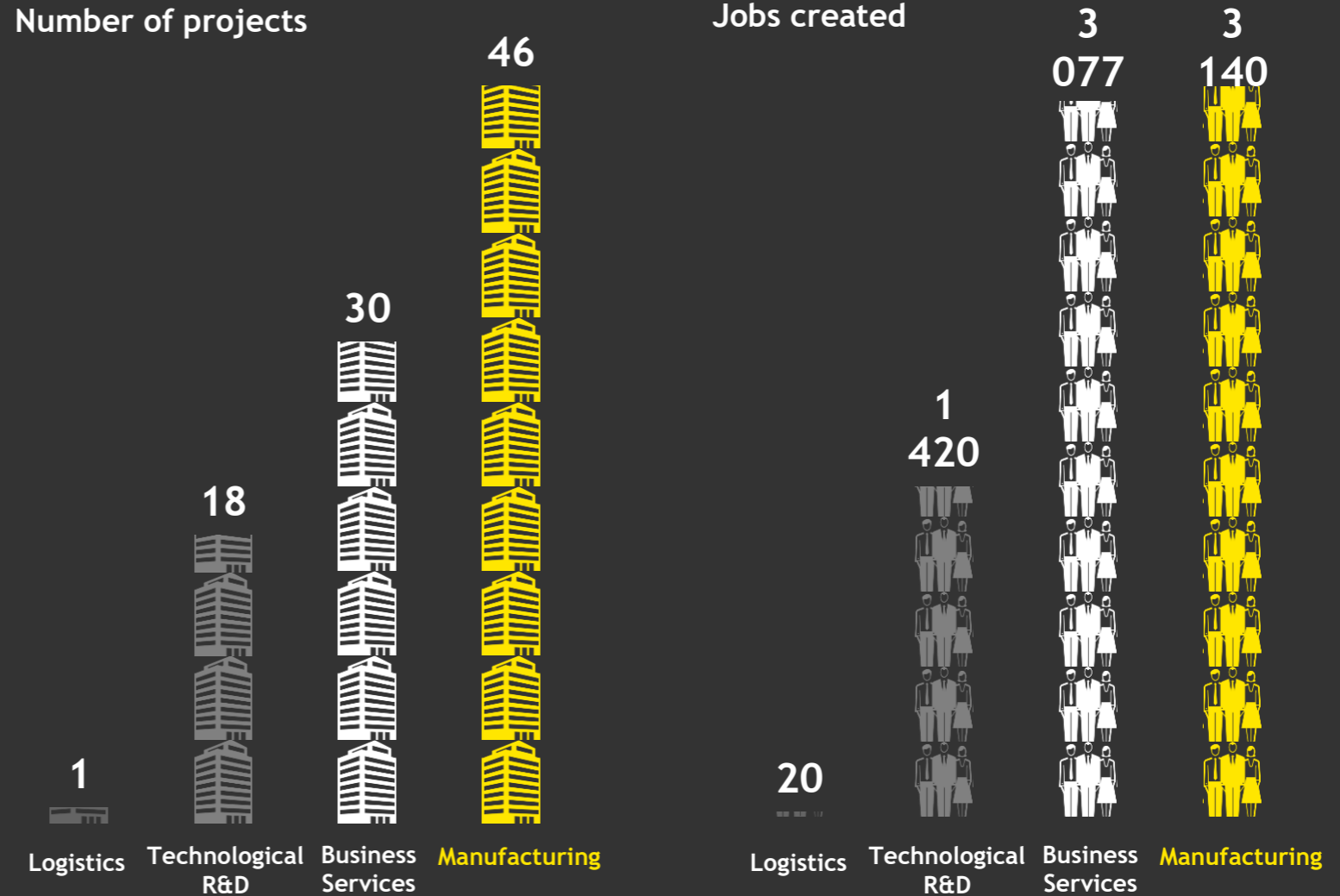


What's making Portugal Attractive?

FDI in 2017 - Number of projects and jobs created by sector of activity

Manufacturing continues to lead the FDI attraction in Portugal and R&D is gaining prominence

