

# Central Europe's Magnet for Diverse Investors

Hungary is cementing its role as an innovative economic bridge between East and West.

By Sally Crail

During 2023 and 2024, Hungary welcomed over \$27 billion in foreign direct investment, a record for the Central European country. A major reason for the European Union (EU) member's success is that it has positioned itself as a neutral strategic bridge between the West and East.

State Secretary for International Communication and Relations Zoltán Kovács explained: "We've consistently focused on connectivity, openness and attracting investment from across the world. For example, we have strong ties with Europe, the U.S. and China and we maintain open dialogue with Russia. This is not contradictory—it's our balanced approach."

The results of that approach are evident in the automotive industry, Hungary's largest economic contributor, that received nearly 40 percent of 2024's investment inflows. Historically, the biggest players in this sector were Western manufacturers such as BMW, Audi and Mercedes; however, the industry's dynamics are changing. "In 2024 and 2025, Chinese investment led, bringing advanced high-value sectors like electric vehicles and batteries," Kovács said. "Our goal is for all investments to coexist, foster competition and boost innovation."

The government has invested to encourage innovation in not just the automotive sector but other manufacturing areas that are seeing significant inward investment, including electronics, information technology, life sciences and agribusiness. Minister of Culture and Innovation Balázs Hankó pointed out: "In the past ten years, we've tripled our investment in research, development and innovation—the third-highest increase in the EU. We've also restructured our higher education system, doubled our number of researchers and more than doubled our support for them to over \$120 million. Our aim is to be among Europe's top 10 nations for innovation by 2030."

Hungary's nurturing of new technologies has led to an expanding startup ecosystem containing substantial opportunities for international investors,

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The River Danube flows through Budapest, Hungary's capital city.



**Zoltán Kovács**  
State Secretary  
for International  
Communication  
and Relations



**Balázs Hankó**  
Minister of Culture  
and Innovation



**Csaba Bóthe**  
CEO  
Hungarian  
Association  
for Innovation

according to Csaba Bóthe, CEO of the Hungarian Association for Innovation, a body made up of universities, research institutes and businesses, which promotes innovative economic growth. Bóthe explained: "We're looking for innovation partners for Hungarian tech companies that are showing strong results but need knowledge, experience and international partnerships to successfully bring their products to global markets."

At present, over 1,400 U.S. firms make up the third-largest international investor group in the country and Kovács is looking forward to more joining them soon. "U.S. companies consistently highlight Hungary's favorable business environment. However, U.S. policy toward Hungary often took on an ideological tone under the Biden administration. This was unwelcome to the Hungarian government and the many American investors operating here," he said. "However, the Trump administration is restoring common sense to bilateral relations and strengthening ties between our business communities."

## Why Hungary is one of Europe's hottest investment frontiers today



85% of its growing GDP comes from in-demand high-value exports



It is centrally located with world-class transport infrastructure



Its 9% corporate tax rate is the lowest in the European Union



Skilled workforce with over 310,000 students in tertiary education per year



Around 62,000 researchers within a total population of 9.6 million

# Golden Chapter for U.S.-Hungarian Relations

New avenues have opened for collaboration in energy, space, defense, technology and beyond.

By Sally Crail

Diplomatic ties between Hungary and the U.S. reached a new high in 2025, according to Minister of Foreign Affairs and Trade Péter Szijjártó.

"The recent political changes in the U.S. have been very favorable for Hungary. With President Trump in office, our governments now share a strong personal rapport, creating a promising foundation for economic cooperation," he said. "We're also addressing challenges left from the Biden era, including the termination of our double taxation agreement."

November's U.S.-Hungary governmental summit in Washington, D.C. was a milestone in the relationship. At present, there are around 1,400 U.S. companies based in the Central European country that are mainly operating in the automotive, software and life sciences sectors. But agreements signed at the summit have opened new trade and investment opportunities.

## An Outsized Export Powerhouse

Hungary continues to look outward for economic opportunities.

By Sally Crail

Hungary ranks 96th globally in terms of population size, but 32nd for export revenues, according to United Nations Comtrade.

"We've always been a nation that looked outward for opportunities, as well as being both a crossroads and a bridge between East and West, and tradition and innovation," noted Katalin Bihari, deputy state secretary for external



In energy, for example, Hungary will spend an estimated \$600 million on U.S. liquefied natural gas to diversify its fuel sources, while nuclear is set to become an even larger area of cooperation. "We're exploring partnerships with the U.S. in nuclear technology, especially for small modular reactors," Szijjártó noted. "Space is a further area of strategic collaboration. Despite our small size, Hungary has a strong legacy in space research, and we aim to leverage U.S. partnerships to become a global leader in that industry." The summit also saw the two nations agreeing to collaborate more deeply in areas as diverse as defense, artificial intelligence and financial systems.

