OVERVIEW: THE MANUFACTURING INDUSTRY IN SWEDEN

THE BACKBONE OF THE SWEDISH ECONOMY

GDP Share
(Manufacturing, value added % of GDP, 2016)

- **Sweden**: 14% of GDP
- **U.S.**: 10.5% of GDP
- **U.K.**: 10% of GDP

NOTABLE COMPANIES

By employment 2016

CAPACITY INVESTMENTS AND EXPORTS

Investments in buildings, machinery and equipment (BSEK)

- **2017**: 57.6
- **2016**: 54.6
- **2015**: 50.3

Exports (BSEK)

- **2017**: 1306
- **2016**: 1193
- **2015**: 1180

SOURCE: SCB 2018, WORLD BANK, LARGEST COMPANIES, SPM CLASSIFICATION USED FOR EXPORT DATA.
HIGHLY DIVERSIFIED INDUSTRY RANGING FROM CHEMICALS TO MACHINERY AND VEHICLES

- The manufacturing industry in Sweden directly employs about 530,000 people (11% of total workforce)
- Single largest contributor to GDP with 14%
THE AUTOMOTIVE INDUSTRY
THE SECTOR DIRECTLY EMPLOYS ALMOST 90,000 PEOPLE AND IS A MAJOR GROWTH ENGINE IN SWEDEN

EMPLOYMENT IN THE SECTOR

89,700 employees in Sweden
17% of total employment in manufacturing
57% employed by foreign companies

NOTABLE COMPANIES

By employment 2016

CAPACITY INVESTMENTS AND EXPORTS RELATED TO THE SECTOR

Investments in buildings, machinery and equipment MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>12,764</td>
<td>15,008</td>
<td>16,007</td>
</tr>
</tbody>
</table>

12% CAGR

Exports MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>157,969</td>
<td>180,315</td>
<td>207,763</td>
</tr>
</tbody>
</table>

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (Sw) 29-30, SPIN 29-30 FOR EXPORT DATA
THE METAL COMPONENTS SECTOR
THE SECOND LARGEST SECTOR IN SWEDEN IN TERMS OF EMPLOYEES

### Employment in the Sector

<table>
<thead>
<tr>
<th>Year</th>
<th>Employees</th>
<th>% of Total Employment</th>
<th>Employed by Foreign Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>67,800</td>
<td>12.8%</td>
<td>11%</td>
</tr>
<tr>
<td>2016</td>
<td>30,800</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>2017</td>
<td>31,500</td>
<td>11%</td>
<td>11%</td>
</tr>
</tbody>
</table>

### Notable Companies

By employment 2016

- ASSA ABLOY
- SANDVIK
- GUNNEBO
- Lindab
- SKF
- HYDRO

### Capacity Investments and Exports Related to the Sector

<table>
<thead>
<tr>
<th>Year</th>
<th>Investments in Buildings, Machinery and Equipment (MSEK)</th>
<th>Exports (MSEK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3,056</td>
<td>38,349</td>
</tr>
<tr>
<td>2016</td>
<td>2,743</td>
<td>38,144</td>
</tr>
<tr>
<td>2017</td>
<td>3,158</td>
<td>40,964</td>
</tr>
</tbody>
</table>

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÅXTANALYS SECTOR (SNV) 25, SPIN 25 FOR EXPORT DATA
THE MACHINERY & EQUIPMENT SECTOR
SIGNIFICANT GROWTH IN TERMS OF BOTH EXPORTS AND CAPACITY INVESTMENTS

EMPLOYMENT IN THE SECTOR

67,700 employees in Sweden
12.8% of total employment in manufacturing
37% employed by foreign companies

NOTABLE COMPANIES
By employment 2016

CAPACITY INVESTMENTS AND EXPORTS RELATED TO THE SECTOR

Investments in buildings, machinery and equipment
MSEK

2015
3 155
2016
3 726

Exports MSEK

2015
164469
2016
158660
2017
169998

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SN) 28, SPN 28 FOR EXPORT DATA
THE FOOD & BEVERAGE SECTOR
MAJOR INDUSTRY IN SWEDEN WITH A STRONG PRESENCE OF NORDIC FOOD AND BEVERAGE GROUPS