New investments represents 72% of FDI

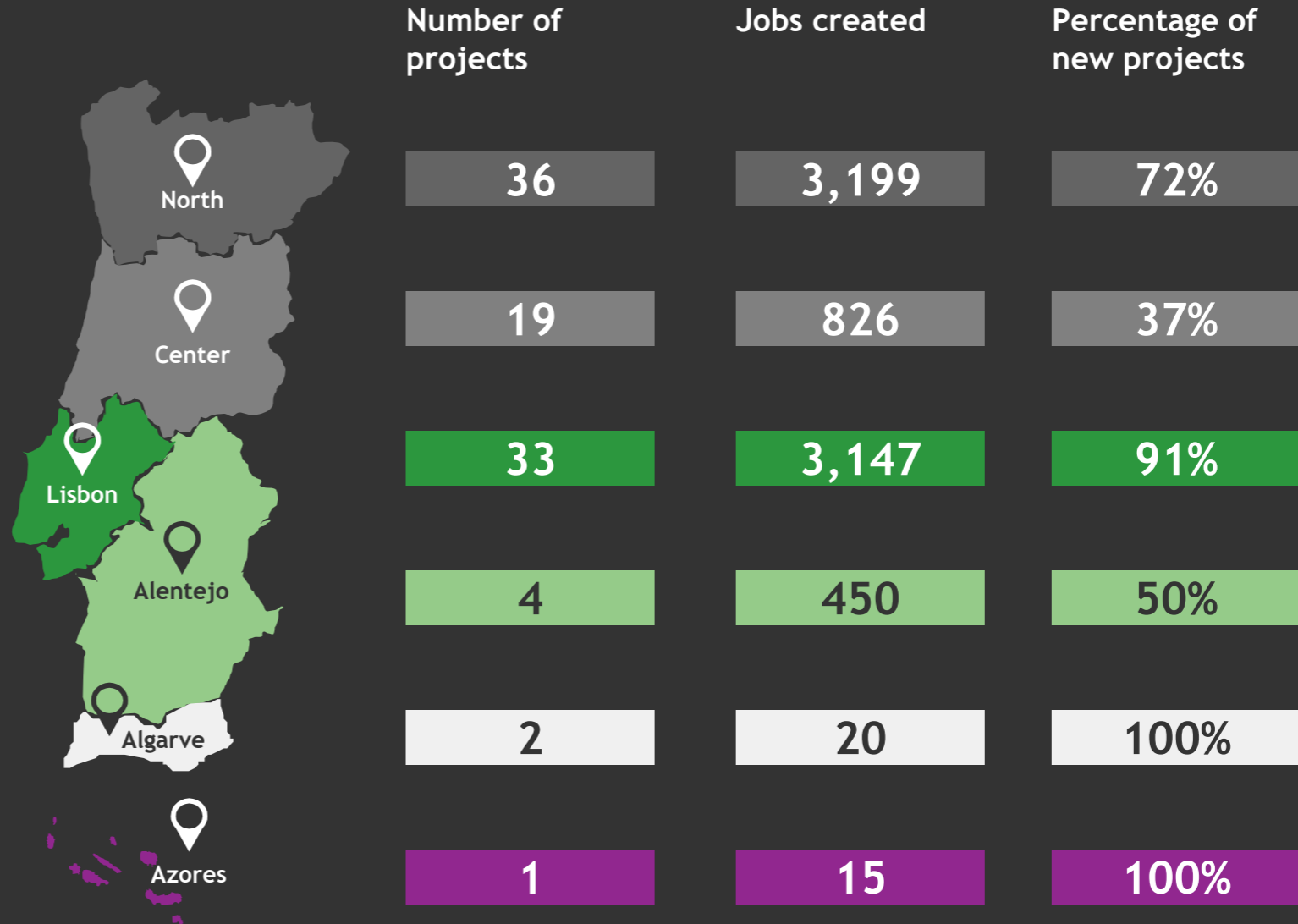


What's making Portugal Attractive?

FDI in 2017 - Numbers by region

The north region records the highest number of projects (38%) and jobs created (42%)

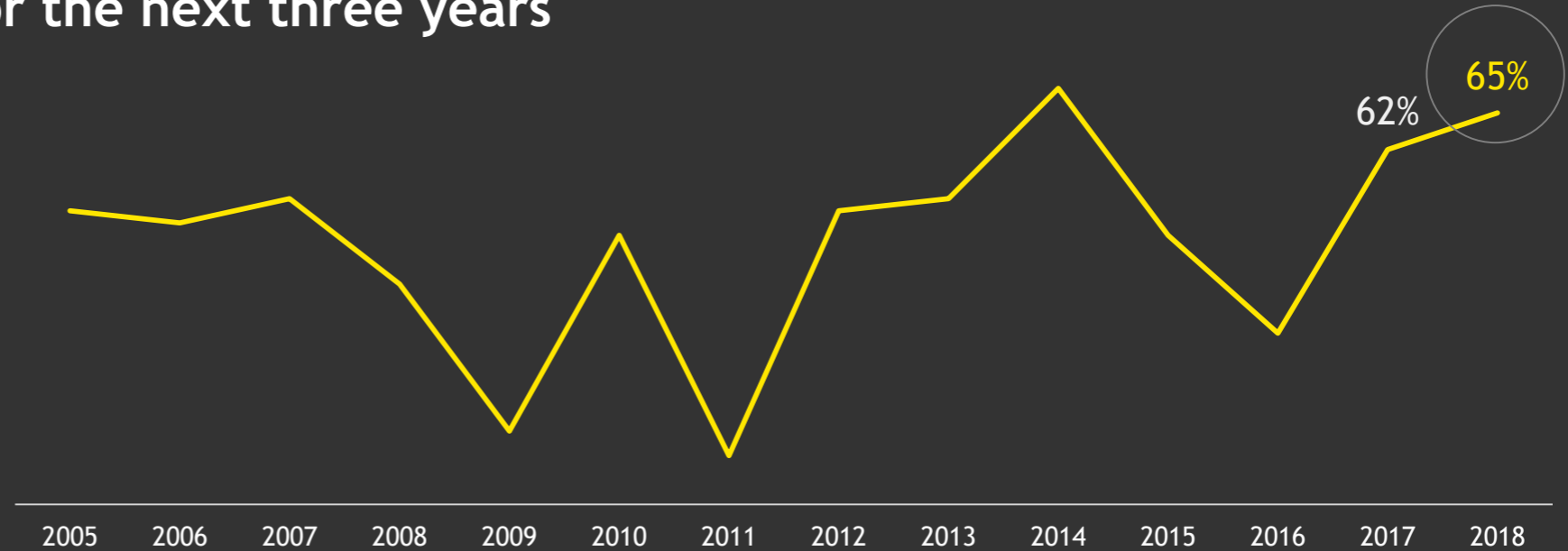
Almost every region had more greenfield projects



