



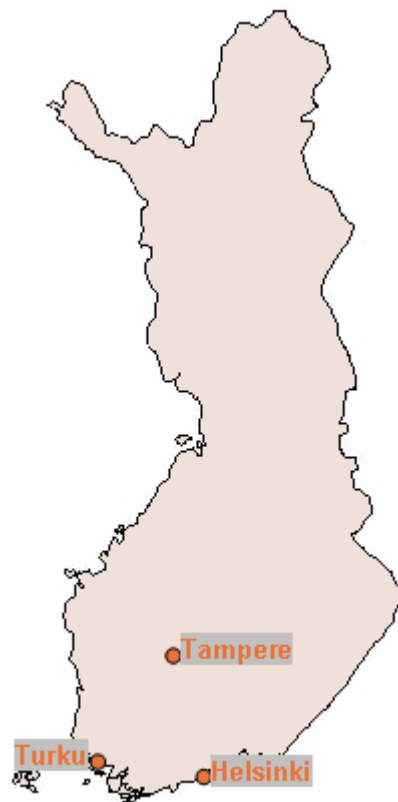
# **Finnish investments in France**



## Finland - Introduction

### Country facts:

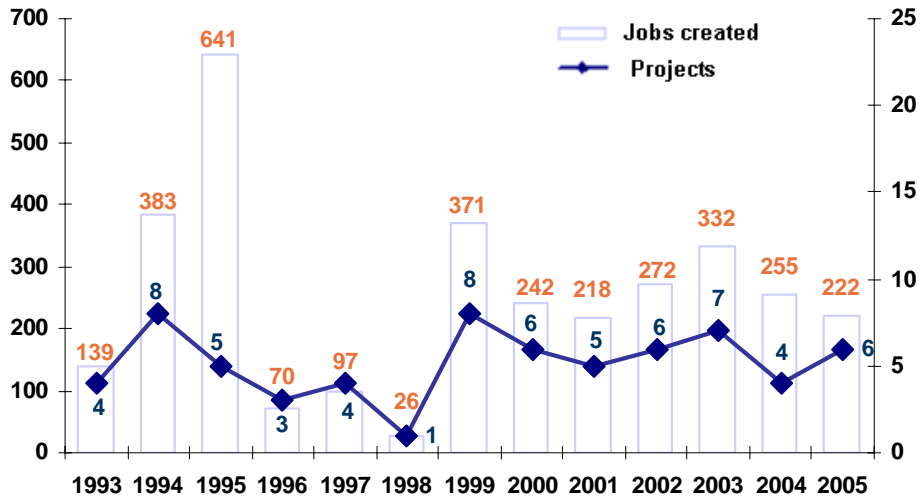
- 340 000 sq km
- 5,2 million population
- GDP: 138 billion €
- Main industries: **metals, electronics, shipbuilding, iron and steel industry.**



- Finland is situated in Northern Europe and is a member of the European Union and the Euro zone.
- Boarder countries are Russia (East), Sweden (North) and Norway (North West).
- Finland is a people's democracy. The President of the Republic of Finland is Mrs Tarja Halonen. The Prime Minister is M. Matti Vanhanen (Centre Party).

## Finland – Main statistics

### Number of investment projects and jobs created



■ Since 1993, Finnish companies have carried out 67 investment projects in France with an average of 5,2 projects per year.

■ These 67 projects have resulted in either creating or consolidating 3268 jobs in France, which represent an average of 251 jobs per year.

■ Since 1999, the number of investments has stabilized, fluctuating between 4 and 8 projects per year with between 222 and 371 jobs created per year.

■ The 4 biggest Finnish groups in France represent more than 70% of the employments with a total of 7400 employees.

