

Annual Report

Foreign investment in France

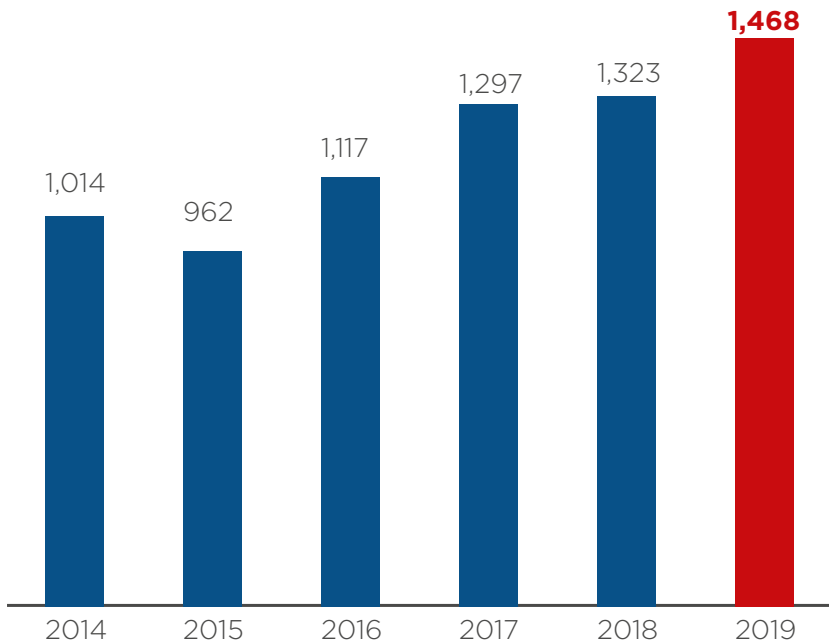
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2019

Key figures

— THIRD RECORD YEAR IN A ROW —

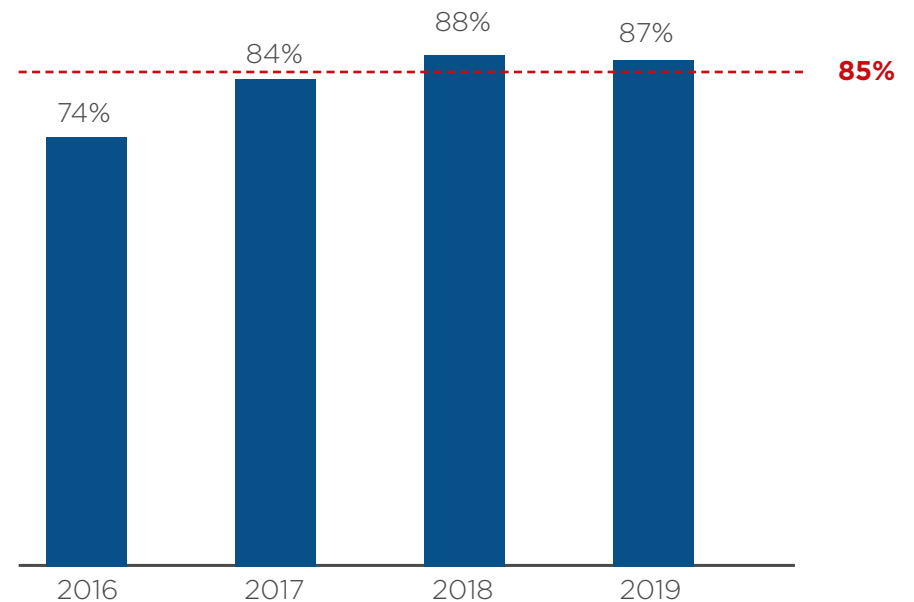
France's attractiveness is borne out
1,468 foreign investment projects in 2019

