Annual Report on Foreign Investment in France

2018

Press conference, April 9, 2019
France is increasingly attractive for foreign investors

- Results are similar to those for 2017
- Best results in the last five years
Solid rebound in France’s attractiveness in 2018

2018: A record year for the number of investments

[Bar chart showing the number of investments from 2014 to 2018, with a peak of 1,323 in 2018.]
Solid rebound in France’s attractiveness in 2018

56% (741 projects) of investments involved opening new sites

+ 14% compared with 2017 and
+ 9% average annual growth since 2014
25 investment decisions per week in France in 2018

The numbers are steadily increasing

- 19 in 2014
- 21 in 2016
- 25 in 2018
The number of jobs created through investments remains high

30,302 jobs created or maintained, of which 91% are new jobs

+ 8% average annual rise in jobs created for the last five years

Decrease in the number of jobs identified linked to the decrease in jobs maintained in 2018 (-63%) following a reduction in acquisitions of ailing companies
Since 2014, the number of investments in France’s regions have increased. The regions that saw the largest increases between 2014-2018 were Auvergne-Rhône-Alpes (15%), Bourgogne-Franche-Comté (14%), Brittany (15%), Hauts de France (10%), Nouvelle Aquitaine (13%), and Pays de la Loire (17%), with rates higher than the national average of +7%.

Breakdown of investment projects:

1/ < 5%
2/ de 5% à 10%
3/ de 10% à 35%
The United States and Germany believe in France

Top 5 investor countries 2014-2018

- United States
- Germany
- Italy
- United Kingdom
- Japan

Top 15 investor countries in 2018

- United States: 48 projects
- Germany: 232 projects
- Italy: 57 projects
- United Kingdom: 53 projects
- Japan: 17 projects
- France: 16 projects
- Spain: 65 projects
- Canada: 104 projects
- Netherlands: 180 projects
- India: 118 projects
- Switzerland: 94 projects
- Mexico: 45 projects
- South Korea: 72 projects

2018 Annual Report – Business France
Brexit could affect the way in which companies establish themselves in Europe

58% of foreign decision-makers and 54% of foreign businesses in France plan to review their European expansion strategy

+33% rise in the number of investment projects identified in 2018

British companies responsible for 39% of investments in the financial sector
Driving forces behind France’s attractiveness: industry and innovation

2,078 (36%) projects over five years
of which 449 (34%) projects were identified in 2018

+ 77,600 (50%) jobs over five years
of which 14,088 (47%) jobs were created in 2018
France, leader in Europe for industrial investments

Change in industrial investments in France, Germany and the United Kingdom, 2013-2017

Source: EY Attractiveness Survey, 2018 (IBM, 2017)

Source: Baromètre EY de l'attractivité de la France 2018 (données IBM 2017)
France attracts industrial investors

German and American decision-makers hail France’s industrial base

Change in investments in industrial activities

Germany and the United States are responsible for 31% of industrial investments
Change in investments in industrial activities since 2014

Regional breakdown of production/manufacturing projects

1/ < 5%
2/ 5% to 10%
3/ 10% to 20%
Innovation responsible for upward trend in R&D investments

Change in R&D investments

2018

+ 22% of jobs created by R&D investments
Key findings

**ATTRACTIVENESS** index

- 2014: 54
- 2016: 67
- 2017: 75
- 2018: 80

**INNOVATION** index

- 2014: 60
- 2016: 65
- 2017: 73
- 2018: 79
Key findings

### POSITIVE
- **1/4** of foreign investment decisions in France in 2018 were manufacturing projects
- Innovation accounted for **10%** of foreign investment in France
- + **22%** of the total number of jobs created were from R&D investments
- **56%** of investments involved opening new sites

### LESS POSITIVE
- - **10%** in the number of jobs created through investment decisions
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