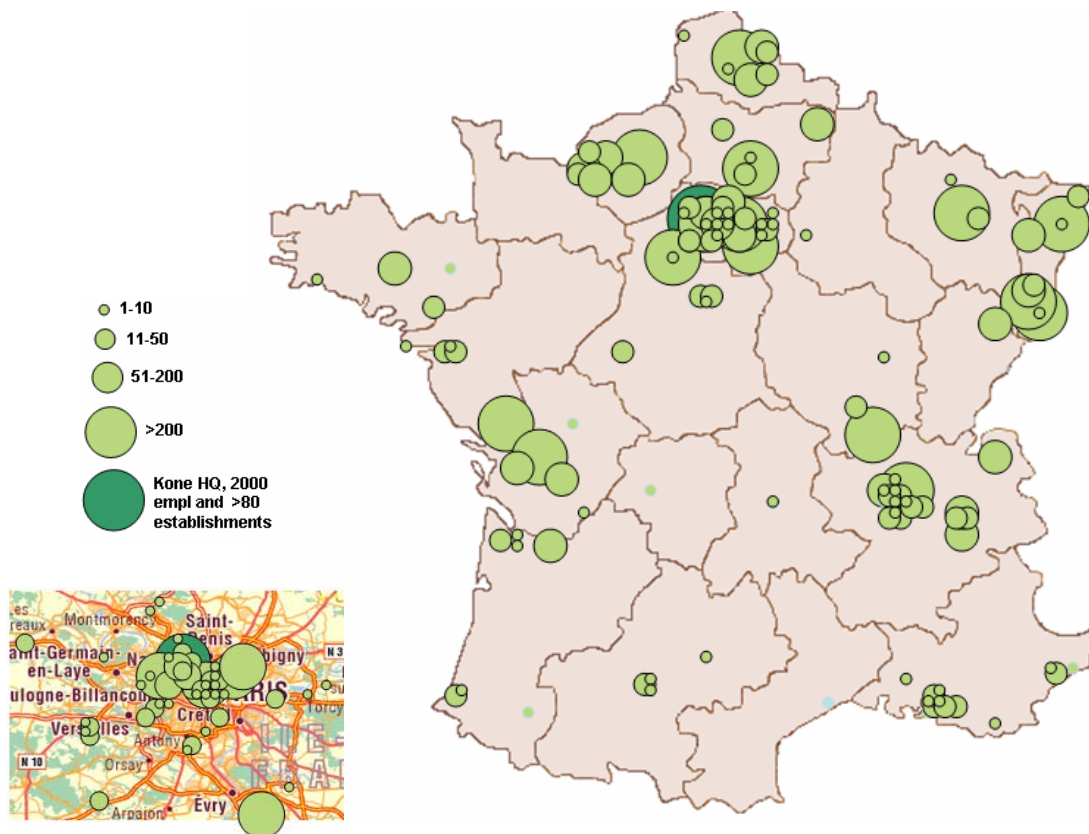
■ The number of establishments (office, production facility or other) per Finnish company in France is 3.

#### Short facts:

- 95 Finnish companies in France
- 290 establishments
- 12800 employees
- Main Finnish groups in France:
  - Koné: 2000 employees in France
  - UPM: 1600 employees in France
  - Ahlström: 1500 employees in France
  - Stora Enso: 1300 employees in France
  - Ciba: 1000 employees in France

(Estimated figures)

