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THE STATE OF AI IN EUROPE: THE INVISIBLE GIANT

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CEO

PROSUS

“Europe is at a crossroad in the global AI race, but we are too slow. We have world-class talent, yet without fast, major investment in our own compute and open-source models, we risk dependence on others. The countries and companies that move now will define the next decade.

Europe is changing, but things are not moving fast enough. Let's build as if Europe's future depends on it—because it does.”

State of AI in Europe: Executive Summary

1. The AI window is open. It won't stay open forever. AI is reshaping the global economy at a pace the world has never seen. The countries and companies that move now will define the next decade. Those that hesitate will spend it catching up. Europe is at that inflection point - right now.

2. Europe has everything it needs to win. Except urgency and courage. World-class talent. A massive, AI-hungry user base. A record \$21.8B invested in 2025, up 58% in a single year. The foundations are solid. But foundations don't win races - speed and courage does. And right now, Europe is not moving fast enough.

3. We're building great companies and then handing them to the US. Europe matches the US at the starting line. But at breakout stage, US investors outspend Europe 3x. At late stage, it's 9x. Over half of the capital scaling Europe's best AI companies is foreign. We are incubating the future for others to own. That has to stop.

4. The next wave of AI is vertical, applied, and European - if we claim it. General-purpose GenAI? The US won that round. But the next frontier - World Models - is wide open. Also 75% of European AI investment already targets high-value applications in health, energy, defence, and fintech. Europe's edge is clear: dominate in the applications layer - health, energy, defence, fintech - and uniquely positioned to lead in World Models. Two massive prizes. One window. The moment is now.

5. Europe doesn't have an innovation problem or a talent problem. It has a capital problem and a friction problem - and both are fixable. European pension funds sit on €13 trillion, raising their ventures allocation to 3% unlocks €100 billion overnight. Streamline the regulatory stack, scale up EU-Inc into a real tech highway, and Europe's AI pipeline doesn't incrementally improve — it explodes.

State of AI in Europe: Key Insights



Investment & Startups

- European AI VC funding reached an all-time high of \$21.8B in 2025, up 58% from 2024 and nearly 10x the level in 2016.
- AI now accounts for 30%+ of all European VC funding - double the share of three years ago.
- Europe has a comparable number of AI startups to the US but captures only 11% of global AI VC since 2023, vs. 77% for the US.
- The funding gap is concentrated at scale: Europe invests 3x less at breakout stage and 9x less at late stage (\$12B vs. \$141B in 2025).
- Over half of late-stage capital for European AI startups comes from foreign (predominantly US) investors, raising strategic sovereignty concerns.



Talent & Research

- Europe is on par with the US in frontier AI talent - researchers active in industry and academia - with ~133,000 vs. ~556,000 LLM users globally.
- However, 53% of European AI talent sits in traditional economy roles vs. 40% in the US, and only 33% in digital-native tech companies (vs. 46% in the US).
- US AI dominance is built on ~50% imported talent, largely European - but this talent flow is showing early signs of reversal.
- European institutions are absent from the top-cited AI publications, and Europe accounts for just 3% of new global AI patents (vs. 70% for the US and 14% for China).
- Europe shows genuine competitive strength in robotics, AI manufacturing, and deep tech applications such as autonomous driving and AI drug discovery.



Adoption & Application

- AI adoption in most European countries exceeds US levels, making Europe the world leader in AI application uptake.
- Europe records 2x the LLM usage of the US, though the dominant models are US- and China-built - effectively enriching foreign AI ecosystems.
- Over 75% of European AI funding targets vertical, specialist applications - in health, energy, fintech, security & defence, and legal.
- Europe is competitively positioned in applied AI sectors: AI for Energy, Security & Defence, and Health attract strong relative investment.
- Europe trails significantly in foundational model development and AI chip infrastructure, reflecting a structural gap in the compute and model layer.



