

Microchip designer snubs London by choosing New York Stock Exchange despite PM's efforts

A major Cambridge-based microchip designer has decided not to list on the London Stock Exchange, despite lobbying from three UK prime ministers.

Arm, the Japanese-owned and Cambridge-headquartered company, announced on Thursday night it would list on the New York Stock Exchange, snubbing the City of London.

Its owner, the giant Japanese technology investor SoftBank, spent \$32bn (£26.7bn) buying Arm in 2016 and believes floating on the New York Stock Exchange would be the best way to recoup its investment.

Arm's chief executive said it has been engaging with the British government and the Financial Conduct Authority for "several months".

The decision comes despite lobbying efforts by Prime Minister Rishi Sunak and former prime ministers Liz Truss and Boris Johnson, as well as Mr Sunak's plan to [make the UK a "science superpower"](#).

"SoftBank and Arm have determined that pursuing a US-only listing of Arm in 2023 is the best path forward for the company and its stakeholders," chief executive Rene Haas said in a statement.

The company will maintain its headquarters, operations and "material" intellectual property in the UK.

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Hours before the firm's announcement, the world's largest building materials company said it was going to [move its primary stock market listing](#) out of London and to New York.

Gambling giant Flutter is also considering a listing on the New York Stock Exchange and has begun shareholder consultation.

In [results announced on Thursday](#), the owner of Paddy Power and Betfair said it reached a preliminary view "that an additional US listing of Flutter's ordinary shares will yield a number of long-term strategic and capital market benefits".

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Arm did also announce an expansion of its UK operations, by opening a new Bristol site, and an intent to increase headcount.

There was, however, an acknowledgement of the need for reform to continue to make London an attractive financial hub.

A government spokesperson said: “The UK is taking forward ambitious reforms to the rules governing its capital markets, building on our continued success as Europe’s leading hub for investment, and the second largest globally.

“We continue to attract some of the most innovative and largest companies in the world – and note Arm’s commitment to expanding its presence in the UK, providing a boost to growth, jobs and investment.”