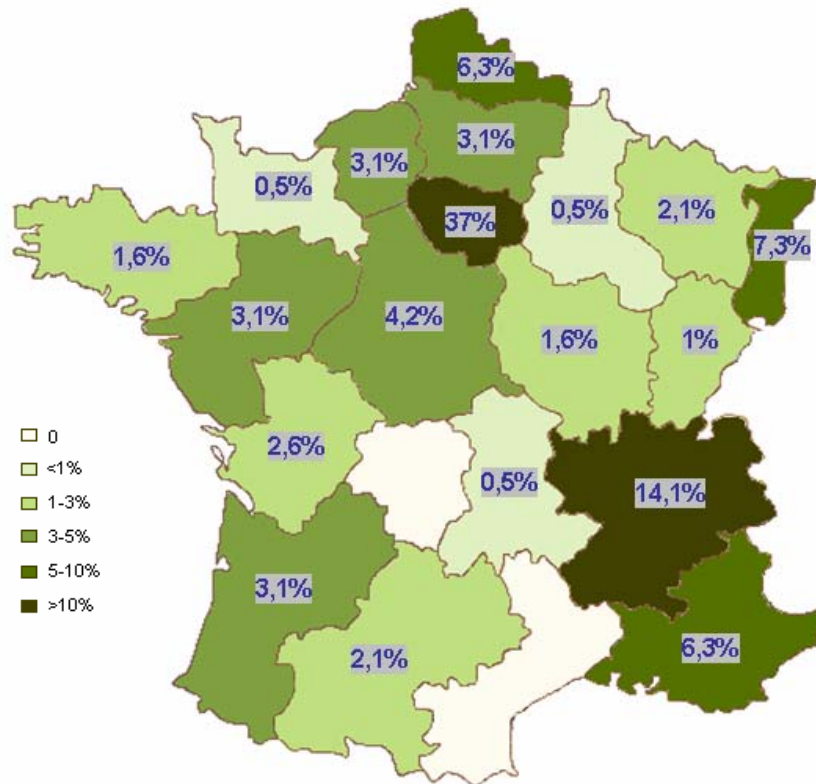
## Finnish presence in France



**Finnish establishments in France,  
by concentration of manpower**

- The map shows the geographical location of Finnish subsidiaries.
- For instance, KONÉ has more than 15 establishments in France.
- Altogether, the 5 biggest Finnish groups employ over 7400 people in France.

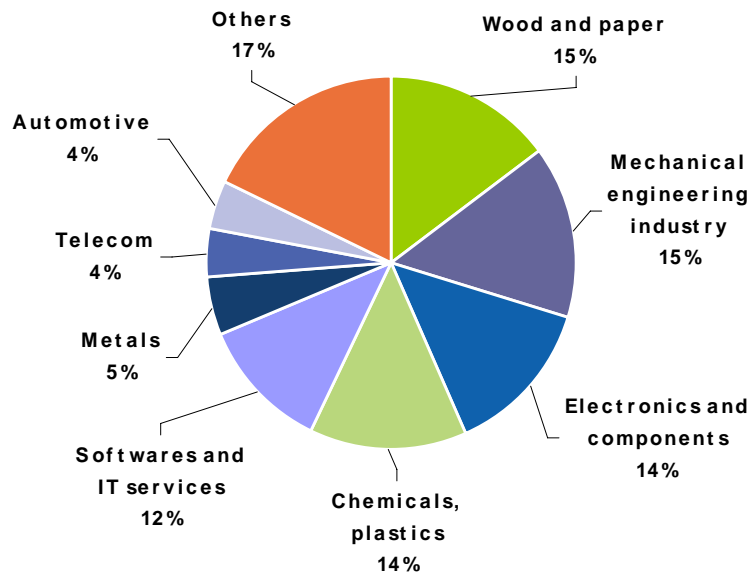
## Finnish presence in France



**Finnish establishments in France,  
breakdown by region**

- Paris and Lyon are highly attractive locations for Finnish companies. More than 50% of Finnish establishments in France are concentrated to these regions (Paris region 37% and Rhône-Alpes 14%).
- 3 other regions are in the forefront: Nord-Pas-de-Calais (6,3%), PACA – Provence-Alpes-Côte d'Azur (6,3%) and Alsace (7,3%).
- The Finnish presence is significant also in those regions surrounding Paris: Centre (4,2%), Haute-Normandie (3,1%) and Picardie (3,1%).
- Finnish establishments are not spread out homogeneously on the territory: 80% of them are concentrated to 40% of the regions. (The 8 regions mentioned.)

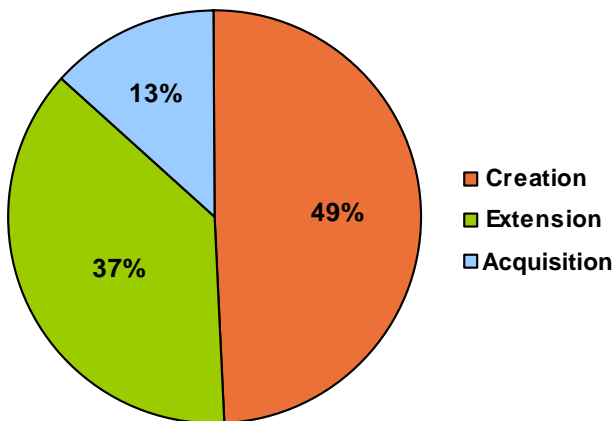
## Finnish presence in France



### Activity of Finnish subsidiaries in France divided by sectors

- Over all, the main industries are well represented.
- Nevertheless the five largest sectors: Wood & Paper industry (15%), Mechanical Engineering industry (15%), Electronics and Components (14%), Chemicals and Plastics (14%) and Software and IT services (12%) represent only 2/3 of Finnish activities in France.
- Finnish presence is significant in three other sectors: Metals (4%) Telecom (4%) and Automotive (5%)