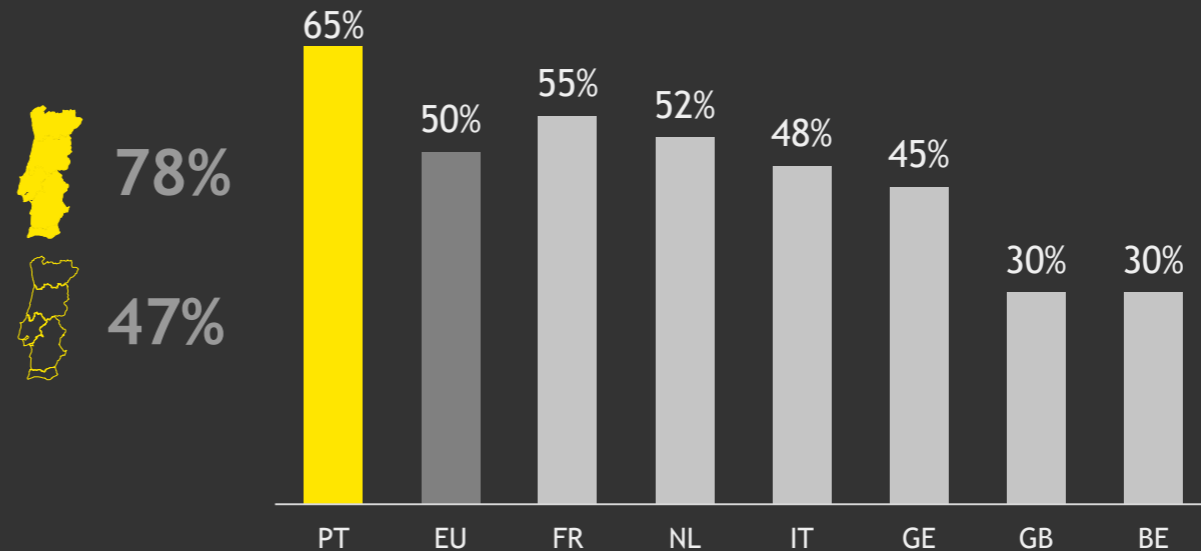
What's making Portugal Attractive?

