

FDI REPORT 2018

BERLIN, MAY 12, 2019

Thomas Bozoyan
Senior Manager FDI Competence Center
www.gtai.de



Agenda/Contents

FDI Report 2018

1. **Executive summary**
2. Analysis of greenfield and expansion investments
3. Results of the Brexit Survey

FDI Report – Summary

Germany recorded more than 4,900 foreign investments in 2018.

FDI Report 2018 results

- Altogether, Germany's federal states registered a record of 2,062 settlement projects (greenfields, expansions, relocations, **not** M&A) in 2018.
- Additionally, foreign companies in Germany registered 2,852 M&A transactions, 497 of which involved foreign investors buying up more than 50% of shares.
- The US led the way in terms of greenfield projects with 345, while most of the new facilities (more than 40%) were from the EU.
- Foreign investors tend to prefer investing in corporate and financial services, with the ICT and Communications sector a close second.
- 17% of the companies use Germany as a production or R&D location.
- In a poll, conducted by Germany Trade & Invest 45% of British firms said that Brexit had influenced their decision to invest in Germany.

Source: Federal state economic development agencies, GTAI, Zephyr database Bureau van Dijk

Note: M&A transactions include also minority investments

Agenda/Contents

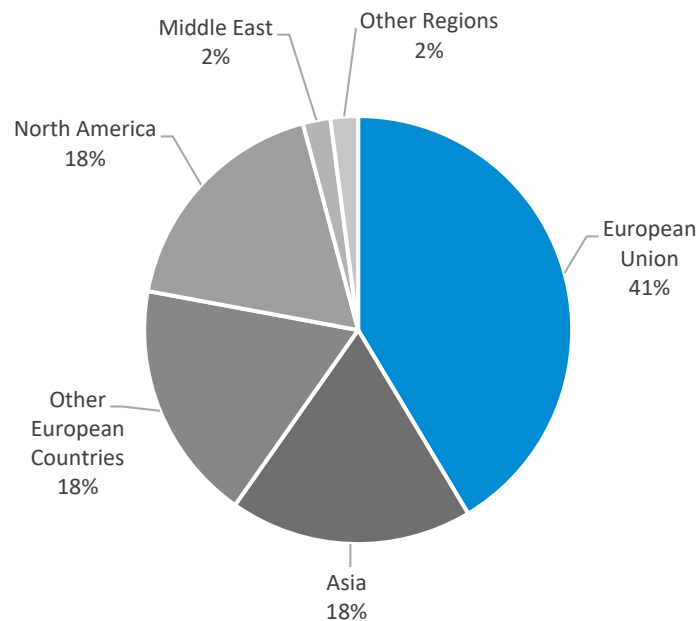
FDI Report 2018

1. Executive summary
2. **Analysis of greenfield and expansion investments**
3. Results of the Brexit Survey

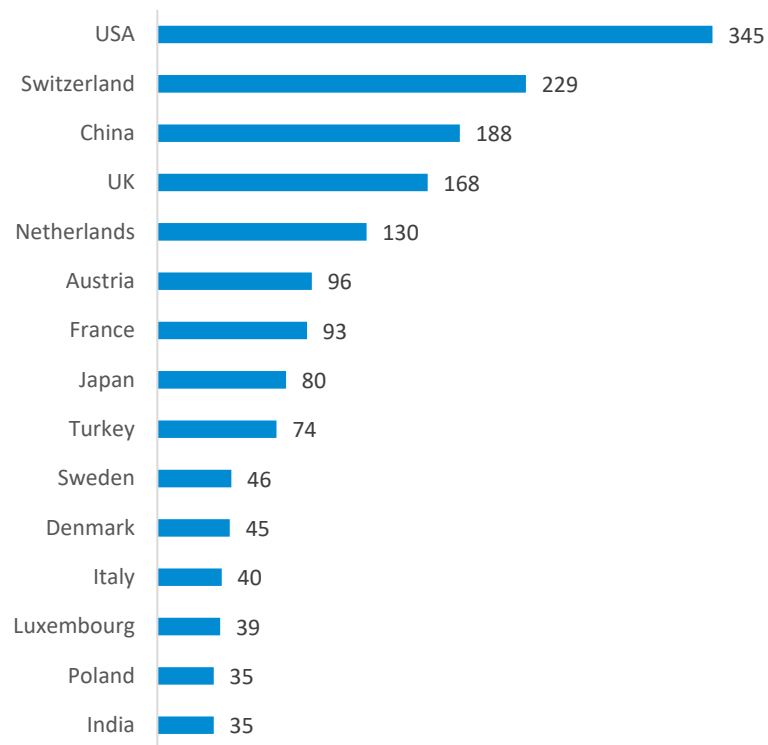
FDI Report – Analysis

The most important region making greenfield and expansion investments is the EU. The USA remains the most important investor country.

