



France is a global leader in the pharmaceutical industry, recognized internationally for its skilled researchers, capacity for innovation and history of healthcare achievement. Research in life sciences is booming, driven by cross partnerships between some of the world's best laboratories and biotechnology companies – including Sanofi-Aventis, GSK, Pierre Fabre, Pfizer, Roche, Ipsen, Astra Zeneca and Servier – which are all currently doing business in France.

Overall, the French pharmaceutical market is ranked 3rd in the world and 1st in Europe, with industry turnover of €42 billion in 2006. France is also Europe's top producer of pharmaceutical drugs (4th worldwide), with 330 companies developing, researching and manufacturing medications. Some €4 billion is invested annually in research for new medicinal products in France. In total, the French pharmaceutical industry employs more than 100,000 people, with 22,000 involved in R&D.

A prime location for high-tech clinical trials of new treatments and vaccines, France also boasts the largest hospital network in Europe with top scientific resources for optimal research. Nearly 1,200 clinical trials were conducted in France last year.

■ 6 key reasons to invest in france

Access to the major European market: France's strategic location is a gateway into the heart of Europe, the second-biggest pharmaceutical drugs market on the planet, representing 30% of global demand.

→ **Availability of highly skilled talent:** Educating leaders in life sciences is a priority in France, which ranks 1st among the largest European countries, including the UK and Germany, for the number of youth with higher education. The academic sector is involved in the training of highly qualified staff, with 1,000 doctors in Life Sciences every year, along with some 2,000 engineers in biosciences, 1,000 masters degrees and 8,600 pharmacists, vets and physicians.

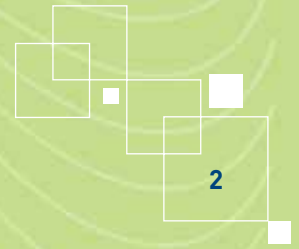
→ **World-class national research centers:** Some of the most reputable research centers in the world are located in France, including the CNRS (National center for scientific research), INSERM (National institute for medical research), CEA (Atomic energy commission), INRA (National institute of agronomic research) and the research foundations Institut Pasteur (microbiology and vaccines) and Institute Curie (cancer). The hospital network Assistance Publique-Hôpitaux de Paris is also a leading center of excellence for treatment trails.

→ **Rapidly expanding biotechnology:** Over 400 companies are dedicated to developing biotechnologies in France, including world leaders such as BioAlliance Pharma, Diatos, ExonHit, Nicox and Nanobiotix as well as many smaller, dynamic firms. Cutting-edge projects are being driven between public and private sectors in France's designated biotechnology clusters. Since 2006, there has been a high increase in biotech initial public offerings in France.

→ **Research tax credit:** A research tax credit is available to help companies launch state-of-the-art research and development projects in France. The credit is capped at €16 million per company per year, and is calculated on research expenditures posted by a company in a calendar year. It's one of the most advantageous tax credit in the EU, which will be further improved.