Attractiveness evolution for the next three years

Portugal is outpacing Europe, with 65% optimistic investors



Established investors are more positive than the unestablished ones

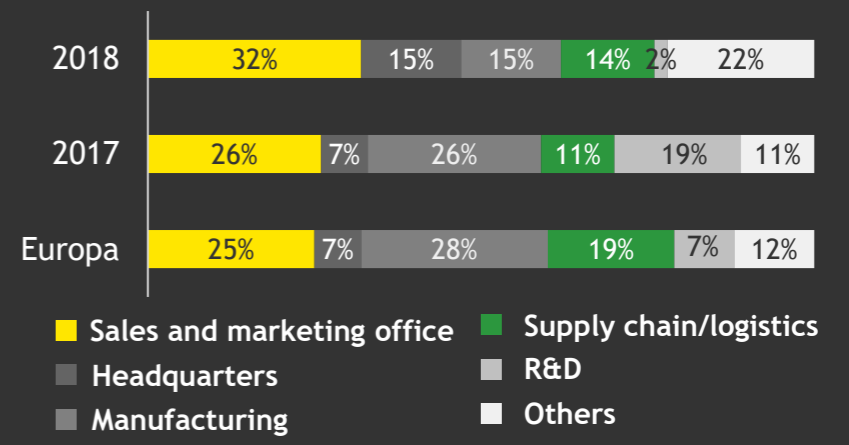
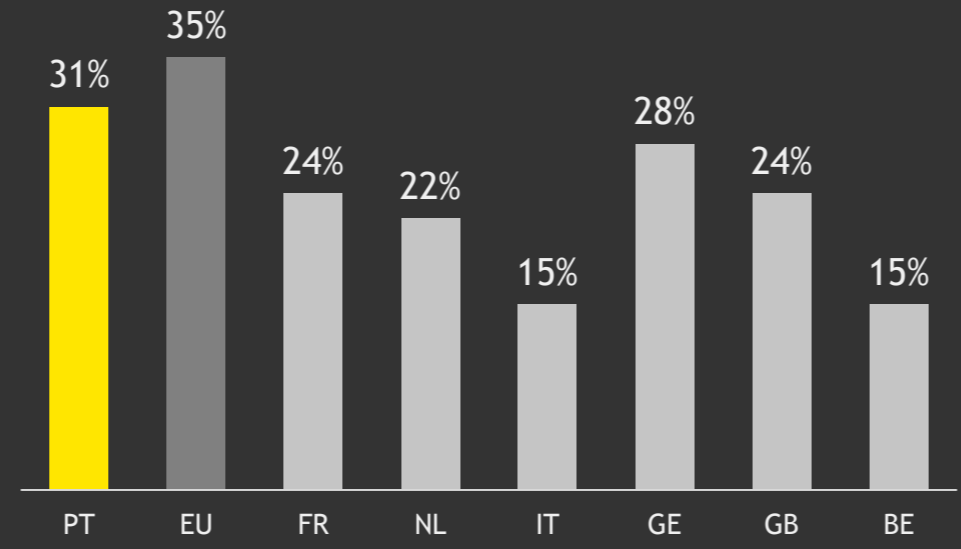
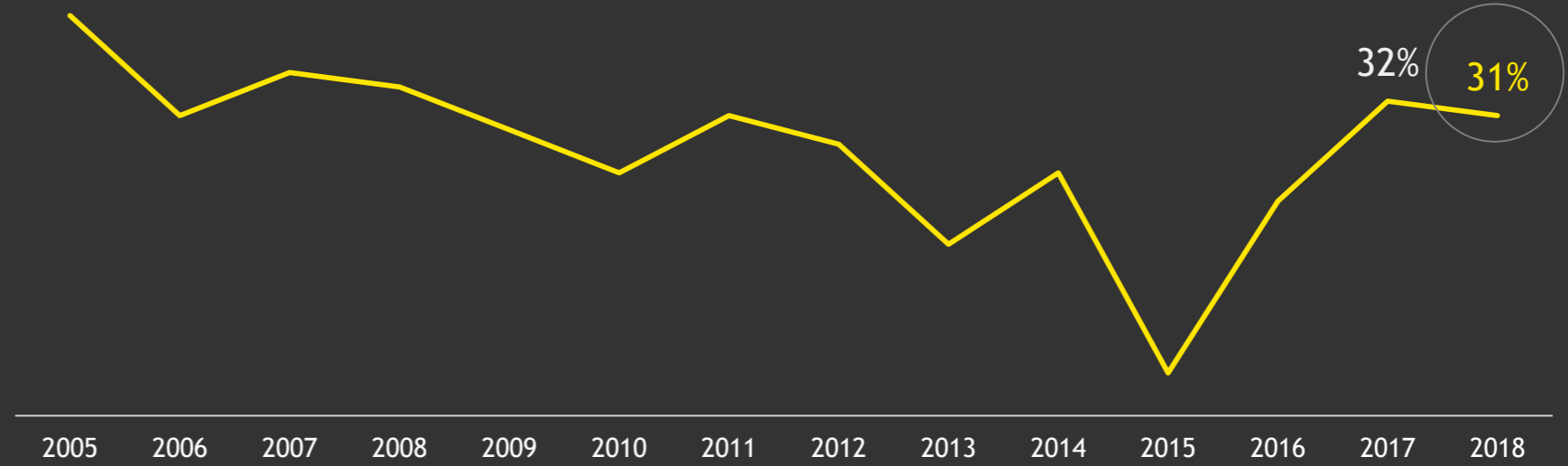


What's making Portugal Attractive?

Investment intentions in the short term

Above peer average, investment intentions have stabilized in record levels (>30%)

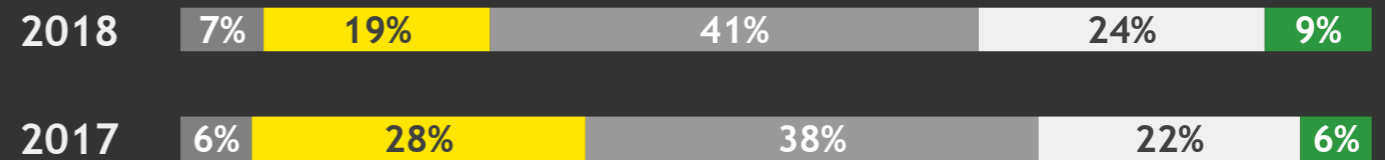
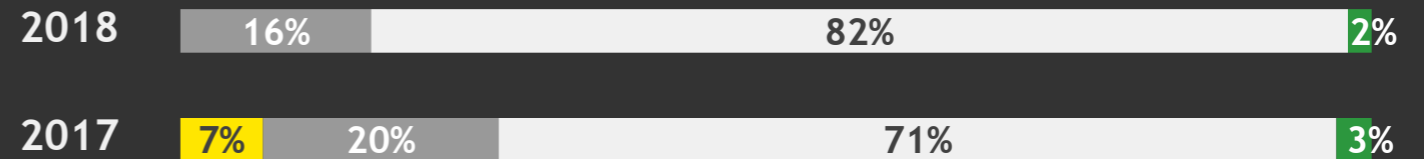
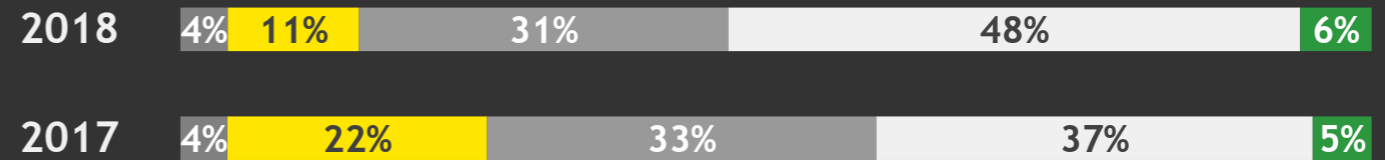
FDI intentions by sector aligned with the past



What's making Portugal Attractive?