Origins of greenfield- & expansion investments by region in 2018



Origins of greenfield- & expansion investments by country in 2018 (no. of projects)



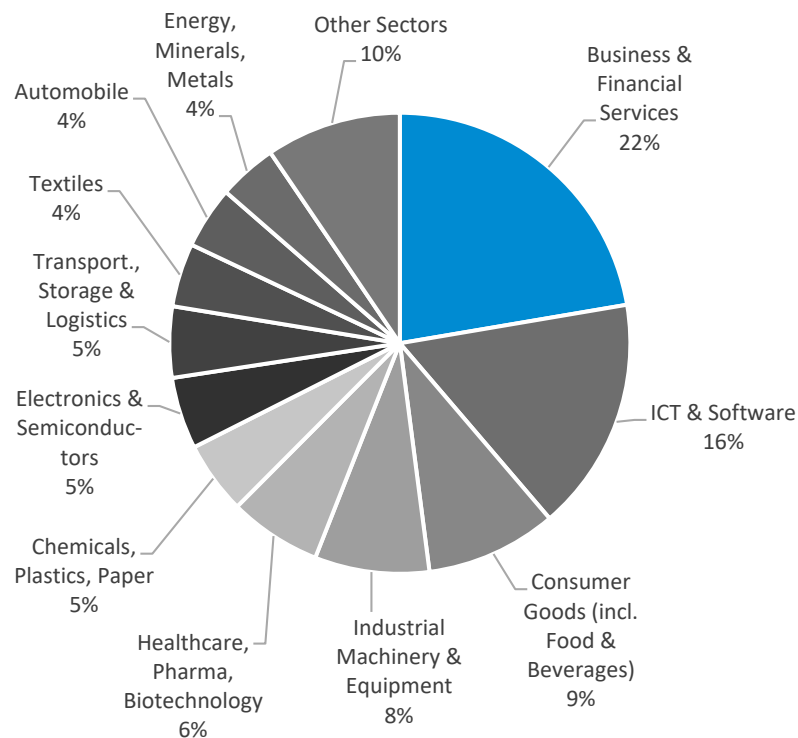
Source: Federal state economic development agencies, GTAI

Source: Federal state economic development agencies, GTAI

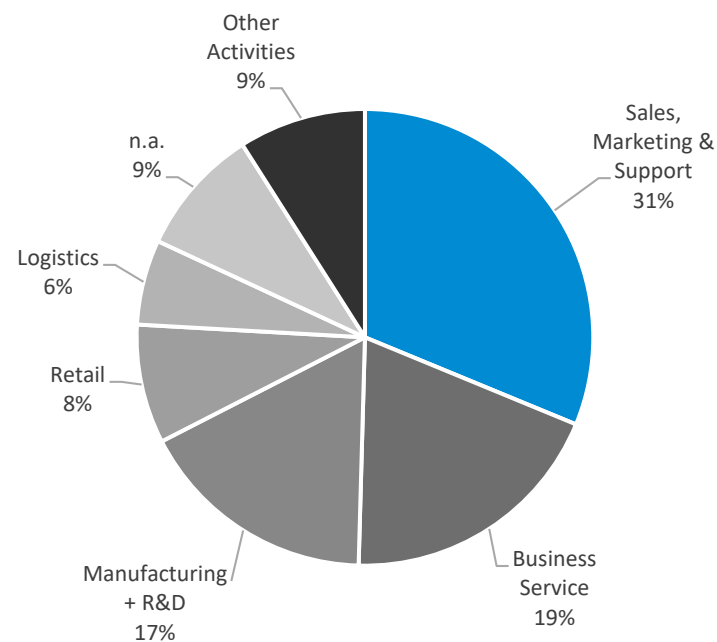
FDI Report – Analysis

International companies take advantage of the wide spectrum of industry sectors available in location Germany.

Greenfield- & expansion investments by sector in 2018



Greenfield- & expansion investments by business activity in 2018



Source: Federal state economic development agencies; GTAI

Source: Federal state economic development agencies; GTAI

Agenda/Contents

FDI Report 2018

1. Executive summary
2. Analysis of greenfield and expansion investments
- 3. Results of the Brexit Survey**

FDI Report – Brexit Poll

For 45% of businesses GTAI asked, Brexit was a reason to invest in Germany

Results of the Brexit Poll

- Brexit is THE political and economic issue in Europe right now. But the direct effects have previously not been quantifiable.
- Germany Trade & Invest reached out to the 168 British firms that according the federal German state's economic promotion agencies established businesses in Germany in 2018. We wanted to know if Brexit had played a role in their decision-making.
- Findings:
 - 38% of the companies answered.
 - 45% of those firms said that Brexit had influenced their decision to invest in Germany.
 - Brexit was a reason for many firms to accelerate their investment in Germany.
 - Many respondents also highlighted the attractiveness of the German market.

Source: GTAI

Contact Us

Germany Trade & Invest is the economic development agency of the Federal Republic of Germany. The company helps create and secure extra employment opportunities, strengthening Germany as a business location. With more than 50 offices in Germany and abroad and its network of partners throughout the world, Germany Trade & Invest supports German companies setting up in foreign markets, promotes Germany as a business location and assists foreign companies setting up in Germany.

Contact

Thomas Bozoyan

T +49 (0)30 200 099-502

thomas.bozoyan@gtai.com

Berlin

Friedrichstraße 60

10117 Berlin

www.gtai.com

Bonn

Villemombler Straße 76

53123 Bonn

www.gtai.de

Supported by the Federal Ministry for Economic Affairs and Energy
on the basis of a decision by the German Bundestag.