## Finland – Project typology (1993-2005)



Projects	Creation	Extension	Acquisition	Total
1993	0	2	2	4
1994	1	4	3	8
1995	2	1	2	5
1996	1	2	0	3
1997	2	2	0	4
1998	0	1	0	1
1999	6	1	1	8
2000	4	2	0	6
2001	5	0	0	5
2002	3	3	0	6
2003	4	2	1	7
2004	2	2	0	4
2005	3	3	0	6
<b>Total</b>	<b>33</b>	<b>25</b>	<b>9</b>	<b>67</b>

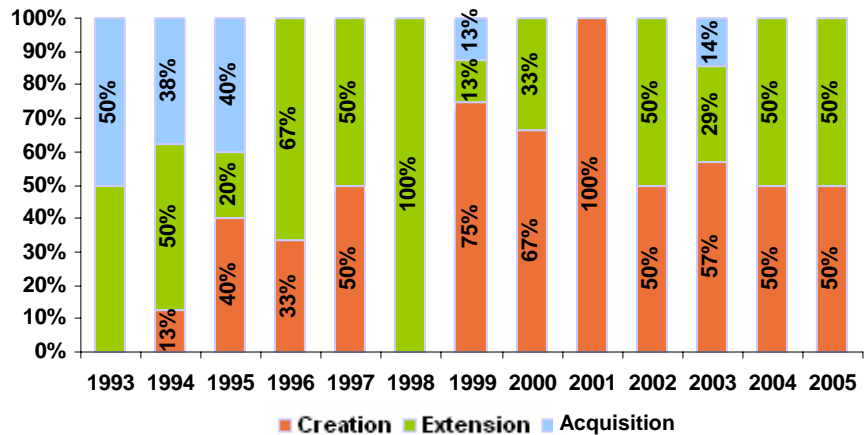
### Finnish projects since 1993 sorted by type

**Creation:** supposes the setting up of a new structure/operation in France  
**Extension:** involves the expansion of present activities or an existing site  
**Acquisition:** concerns, in this context, the acquisition of French businesses in serious difficulty

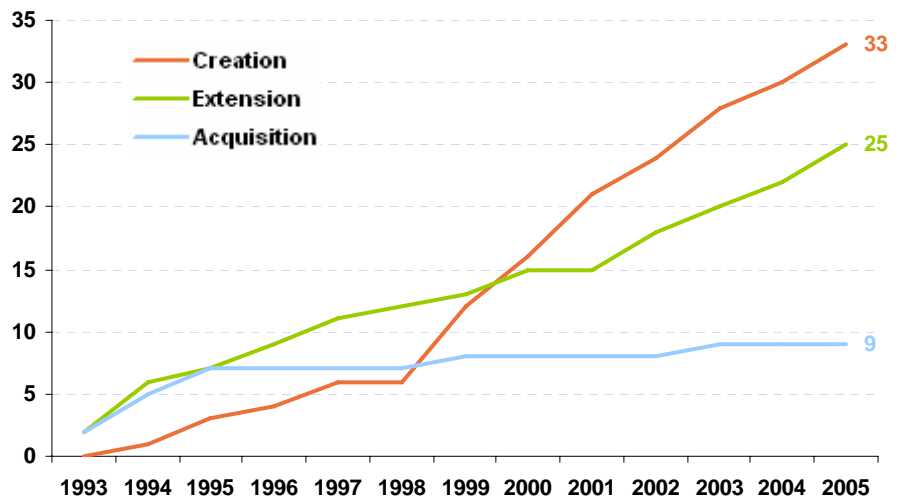
- Creations (set-ups) represent half of all Finnish investments. 33 out of 67 projects were creations.
- Acquisitions represent a relatively low number with only 13% of the projects. During the period 1996-2005 acquisitions represented only 4% of all Finnish investments (2 projects were acquisitions out of 50 registered projects).
- Since 2002 there are almost as many extension projects as there are creation projects; on average 3 projects of each kind are realized every year.