EMPLOYMENT IN THE SECTOR

53,900 employees in Sweden
10.2% of total employment in manufacturing
44% employed by foreign companies

NOTABLE COMPANIES
By employment 2016

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SN) 10-12, SPIN 10-12

CAPACITY INVESTMENTS AND EXPORTS RELATED TO THE SECTOR

Investments in buildings, machinery and equipment MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>5448</td>
<td>5501</td>
<td>5893</td>
</tr>
</tbody>
</table>

4% CAGR

Exports MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>47540</td>
<td>49092</td>
<td>52836</td>
</tr>
</tbody>
</table>

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SN) 10-12, SPIN 10-12
# The ICT & Electrical Equipment Sector

**Sweden's Largest Export Sector with Exports Amounting to 110 BSEK 2017**

## Employment in the Sector

<table>
<thead>
<tr>
<th>Employees</th>
<th>Employment</th>
<th>Employed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>39,600</td>
<td>7.5%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Employees in Sweden, 7.5% of total employment in manufacturing, and 54% employed by foreign companies.

## Notable Companies

By employment 2016:
- ABB
- Elekta
- Ericsson
- Electrolux
- Hexagon

## Capacity Investments and Exports Related to the Sector

<table>
<thead>
<tr>
<th>Year</th>
<th>Investments in buildings, machinery and equipment (MSEK)</th>
<th>Exports (MSEK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3,861</td>
<td>168,833</td>
</tr>
<tr>
<td>2016</td>
<td>-25% CAGR</td>
<td>173,905</td>
</tr>
<tr>
<td>2017</td>
<td>2,150</td>
<td>171,955</td>
</tr>
</tbody>
</table>

Exports from 2015 to 2017 show a significant increase.

## Employment in the Sector

### Notable Companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Icon</th>
<th>Webpage Link</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>INWIDO</td>
<td><img src="image_url" alt="INWIDO" /></td>
<td>Link</td>
<td>Wood products manufacturer</td>
</tr>
<tr>
<td>Kährs</td>
<td><img src="image_url" alt="Kährs" /></td>
<td>Link</td>
<td>Textiles and furniture manufacturer</td>
</tr>
<tr>
<td>MOELVEN</td>
<td><img src="image_url" alt="MOELVEN" /></td>
<td>Link</td>
<td>Furniture manufacturer</td>
</tr>
<tr>
<td>JELD WEN</td>
<td><img src="image_url" alt="JELD WEN" /></td>
<td>Link</td>
<td>Wood windows and doors manufacturer</td>
</tr>
<tr>
<td>NEFAB</td>
<td><img src="image_url" alt="NEFAB" /></td>
<td>Link</td>
<td>Packaging solution provider</td>
</tr>
</tbody>
</table>

**By employment 2016**

- **30,500 employees in Sweden**
- **5.8% of total employment in manufacturing**
- **22% employed by foreign companies**

### Capacity Investments and Exports Related to the Sector

**Investments in buildings, machinery and equipment (MSEK)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment (MSEK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,134</td>
</tr>
<tr>
<td>2016</td>
<td>2,687</td>
</tr>
<tr>
<td>2017</td>
<td>3,356</td>
</tr>
</tbody>
</table>

**Exports (MSEK)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Export (MSEK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3,3012</td>
</tr>
<tr>
<td>2016</td>
<td>3,2689</td>
</tr>
<tr>
<td>2017</td>
<td>3,5061</td>
</tr>
</tbody>
</table>

**Source:** Statistics Sweden, 2017 & 2017 Q4. Tillväxtanalys Sector (SN) 16, SPN 16 for export data

---

**The Wood Products Sector**

**Significant Development in Capacity Investments in Sweden**

**25% Growth 2015-2017**

---

**Capacity Investments and Exports Related to the Sector**

- **Investments in buildings, machinery and equipment (MSEK):**
  - 2015: 2,134
  - 2016: 2,687
  - 2017: 3,356

