



HELLENIC REPUBLIC



HELLENIC STATISTICAL AUTHORITY

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## **PRESS RELEASE**

### **BANKRUPTCY STATISTICS, 2004-2014**

The Hellenic Statistical Authority (ELSTAT) presents, for the first time through this press release, time series of statistics on Business Bankruptcies on the basis of the bankruptcy court orders issued for the years 2004-2014.

Data on bankruptcies are collected through a standard statistical questionnaire filled in and transmitted to ELSTAT by the competent Courts of First Instance (Bankruptcy Courts), containing data on businesses declared bankrupt in accordance with the relevant court orders which have been issued. In addition, data are also collected on bankruptcies for which the claims of creditors were verified, on the amount of ascertained indebtedness and on the number of employees who have claims. As regards the overall bankruptcy proceedings which, besides the orders for companies declared bankrupt, also refer to validations, annulments, revocations of court orders concerning business reorganisations, conciliation process, claims of payments, etc., aggregated data are collected on the basis of the court orders issued by the Courts of First Instance.

On the basis of the available data for the period 2004-2014, it is observed that, on average, 1,061 bankruptcy petitions were filed on a yearly basis: out of this number 914 bankruptcy cases were found eligible, representing 86.0% of the total of bankruptcy petitions, and 457 companies were declared bankrupt, accounting for, on average, 50.0% of the eligible bankruptcy petitions (Table 1).

As regards **the legal form** of companies declared bankrupt, the data for the period 2004-2014 indicate that, on average, 42.0% are “sole proprietorship” companies,

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11.0% are companies with individual ownership and 47.0% business partnerships (Table 2).

The breakdown of the available data for the period 2004-2014 **by section of economic activity** (Nace Rev.2) indicate that most of the companies declared bankrupt, representing 45.7 % (average of the period), belong to section “wholesale and retail trade, repair of motor vehicles and motorcycles”, 22.8% belong to section “manufacturing”, 11.6% to “accommodation and food service activities” section and 5.0% to “construction” section (Table 3).

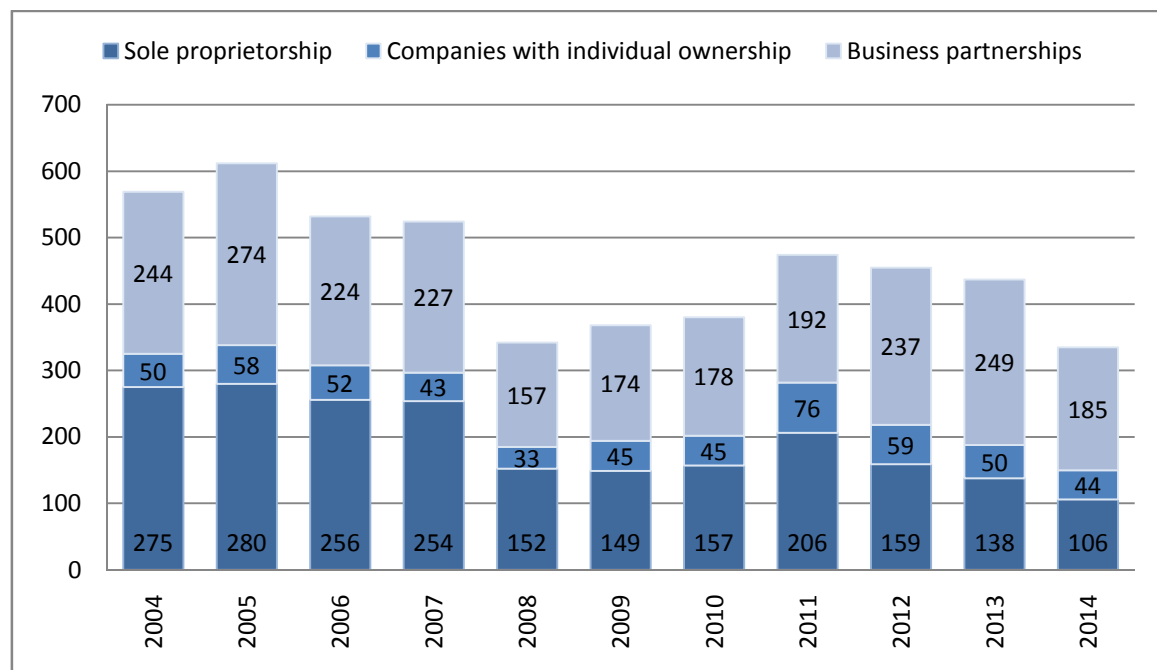
Finally, **the claims of creditors verified** during the period 2004-2014 indicate that for about 130 claim verifications, on average annually, the ascertained indebtedness amounted to 470 million euro, on average, while the number of employees who have claims on them amounted to 1,265 on average annually (Table 4).