Availability of information

Established and unestablished investors are finding it more difficult to obtain information



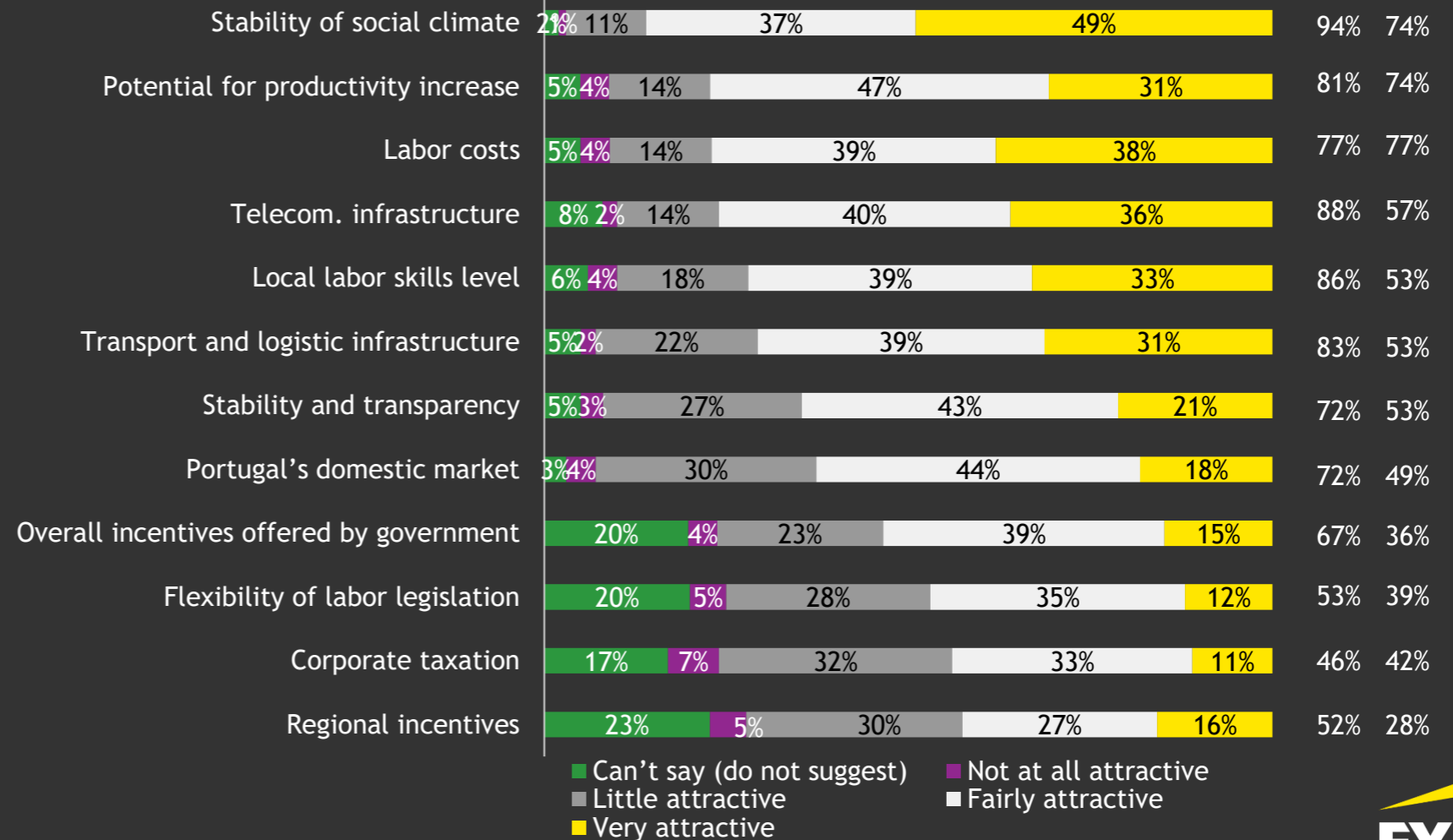
- Regularly from single source
- Regularly from multiple sources
- Occasionally
- Never
- Can't say (do not suggest)

What's making Portugal Attractive?

Attractiveness for FDI across different factors

Structural assets are increasingly valued by investors

Established and unestablished perception still differ



What's making Portugal Attractive?

Sectors the influence economic growth in the country

Real Estate and construction and Tourism are considered the development driving sectors in Portugal



