



A snapshot of the EU biotech sector

In 2006*

	Europe	US
Number of companies	2330	1991
Number of new companies formed	131	78
Number of employees	98,500	190,500
R & D expenditure	€7.6 billion	€21 billion
Revenue	€21.5 billion	€41.5 billion
Venture Capital raised	€1.02 billion	€3.2 billion
Equity raised	€3.65 billion	€11.3 billion
Debt raised	€0.81 billion	€7.4 billion

**Source: Critical I (data collected from dedicated biotech companies)*

In 2007*

	Europe	North America
Venture Capital raised	€ 1.2 billion	€ 4.0 billion
Percent of companies that closed or failed to find a listed industry buyer or achieve an IPO	42%	28%
Percentage of companies that raised more than €50 million before IPO listing	28%	56%
Active lead investors per company	0.9	0.5

**Source: IPEEX (data collected from healthcare biotech companies)*

In conclusion

European companies	Europe needs
<ul style="list-style-type: none"> • Take longer to raise capital • Have more defaults & private consolidation • Have fewer 'meaningful' IPOs • Remain sub-critical size • Are part of a smaller industry due to lower amounts of capital available <p>...compared to N. American counterparts</p>	<ul style="list-style-type: none"> • More <u>lead</u> investors • More inter-regional lead investment • Weak companies to fail faster (and therefore consolidate) with greater comfort • Strong companies to fund faster with far greater lead investor choice