Geography & Ecosystems

- London is Europe's undisputed AI capital: ~1,700 VC-backed AI startups worth \$125B, raising \$7.1B in 2025 alone - vastly ahead of all other hubs.
- Munich and Zurich lead in deep tech and AI research; Paris is an emerging force, particularly in AI model development.
- London, Munich, Paris, Zurich, Stockholm, Amsterdam, Berlin, Copenhagen, Oxford, and Cambridge form Europe's core AI hub network - but none yet rivals the scale of Bay Area, New York, or Boston.
- Defence, Security & Resilience (DSR) is the fastest-growing AI sub-sector: \$8.7B invested in 2025, up 55% YoY and 4x higher than five years ago.
- The global AI landscape is bifurcating around the US and China, with Europe at a strategic crossroads - the solution, as the data shows, lies in mobilising growth capital at scale.

1 AI in the news: An American story?

2 Surprising Truths About a Hidden Giant

Talent Paradox: Europe on par in "Frontier" Minds

Usage Paradox: Europe as the World's AI "Trainers"

Startup Paradox: Europe Grows Them, America Owns Them

3 Where Europe can win: Picking the Right Battles

4 Way forward



Legora is the fastest ever YC company to become a unicorn, and it's built by Europeans in Europe and yet it only has ONE EUROPEAN VC on its cap table.

“Are European VCs asleep at the wheel?”

**SCALING
EUROPE**★

Seb Johnson
Founder

Meet Pim and his team.

- Dutch company building the next wave of AI: World Models (“AI for robots”)
- \$500m offer from OpenAI
- \$135m Seed from mainly US investors

Is Europe destined to be an incubator for American giants?



 general intuition

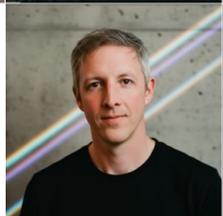


The frontier research lab dedicated to the gaming industry.



\$133.7M Seed

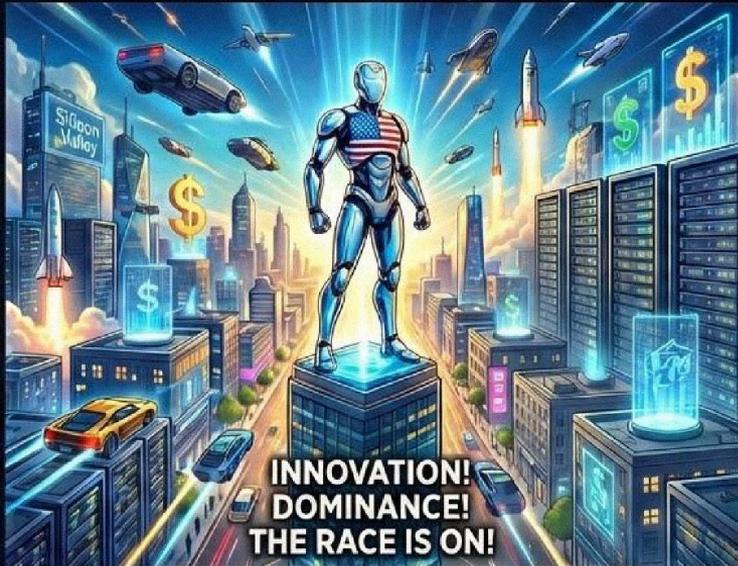
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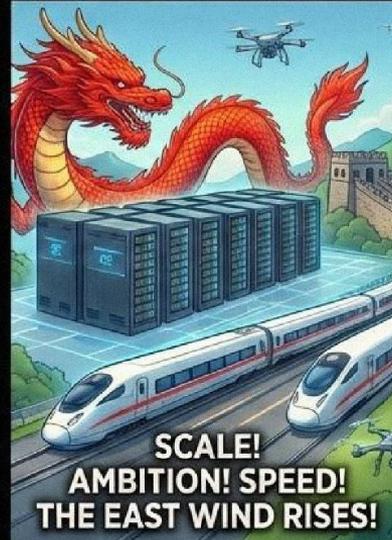
When we hear about artificial intelligence, we usually see an American story