**Table 1. Bankruptcy petitions filed and companies declared bankrupt, 2004-2014**

Year	Bankruptcy petitions filed	Eligible bankruptcy petitions	Eligible bankruptcy petitions (%)	Companies declared bankrupt	Companies declared bankrupt as percentage of the eligible bankruptcy petitions (%)
2004	1,109	932	84.0	569	61.1
2005	1,027	917	89.3	612	66.7
2006	1,435	1,219	84.9	532	43.6
2007	1,085	973	89.7	524	53.9
2008	935	856	91.6	342	40.0
2009	832	733	88.1	368	50.2
2010	1,143	968	84.7	380	39.3
2011	1,195	999	83.6	474	47.4
2012	919	759	82.6	455	59.9
2013	1,160	975	84.1	437	44.8
2014	828	720	87.0	335	46.5
<i>Average</i>	<i>1,061</i>	<i>914</i>		<i>457</i>	

**Table 2. Companies declared bankrupt by legal form, 2004-2014**

Year	Total Bankruptcies	Legal form of companies					
		Sole proprietorship	%	Companies with individual ownership	%	Business partnerships	%
2004	569	275	48	50	9	244	43
2005	612	280	46	58	9	274	45
2006	532	256	48	52	10	224	42
2007	524	254	48	43	8	227	43
2008	342	152	44	33	10	157	46
2009	368	149	40	45	12	174	47
2010	380	157	41	45	12	178	47
2011	474	206	43	76	16	192	41
2012	455	159	35	59	13	237	52
2013	437	138	32	50	11	249	57
2014	335	106	32	44	13	185	55

**Graph 1. Companies declared bankrupt by legal form, 2004-2014**

**Table 3. Percentage distribution of companies declared bankrupt by branch of economic activity (NACE Rev.2), 2010-2014**

