



State of Israel

Ministry of Industry, Trade & Labor - Foreign Trade Administration

Investment Promotion Center

Invest In Israel

Where Breakthroughs Happen

Creating Synergies in Life Sciences

Invest in Israel
investment promotion center

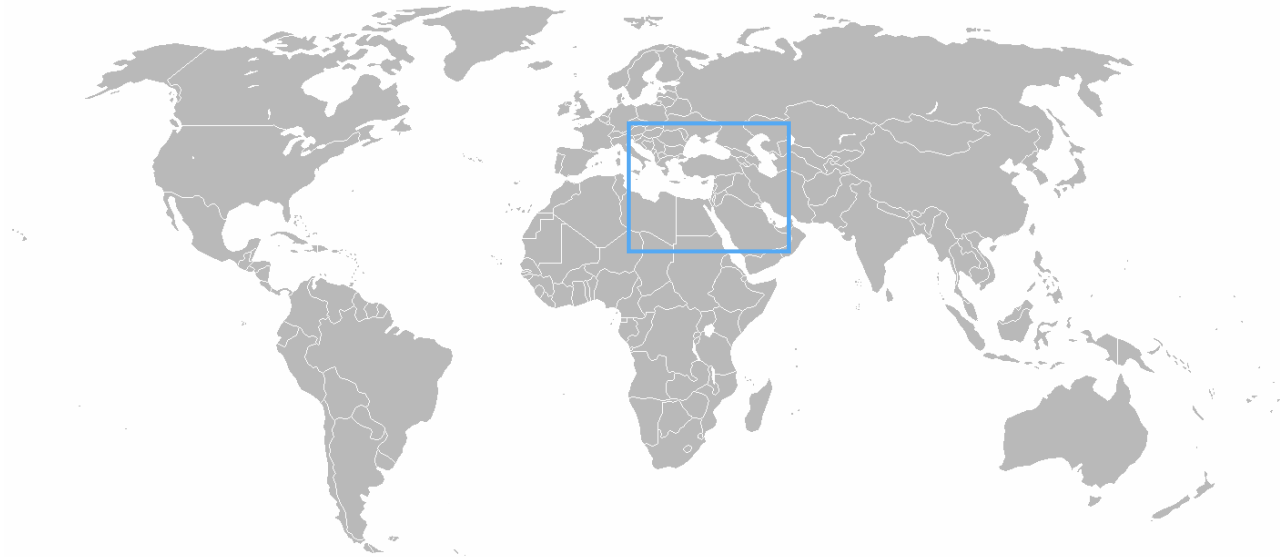
Invest in Israel Now

- Economic Growth
- Competitive Edge
- Strong Track Record
- Developed Life Science sector
- Government Support
- Profit Driving Breakthroughs

Highlights

- Healthy Thriving Economy
- First in the world for Medical Device Patents per Capita, Forth for Bio-Pharma Patents.
- Highest civilian R&D budget/GDP,
- Fourth in investments in Biotechnology/GDP
- Rated 1-3 worldwide in Medical Device area
- More than 13 drugs in advanced clinical trials (3rd in Europe)
- Largest number of scientists per capita in the world and devotes about one third of its research to the life sciences.

Country ID



Area: 22,000 sqkm

Population: ~ 7.0 millions

GDP: \$161.8 Billion (2007)