THE GLOBAL AI PICTURE: A 2-HOUR FEATURE

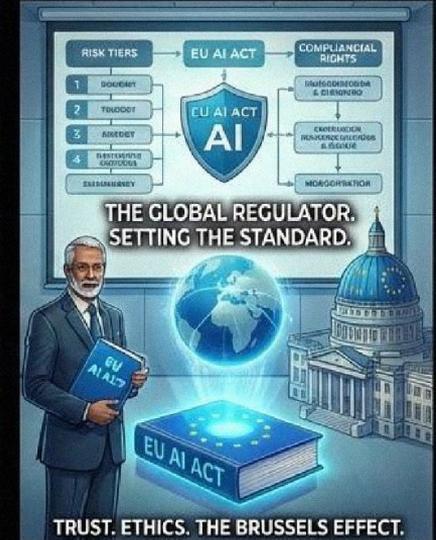
USA: THE BLOCKBUSTER (60 MINS)



CHINA: THE STRATEGIC CHALLENGER (20 MINS)



EUROPE: THE GLOBAL REGULATOR (10 MINS)



USA (0-60 MIN)

90-HOUR REEL

CHINA (60-80 MIN)

EUROPE (80-90 MIN)

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European talent has largely shaped the AI revolution.

The invention of AI is as much a European and Canadian as a US story.

3 of the top AI scholars are European (same as Canada and USA)

Top-10 most cited scholars in the field of “Artificial Intelligence” on Google Scholar

 Yoshua Bengio  Cited by 1 050 275	 Oriol Vinyals  Cited by 402 361
 Geoffrey Hinton  Cited by 1 010 673	 Jeff Dean  Cited by 392 936
 Ilya Sutskever  Cited by 752 661	 Michael I. Jordan  Cited by 354 361
 Shaoqing Ren  Cited by 477 394	 Diederik P. Kingma  Cited by 344 742
 Quoc V. Le  Cited by 408 785	 Stefano Giagu  Cited by 338 891

Europe's contributions in AI are far more significant than people think or report.



Mistral is competitive with the best AI labs (and its new app *Le Chat* is very fast...).



LLama, Meta's foundational model, was invented in Paris.



DeepMind is based in London and its founder Demis Hassabis, now Nobel Prize winner, runs Google AI efforts.



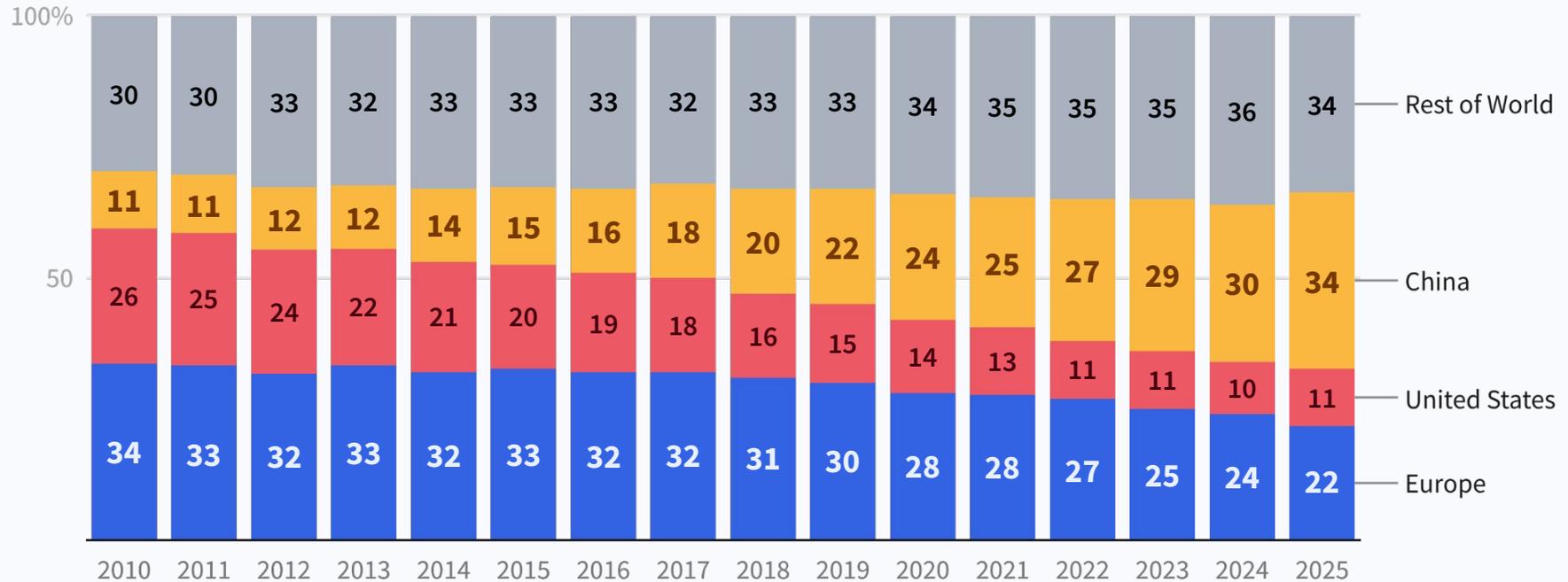
Hugging Face, the heart of the open-source AI community globally was started by French founders.