- **Exports (MSEK):**
  - 2015: 3,3012
  - 2016: 3,2689
  - 2017: 3,5061
THE PHARMA & CHEMICALS SECTOR
MAJOR INVESTOR IN SWEDEN WITH INVESTMENTS AMOUNTING TO 10.7 BSEK 2017

EMPLOYMENT IN THE SECTOR

29,900 employees in Sweden
5.7% of total employment in manufacturing
78% employed by foreign companies

NOTABLE COMPANIES

By employment 2016

AstraZeneca  AkzoNobel  GE  Kemira  Borealis  Fresenius Kabi  Perstorp

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SN1) 19-21, SPIN 19-21 FOR EXPORT DATA

CAPACITY INVESTMENTS AND EXPORTS RELATED TO THE SECTOR

Investments in buildings, machinery and equipment
MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>8,623</td>
<td>9,614</td>
<td>10,765</td>
</tr>
</tbody>
</table>

12% CAGR

Exports MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>2,204,911</td>
<td>2,119,711</td>
<td>2,364,890</td>
</tr>
</tbody>
</table>

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SN1) 19-21, SPIN 19-21 FOR EXPORT DATA
THE BASIC METALS SECTOR
INVESTING ON HIGH LEVELS DESPITE A DECREASE IN INVESTMENT VOLUMES FROM 2015

EMPLOYMENT IN THE SECTOR

- 27,500 employees in Sweden
- 5.2% of total employment in manufacturing
- 38% employed by foreign companies

NOTABLE COMPANIES

By employment 2016

- Ovako
- Gränges
- Voestalpine
- Outokumpu
- Höganäs
- SSAB

CAPACITY INVESTMENTS AND EXPORTS RELATED TO THE SECTOR

Investments in buildings, machinery and equipment MSEK

- 3 929
- 2 949
- 3 489

Exports MSEK

- 2015
- 2016
- 2017

- 79419
- 79134
- 94148

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SNI) 24, SPIN 24 FOR EXPORT DATA
THE PAPER PRODUCTS SECTOR
THE SECTOR IS CONDUCTING MAJOR INVESTMENT WITH 2017 LEVELS AMOUNTING TO 13 BSEK

EMPLOYMENT IN THE SECTOR

26,200 employees in Sweden
5% of total employment in manufacturing
43% employed by foreign companies

NOTABLE COMPANIES

By employment 2016

CAPACITY INVESTMENTS AND EXPORTS RELATED TO THE SECTOR

Investments in buildings, machinery and equipment MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>9,888</td>
<td>13,065</td>
<td>13,022</td>
</tr>
</tbody>
</table>

Exports MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>9,388</td>
<td>9,246</td>
<td>9,652</td>
</tr>
</tbody>
</table>

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SN) 17, SPIN 17 FOR EXPORT DATA.
THE PLASTIC COMPONENTS SECTOR
SIGNIFICANT EXPORT LEVELS WITH EXPORTS OF 8.7 BSEK IN 2017

EMPLOYMENT IN THE SECTOR

19,100 employees in Sweden
3.6% of total employment in manufacturing
29% employed by foreign companies

NOTABLE COMPANIES

By employment 2016

Trelleborg
Plasman Group
Roxtec
Hexpol
Nolato
Diab

SOURCE: STATISTICS SWEDEN, 2017 & 2017 Q4, TILLVÄXTANALYS SECTOR (SnI) 22, SPIN 22 FOR EXPORT DATA

CAPACITY INVESTMENTS AND EXPORTS RELATED TO THE SECTOR

Investments in buildings, machinery and equipment MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>1,392</td>
<td>1,232</td>
<td>1,433</td>
</tr>
</tbody>
</table>

1% CAGR

Exports MSEK

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>30,616</td>
<td>30,504</td>
<td>32,447</td>
</tr>
</tbody>
</table>
GATHER MORE INSIGHTS ON THE MANUFACTURING INDUSTRY IN SWEDEN BY CLICKING HERE:

FIND CONTACT DETAILS TO OUR INVESTMENT ADVISORS WITHIN MANUFACTURING BY CLICKING HERE

PHOTO CREDITS: IMAGE BANK SWEDEN