

PRESS RELEASE

Ernst & Young's latest measure of attractiveness: France, number two in Europe

Paris, 5 June 2008 – In an Ernst & Young survey released today comparing the appeal of European countries, France's attractiveness achieved high rankings: 2nd place with the number of projects (541) and 5th place with the number of jobs created (14,488) by foreign businesses. The study, which measures job creation in specific sectors, also includes an opinion poll conducted with 203 business leaders worldwide. The survey still does not show any improvement in the perception of French attractiveness.

"The Ernst & Young study holds no surprises, as competition is strong between European countries to attract foreign investors. Like its neighbours, France, which ranks 3rd in the world for the amount of direct foreign investment (FDI) with USD 123.3 billion in 2007, is losing out in the number of projects that create the most jobs to new members of the EU. This trend toward tertiarisation – medium and small projects – is nothing new. On the other hand, jobs with high-added value are still coming to us. France is now the 2nd country in Europe for locations of headquarters and research & development. For the latter, the new R&D tax credit (CIR) and clusters will be decisive factors in favor of our country in the coming months. Other good news from this survey is that France has the best retention rate in Europe with 63% of jobs being created by foreign businesses that are already based in our country, which reflects investors' satisfaction with the quality of the French workforce and confidence in the business environment and its future development," according to Philippe Favre, Chairman and CEO of Invest in France Agency.

Invest in France Agency (IFA) promotes and facilitates international investment in France. The IFA network operates worldwide. IFA works in partnership with regional development agencies to offer international investors business opportunities and customized services all over France. For more information, please visit www.investinfrance.org

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