



P R E S S   R E L E A S E

**Swiss Businesses Show Renewed Long-Term Confidence in China Despite Growing Challenges**

- *With a confidence level of 7.24 out of 10, **Swiss companies show a long-term confidence not seen in quite some time**, even as short-term sentiment remains cautious.*
- *43% expect higher sales in 2025 versus 21% expecting declines (net +22%), **while only 29% foresee higher profits (net +2%), indicating reduction of margins.***
- ***Around 50% of companies place China among their top three global investment destinations, and 42% plan to increase investments.***

Shanghai, Marin (February 3, 2026) – In the recently published *The Swiss Business in China Survey 2025*, decision-makers from **102 Swiss companies** indicated steady long-term confidence in doing business in China, even as short-term expectations remain more cautious. The survey was **conducted by Swiss Centers China** and **China Integrated** under academic leadership of the **University of St. Gallen** (IIDM-HSG), and realized in cooperation with the Embassy of Switzerland in China, SwissCham China, the Swiss-Chinese Chamber of Commerce, Swissnex, the Swiss Chinese Enterprises Association, Switzerland Global Enterprise, and Economiesuisse. The survey is believed to be representative of the roughly 600 Swiss companies in China and can be downloaded on the University of St. Gallen website.

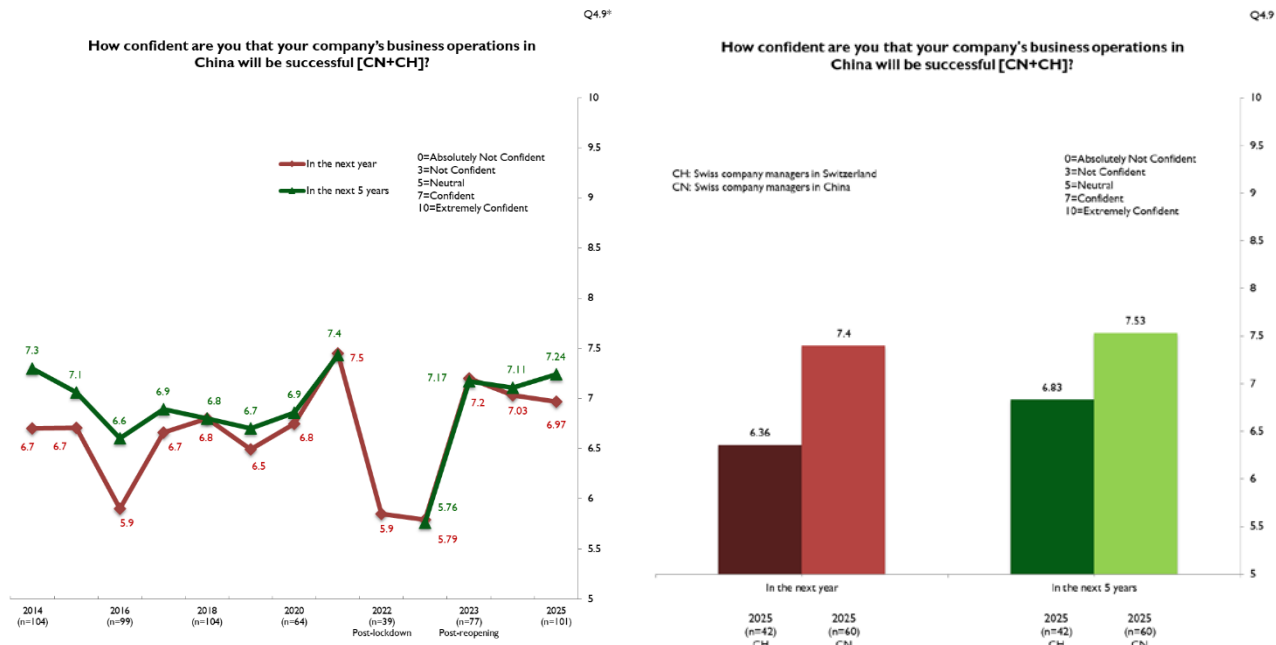
The report also features the first survey of Chinese firms in Switzerland and explores macroeconomic and policy topics relevant to doing business in China, including involution. Regarding the later, Dr. Tomas Casas, Director of the China Competence Center at the University of St. Gallen emphasizes opportunities arising from new policy developments like the Hefei Model, where local governments make venture capital-style investments to create hyperscalers whose business ecosystems foreign companies can capitalize on.