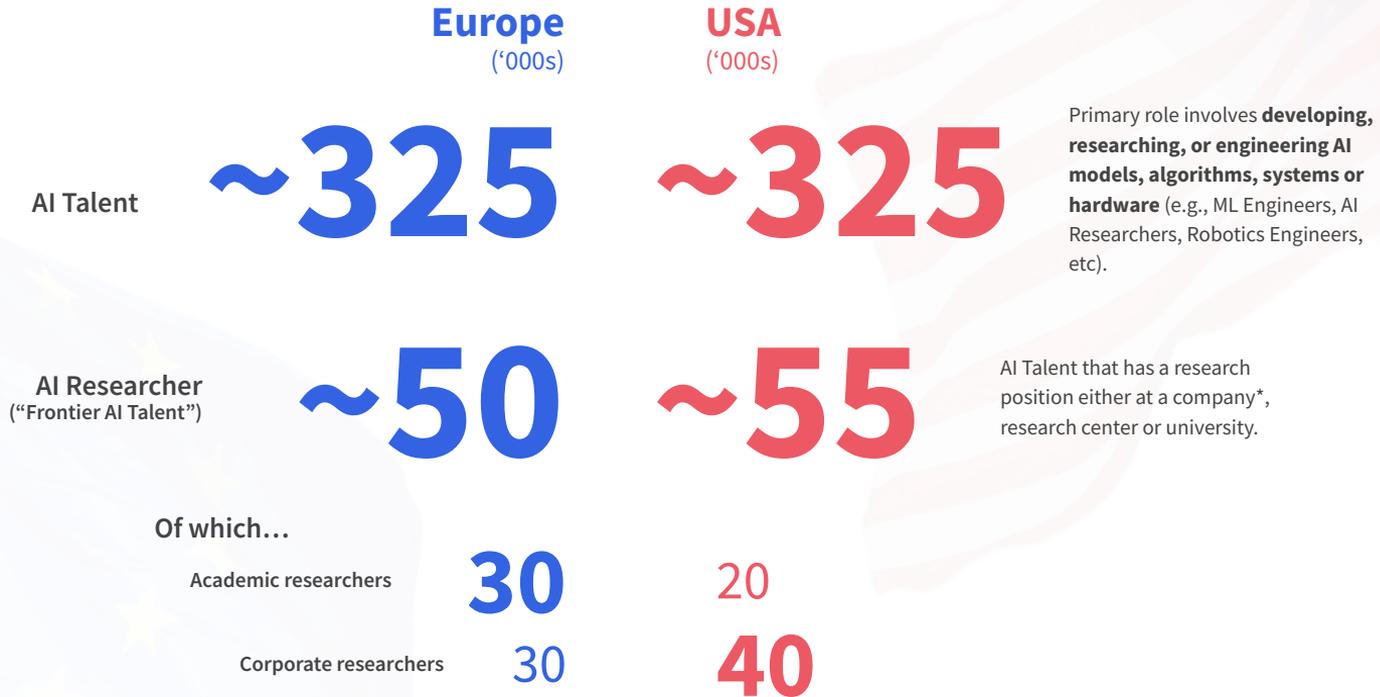
Europe is producing its fair share of beloved fast-growing AI applications, such as ElevenLabs, Granola, and Lovable.

