

# Why Choose Lithuania

- **500 million consumers in one stop:** Lithuania is a springboard to the single European market, as well as to Eastern markets.
- **Stable political and economic environment:** ensured by EU, NATO and WTO membership
- **Europe's prime transport centre:** two Trans-European transport corridors crossing the country
- **Innovation-driven knowledge economy: global ICT leadership**
- **Top-quality talent pool: 30% of population with higher education**
- **Competitive business operation costs:** productivity-driving profit tax incentives for R&D, tax "holidays" in free economic zones; competitive wages and rent rates

## 500 mn

consumers in one stop

By establishing your business in Lithuania, you instantly get access to the single European market, counting 500 million consumers

## Market Leaders



In Lithuania since 2010

*Barclays*, a major global financial services provider engaged in retail banking, credit cards, corporate banking, investment banking, wealth management and investment management services with an extensive international presence in over 50 countries and employing over 140,000 people in Europe, the Americas, Africa and Asia, will have invested almost EUR 6 million by 2012 as well as will have employed approximately 500 highly skilled IT professionals by 2011.

*Barclays Technology Centre* in Vilnius will be one of company's 4 strategic centres (settled also in India, Singapore and the UK), providing services for *Barclays* global retail and commercial banking activities, and supporting 49 million retail and corporate customers in 29 countries. *Barclays* will ensure the performance of the Technology Centre in Vilnius for minimum 5 years. *Barclays* needed an infrastructure that could support their global footprint and allow them to be operational and serve customers 24/7. Lithuania was chosen because of its strong talent pool of highly-skilled technology professionals, as well as its world-class infrastructure.



In Lithuania since 2008

*CSC Baltic* is part of a leading global IT services company *Computer Science Corporation*. The company expanded to Lithuania in March 2008, with a total of 80 employees and doubled the number in 2009. In the coming 3-5 years, the company plans to expand to 300-400 employees. Grant Marques, Vice President of *CSC World Sourcing* delivery, says that *CSC Baltic* will grow in line with global *CSC* corporation plans to near shore the resources needed to serve *CSC*'s key customers in airline, transportation, telecom, facility services, travel agencies and other areas, where *CSC* has a strong presence. *CSC* is off shoring the activities from Scandinavian, European and Global worldwide companies.



In Lithuania since 2007

*Citco* established a shared service centre in Vilnius in 2007 and now operates a unit of 60 employees in Vilnius. *Citco Business Processing* is an integral part of global business solutions. Through its shared services centre, it provides accounting and reporting services to top class international private equity, real estate, multinational and structured finance clients.



In Lithuania since 2003

*Mirror Accounting* (ex. *UAB SSC Lindorff Support Services*) was established in Lithuania by *Lindorff Group AB*. The unit employs over 120 fluently Norwegian-speaking accountants who provide top quality receivables management, debt collection, credit evaluation, and insurance claim calculation services to Norwegian companies.

## Facts and Figures



**LAND AREA**  
65,300 km<sup>2</sup>

**POPULATION**  
3.4 million

**ETHNIC COMPOSITION**  
Lithuanian – 84% of the population,  
Polish – 6.1%, Russian – 4.9%

### MAIN CITIES

Vilnius (capital): 556,000  
Kaunas: 358,000  
Klaipėda: 186,000  
Šiauliai: 128,000  
Panevėžys: 115,000

### CLIMATE

Moderate Continental, with average temperatures ranging from - 5 C in January to 23 C in July

### MEASUREMENT SYSTEM

Metric

### TIME

Lithuania is in the Central European Time zone: GMT+2 hours

### CURRENCY

The national currency is the Litas (LTL or LT), comprised of 100 centas. Litas is pegged to the Euro at the rate of 3.4528 LTL/EUR

### FISCAL YEAR

Calendar year

### NATIONAL HOLIDAYS

- January 1<sup>st</sup> (New Year's Day)
- February 16<sup>th</sup> (Independence Day)
- March 11<sup>th</sup> (Restoration of Independence)
- Easter (Sunday and the following Monday)
- May 1<sup>st</sup> (Labour Day)
- 1<sup>st</sup> Sunday in May (Mother's Day)
- June 24<sup>th</sup> (Midsummer Festival)
- July 6<sup>th</sup> (Coronation of Mindaugas, King of Lithuania)
- August 15<sup>th</sup> (Assumption Day)
- November 1<sup>st</sup> (All Saints' Day)
- December 25-26<sup>th</sup> (Christmas)