Main Cities: Jerusalem, Tel-Aviv, Haifa, Be'er Sheva

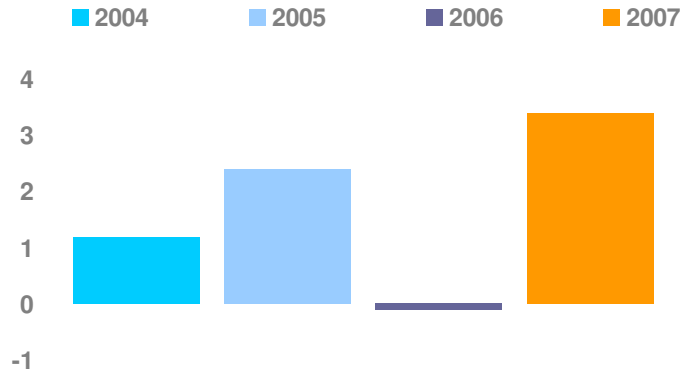


Main Economic Indicators

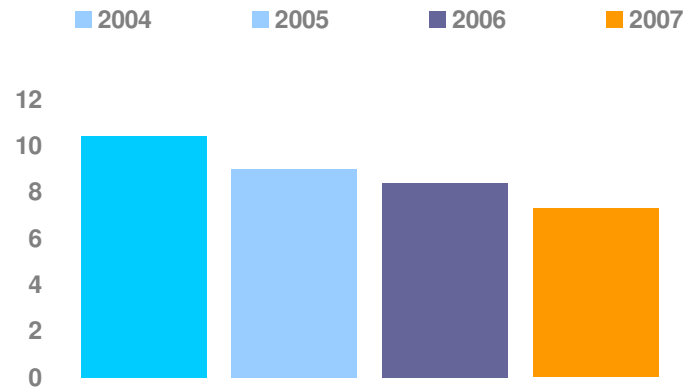
	2004	2005	2006	2007
GDP (current prices, B\$)	123.6	131.2	142	161.8
GDP Growth Rate (%)	5.2	5.3	5.2	5.3
GDP/Capita (Current Prices)	18,000	18,700	19,900	21,000
GDP/Capita (based on purchasing power parity)	27,289	29,044	30,464	31,767
Exports (goods & services, B\$)	52.8	57.9	62.6	70.65
Imports (\$ billion)	52.3	57.5	61.7	73.7
Inflation (CPI, %)	1.2	2.4	-0.1	3.4
Unemployment (%)	10.4	9.0	8.4	7.5

Main Economic Indicators (Graphs)

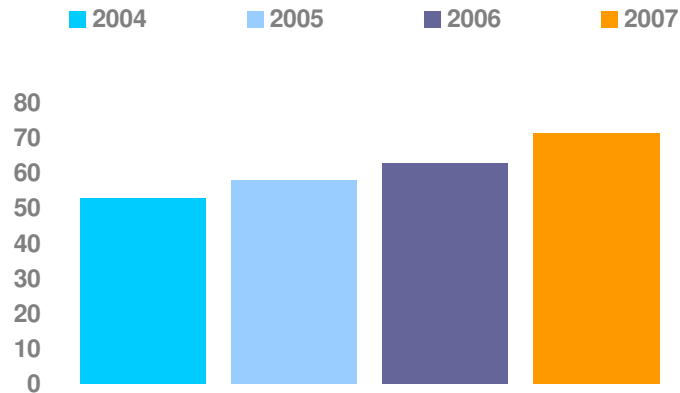
Inflation % (excl. housing)



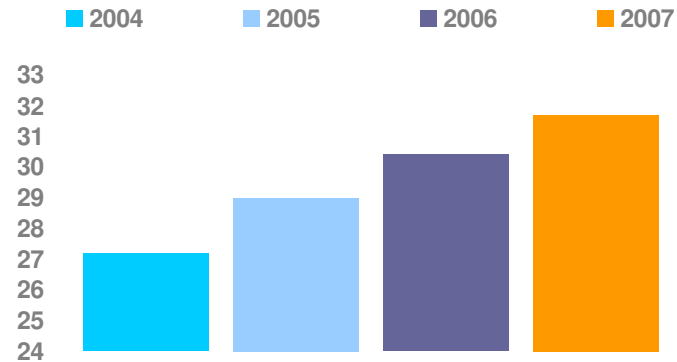
Unemployment (%)



Exports (\$ Billion)



