



How attractive is Switzerland for Japanese investors?

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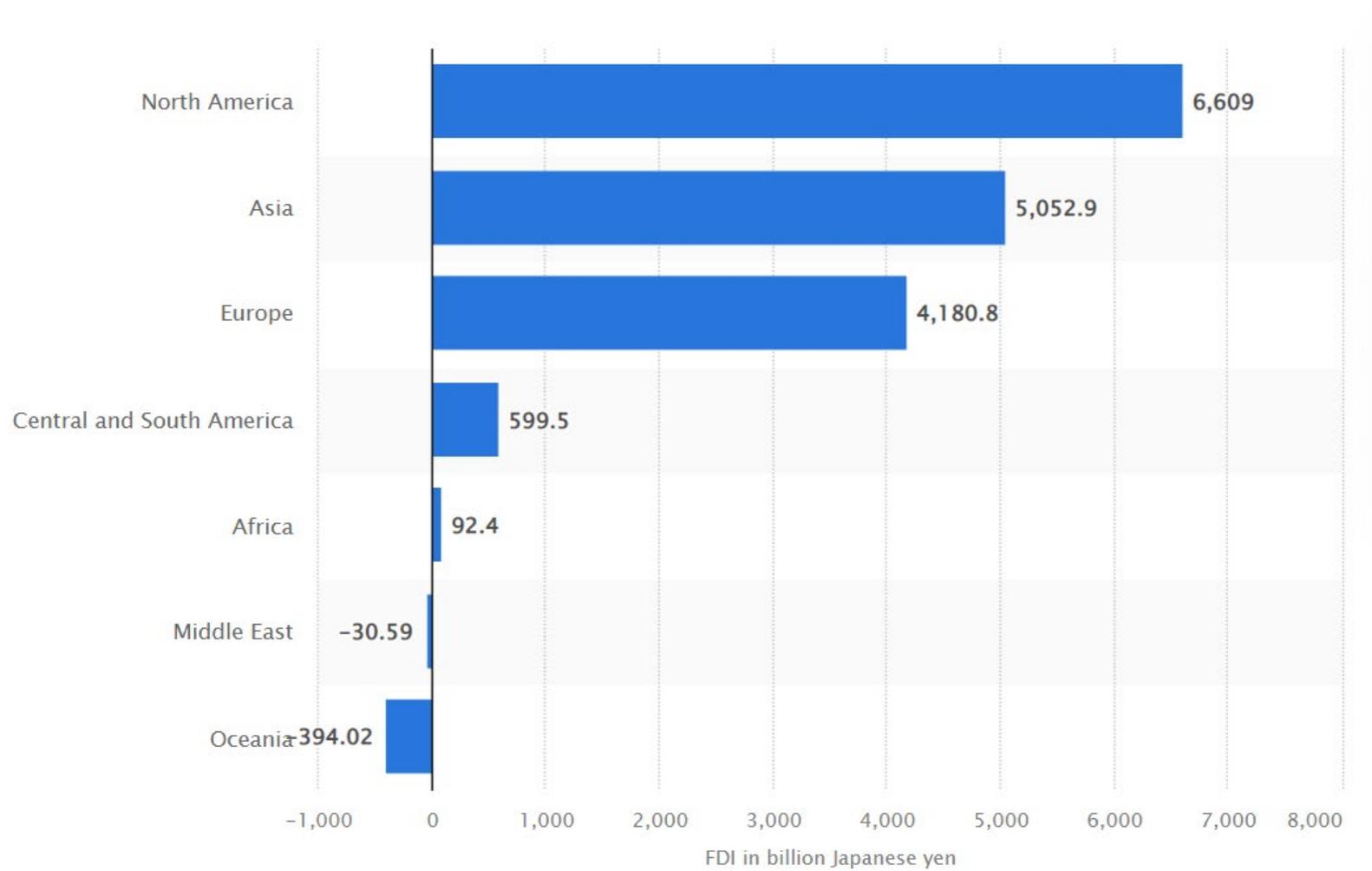
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Annual Reception Parliamentary Group Switzerland-Japan