# one STEP FOR YOU ....

# ... one giant leap for YOUR SUCCESS



## SHARED SERVICES AND OUTSOURCING IN LITHUANIA

INVEST LITHUANIA

www.businesslithuania.com

ENTERPRISE LITHUANIA

# Investment Opportunities

- On track towards becoming Northern Europe Service Hub 2015
- World's leading ICT technologies and infrastructure
- Unique know-how in Western European and eastern countries' languages as well as different cultures
- Among Top 10 least expensive countries in Europe
- Non-refundable financial support for businesses
- Life quality among the highest in the EU

*"We chose LITHUANIA because of the world-class IT professionals here, many of whom are multilingual, and because of the quality of Lithuania's technology and connectivity."*

Frits Seegers, former Chief Executive, Barclays Global Retail and Commercial Banking, October 2009, Vilnius

## Industry Overview

Specializing in contact centres serving the European market and providing services in the English, German, Russian, Polish and Scandinavian languages, and with 3.000 specialists employed in the sector, Lithuania made great advances in the latest A.T.Kearney Global Services Location Index 2009, climbing up by 8 places to rank 21<sup>st</sup> globally.

Investment projects in business services in Lithuania peaked in 2008 with 9 and another 6 in 2009-2010 from companies such as *Barclays Bank* of the UK, *Computer Science Corporation* of the US, *Mirror Accounting* of Norway, and other prominent multinational players.

Market observers forecast a further rapid growth in the industry, whereas the Lithuanian Government has set a strategic goal to be achieved by the country by the year 2015 – to become the Northern European Service Hub. By 2015 the share of exports of services should make approximately 1/3 of Lithuania's total exports. Similarly, it is expected that 1/3 of the total FDI in Lithuania will settle down in the services sector by 2012.

## Availability of Talents

With 30% of the population having completed higher education, Lithuania has one of the best educated workforces throughout the European Union. The labour market is being supplied by more than 30.000 multi-lingual graduates each year. Another 200.000 are in the pipeline as these students are currently studying at 22 universities and 28 colleges in the country.

## Most Sought Talents by the Outsourcing Industry

University and College Graduates, 2008	
Humanities, incl. foreign languages	1.540
Social Sciences, incl. Economics and Finance	2.650
Business and Administration, incl. Finance, Accounting and HR	11.770
Computer Sciences	1.190
<b>Total of graduates</b>	<b>32.400</b>
University and College Students, 2010	
Humanities, incl. Foreign languages	5.103
Social Sciences, incl. Economics and Finance	8.896
Business and Administration, incl. Finance, Accounting and HR	31.844
Computer Sciences	3.437
<b>Total of students</b>	<b>118.177</b>
Labour Pool, 2008	
Employees in Finance and Insurance	19.850
Employees in IT and Communications	23.700

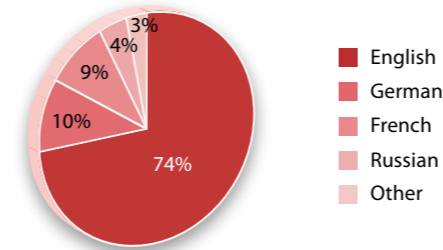
Source: Department of Statistics under the Government of the Republic of Lithuania, Ministry of Education and Science

*No other country has got such a unique know-how in Western European as well as eastern countries' languages, different cultures and a variety of business habits, which naturally developed in Lithuania's close historical relations with other nations. That's why today Lithuania is distinctly emerging as a Northern Europe Service Hub.*

Martin Löffler, CEO of Eastern Europe Operations, CSC

Lithuania is among the top 5 EU member states with the best multi-lingual skills: 90% of Lithuanians speak at least one foreign language, every second person speaks two foreign languages, and every third speaks English.