Regarding the survey findings, short-term business confidence dipped again in the 2025 survey, reflecting slower domestic demand, cost pressures, and ever fiercer competition. 60% of respondents described the near-term market environment as very challenging. At the same time, there are indications that the legal and regulatory environment is improving.

Over a five-year horizon, however, the outlook improves markedly. With a long-term confidence score of 7.24 out of 10, **companies express confidence in doing successful business in China**. We have to go back to 2014 or the heyday of 2021 – when China's exports were booming to compensate for production stoppages due to COVID-19 lockdowns in the rest of the world – to find evidence of a more positive outlook.



A key insight of this year's survey comes from **comparing headquarters views with those of managers based in China**. Local executives report higher confidence – particularly regarding short-term performance – suggesting that proximity to customers and market dynamics drives a more optimistic assessment.



“Swiss companies are not stepping away from China,” said **XIAO Zhen, CEO of the Swiss Centers Group**, the leading non-profit Sino-Swiss public-private partnership supporting Swiss companies in China. “They are refining their strategies, investing cautiously where impact is greatest, and competing more intelligently. Long-term confidence remains strong – even as operating conditions grow more complex.”

## Sales Growth Continues, Profitability Tightens

Sales expectations remain broadly positive. **43% of companies anticipate higher sales in 2025**, compared with **21%** who expect a decline. This produces a **net positive outlook of +22 percentage points**, signaling modest but improving momentum. Profit expectations, however, are more subdued. Only **29 percent** of respondents forecast profit growth, highlighting persistent margin pressure due to fierce competition, overcapacity, and rising operational demands. **Nicolas Musy, Delegate of the Board of the Swiss Centers Group**, explains: “The market rewards speed and innovation in product and services. Simply having a strong product is no longer enough. Swiss companies can maintain their competitive advantage; however, they now need to innovate and adapt faster to meet their Chinese competitors’ speed.”

## Investment: Enduring Commitment

Investment intentions show a cautiously positive trend. **42% of surveyed firms plan to increase their investments in China**. Meanwhile, **around half** continue to rank China among their **top three global**



**investment destinations.** “Rather than large-scale expansion, most companies are prioritizing targeted initiatives – automation upgrades, R&D localization, digital tools, and supply-chain resilience – reflecting disciplined, long-term engagement”, analyzes Mr. Musy.