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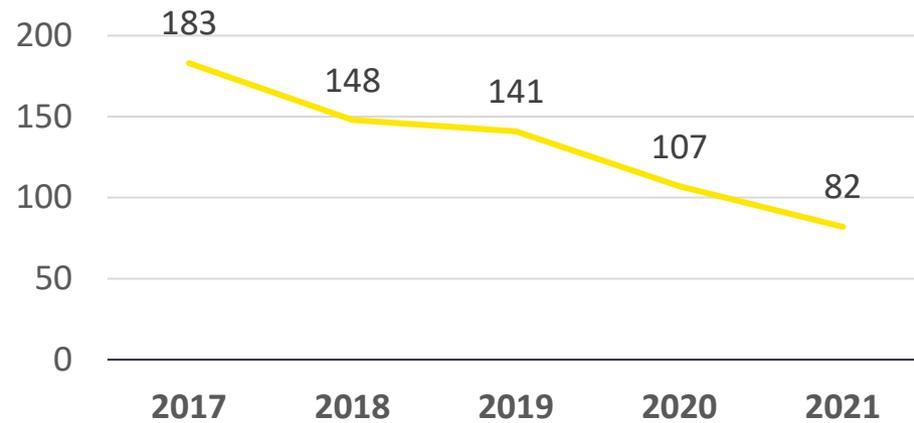
Japan's outward foreign direct investment (FDI) flows in 2021, by region



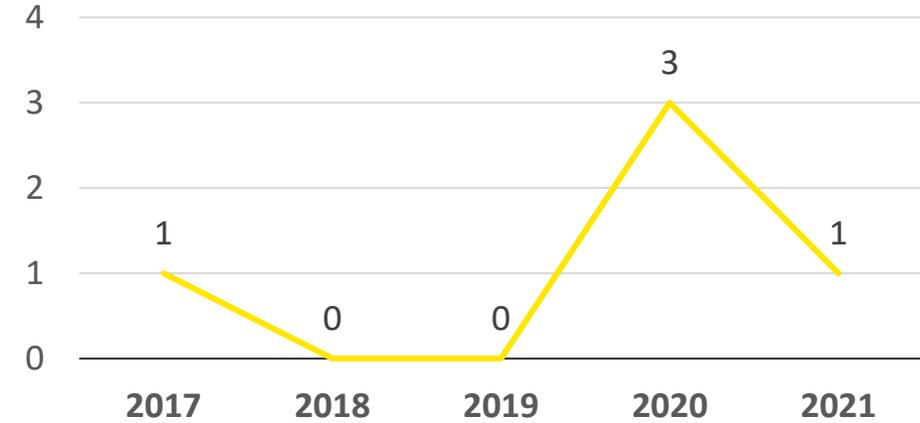
Source: Statista

Foreign direct investments (FDIs) from Japan to Europe and Switzerland

Japanese FDIs in Europe (2017-2021)



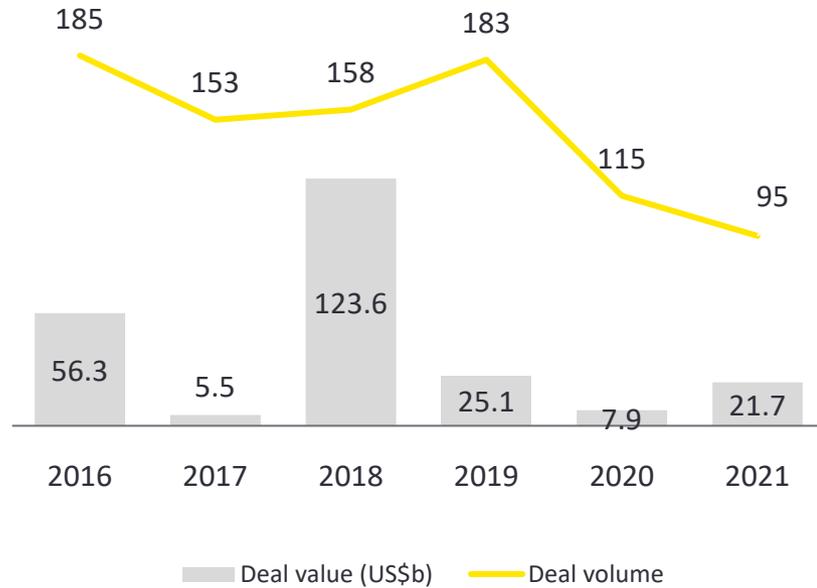
Japanese FDIs in Switzerland (2017-2021)