+11% INCREASE IN INVESTMENTS



Source: Business France Annual Report, 2019

A POSITIVE PERCEPTION, STABLE ABOVE 85%

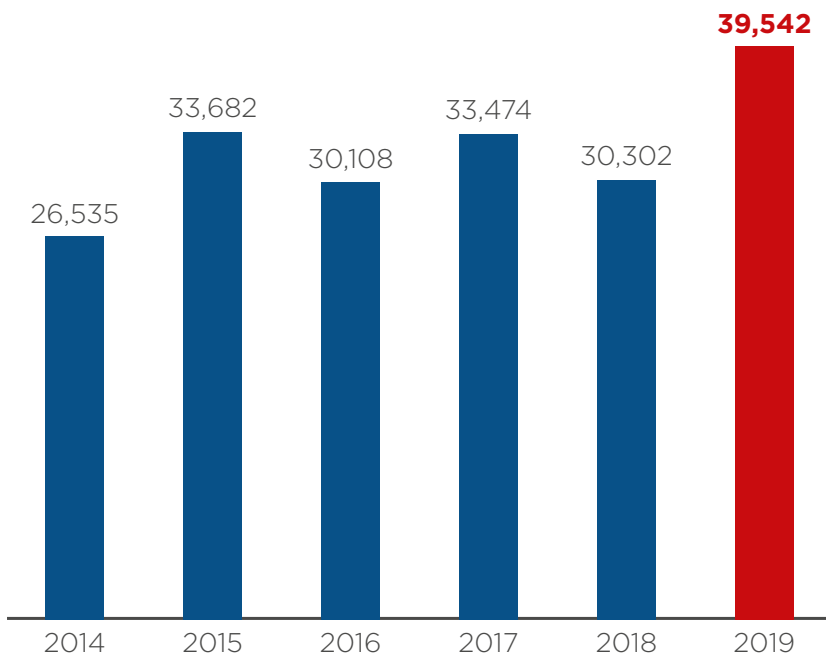


Source: Kantar-Business France survey, 2019

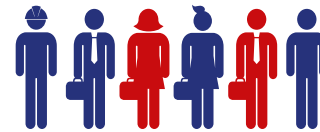
INVESTMENTS PROVIDING MORE JOBS

39,542 jobs created or maintained
by foreign investors

+30% JOBS CREATED OR MAINTAINED



Source: Business France Annual Report, 2019



27

JOBS PER PROJECT (23 IN 2018)



17%

OF JOBS CREATED IN FRANCE
IN THE PRIVATE SECTOR IN 2019

EUROPEAN INVESTMENTS GROWING STRONGLY



64%
OF PROJECTS CAME FROM
EUROPEAN BUSINESSES



+3% pts
SINCE 2018

TOP 3 INVESTING COUNTRIES



16% - UNITED STATES (+3%)



15.5% - GERMANY (+27%)

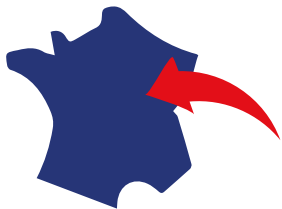


12% - UNITED KINGDOM (+47%)

CONFIRMATION OF BREXIT'S IMPACT

on establishment strategy

23 INVESTMENT PROJECTS LINKED TO BREXIT
(1,038 JOBS)



NUMEROUS FINANCIAL GROUPS
RELOCATED TO FRANCE

+48%
OF PROJECTS IN
THE FINANCIAL SECTOR
1,336 JOBS, VERSUS 298 IN 2018



In the first quarter of 2019, Paris welcomed the seat of **the European Banking Authority**, which quit London (150 jobs).

The American insurance business **Chubb** decided to transfer its European headquarters from London to Paris (50 jobs).

American financial firm **Morgan Stanley** decided to create a new trading center in Paris, resulting in the creation of 80 new roles.

Goldman Sachs chose to relocate some of its teams and operations to Paris; an expansion project of its French headquarters plans to create 120 jobs.

FRANCE'S INDUSTRIAL BASE, THE MAIN BENEFICIARY OF FOREIGN INVESTMENT

+19% increase in investments
in production/manufacturing activities

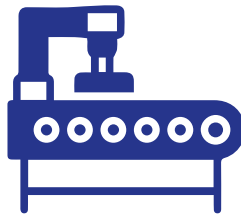


#1

INVESTMENT AREA:
PRODUCTION/MANUFACTURING
ACTIVITIES

26%

INCREASE IN INVESTMENTS IN
PRODUCTION/MANUFACTURING
ACTIVITIES (380 PROJECTS)