While China surges, European AI researcher output is holding up

Share of researchers having 1k+ citations, per country of origin



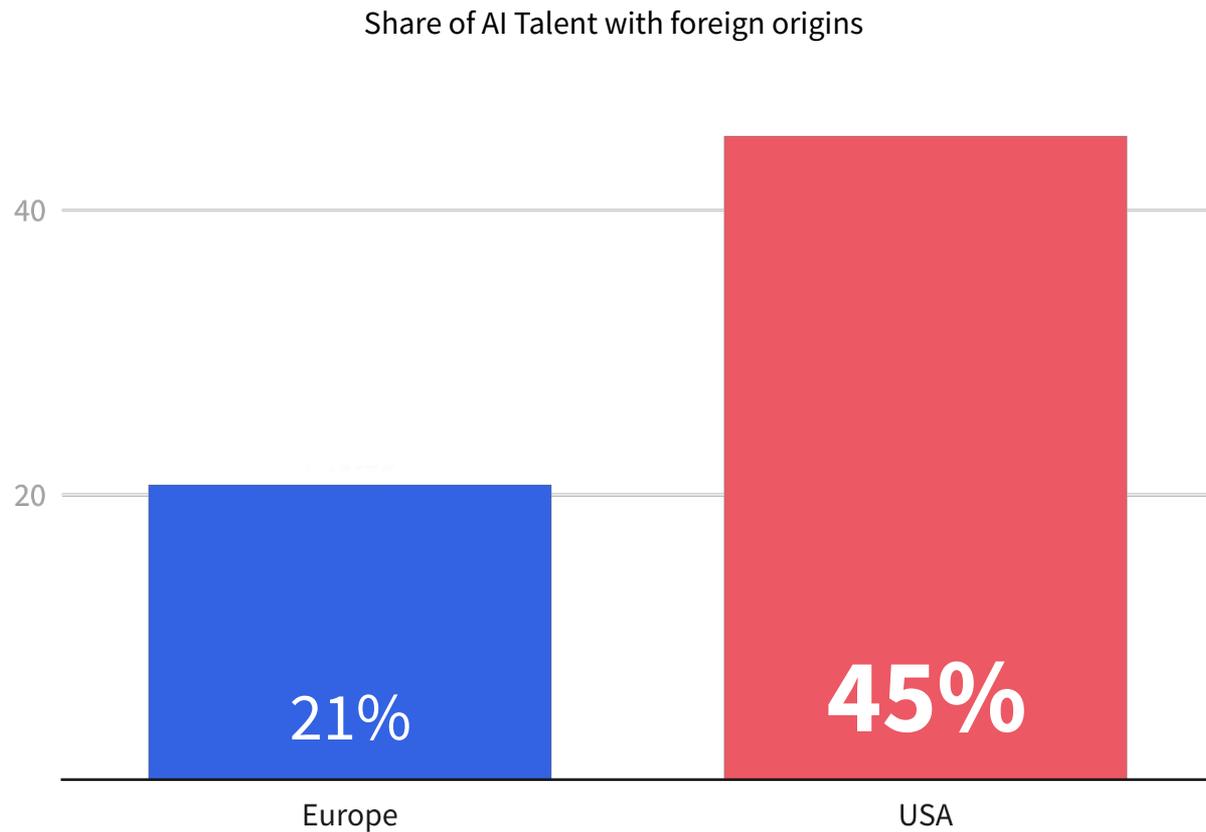
Europe is on par with the US on AI talent



‘US hegemony’ in AI is built on imported talent.

Overall Europe hosts 67k extra-European AI Talent, which make up 21% of the Talent pool.