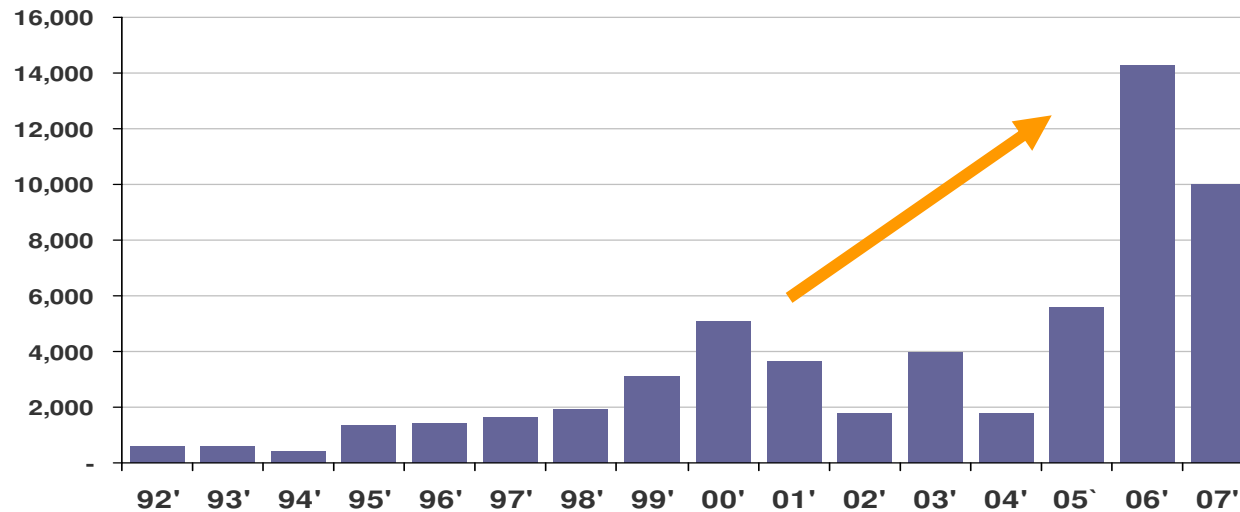
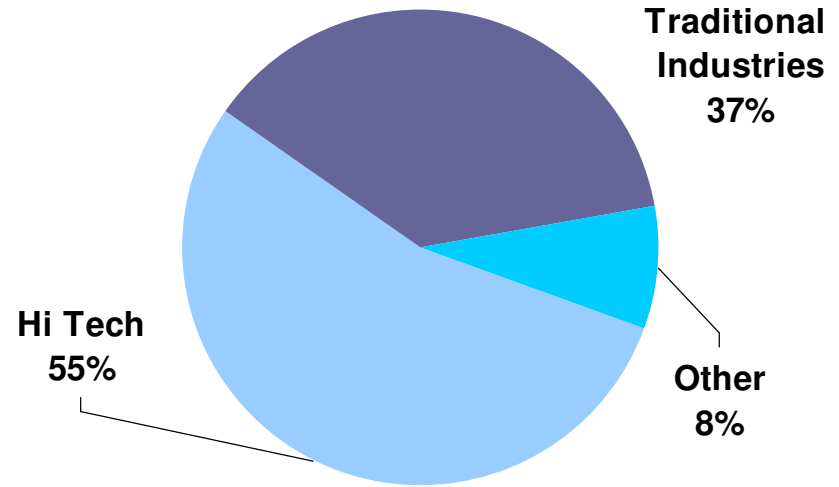
GDP Per Capita (PPP, 1000US\$)



Foreign Direct Investment

(millions of US\$)

FDI investment by Sector 2006



Foreign Companies Invested in Israel - Some Examples

US

- Microsoft
- Epix
- AOL Time Warner
- Intel
- IBM
- Perrigo
- Cisco Systems
- GE Healthcare
- Lucent
- 3Com
- Hewlett Packard
- Stryker
- Motorola
- Sun Microsystems
- Johnson & Johnson
- Dentsply
- Kodak