76%

WERE EXPANSIONS

TOP 3 INVESTING COUNTRIES



17% - UNITED STATES



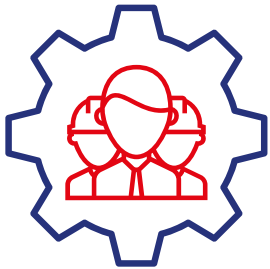
13% - GERMANY



8% - ITALY

STRONG INCREASE IN INDUSTRIAL JOBS

+22% increase in spinoff jobs
in production/manufacturing activities



#1

SOURCE OF EMPLOYMENT:
PRODUCTION/MANUFACTURING
ACTIVITIES

35%
OF JOBS (13,814 JOBS)



TOP 3 INVESTING COUNTRIES



16% - UNITED STATES



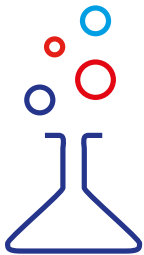
13% - GERMANY



12% - UNITED KINGDOM

AN EVER MORE ATTRACTIVE FRENCH ECOSYSTEM FOR INNOVATION

+22% increase in investments in R&D activities



11%

OF INVESTMENTS IN 2019 WERE IN
R&D PROJECTS (157 PROJECTS)

84%

OF FOREIGN ECONOMIC
DECISION-MAKERS JUDGED
FRANCE TO BE INNOVATIVE
(KANTAR - BUSINESS FRANCE, 2019)



TOP 3 INVESTING COUNTRIES



27% - UNITED STATES



13% - ITALY



10% - GERMANY

A GREAT CAPACITY TO ATTRACT MAJOR R&D PROJECTS

ARM

EXPANSION OF THE SOPHIA ANTIPOLIS R&D CENTER

ARM is the leading British technology group specializing in semiconductor design.

It boosted its presence at its R&D site within the Sophia Antipolis technology park near Nice (Provence-Alpes-Côte d'Azur region) with the hiring of **200 additional highly qualified employees** over three years.

The British group decided to develop a **new-generation 6,000 sq. m. campus.**

IBM

R&D CENTER IN SACLAY

The American giant IBM has created a **French center for co-innovation in artificial intelligence at the Paris-Saclay site.**

The center will be dedicated to the development of technologies, such as artificial intelligence, cybersecurity and quantum computing.

This site will employ **350 people** within two years, **including around a hundred researchers.**

INTERNATIONAL BRANDS ATTRACTED BY THE THRIVING NATURE OF THE FRENCH MARKET

+69% increase in investments in wholesale/retail



13%

OF INVESTMENTS IN 2019

77%

WERE NEW RETAIL
OUTLETS



TOP 3 INVESTING COUNTRIES



35% - UNITED KINGDOM



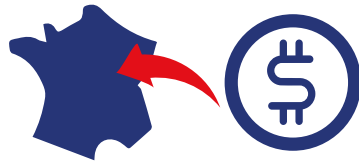
34% - GERMANY



7% - ITALY

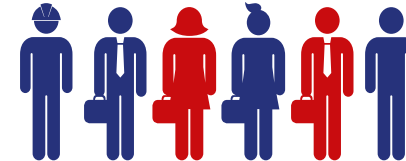
The main investments were made by British brands, such as Action France, a subsidiary of 3i Group, launched in 2018 and German brands, such as LIDL, Maxi Zoo and Snipes.

PROJECTS BENEFITING EVERY REGION



TOP 5
(by project numbers)

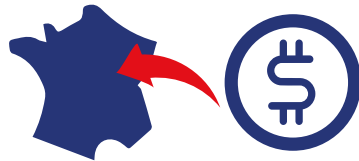
- ILE DE FRANCE →
- AUVERGNE-RHÔNE-ALPES →
- HAUTS DE FRANCE ↗
- OCCITANIE ↗
- BOURGOGNE-FRANCHE-COMTÉ ↗



TOP 5
(by job numbers)

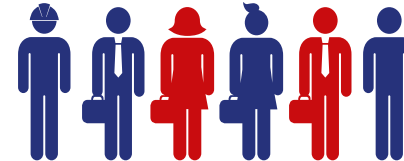
- ILE DE FRANCE ↗
- HAUTS DE FRANCE ↗
- OCCITANIE ↗
- AUVERGNE-RHÔNE-ALPES ↘
- GRAND EST ↗