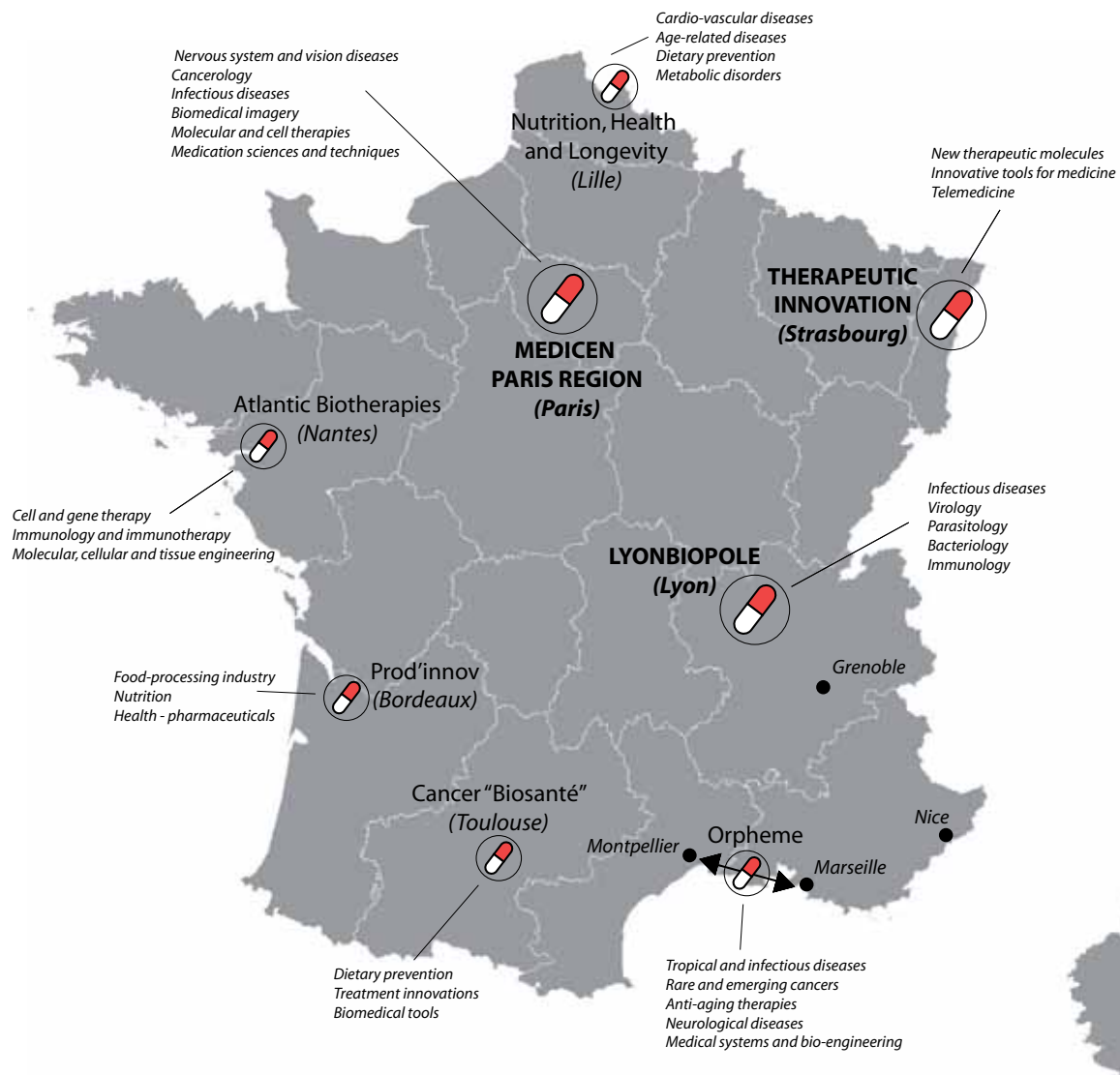


Talent, Innovation and Leading-Edge Research



→ **Valuable networking and partnerships:** Among France's labeled competitive clusters, there are 8 zones dedicated specifically to pharmaceuticals and biopharma. These zones promote innovative projects between businesses, research centers and educational, offering foreign investors an ideal environment to form R&D pharmaceutical partnerships. Clusters also provide direct access to networks with specialized pharmaceutical industry knowledge all in one location, creating positive conditions to set up a business. The French government will invest a total of €1.5 billion over three years (2006-2008) into its 71 designated clusters, which includes 8 pharmaceutical clusters.

International pharmaceutical clusters





■ International pharmaceutical clusters (suite)

- **Lyonbiopole** cluster is a world center of excellence for vaccines and diagnostics that specializes in infectious diseases and medical diagnosis products. Its partners include bioMérieux, Sanofi Pasteur, Meril and Becton Dickinson.
- **Medicen Paris Region** cluster develops sophisticated health technologies and medications as well as new cell, gene and molecular therapies. Sanofi-Aventis, Ipsen, GE Healthcare and GlaxoSmithKline are among its largest partners.
- **Therapeutic Innovations** cluster focuses on excellence in pharmaceuticals, healthcare, biotechnology and medical instruments. Its partners include Alsace Biovalley, Conectus, Rhénaphotonics, Iconoal, Semia and Neurex.

Other national pharmaceutical-related clusters include **Atlantic Biotherapies** (biotherapy, cell and gene therapy, immunology, and molecular, cellular and tissue engineering), **Nutrition, Health and Longevity** (biotechnology, health, nutrition and pharmaceuticals), **Orpheme** (pathology and rare diseases), **Prod'Innov** (health, pharmaceuticals and nutrition) and **Cancer "Biosanté"** (health, biotechnology and cancer).

■ Success story

In September 2006, the major British pharmaceutical company **GlaxoSmithKline** (GSK) announced a €500 million investment in its Saint-Amand-les-Eaux subsidiary, North of France. This investment will help increase the group's future production of vaccines, and specifically the Cervarix® vaccine against cervical cancer. The site should employ nearly 750 highly qualified personnel by 2011. GSK decision to choose France was strategically based on the nation's known industry expertise, facility excellence, qualified workforce and support from the local and national authorities.

For more information on investing in France's pharmaceutical industry, please visit
www.investinfrance.org.