32%

Real estate and construction

32%

Tourism

29%

ICT and IT



42%

Tourism

37%

ICT and IT

35%

Real estate and construction



29%

Real estate and construction

19%

Logistics and distribution channels

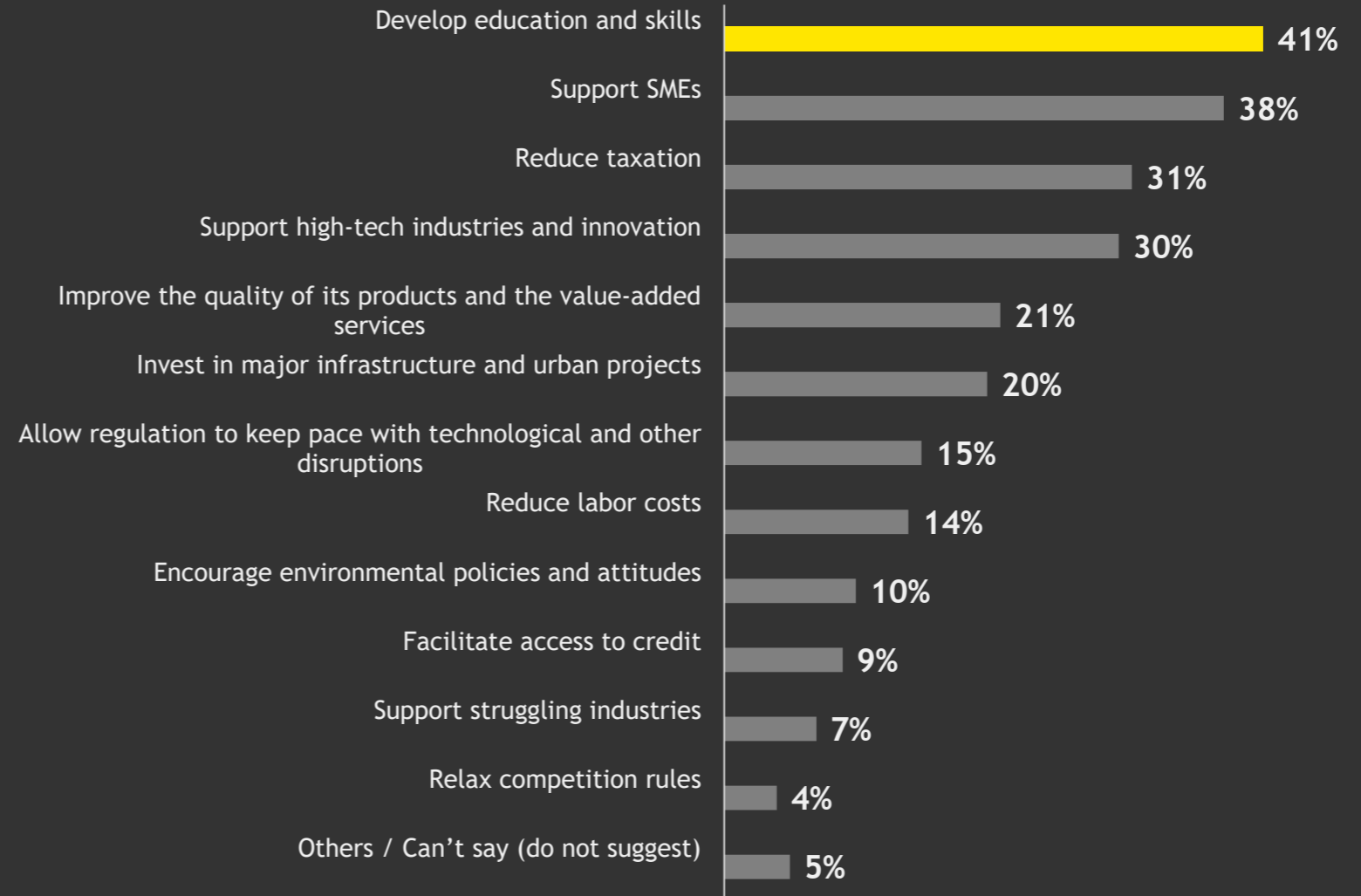
18%

ICT and Tourism

What's making Portugal Attractive?

Where public policies should focus

Education and skills are fundamental to the country's competitiveness increase, even being available a pool of competences