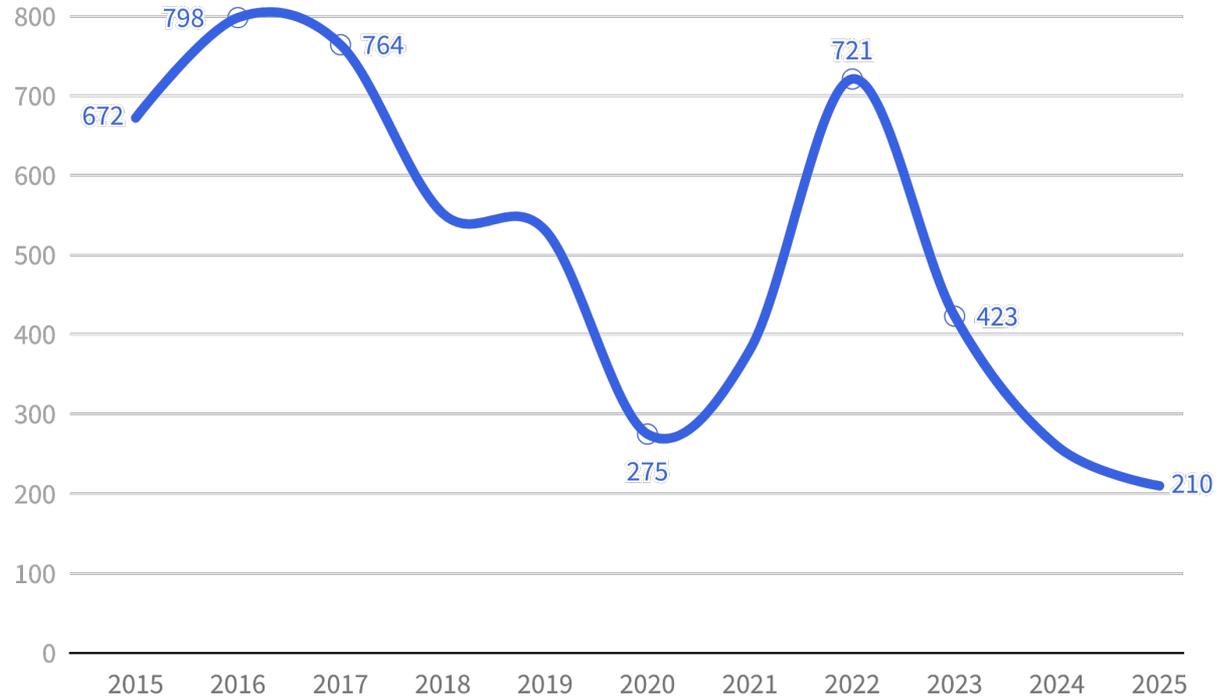
In comparison, the US host 149k extra-American AI Talent, which make up 45% of the Talent pool.



The tide is turning.

US dominance in AI is fast eroding as the best minds in the field decide to take their skills elsewhere. The net flow of AI talent from Europe to the US is at its lowest in the last decade.

