



FAQ

Thomas Sucic
Media Relations
thomas.sucic@ch.ey.com

1. Do you have any figures concerning volume in francs?

Information on the investment volume is not available for all investment projects. In the case of Switzerland, our research indicates an investment volume of 471 million euros (approx. 523 million Swiss francs) for the year 2019.

2. Can you explain why so many companies invest in France? It is always said that the country is overregulated and labour costs are too high.

In our view, there are several reasons: Unemployment is relatively high compared to the United Kingdom, Germany or even Switzerland, and skilled workers are not as scarce as in other European countries. The economic reforms initiated by the Macron government and its investor-friendly policies have also prompted many companies to become more involved in France. In addition to this, the upturn in the French start-up scene (also strongly supported by the Macron government) has led to many investments in promising French start-ups and, in this environment, to more investment by foreign start-ups in France.

3. Poland: how do you explain this decline? With production costs too expensive, investors would rather choose Spain?

In Poland, investments rose very sharply in 2018, only to fall back to the 2017 level in 2019. The decline in 2019, which at first glance appears to be sharp, should therefore not be overestimated. Only the coming years will show whether we are actually facing a downward trend. The fact is that unemployment in Poland is now very low and labour costs are rising. However, Poland still attracts the most foreign investment in Eastern Europe (ahead of Russia and Hungary). By far the most important investors in Poland are German and US companies, whose willingness to invest will depend to a large extent on how Poland develops as an investment location. In the post-Covid-19 period, we believe that Poland (as well as other Eastern European countries) will benefit from the fact that the health and economic impact of the pandemic will be limited compared to Southern Europe.

4. Transportation manufacturers: Do you know of any companies that have initiated investment projects?

The largest investment projects in Europe in this area last year were Tesla's



construction of a factory in Brandenburg, Germany (approx. 14,000 jobs), the construction of a factory by the British automotive supplier Aptiv in Serbia (2,000 jobs) and the construction of a factory by the South Korean automotive supplier Yura Tech in Albania (600 jobs).

5. Do you have an explanation for the decline in investment projects since 2017?

In our view, investment in Europe is still at a high level, even though there has been a slight decline since the record year. The uncertainty surrounding Brexit, the relatively weak economic development in Europe in recent years and the current global trend towards more trade barriers and trade disputes are certainly contributing to this decline.

6. Investors in Switzerland: Are these multinationals or SMEs?

Investors in Switzerland are made up of international corporations (e.g. UPS, Lufthansa, Merck KGaA, BASF, Adidas, Facebook), consulting firms, and companies from the financial sector. Businesses take the form of medium-sized companies as well as start-ups.

7. Do you have any figures for Q1 2020? You are expecting a reduction of 35–50% for the whole year.

We do not collect the data during the year, but rather at the beginning of the following year. We therefore do not have any data for Q1 2020.