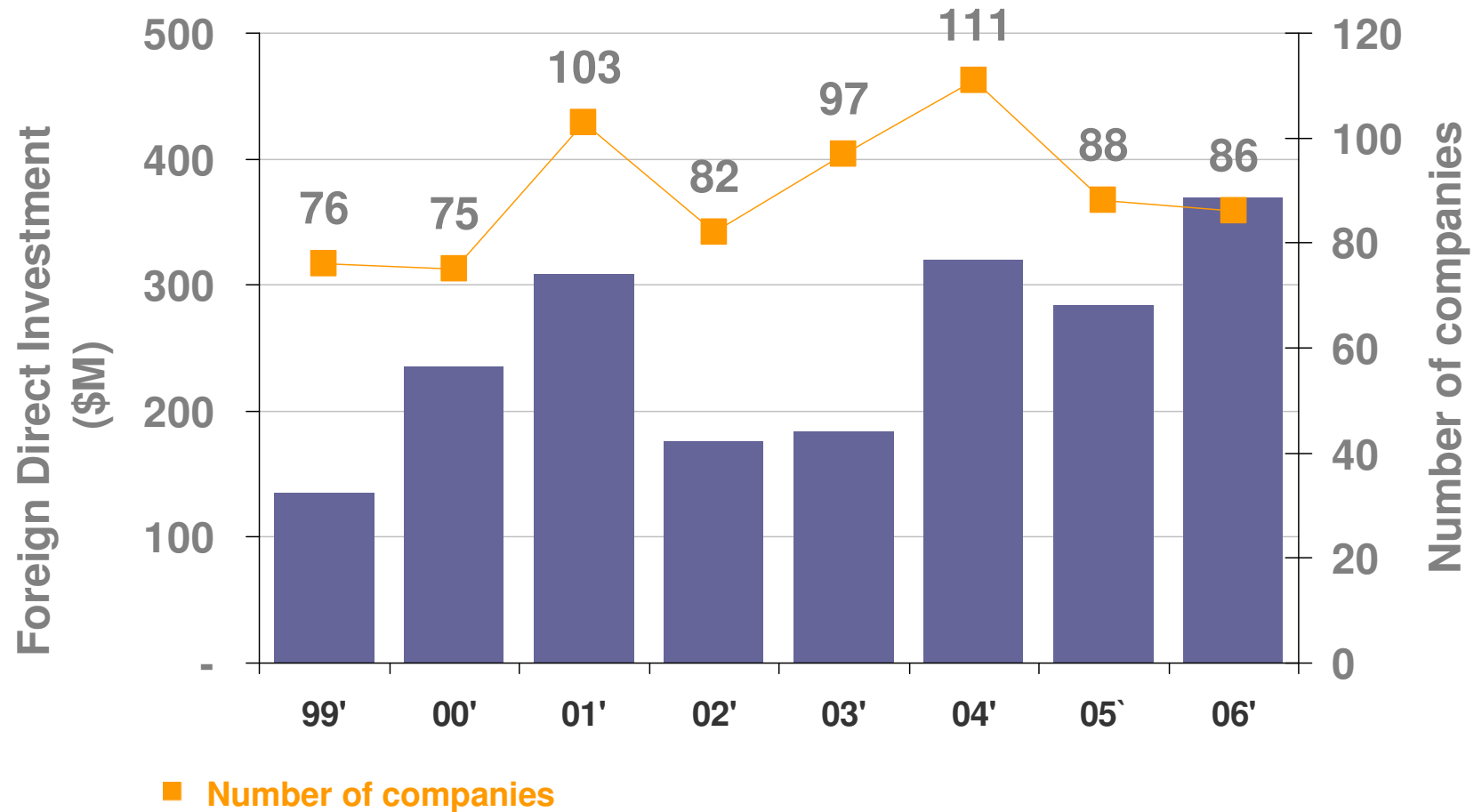
Europe

- British Telecom
- SAP
- Philips Medical
- Alcatel
- Siemens
- Cable & Wireless
- Deutsche Telekom
- Telecom Italia
- Generali
- Nestle
- L'Oreal
- Danone
- Unilever
- Vilmorin
- Veolia
- Ferring
- MERCK Serono

Asia

- Sony
- Toyo Ink
- Fuji
- Honda
- Sumitomo Trading
- Nomura
- Samsung Electronics
- Daewoo
- LG Group
- Hyundai
- Acer Computers
- Macronix
- Winbond
- Hutchison Telecomm
- Scigen
- Jain Irrigation
- Sun Pharmaceutical

Money raised by Israeli Life Science companies



Israel's Competitive Edge – IMD World Report 2007

Country Rank →	1st	2nd	3rd	4th
BUSINESS EXPENDITURE ON R&D	Israel	Sweden	Finland	Japan
TOTAL EXPENDITURE ON R&D AS A PERCENTAGE OF GDP	Israel	Sweden	Finland	Japan
AVAILABILITY OF QUALIFIED ENGINEERS	Israel	Singapore	India	Iceland
VENTURE CAPITAL AVAILABILITY	U.S.A	Israel	Denmark	Netherlands
INFORMATION TECHNOLOGY SKILLS	Iceland	Israel	Korea	Singapore
FLEXABILITY & ADAPTABILITY OF THE WORKFORCE	Iceland	Ireland	Israel	Hong Kong
HIGHER EDUCATION ACHIEVEMENTS	Canada	Japan	Singapore	Israel