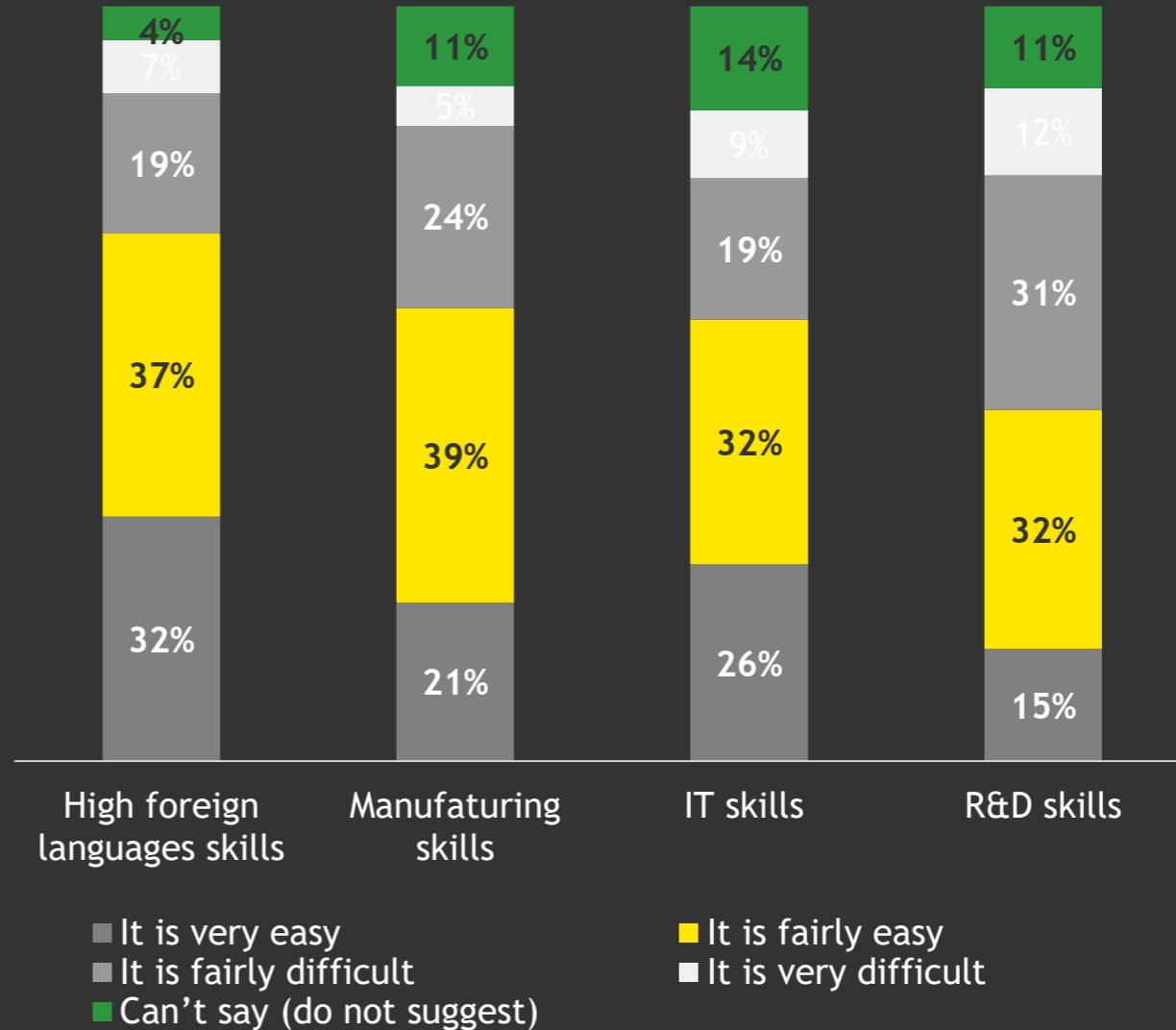


What's making Portugal Attractive?

Portugal: how is its talent positioned

Investors acknowledge the quality of human resources in Portugal

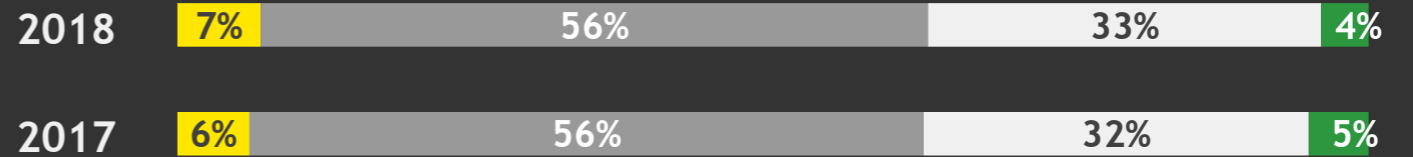
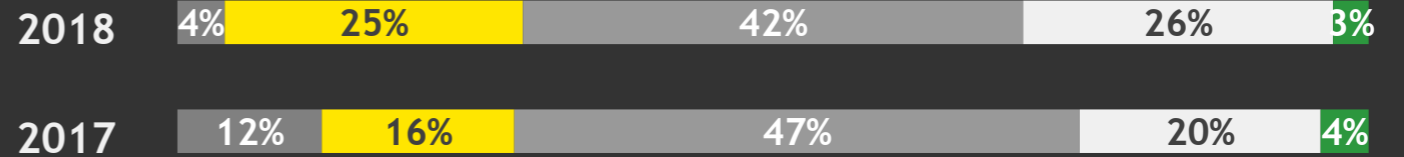
Talent availability in R&D is lower than the desired level



What's making Portugal Attractive?

Portugal as a source of innovation

Portugal's innovation is similar to most European countries and 29% of investors consider it above average, within the EU