Szijjártó pointed out that Hungary's robust food industry offers good investment potential as well. "We're the only European country to enshrine in our constitution that the entire agricultural and food value chain must be free from genetically modified organisms, which allows us to meet evolving global standards and customer expectations rapidly," he explained.

The minister is confident that the country provides the right environment for U.S. investors in all sectors. "Our 15 percent personal income tax rate and 9 percent corporate tax rate are the lowest in Europe, our education system is closely aligned with labor market needs, we are centrally located and have excellent infrastructure. Furthermore, our political system is stable with the same government in office for four consecutive terms, ensuring predictability and continuity for businesses," he said. "It's clear why Hungary attracts so many investors."



**Péter Szijjártó**  
Minister of Foreign Affairs and Trade

## ENERGY. FOR US



**Katalin Bihari**  
Deputy State Secretary for External Economic Affairs at the Ministry of Foreign Affairs and Trade and CEO, HEPA Hungarian Export Promotion Agency

economic affairs at the Ministry of Foreign Affairs and Trade and CEO of HEPA Hungarian Export Promotion Agency. "Our strengths include automotive, pharmaceuticals, machinery, medical devices, agri-food and health services, which shows our diversity and creativity," she added.

HEPA's mission is to help Hungarian businesses enter and grow in global markets. "Since 2010, Hungary's exports have more than tripled, a clear sign we're on the right path," Bihari said. "A major strength is our close cooperation with Hungary's 140 foreign trade attachés worldwide."

The agency's current goal is to diversify exports by industry and geography. A key target is the U.S., the only one of the nation's top 10 export partners that is not in Europe. "Hungary and the U.S.'s relations are stronger than ever. It's important for us to maintain this momentum and expand cooperation," she said. "We're helping Hungarian companies explore opportunities by, for example, organizing networking events and market briefings and showcasing Hungarian innovations at trade fairs."

Bihari encouraged potential trade collaborators to discover the nation's diverse exports: "Hungary is a land of opportunity and a source of ideas. Furthermore, HEPA doesn't just support its partners, we deliver results. Do business with Hungary and success is the only outcome you can expect."

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MVM

# How Gránit Bank Became a Success Story

From Hungary's first digital bank to growth beyond borders.

By John Brooks

When Gránit Bank launched in 2010, the idea of a fully online bank was revolutionary and traditional banks relied on branches, queues and paper-based operations. But Gránit Bank's co-founder Éva Hegedüs envisioned a different future: "My vision was clear and bold—to build a bank based on digital innovation, driven by the belief that customers need and expect simple, fast, transparent and low-fee banking with an outstanding user experience," she recalled.

The challenge was enormous. The bank started from scratch with no established client base, only 25 employees and no core banking system in the middle of a post-crisis environment marked by deep mistrust toward financial institutions. Fifteen years on, Hegedüs' vision has proved forward thinking and highly successful. Gránit Bank, now Hungary's eighth-largest bank, has pioneered innovations, and grown to nearly 400 employees, over \$4.7 billion in assets and hundreds of thousands of clients. It has also consistently



Éva Hegedüs  
Chairman and CEO  
Gránit Bank

## Robust and Innovative Financial Services

Hungary's banking sector embraces digitalization and collaboration.

By Sally Crail

The increasingly robust Hungarian banking sector generated a record net profit of \$5.4 billion in 2024. Made up of 39 institutions, the sector has high liquidity and is well capitalized, according to Magyar Nemzeti Bank (MNB), the country's central bank.

MNB aims to operate regulatory processes and monetary policies that are consistent, disciplined and transparent, with one of its main goals being to catalyze sustainable economic growth. Among its initiatives for driving this is a new certified loan scheme that encourages commercial banks to boost lending to small and medium-sized enterprises. Deputy State Secretary for International Financial Relations and Outward Investment Policy Márton Bókay explained: "SMEs are the backbone of our economy. Several programs were launched this year to support them, with more to come—this remains a top government priority."

MNB is also facilitating economic development through digital banking innovations. For example, its instant electronic payment system has been operational since 2020 and this year it introduced Qvik, a mobile app that enables instant payments via QR codes. Today, about 80 percent of all Hun-

outperformed the country's sectoral averages for growth, profitability and efficiency. The appeal of Gránit Bank's digital model and its sustainable growth have been recognized by investors. The bank's 2024 listing on the Budapest Stock Exchange was Hungary's largest initial public offering in 25 years to combine a major capital increase with an IPO, which attracted significant international interest. Furthermore, the scalability of Gránit Bank's model makes it possible to deliver the same seamless mobile banking experience anywhere in the world, without the need for physical branches. Its international expansion began in 2024, when it entered the Romanian market as the first Hungarian bank to offer cross-border digital services.