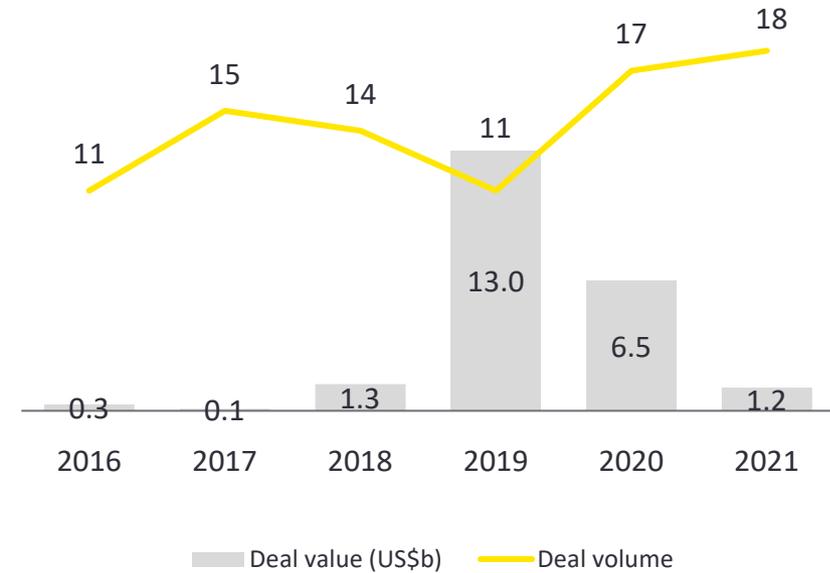
Source: EY Europe Attractiveness Survey 2022;

M&A activity between Japan and Europe

Japanese investments in European companies during 2016-2021



European investments in Japanese companies during 2016-2021



Notes:

1. Europe comprises of Europe West, Nordics, UK&I and CESA
2. Source: Dealogic and EY analysis

Top 10 deals of Japanese companies in Europe (2016-2021)

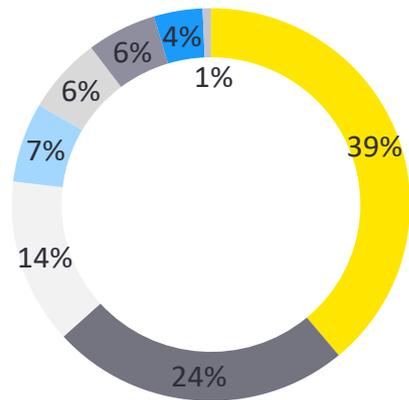
| Date | Target | Target Country | Acquirer | Value (US\$m) |
|-----------|---|--------------------|--|---------------|
| 19-Apr-18 | Shire plc (100%) | United Kingdom | Takeda Pharmaceutical Co Ltd | 81,645 |
| 18-Jul-16 | ARM Holdings plc (98.58%) | United Kingdom | SoftBank Group Corp Softbank Vision Fund LP | 31,792 |
| 17-Dec-18 | ABB Ltd (Power grid division, 80.1%) | Switzerland | Hitachi Ltd | 9,410 |
| 13-Dec-16 | SABMiller Ltd (CEE beer brands, 100%) | Czech Republic | Asahi Group Holdings Ltd | 7,760 |
| 22-Oct-18 | Magneti Marelli SpA (100%) | Italy | Calsonic Kansei Corp | 6,666 |
| 07-Feb-21 | Dialog Semiconductor plc (100%) | United Kingdom | Renesas Electronics Corp | 5,887 |
| 5-Jul-18 | Praxair Deutschland Holding GmbH (100%) | Germany | Taiyo Nippon Sanso Corp | 5,843 |
| 25-Nov-19 | Eneco Groep NV (100%) | Netherlands | Mitsubishi Corp (80%-20%) Chubu Electric Power Co Inc | 5,064 |
| 22-May-18 | EMI Music Publishing Ltd (60.2%) | United Kingdom | Sony Corp Sony Corporation of America | 3,659 |
| 29-Jun-19 | Arctic SPG 2 000 (10%) | Russian Federation | Mitsui & Co Ltd Japan Oil Gas & Metals National Corp Japan Arctic LNG BV | 3,105 |

Notes:

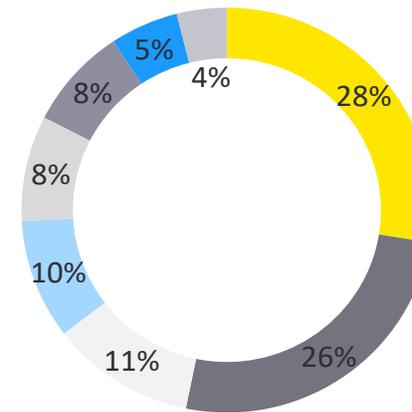
1. Europe comprises of Europe West, Nordics, UK&I and CESA
2. Source: Dealogic and EY analysis

Industry sectors Japanese companies are investing into in Europe

Deal value by target sector during 2016-2021



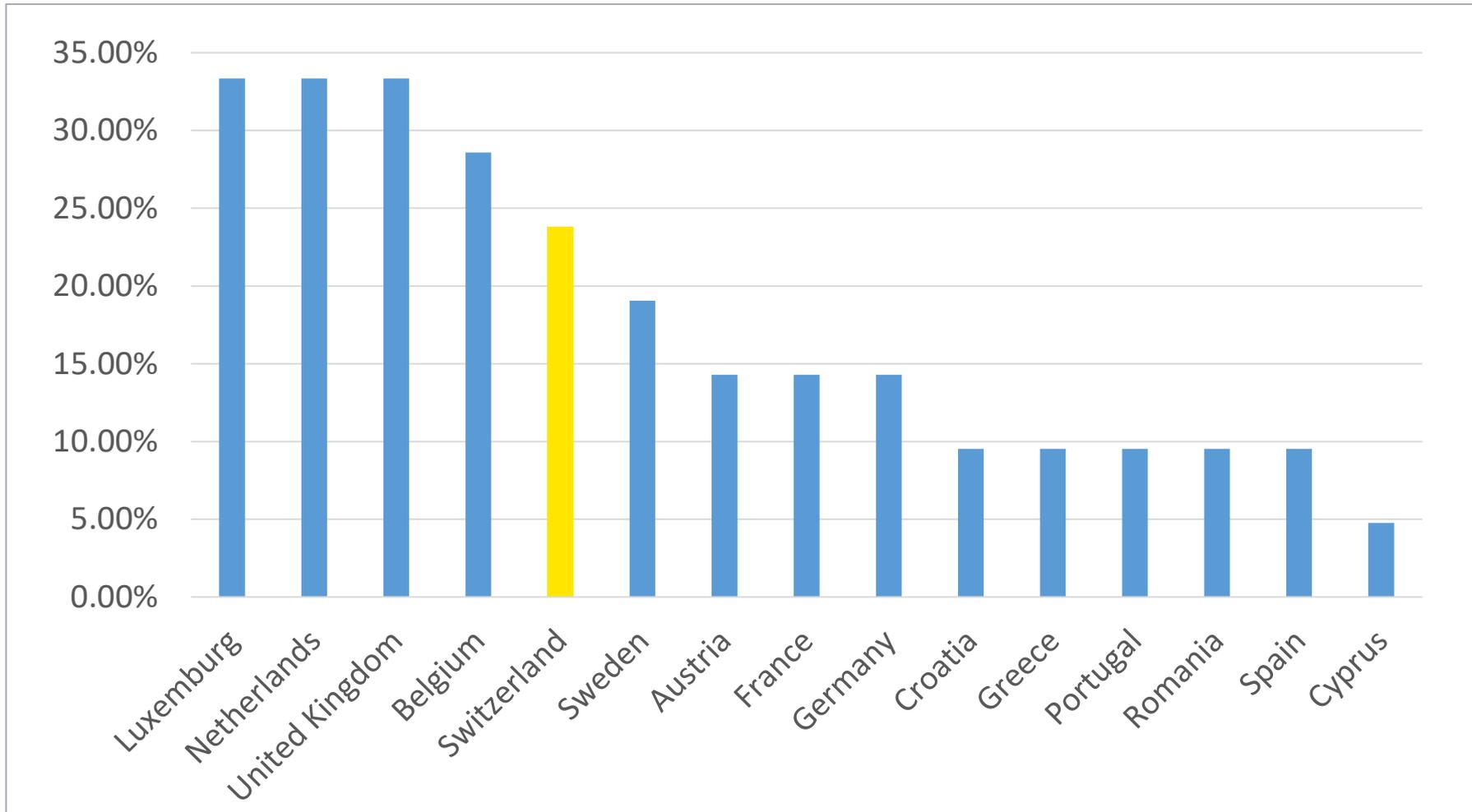
Deal volume by target sector during 2016-2021