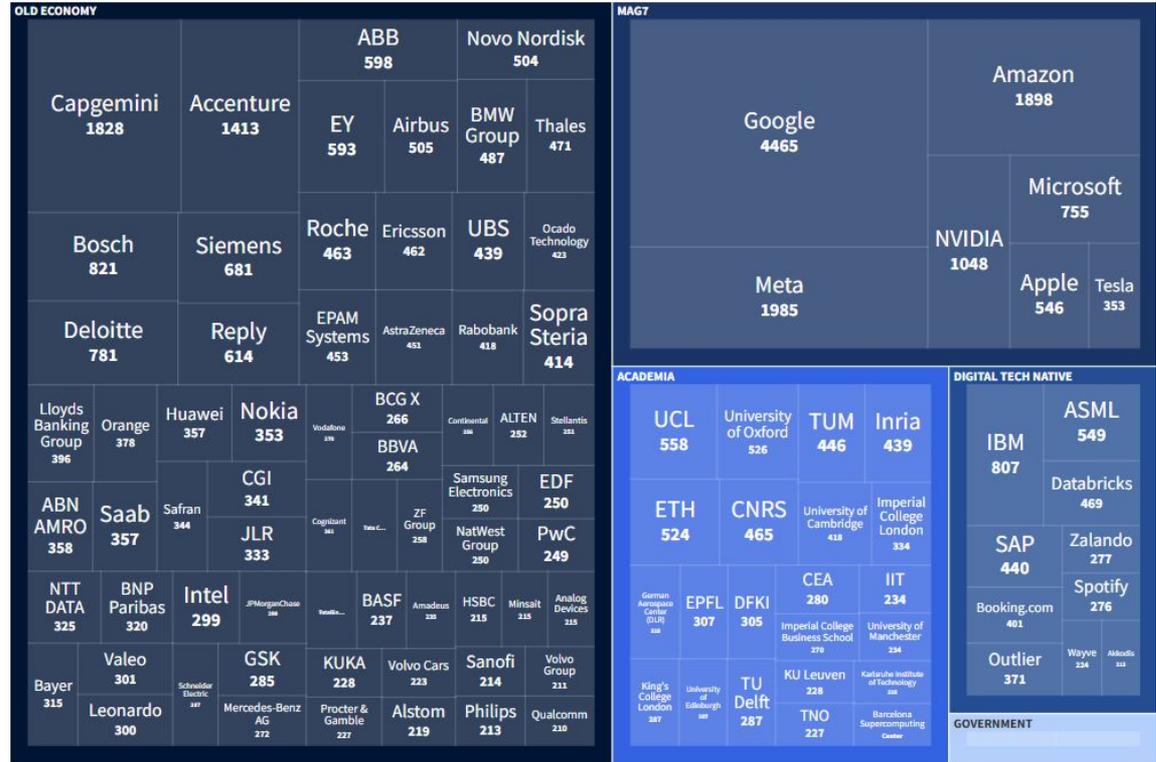
Europe --> US net AI talent flow



Top-100 employers of AI talent in Europe.

Traditional economy AI talent employment in Europe across consultancies, industrial groups and finance; not European AI companies

Top 100 organizations for AI talent in Europe

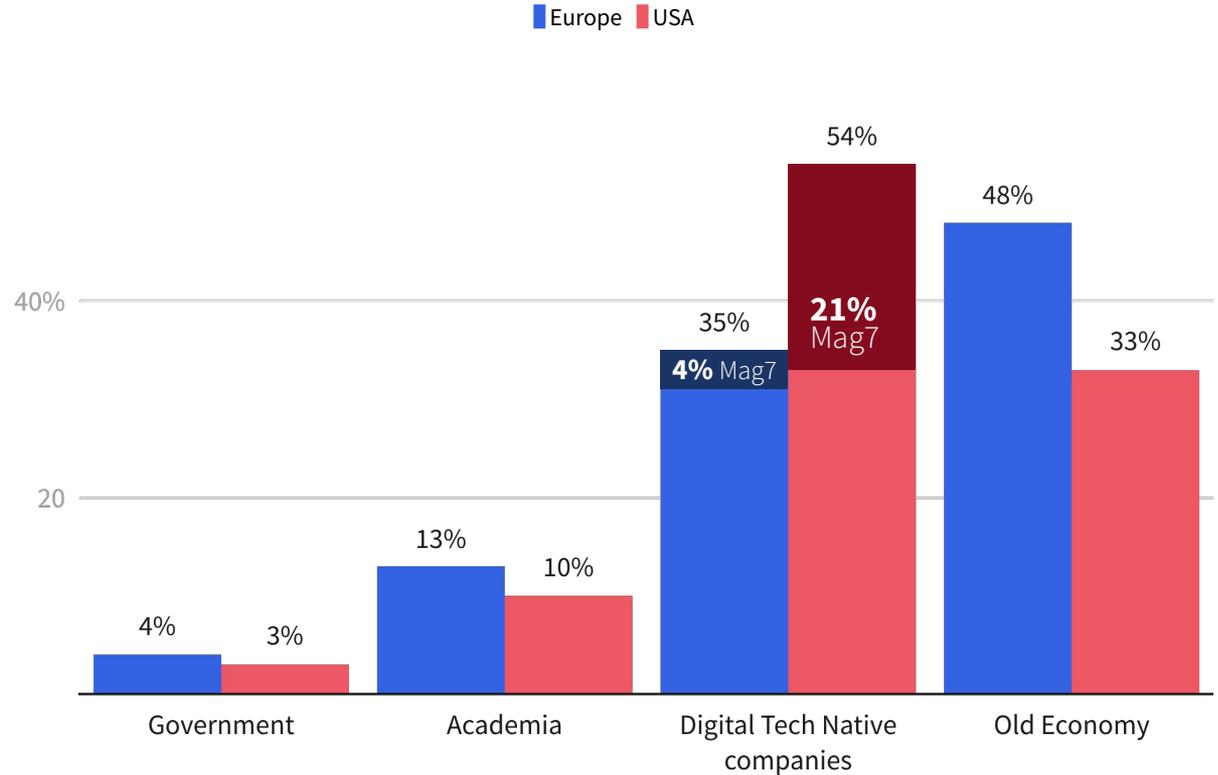


Europe has a massive pool of AI talent, but it is structurally misallocated to traditional economy roles.