Israel Ranks 21

Israel's Competitive Edge – WEF Report 2006-2007

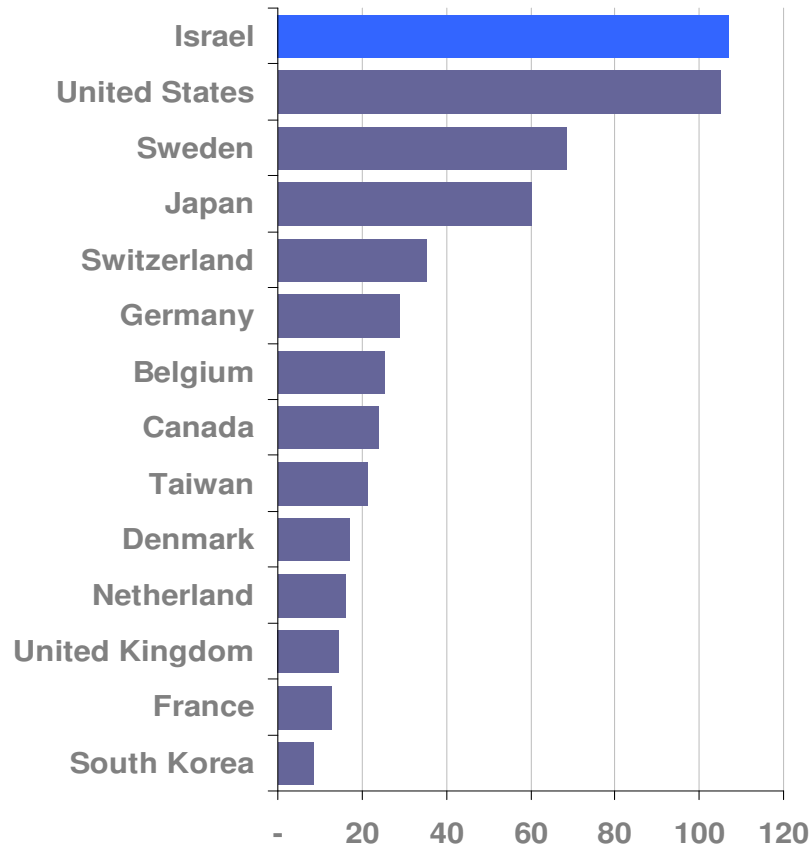
Country Rank →	1st	2nd	3rd	4th
AVAILABILITY OF SCIENTISTS AND ENGINEERS	Israel	Japan	Finland	India
VENTURE CAPITAL AVAILABILITY	U.S.A	Israel	Netherlands	Finland
JUDICIAL INDEPENDENCE	Germany	Netherlands	Israel	New Zealand
TECHNOLOGICAL READINESS	Sweden	Singapore	Israel	Iceland
QUALITY OF RESEARCH ORGANIZATIONS	Switzerland	U.S.A	U.K	Israel