Notes:

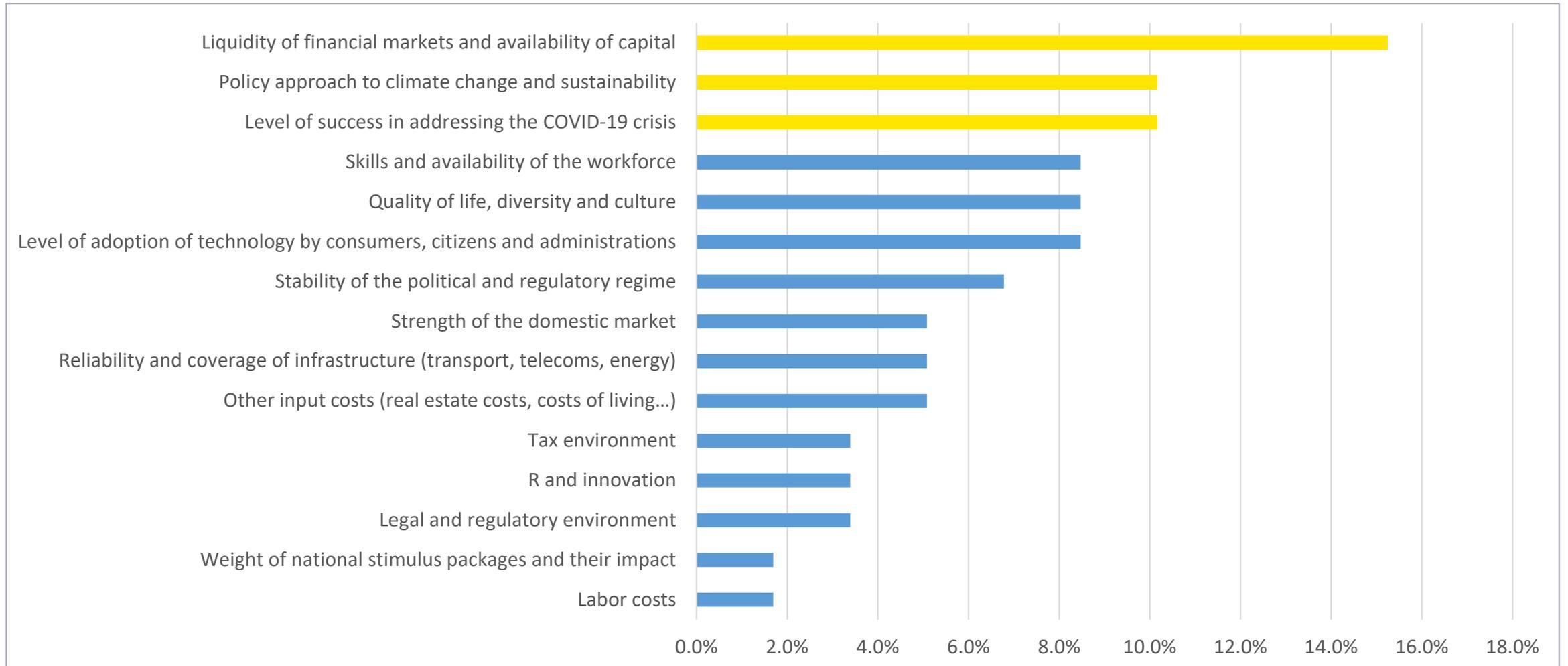
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2. Source: Dealogic and EY analysis

Most attractive European countries for foreign direct investments (FDIs) from Japan



Source: EY Europe Attractiveness Survey 2022; three countries could be named by each respondent

What three factors are most important for Japanese multinational companies when choosing a country to invest in?



Source: EY Europe Attractiveness Survey 2022; three factors could be named by each respondent

Conclusions

- ▶ Europe not anymore #1 investment destination for Japanese MNCs
- ▶ Most FDIs of last five years went into Germany (174), UK (86), France (77) and the Netherlands (44)
- ▶ Only five FDI projects in Switzerland during that period
- ▶ Last significant M&A deal in Switzerland: Hitachi Energy (2018)
- ▶ Most relevant sectors: Life Sciences, Technology, Manufacturing & Mobility
- ▶ Switzerland perceived as Top 5 location for investments, scores strongly on Top 7 location selection criteria, but reality looks different



Need for more proactive location and FDI promotion in Switzerland