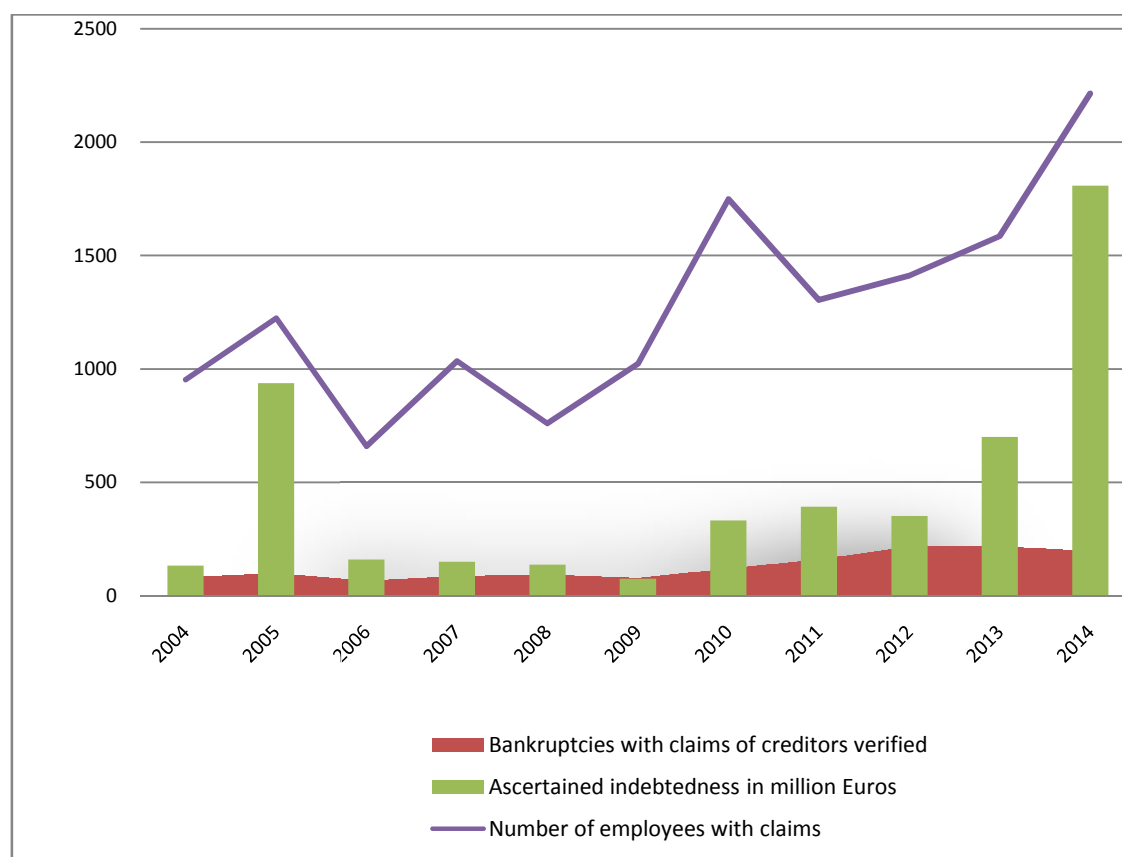
Section of Nace Rev.2	2010	2011	2012	2013	2014
Agriculture, forestry and fishing	0.5	0.2	0.4	0.7	0.9
Mining and quarrying	0.3	0.2	0.0	0.0	0.0
Manufacturing	24.7	23.4	26.4	17.6	22.1
Electricity, gas, steam and air conditioning supply	0.0	0.0	0.0	0.0	0.0
Water supply; sewerage, waste management and remediation activities	0.0	0.0	0.2	0.7	0.0
Construction	5.8	5.7	3.7	5.3	4.5
Wholesale and retail trade; repair of motor vehicles and motorcycles	43.4	50.0	45.5	48.3	41.2
Transportation and storage	1.6	2.7	2.2	3.0	1.5
Accommodation and food service activities	10.3	9.9	10.8	12.4	14.6
Information and communication	3.9	2.1	3.1	3.7	3.0
Financial and insurance activities	0.5	0.8	0.4	0.2	0.3
Real estate activities	2.1	0.0	0.2	0.0	0.3
Professional, scientific and technical activities	1.8	1.3	1.8	3.0	3.9
Administrative and support service activities	2.6	1.7	2.4	2.7	4.2
Public administration and defence; compulsory social security	0.0	0.4	0.7	0.2	0.6
Education	0.3	0.2	0.7	1.4	0.9
Human health and social work activities	0.3	0.0	0.4	0.2	0.9
Arts, entertainment and recreation	1.8	1.3	1.1	0.7	1.2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Table 4. Companies declared bankrupt, verification of claims by creditors, amount of ascertained indebtedness and number of employees with claims, 2004-2014**