Israel Ranks 17 Out of 131 Countries

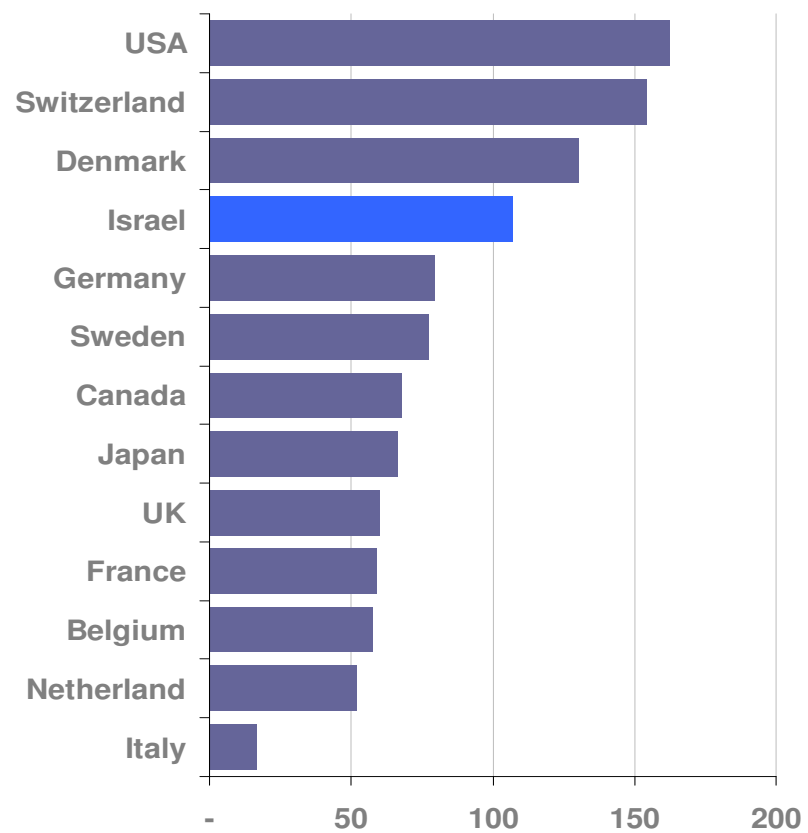
“Israel does spectacularly well on those indicators that capture **technology innovation, education, human capital** and this accounts for the very rapid movement of the Israeli Economy .”
 (Augusto Lopez-Claros, Chief Economist, World Economic Forum, December 2006)