THE ATTRACTIONS OF MAJOR CITIES



TOP 5 (by project numbers)

- GREATER PARIS
- GREATER LYON
- TOULOUSE CONURBATION
- AIX-MARSEILLE-PROVENCE CONURBATION
- LILLE CONURBATION



TOP 5 (by job numbers)

- GREATER PARIS
- TOULOUSE CONURBATION
- LILLE CONURBATION
- GREATER LYON
- METZ CONURBATION



INVESTMENTS SPREAD THROUGHOUT THE COUNTRY



41%

OF INVESTMENTS WERE MADE IN TOWNS WITH FEWER THAN 20,000 INHABITANTS

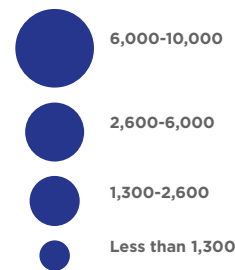
43%

OF INVESTMENTS WERE MADE IN TOWNS WITH FEWER THAN 200,000 INHABITANTS

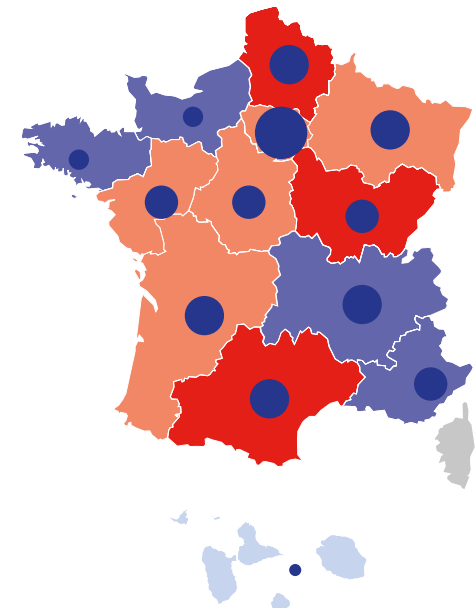


INVESTMENTS THAT CREATE JOBS THROUGHOUT THE COUNTRY

Jobs generated by foreign investors



Ratio per 1,000 jobs



INDUSTRIAL BUSINESSES MULTIPLY THEIR INVESTMENTS IN FRANCE



AGCO INCREASES ITS PRESENCE IN FRANCE

The American designer, manufacturer and distributor of agricultural machinery and solutions, **AGCO has expanded its Beauvais site** (Hauts de France region) and created 200 new jobs, thanks to the acquisition of the former Froneri production site.

The new campus will allow the complete design, validation and production of new models. At the same time, AGCO will invest €40 million to improve the quality of the site, accelerating R&D and innovation.



TECHNOALPIN CONTINUES TO EXPAND

This Italian industrial company, which is a global leader in the design and manufacture of manual and fully automated snowmaking equipment and systems, is continuing its growth in the French market.

In 2018, **Technoalpin** initiated a plan to expand its French production facility in Dardilly (Auvergne-Rhône-Alpes region). This investment of around €4 million was notably reflected in the construction of the new 1,000 sq. m. headquarters near Lyon, which were opened in April 2019.

GREATLY VALUE-ADDED PROJECTS IN SMALL TOWNS

NTN

NTN CORPORATION: EXPANSION IN ALLONNES (PAYS DE LA LOIRE REGION)

As part of its 2018-2020 investment plan, the Japanese manufacturer of automotive bearings **NTN Transmissions Europe** is injecting nearly €14 million into its production facility in **Allonnes** (Pays de la Loire region), recruiting around forty people at this site since 2018.

NTN Transmissions Europe possesses its own forge, in **Crézany**, as well as its own **research and development laboratory**.

ECOLAB®

ECOLAB OPENS A EUROPEAN CENTER IN THE HAUTS DE FRANCE REGION

Specializing in water and hygiene technologies and services, Ecolab is set to open a **European health R&D center in Sainghin-en-Mélantois** (Hauts de France region). This project will require an investment of €25 million, creating 35 jobs.