## Studied Languages 2009



Source: Department of Statistics under the Government of the Republic of Lithuania

## Labour Costs\* (Monthly Compensation)

Position	Gross Monthly Salary (EUR)	Total Monthly Employment Cost (EUR)
Accounts Clerk	398-646	522-848
Accountant	583-933	765-1223
Chief Accountant	971-1543	1273-2023
Procurement Specialist	605-1002	793-1313
Customer Service Specialist	454-787	595-1032
HR Specialist	629-1013	824-1328
IT Team Leader	1143-1791	1498-2347
Developer	748-1421	980-1863
Junior Developer	581-914	762-1198
Sales Executive/ Specialist	478-1128	626-1478

\* The salary analysis covers the data of 2 major cities in Lithuania (Vilnius and Kaunas) in 2009

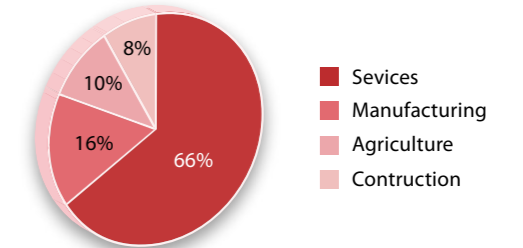
Sources: CVO Recruitment, JSC Simplika

## Targets Shared Service Centres/Back office operators in Lithuania (updated in nov 2009)

Company Name	Type of Shared Service Activities	Headcount	Languages Used	Country of Origin (Start date)
Barclays Bank	Barclays Technology Centre is an IT services centre for the global British banking group	500*	English	UK (2010)
Runway International	Contact Centre	400**	all Scandinavian and Baltic, English, French, Russian, German, Polish	Norway (2009)
SEB	SEB group account management unit	100***	English	Sweden (2008)
Unicall (Kaunas Communication Centre)	Call centre	90	Lithuanian, Norwegian, Russian, English, German	Norway (2008)
CSC Baltic (Computer Sciences Corporation)	IT support and business process outsourcing	220***	English, Danish, Norwegian, Swedish	USA (2008)
Citco Business Processing	International administrative support (accountancy)	60	English	Netherlands (2007)
Storebrand Baltic	Insurance, banking and asset management for the Storebrand Group	60	Swedish, Norwegian	Norway (2007)
Mirror Support Services (Lindorff Group)	Accounting services, invoicing services and other support services	75	Norwegian	Norway (2005)
Transcom Worldwide	Client relations management, contact centre	650	all Baltic, Russian, English, Polish	Luxembourg (2002)
Baltic Data Center (TEO Group/TeliaSonera)	IT service desk	180	Lithuanian, English, Russian	Sweden and Finland (2001)
Lintel (TEO Group/TeliaSonera)	Contact centre	600	Lithuanian, English, German	Sweden and Finland (1992)

\* by 2011  
\*\* in the Baltic States  
\*\*\* planning to expand

## Employment in 2009 3Q



Source: Department of Statistics under the Government of Lithuania

## World's Leading Supporting Infrastructure

Lithuania has the most up-to-date technologies which is one of the major needs to offshore services (EDGE technology, 3G mobile communications infrastructure with data speeds of 3.6 Mbps and mobile WiMAX 4G Internet). Moreover, the following significant achievements belong to the country:

- World's fastest upload Internet and 4th best broadband quality
- Europe's highest fiber broadband (FTTH) penetration of 18%
- Europe's densest network of public Internet access points
- Global leadership in the number of mobile telephone subscribers per 100 population
- EU's 2nd greatest mobile penetration of 149%

## Financial Support Available for Businesses

- Non-refundable EU support to cover wage costs, for personnel training, purchase of equipment etc.
- Financial incentives packages offered by the Government
- Tax incentives for investments into new technologies and establishing/retaining new jobs
- Profit tax "holidays" in 2 free economic zones
- Land and real estate tax relieves

## Great Place for Life

According to the International Living 2010 Quality of Life Index, quality of life in Lithuania is one of the highest among EU members and No. 22 in the world. Also, Eurostat's survey on price levels across Europe revealed that Lithuania is on the list of the Top 10 least expensive countries in Europe.

Source: Invest Lithuania