Innovation - 1st in Medical 4th in Biopharma

Medical patents/capita



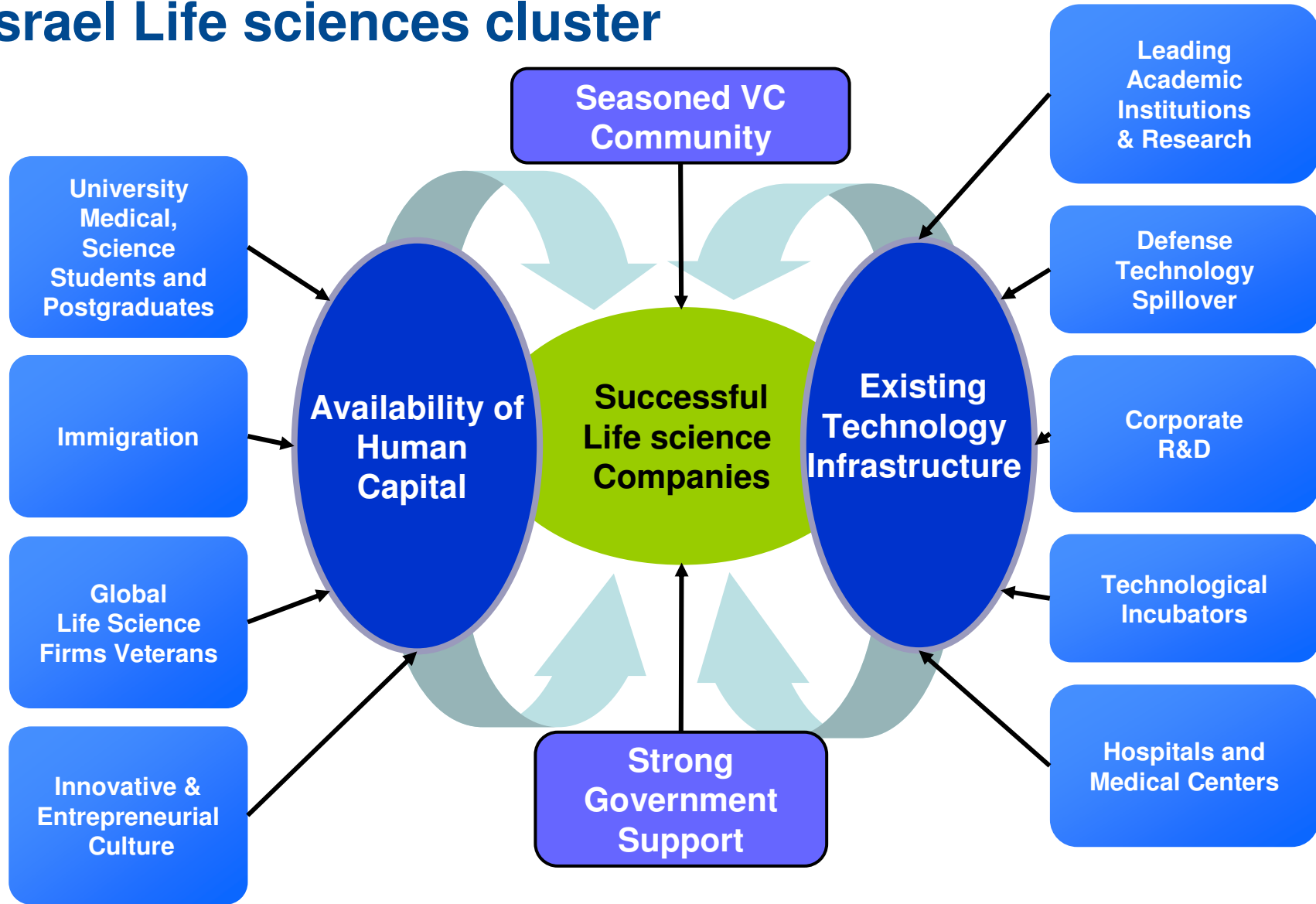
BioPharma patents/capita



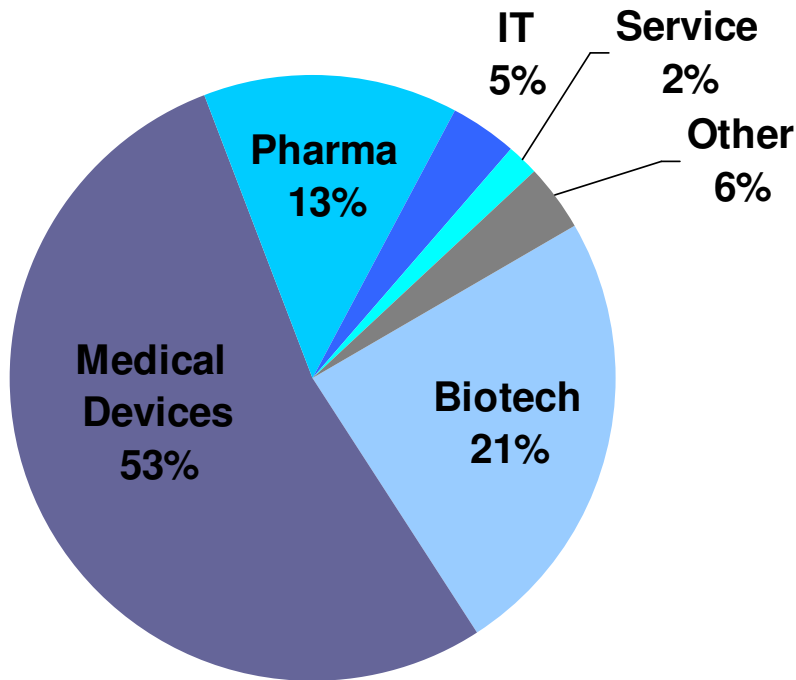
Selected Mergers & Acquisitions – few examples

Acquirer	Amount	Sector	Company	Date
Sun Pharmaceutical Industries Ltd.	454 mil	Pharmaceutical	Taro Pharmaceutical Industries	5.2007
Johnson & Johnson	159 mil	Biomaterial product company	Colbar	7.2006
Epix	90 mil	Pharmaceutical	Predix	4.2006
TA Associates	90 mil	Medical Lasers	Alma Lasers	3.2006
McKesson Corp. Life Sciences	105 mil	Cardiac Imaging	Medcon Telemedicine Technology Ltd.	6.2005
Ferring Holding SA	80 mil	Biopharmaceutical	Savient	3.2005
Perrigo	900 mil	Pharmaceutical	Agis	11.2004