PROJECTS LOCATED IN AN INDUSTRIAL REGION

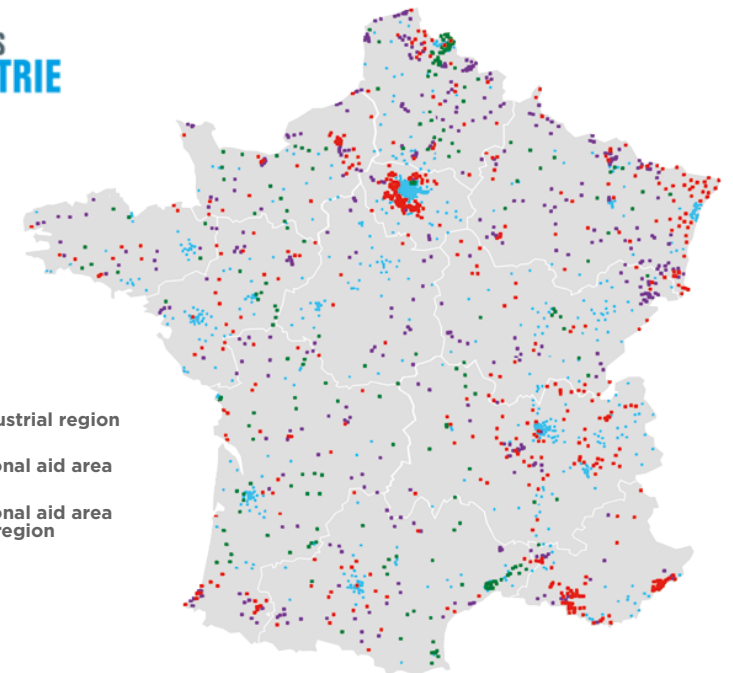


71%

OF INDUSTRIAL PROJECTS WERE LOCATED IN TOWNS OF FEWER THAN 20,000 INHABITANTS

56%

OF INDUSTRIAL PROJECTS WERE LOCATED IN AN INDUSTRIAL REGION



- Projects in an industrial region
- Projects in a regional aid area
- Projects in a regional aid area and an industrial region
- Other projects

RESPONSIBLE FOREIGN INVESTMENT



CHIESI FARMACEUTICI LABORATORY: ECOLOGICAL TRANSITION UNDERTAKEN

The expansion of the La Chaussée-Saint-Victor industrial site (Centre-Val de Loire region) announced in July 2019 is part of the Italian group's social and environmental responsibility strategy.

Chiesi is the first pharmaceutical laboratory to receive **B Corp certification**, which rewards its commitment to social and environmental responsibility and **carbon neutrality** by 2035.



GRUPO SIFU: ACTIONS TO PROMOTE BETTER SOCIAL INCLUSION

Grupo Sifu is a Spanish “adapted company”, specializing in the provision of services **promoting the socio-professional inclusion of its workers, 90% of whom are disabled.**

This socially responsible project has created **200 jobs in Nouvelle Aquitaine** since its establishment in the region in September 2018.

The company plans to create up to 800 jobs across the country within the next three years.

BUSINESS FRANCE'S PERFORMANCE

Connect, Fast-Track, Succeed



1,500
PROFESSIONALS



4,000+
PROJECTS SUPPORTED SINCE 2017



100,000+
JOBS GENERATED BY INVESTMENT



BUSINESSFRANCE

BUSINESS FRANCE SUPPORTED



57%
OF THE PROJECTS
IN THE ANNUAL REPORT



53%
OF THE JOBS CREATED
OR MAINTAINED

Annual Report

Foreign investment in France

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Case studies

Case studies

AGRICULTURAL MACHINERY



BUSINESS PROJECT

Significant expansion of the Massey Ferguson site in Beauvais (Hauts de France) for new cutting-edge, Industry 4.0 infrastructure, including 3D printing to manufacture small volumes of complex parts.

Production target: 18,000 agricultural tractors per year.

KEY DATA

Investment: Nearly €40 million between 2019 and 2021; 200 jobs created.

AGCO is the leading employer in the Oise *département* (2,600 people).

DECISIVE ADVANTAGE

The attractiveness of the Beauvais center of expertise and international research into agricultural machinery (Pim@tec, CETIM, AgriLab, etc.).

SUPPORT FROM BUSINESS FRANCE AND ITS PARTNERS

Support at every level (France and global headquarters, participation of the CEO in the "Choose France" conference) and by local authorities (State Prefect, authorities from the region and *département*).