## Finland – Typology of the projects (1993-2005)

Finnish investment projects since 1993

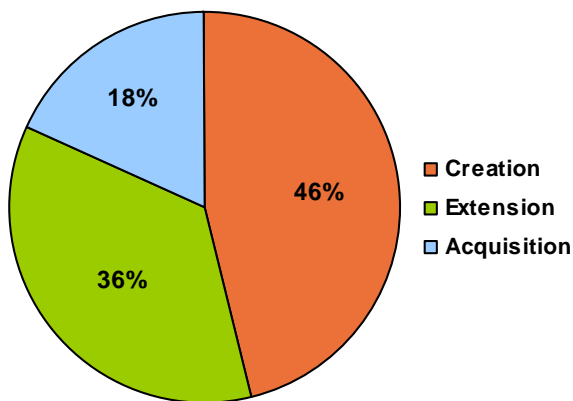


Evolution of the projects registered since 1993 by type



- Since 1997, creations have represented at least 50% of registered operations. In 1998 and in 2001, set-ups even represented 100% of realized investments.
- Since 2001, the number of extension projects has also increased favourably.
- Take over and acquisition projects are rare which is illustrated by the results for the 5 passed years. In total, only 9 successful acquisition projects have been registered during the past 13 years.

## Finland – Typology of job creation (1993-2005)



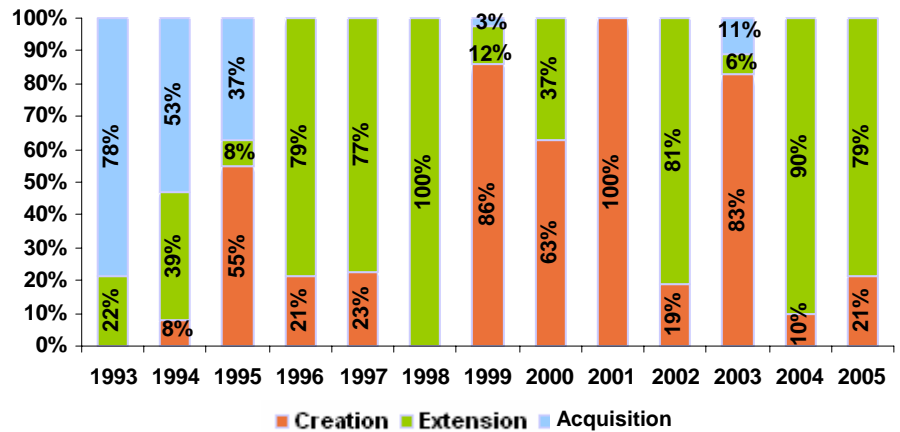
Jobs	Creation	Extension	Acquisition	Total
1993	0	30	109	139
1994	30	149	204	383
1995	351	51	239	641
1996	15	55	0	70
1997	22	75	0	97
1998	0	26	0	26
1999	318	43	10	371
2000	152	90	0	242
2001	218	0	0	218
2002	52	220	0	272
2003	275	20	37	332
2004	25	230	0	255
2005	47	175	0	222
<b>Total</b>	<b>1505</b>	<b>1164</b>	<b>599</b>	<b>3268</b>

