



Press release

Paris, June 19, 2019

World Industrial Investment Monitor: the factory of the future is being built now, worldwide.... and mainly in Asia

The 2018 results of the World Industrial Investment Monitor were released on Wednesday, June 12, 2019. Each year, this tool - developed by Trendeo in partnership with the Institut de la réindustrialisation, EDF and Fives - offers a unique insight into the factory of the future worldwide, and helps identify regional and global industrial trends.

A unique tool to analyze the specific progress of the factory of the future in terms of global industrial investment

The World Industrial Investment Monitor was established in 2016 by Fives, EDF, the Institut de la réindustrialisation and Trendeo. It is part of the DEFI&CO project implemented by CESI as part of the GPI (*Grand Plan d'Investissements* - Major Investment Plan).

This monitor lists significant investment announcements, supplied by a database which collects information in real-time. Its objective is to measure trends at an international level in terms of investment, either in new production units or existing industrial units. To do this, it identifies the projects and achievements which contribute to the development of the "industry of the future", based on technological and societal criteria: flexibility, digitalization, energy efficiency, environmental efforts, as well as territorial and social efforts.

2018 data

In 2018, the Barometer recorded 12,095 investments amounting to nearly \$5 billion, and representing over 2,600,000 jobs. Nearly half (48%) of these projects were announced in Asia, a quarter (26%) in the Americas and 17% in Europe.

By analyzing the factory of the future criteria, we can distinguish between initiatives developed more specifically by certain industries or in certain regions worldwide:

- Industrial investment projects which are most committed to factory of the future criteria are concentrated in countries with the highest GDP. Denmark, Austria and Finland lead the pack in Europe, with France in 7th place.

- **Digitalization** is specifically emphasized in the agriculture and intralogistics sectors; the fast-growing intralogistics sector - underpinned by the boom in e-commerce - is aiming to improve productivity at sorting centers by using digital technologies.
- **Energy efficiency** is cited as an important criterion for paper and cardboard industries, as their production generates organic waste which is then recovered. This sector is followed by the information services sector, which aims to reduce the energy consumption of data centers.

France: consolidated industrial growth

The barometer identified 239 projects worth over 30 million USD in France, behind the United Kingdom (309) and Russia (245), and ahead of Germany (236). 116 of these 239 investment projects in France mention at least one industry of the future criterion. They mainly cover the energy (energy generation and/or distribution), food processing, plastic and rubber, pharmaceutical and chemical industries. Industrial investments in France reflect industrial "maturity", with the share of foreign direct investment (FDI) below average.

Gwénaél Guillemot, Director of the Institut de la réindustrialisation, notes: *"France remains an attractive option for French or foreign investors. The investment projects underline ongoing changes to the industrial geography of our country. Traditional industrial regions are losing out to new regions. The investments clearly show that industrial sites are modernizing: greater efficiency and innovations in terms of safety, the environment and performance."*

Electric vehicles: a fast-growing sector

The Monitor underlines the importance of the automotive sector in the data collected since 2016: 4th sector in terms of number of projects and total investment, and 2nd in terms of jobs created. The tool also helps accurately ascertain the share linked to hybrid or electric vehicles: 17% of projects, which represent 38% of these investments.

Asia - and China in particular - received half of the sector's investments (20% went to Europe), whether international or local investors.

At Fives, Denis Mercier, Deputy General Manager, offers clarification on these figures: *"The automotive sector is the example of an industrial sector in the midst of a transition. As a result of increasing investments in the hybrid or electric engine, increasingly demanding environmental requirements, and new trends such as vehicle personalization, the industrial tool must change. Fives, which stands at the heart of the development of the industry of the future, continues to adapt to offer new solutions in a sector that is constantly evolving, in terms of markets, industrial geography and innovation."*

The full details of the 2018 results are available upon request.

About the Institut de la réindustrialisation

The Institut de la Réindustrialisation was founded in 2015 by two engineering schools – EPF and CESI, and two professional federations: GIM and Syntec-Ingenierie.

The Institut aims to develop and circulate knowledge and expertise on the future of industry, its skills and know-how through conferences, workshops, student awards and publications.

In view of the new challenges in industry, after three years the Institut is redefining its position based around more specific objectives, whilst remaining realistic:

- considering teaching on the industry of the future;
- promoting the industry of the future through research;
- circulating information and promoting industry amongst young people, particularly young women.

The global barometer of industrial investments is part of an initiative to use data focused on the industry of the future in an educational manner.

From the start of the 2019 academic year, the database will be used as a resource for a CESI general engineering learning project, and as a result it will be consulted by hundreds of students.

About EDF

A key player in energy transition, the EDF Group is an integrated electricity company, active in all areas of the business: generation, transmission, distribution, energy supply and trading, energy services. A global leader in low-carbon energies, the Group has developed a diversified generation mix based on nuclear power, hydropower, new renewable energies and thermal energy.

The Group is involved in supplying energy and services to approximately 39.8 million customers, 29.7million of which are in France. It generated consolidated sales of €69 billion in 2018. EDF is listed on the Paris Stock Exchange.

About Fives

As an industrial engineering Group with a heritage of over 200 years, Fives designs and supplies machines, process equipment and production lines for the world's largest industrial players in various sectors such as steel, aerospace and special machining, aluminium, automotive and manufacturing industries, cement, energy, logistics and glass.

The effectiveness of its R&D programs enables Fives to design forward-thinking solutions that anticipate industrials' needs in terms of profitability, performance, quality, safety and respect for the environment.

In 2018, Fives achieved a turnover of €1.95 billion and employed close to 8,700 people in about thirty countries.

www.fivesgroup.com

About Trendeo

Trendeo was created in 2017 to collect data in real time about economic tendencies and trends: investment and jobs were the first events tracked in France, followed by startups, fundraising and now industrial investments worldwide in a new database.

In France, we find a good correlation between our data and data collected by the national institute of statistics (INSEE). The data published by Trendeo about the French economy is regularly used by various customers and newspapers as an indicator of the status of the French economy.

Different customers, among them a global leading consultancy, use our worldwide industrial data for research activities.

www.trendeo.net

Press contact

Claire Mathieu-André
press@fivesgroup.com
+33 1 45 23 76 21