Eligibility studies for the project as to the different types of support and complementary financing.

Case studies

R&D CENTER IN MAINTENANCE

KONECRANES™



BUSINESS PROJECT

Creation in France of a world-class scientific R&D center oriented in the fields of predictive analysis, computerized measurement of the wear of components and the anticipation of maintenance.

KEY DATA

60 jobs created.

DECISIVE ADVANTAGE

Incentives for research and development, excellent research capacity.
Quality, availability and cost of engineers in France.

SUPPORT FROM BUSINESS FRANCE AND ITS PARTNERS

Awareness campaign on the attractiveness of doing R&D in France, particularly French advances in artificial intelligence and talent. Visits programmed in Nice and Lyon for this project. Participation of the CEO in the “Choose France” conference.

Case studies

PHARMACEUTICAL INDUSTRY



BUSINESS PROJECT

Significant expansion of the La Chaussée-Saint-Victor (Centre-Val de Loire region) industrial site producing pharmaceuticals in the form of inhaler sprays for respiratory diseases, a strategic site for exporting innovative products (70% of output is exported).

KEY DATA

Investment: €50 million / 50 jobs created.

DECISIVE ADVANTAGE

Quality of the workforce and local industrial base.

SUPPORT FROM BUSINESS FRANCE AND ITS PARTNERS

Support to obtain the necessary fiscal guarantees needed to ensure project viability (tax exemption, consideration of R&D investments and production carried out in the European Union in negotiations to fix and revise prices).

Case studies

TAKEOVER OF INDUSTRIAL SITES



BUSINESS PROJECT

Takeover of industrial coachbuilder Durisotti (three sites - 200 jobs) and two vehicle component suppliers in Poitou, Nouvelle Aquitaine (600 jobs).

KEY DATA

Investment: €40 million / 800 jobs safeguarded.

DECISIVE ADVANTAGE

The attractiveness of France, which possesses assets and expertise in all the aluminum sector.

SUPPORT FROM BUSINESS FRANCE AND ITS PARTNERS

Support for the parent company in relationships with the local authorities and trade unions to takeover and recover these work entities.

Case studies

DIGITAL ECONOMY

arm 

BUSINESS PROJECT

Creation of a new-generation 6,000 sq. m. campus in the Sophia-Antipolis technology park to absorb the development of activities and the extension of R&D teams, and to develop new mobile application processor products destined for clients based in the United States and Asia.

KEY DATA

Investment: Confidential / 200 jobs created.

DECISIVE ADVANTAGE

The attractiveness of the Sophia-Antipolis technology park, due to the concentration of large companies, startups, teaching bodies and research laboratories.

Quality, availability and cost of researchers in France.

SUPPORT FROM BUSINESS FRANCE AND ITS PARTNERS

Promotion of the VIE international internship program and support to welcome talent due to the potentially negative impact of Brexit for the group.

Case studies

DIGITAL ECONOMY



BUSINESS PROJECT

Creation of a European R&D center in Paris to concentrate the development of European quantum computing products in a single place and to develop research partnerships with universities and public institutions in France and Europe.

KEY DATA

20 jobs created.

DECISIVE ADVANTAGE

Excellence of university training in the quantum sector.
Ease of securing a partnerships with research centers and public institutions, government investment plan for quantum computing and funding.

SUPPORT FROM BUSINESS FRANCE AND ITS PARTNERS

Joint work by Business France and CPR Asset Management to present the French quantum computing ecosystem.
Putting in touch with key players in the CAC 40.

Business France is the national agency supporting the international development of the French economy, responsible for fostering export growth by French businesses, as well as promoting and facilitating international investment in France.

It promotes France's companies, business image and nationwide attractiveness as an investment location, and also runs the VIE international internship program.

Business France has 1,500 personnel, both in France and in 64 countries throughout the world, who work with a network of public- and private-sector partners.

Since January 2019, as part of the reform of the state support system for exports, Business France has given private partners responsibility for supporting French SMEs and mid-size companies in the following markets: Belgium, Hungary, Morocco, Norway, the Philippines and Singapore.

For further information, please visit: www.businessfrance.fr
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