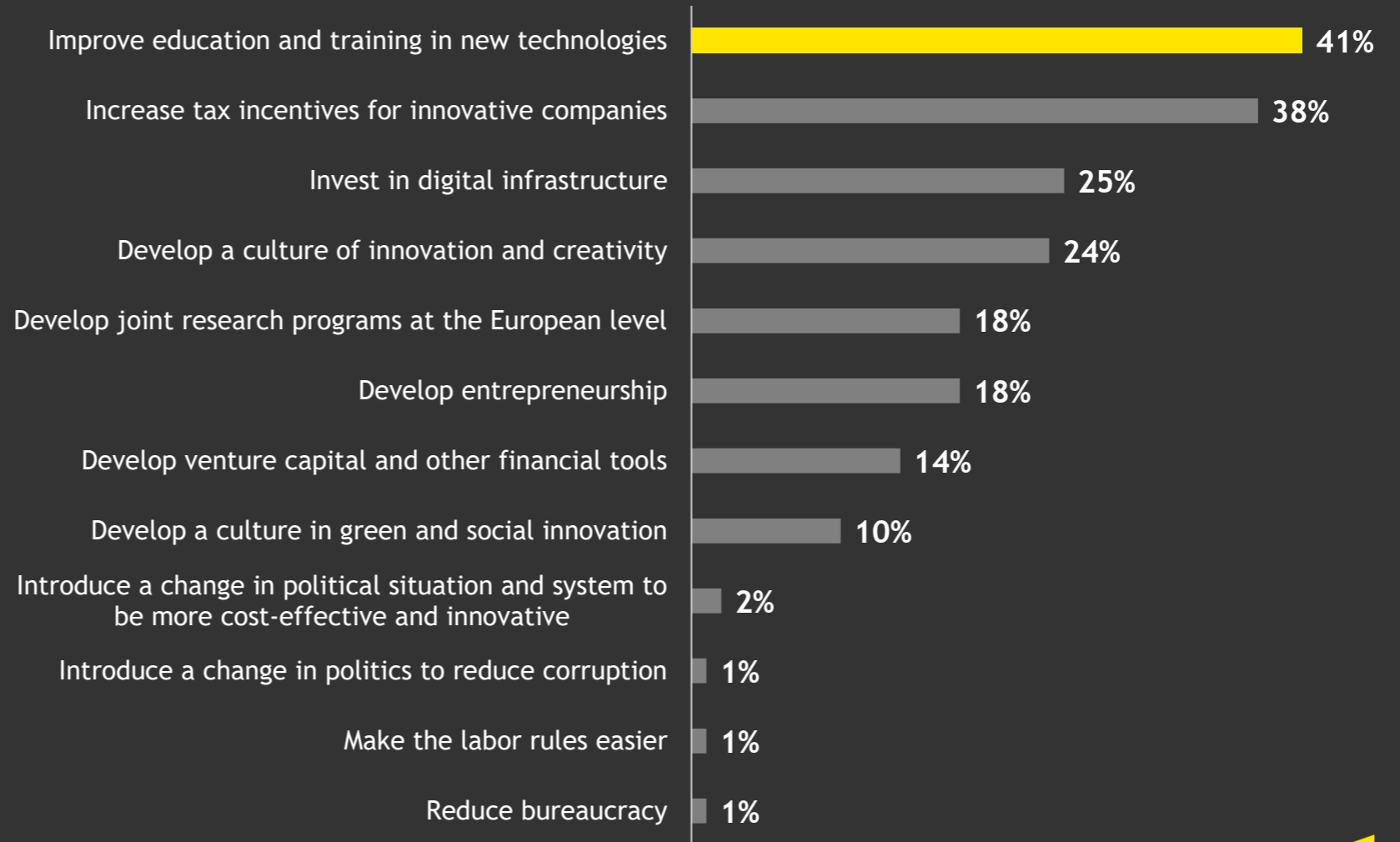


- One of the most competitive in Europe
- Above average, within the EU
- Similar to most European countries
- Lagging behind most European countries
- Can't say (do not suggest)

What's making Portugal Attractive?

Portugal: Main areas of reform to make Portugal a leader in innovation

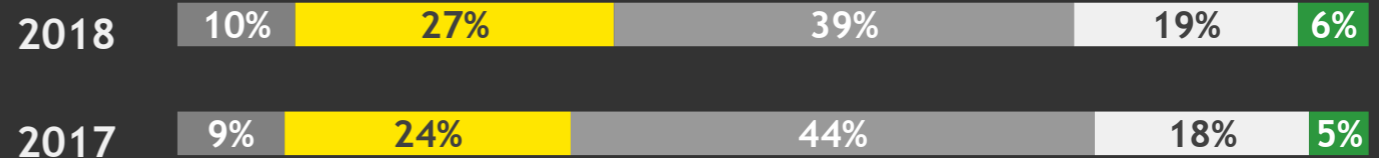
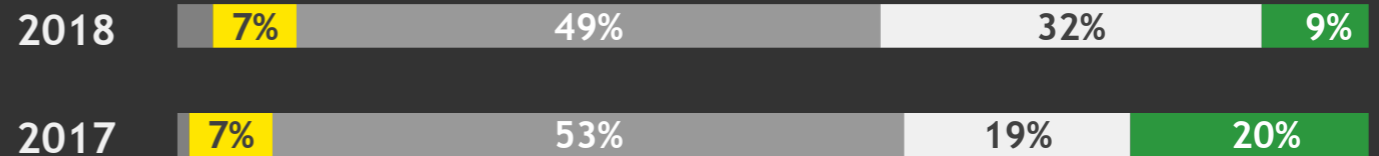
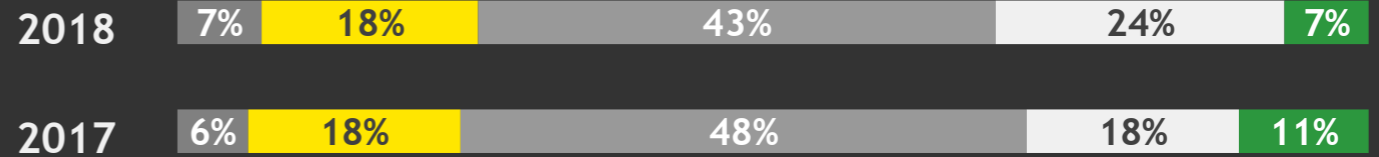
Improving education and increasing tax incentives are set to make Portugal the leader in innovation



What's making Portugal Attractive?

Portugal: startup ecosystem

Portuguese startup ecosystem is recognized, with 25% of investors considering it above average, within the EU



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Thank you

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