"Innovation is part of our DNA," said Hegedüs. "We were among the first in Europe to introduce video banking and we're now leading the way in harnessing the power of artificial intelligence. Our generative and agentic AI-based virtual assistant Gránit Guru supports clients 24/7 with personalized advice, loan solutions and financial calculations."

Sustainability also lies at the heart of Gránit Bank's operations, demonstrated by the fact that it has been carbon neutral since 2020, and it invests in digital education too—a cause that Hegedüs regards as one of her most important personal missions. As digital transformation and AI continue to reshape the global banking landscape, Gránit Bank is not only building the future of finance, it is redefining what a modern, trusted bank can be.



Budapest is the country's financial and banking center.

garian payment transactions are digital, thanks to the efforts of MNB, as well as traditional and online-only commercial banks. Another contributor is the nation's thriving fintech ecosystem, which comprises 212 companies that achieved revenues of around \$900 million in 2024.

MNB's experience in digital banking has made it a key partner in the European Union's ongoing design of bloc-wide regulatory frameworks for electronic financial services. The country also has an extensive presence on the wider global financial stage. "We maintain strong partnerships with institutions such as the European Bank for Reconstruction and Development, European Investment Bank, International Monetary Fund, World Bank and Asian Infrastructure Investment Bank," Bókay said. "Hungary actively participates in joint projects and contributes expertise in sectors where we hold a competitive edge. We value these collaborations and will continue to build on them to support our economic growth."

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Origo Studios has hosted over 200 international film productions.



Origo Studios' stages are equipped with advanced technologies.

## Trusted Partner for Global Filmmakers

Hungary offers reliability, value, versatility and production facilities that exceed Hollywood standards.

By Sally Crail

Origo Film Group is a prominent player in Hungary's rapidly expanding film industry. In the following interview, which took place at the group's renowned Origo Studios production facility in Budapest, CEO Márta Fekszí explained why the country and Origo are partners-of-choice for international filmmakers.



What factors make Hungary attractive for global film and television productions?

Hungary's appeal is a blend of reliability, value and versatility. We offer world-class infrastructure, highly skilled crews and expansive architectural and natural diversity—all within a compact geographical footprint. We also benefit from strong government support, ensuring stability for investors and studios. Our 30 percent tax rebate for productions has been transformative. It sends a clear message: Hungary is open for business and committed to the long game. It also creates predictability—a rare commodity in global filmmaking. Producers know they can count on Hungary for consistent, transparent financial planning.

For U.S. investors, Hungary offers affordability, quality and political alignment too. The country—and Origo Studios specifically—has already partnered with major American studios, including Warner Bros., Netflix and Paramount. As economic pressures mount, we expect more U.S. producers to explore co-productions, infrastructure investment and content development here. Equally important, Budapest is a safe, welcoming city, while Origo is known for its secure, professional and friendly work environment for crew and talent.

How does Origo Studios stand out in the competitive local industry?

It was founded in 2010 with a clear mission: to build a full-service produc-

tion facility that meets and exceeds Hollywood standards. Since then, we've hosted over 200 international productions, including *Blade Runner 2049*, *Dune*, *The Martian* and *Moon Knight*. Origo is truly an all-in-one partner. We offer nine sound stages, as well as on-site post-production, visual effects and set construction. Our backlot can simulate multiple environments, and our stages are equipped with advanced acoustic design, heating, ventilation, air conditioning and power redundancy.

What sets us apart isn't just scale, it's adaptability. Productions today are faster, more complex and more global. Our team works closely with clients to tailor our infrastructure to their specific needs, from green-screen setups to large-scale stunt environments. We provide solutions, rather than just space.

What are your proudest achievements and what is your vision for the next five years?

Our biggest milestones include the construction of Central Europe's largest sound stage, our Emmy-winning post-production work and, most recently, the launch of our talent and sustainability programs. Through our Origo Talent scheme, we mentor emerging Hungarian filmmakers. Our Green Filming Initiative includes carbon tracking, energy-efficient lighting, water-saving systems, high-capacity waste management and a green vendor program. Each production receives detailed carbon-efficiency metrics.

**"Origo is truly an all-in-one partner. We offer nine sound stages, as well as on-site post-production, visual effects and set construction."**

Márta Fekszí, CEO, Origo Film Group

I'm proudest of two things: building trust and building bridges. As someone with a background in diplomacy, I've always believed that relationships drive results. Whether that's securing multiyear partnerships with studios or earning the trust of young Hungarian talent, I've always focused on people as the foundation of growth. Looking ahead, I see Origo evolving into a true global production hub—not only a service provider but a co-creator. We'll invest in original content, new technologies like virtual production and deeper talent development. My vision for Hungary's film industry is simple: that we're not just part of the story, we help write it.