### Jobs created since 1993 by typology

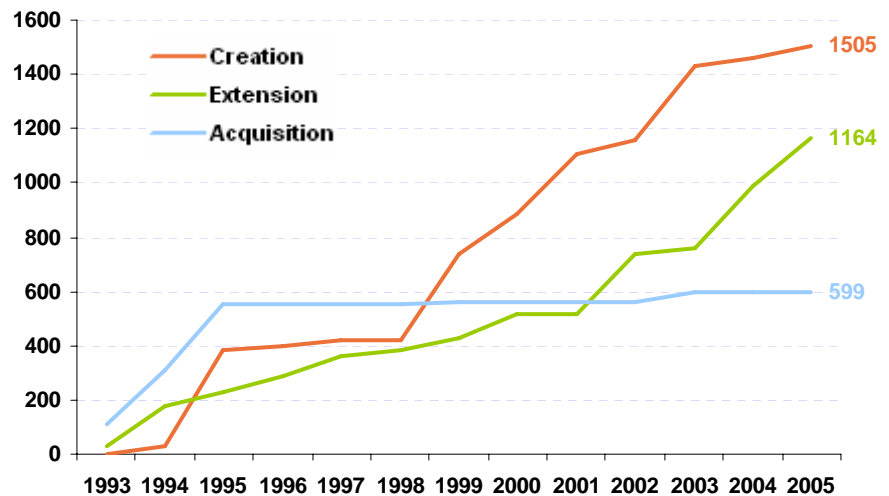
- Creations generated almost half of the job opportunities since 1993.
- Extensions also accounted for a significant part since 36% of the jobs created stemmed from this type of operations.
- On the contrary, hardly any job creation during the last 10 years has resulted from acquisition projects.

## Finland – Typology of job creation (1993-2005)

Number of jobs created or consolidated since 1993, sorted by project type



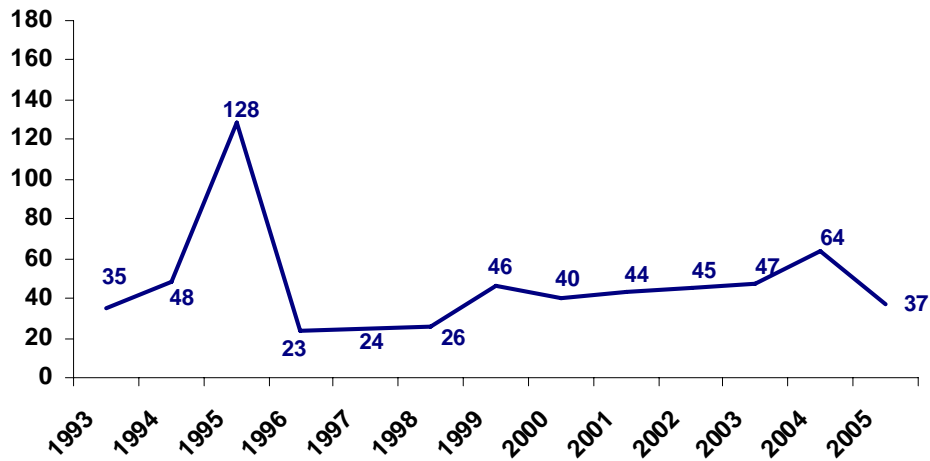
Evolution of the job creation since 1993



■ The graphics show that job creation through set up of new establishments (creation) has been preponderant during a long period of time.

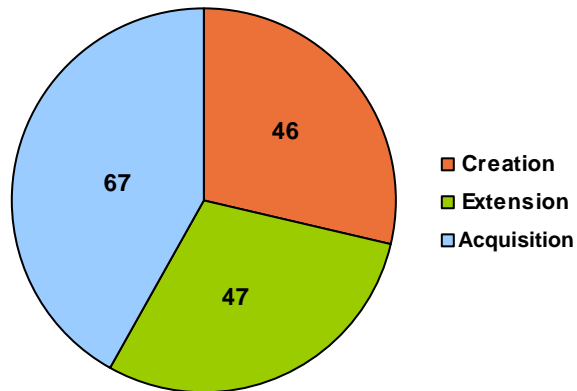
■ Since 2 years (2004 and 2005) a major part of the created jobs stemmed from extensions of existing Finnish businesses in France. This effect is mostly due to projects by the Finnish company KONÉ which should continue during 2006.

## Finland – Project sizes (1993-2005)



Evolution of the job creation per project since 1993

Average number of jobs created by type of project



- Since 1998 and without taking into account a significant increase in 2004, the number of jobs created per investment project is somewhere around 40.
- The creation or extension projects are more or less of the same size.