Year	Companies declared bankrupt	Bankruptcies with claims of creditors verified*	Ascertained indebtedness, in Euros	Number of employees with claims
2004	569	82	132,948,061	952
2005	612	99	936,854,513	1,223
2006	532	67	159,219,019	659
2007	524	87	149,630,237	1,035
2008	342	93	137,415,256	759
2009	368	79	75,512,157	1,021
2010	380	120	332,007,756	1,749
2011	474	161	391,968,563	1,304
2012	455	217	351,478,281	1,411
2013	437	219	699,848,364	1,584
2014	335	196	1,807,749,075	2,214
<i>Average</i>	<i>457</i>	<i>129</i>	<i>470,421,026</i>	<i>1,265</i>

\* Bankruptcies with verified creditors' claims do not necessarily coincide with the companies declared bankrupt in the same year

**Graph 2. Evolution of verified claims by creditors, ascertained indebtedness and employees with claims, 2004-2014**



## EXPLANATORY NOTES

### Survey on Bankruptcies

The annual survey on the Court orders for business declared bankrupt collects data, by judicial region, on:

- a) the orders of Courts of first instance for the bankruptcies declared [article 7 of the Bankruptcy Code -Law 3588/2007, in force) and
- b) the verified claims of creditors, that were completed within the reference year according to the procedure of article 93 of the Bankruptcy Code. During the verification procedure the creditor should be able to prove its claim.

The statistical questionnaires are filled in by the Secretariat of the competent Courts of First Instance of Greece (Bankruptcy Courts).

**Main variables:** judicial region, legal form of the enterprise, classes of economic activity, registered office of the enterprise, amount of ascertained indebtedness in Euros (including liabilities called into question) and number of employees with claims.

Moreover, ELSTAT collects aggregated data (without further analysis) on the bankruptcy proceedings, referring to the number of decisions relating to revocation or non-acceptance of bankruptcy petitions, , conciliation procedures, approval of reorganization plans, end of bankruptcy procedure etc., in accordance with Article 8 (2) of the Bankruptcy Code.

**Legal basis** The survey is conducted by virtue of the Greek Statistical Law 3832/2010, as in force, and the Joint Ministerial Decision 10498/B115/16.05.1963.

**Periodicity** Annual.

**Definitions** The definitions for the bankruptcies are based on the Bankruptcy Code (Law 3588/2007, as in force).

**Courts hearing the bankruptcies (Bankruptcy courts):** the competent Court of first instance in the Region where the debtor has its main economic activities.

**Bankruptcy proceeding:** are Court orders concerning the declaration of a business as bankrupt or non eligibility of a bankruptcy petition, orders launching the conciliation procedure, verifying the agreement of the conciliation, approving or rejecting the reorganization plan, or ending the bankruptcy procedures, etc.

**Company declared bankrupt:** Traders, as well as other legal persons pursuing economic activities are eligible to file for bankruptcy. If a company fails to pay accrued liabilities indefinitely and permanently (e.g. suspend payments), it is declared bankrupt.

**Class of Economic Activity:** The classification used for economic activity is in accordance with the applicable Greek Statistical Classification of Economic Activities (STAKOD). Until 2007, STAKOD

2003 was used, which is the Greek version of NACE Rev1.1. From 2008 onwards, STAKOD 2008 is used at three-digit level, which is identical to NACE Rev2. The enterprises are broken down at 4-digit level of STAKOD 2008, while the results are presented at the level of the “Section” (one-digit) for confidentiality reasons.

**Methodology** Data on companies declared bankrupt are collected through the completion of a standard statistical questionnaire consisting of two parts (companies declared bankrupt and claims verifications) by the respective Court (Bankruptcy Courts).

Data on the overall bankruptcy proceedings are collected by the individual statistical questionnaire for every order issued by the Civil Courts of first instance and Courts of appeal.

**References** More information on the survey is available on the webpage of ELSTAT ([www.statistics.gr](http://www.statistics.gr)) Section: Statistics → Population and Social Conditions → Civil Justice → Bankruptcies