Israel Life sciences cluster

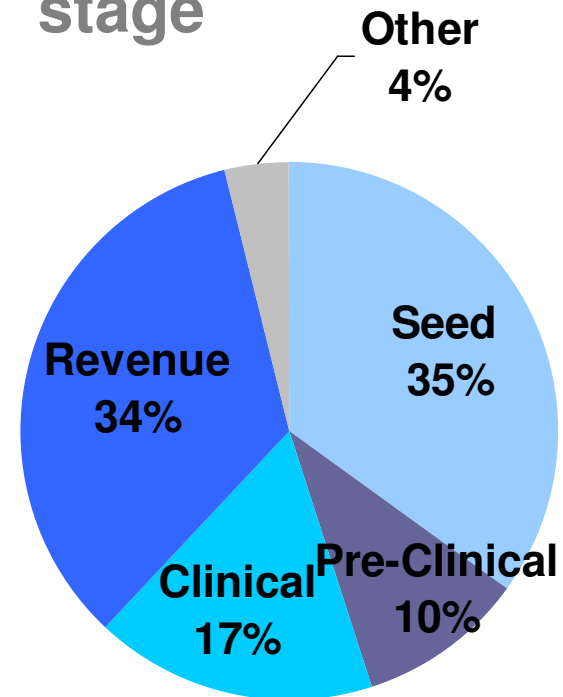


Israel's Life Sciences Industry sectors and stage



Companies by sector

Companies by stage



Major Therapeutic Areas:

- CNS – Four Blockbuster drugs in market (Copaxone, Rebif, Exelon, Azilect)
Additional 5 drugs in clinical stages
- Regenerative medicine & Cell Therapy (20 active companies, 4 in clinical trials)
- Cancer - Cell Therapy, Monoclonal Antibodies, Small Molecules, Image Guided Technologies
- Inflammation & Autoimmunity
- Cardiovascular
- Infectious diseases, Vaccines

Major Technological Fields:

- Implantable therapeutic devices
- Diagnostics & Monitoring – Device & Biomarkers
- Therapeutic molecules
- External Imaging
- Internal Imaging
- Drug delivery
- Cell & Tissue Therapy
- Minimal Invasive Surgery

Israeli Biotechnology Innovations

- **Can-Fite** has developed a platform technology that targets the A3 Adenosine Receptor for treatment of cancer and autoimmune inflammatory diseases.
- **Gamida Cell** is developing unique stem cells therapeutics, based on its proprietary stem/progenitor cells expansion technologies.
- **Rosetta Genomics** is a leader in the development of microRNA-based diagnostics and therapeutics
- Two Israeli companies lead the quest to develop a stem cell therapy for Parkinson's disease. **BrainStorm Cell Therapeutics** uses autologous bone marrow derived adult stem cells, while **Cell Cure** employs human embryonic stem cell technology. Both companies have had successes in reducing symptoms of Parkinson's disease in mice or rat models and are approaching readiness for clinical trials
- And Biocancell, BionVax, Compugen, Nasvax ...



Israeli Medical Devices Breakthroughs

- **Given Imaging** - 1st ingestible video camera used to view the small intestine and diagnose disorders
- **Insightec** - Image Guided HIFUS (High Intensity Focused Ultrasound)
- **GE Healthcare** in Israel manufactured the world's first miniaturized portable cardiac ultrasound system
- The **Philips** Brilliance CT scanner, developed in Israel takes a comprehensive picture of a patient in seconds instead of minutes – a critical difference in the emergency room, where every second counts
- **Medinol** pioneered the development of closed cell stent design and many additional innovations to the field of heart catheterization

Israeli Medical Devices Breakthroughs

- 3D Endoscope
- 3D Dental Mapping
- Fixed noncooled Magnet Open MRI
- Simulators for Medical Procedures
- Revolutionary Rectoscope
- Intravascular miniaturized MRI imager
- Spectral Imaging Device
- Various Stents
- NiTiNOL Tooling
- Labor Monitoring

Government Support

- The Law for the Encouragement of Capital Investments
 - Competitive grant program
 - Tax exemption path for manufacturing facilities
- The Law for the Encouragement of Industrial R&D
 - Increased grants and longer project support for LS
 - Company-Company, Company-Consortia, company-academy support program
- The Global Enterprise R&D Cooperation Framework
- The Global Enterprise R&D Project Centers
- Special tax benefits for R&D centers
- Tax exemption for venture capital investment
- Employment grant program
- Training grant program

Summary

- Israel is a center of innovation and technological excellence
- Israel is a source for profit driving innovation in the fields of Medtech and Bio-Pharma
- Foreign companies can cost effectively conduct cutting edge research in Israel
- Favourable government support programs: Investment grants, tax-exemption and R&D
- Invest in Israel can support investor by:
 - Technology scouting with our network of partners
 - Helping establishing a presence in Israel



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