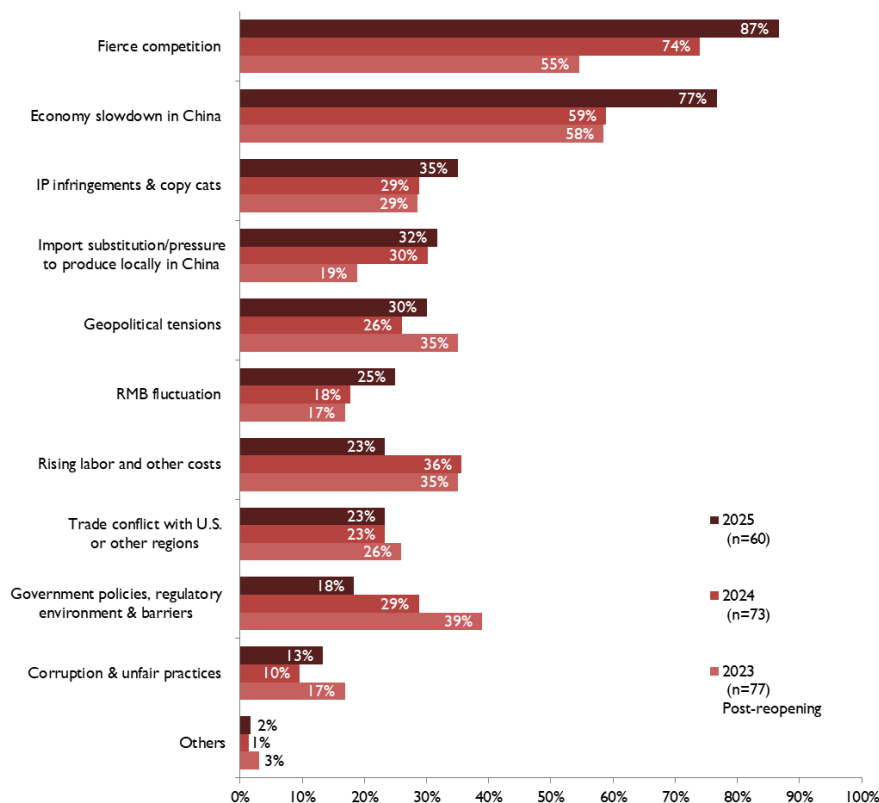
## A Fundamentally Changed Market

In the survey, Swiss companies describe a market that has shifted significantly. Private Chinese competitors are gaining strength across technology, product quality, and brand positioning, reshaping the basis of competition. Differentiation now requires higher levels of innovation and responsiveness.

“Fierce competition” was selected as the most significant external challenge by 87% of respondents, followed by the economic slowdown in China with 77%. At the same time, firms report growing confidence in legal dispute resolution and a gradually more level playing field. Intellectual property concerns remain frequent, but companies increasingly rely on formal enforcement channels.

**What are the most significant external challenges facing your company in China [CN]?**  
(Select up to 5 from the list)

Q3.1





**SWISS CENTERS**

瑞士中心

Swiss Centers Group SA

Avenue des Champs-Montants 12B

2074 Marin, Switzerland

[www.swisscenters.org](http://www.swisscenters.org)



*Picture legend: XIAO Zhen, CEO of the Swiss Centers Group*



*Picture legend: Nicolas Musy, Delegate of the Board of the Swiss Centers Group*





# SWISS CENTERS

瑞士中心

Swiss Centers Group SA  
Avenue des Champs-Montants 12B  
2074 Marin, Switzerland  
[www.swisscenters.org](http://www.swisscenters.org)



*Picture legend: Swiss Centers China*

*Copyright: swisscenters.org*

## **About the Swiss Centers:**

Founded in 2000 as a non-profit Sino-Swiss public-private partnership, the Swiss Centers are by far the **largest cluster of Swiss companies in Asia**.

Swiss Centers' **practical solutions supported the businesses of over 500 companies** in China – both SMEs and large enterprises. Among them, the Swiss Centers have established more than 100 companies in China, both B2B and B2C, production companies and offices, active in various fields. In cooperation with the diplomatic representations in China, the Swiss Centers also conducts surveys that provide the most detailed expertise available on the situation of Swiss companies in China, and at the same time **promotes the Swiss Made brand** and Switzerland as a country for **quality, innovation and industrial leadership**.

With locations strategically situated on China's dynamic East Coast (Shanghai, Changzhou and Tianjin), the Swiss Centers are **constantly adapting to the needs of the Swiss economy**:

- Instant physical **office space** as well as **ready-to-use workshops, showrooms, and warehouses**
- **Relations with local Chinese authorities** and connections to **Swiss government and institutions** in China
- Support for secure technology transfer and **intellectual property protection**
- Access to **professional services** tailored to SMEs in all aspects of setting up and developing business in China (legal, tax, accounting, recruitment, HR management, IT, marketing)
- **Unique solutions** such as **hosting employees locally** or **storing and delivering goods** on behalf of clients in the Shanghai **free trade zone** to facilitate business development in China and the rest of Asia

For more information and some **reference cases**, kindly visit our website [www.swisscenters.org](http://www.swisscenters.org) and our LinkedIn page <http://www.linkedin.com/company/swiss-center-shanghai>

*Media Contact: Bernhard Hagen, Tel: +86-138-1834-8244, [press@swisscenters.org](mailto:press@swisscenters.org)*