

FRANCE WITHIN THE EU SINGLE MARKET FEWER BARRIERS, MORE OPPORTUNITIES

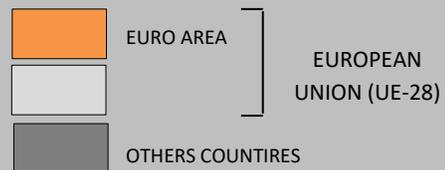


EU 28 KEY FIGURES

- POPULATION: 513 MILLION INHABITANTS
- GDP: 17 112,922 BILLION DOLLARS (2018)

THE SINGLE MARKET

-FREE MOVEMENT OF THE PEOPLE, GOODS, SERVICES AND CAPITAL



KM	500	1 000	2 000	3 000
MILLIONS CONSUMERS	67,12	232	517	662

A leading world economy

Henceforth classified as the 7th largest economy in the world with an estimated GDP of USD 2.583 billion for 2017 (World Bank, 2018), France has achieved a growth of 1.9%, the highest level in six years.

Major market potential: France, ranked as the 20th biggest country in the world, has a population of more than 67 million with a strong purchasing power.

As a member and founder of the European Union, its strategic location at the heart of this politico-economic association, the world's largest market, offers direct access to nearly 500 million consumers. A consumption that follows the increasing trend in purchasing power.

France is also the world's number-one tourist destination, with 86,9 million visitors in 2017 (gouvernement.fr).

A Strong, Diversified Economy, Global Companies

France has a strong, diversified industrial base, powered notably by:

1. The agri-food, which represents the first French industrial sector and the fourth exporting country worldwide.
2. A strong competitiveness regarding sectors as the tourism, trade and crafts.
3. The world leader in vaccine; the European leader in the veterinary field and with around 300 billion dollars, the Hexagon is the 6th largest market in the world in the medicine market, medical technologies and devices.
4. The mechanical industries are ranked at the 6th place globally.
5. In terms of renewable energies productions, France is at the one of the largest pharmaceutical, aerospace, nuclear sectors.

France's economy represents around one fifth of the Euro area gross domestic product (GDP).

Currently, services are the main contributor to the country's economy, with over 70% of GDP stemming from this sector. In manufacturing, France is one of the global leaders in the automotive, aerospace and railway sectors as well as in cosmetics and luxury goods. Furthermore, France has a highly educated labor force and the highest number of science graduates per thousand workers in Europe because of its environment conducive to innovation and young entrepreneurs.

Open for business with foreign investors

According to Global Finance Magazine, France was the second leading recipient of Foreign Direct Investment (FDI) in the world in 2017, receiving USD 50 billion of FDI inflows, just behind India. As for a European scale, France was at the third place of the leading FDI destinations, behind the United Kingdom and Germany.

- France continues to attract foreign investments in strategic activities: 23% of these projects in 2016 were in production/manufacturing, while 9% were in R&D, engineering and design. For the last 10 years, France has been Europe's leading recipient of foreign investment in industry.
- France attracted 1,117 new job-creating foreign investment decisions in 2016 - up 16% from the previous year – that created or maintained 30,108 jobs. Key to this success was France's numerous fundamental strengths: its central location, excellent communication and transport infrastructure, industrial prowess in a wide range of sectors, high productivity, and a well-qualified workforce.
- Paris is the 2nd most popular location in Europe for foreign financial firms (50 banks and financial institutions). Source: Business Insider

Low business set-up costs

According to KPMG (2014), the average costs per employee (wages, salaries and statutory costs) are lower in France than in Japan, the United States and Germany. Similarly, business setup and operating costs are lower in France than in Italy, Japan, the United States and Germany. What is more, the competitiveness and employment tax credit (CICE) in France is reducing labor costs by 6% in 2015, amounting to €20 billion in annual savings for companies.