Europe appears caught in a "retrofitting loop," where its elite talent is utilized to enhance legacy sectors rather than to build the next generation of global tech platforms

The US advantage is mostly driven by Big Tech.

AI talent employed by type of organization, Europe vs US



US Big tech dominates AI talent employment in the US and in Europe

The top 7 employers of AI talent in the US are the Big Tech Mag 7, and just two of the top 15 are old economy companies.

Top employers of AI talent in the US

Company	Type	People count	HQ
Google	Mag7	18,040	
Meta	Mag7	16,468	
Amazon	Mag7	12,536	
NVIDIA	Mag7	9,338	
Apple	Mag7	4,268	
Microsoft	Mag7	4,121	
Tesla	Mag7	3,119	
OpenAI	Digital tech native	1,809	
Capital One	Old economy	1,602	
JPMorganChase	Old economy	1,510	
IBM	Digital tech native	1,456	
Waymo	Digital tech native	1,418	
Databricks	Digital tech native	1,318	
Intel Corporation	Digital tech native	1,246	
Booz Allen Hamilton	Old economy	1,125	

In Europe 6 of the top 15 including the top 3 employers are US Big Tech. The top European employers are consultancies and old economy (industrials)

Top employers of AI talent in Europe

Company	Type	People count	HQ
Google	Mag7	4,465	
Meta	Mag7	1,985	
Amazon	Mag7	1,898	
Capgemini	Old economy	1,828	
Accenture	Old economy	1,413	
NVIDIA	Mag7	1,048	
Bosch	Old economy	821	
IBM	Digital tech native	807	
Deloitte	Old economy	781	
Microsoft	Mag7	755	
Siemens	Old economy	681	
Data Reply IT	Old economy	614	
ABB	Old economy	598	
EY	Old economy	593	
UCL	Academia	558	

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Europe is investing deeply into sovereign compute. But is that really our biggest bottleneck?

Europe hosts approximately

16%

of the world's data centers*

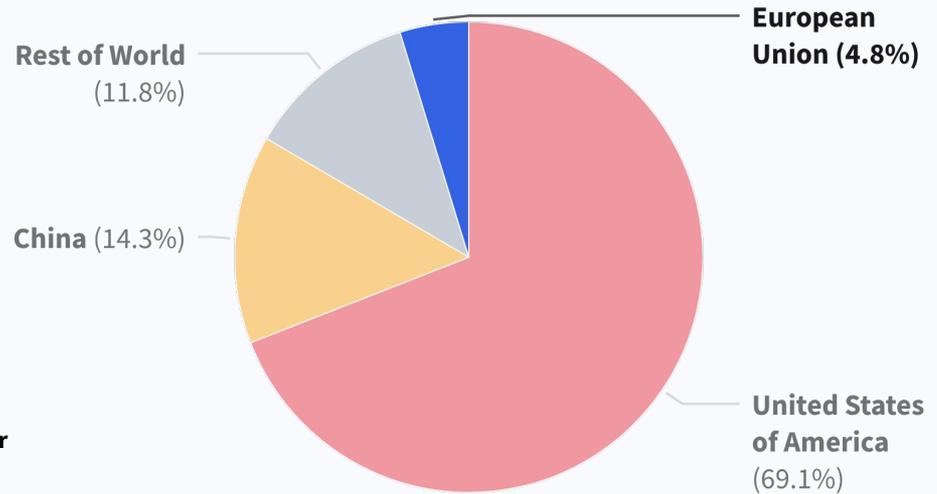
However, when focusing specifically on **AI computing infrastructure**, Europe's share is significantly lower, accounting for an estimated

<5%

of Global AI Compute**

Nevertheless, the EU has emerged as the global leader for provision of AI Compute as a public good. The **Commission is spending €20B to build four to five large-scale AI gigafactories** equipped with approximately 100,000 next-generation AI chips each, aimed at establishing Europe as a global AI leader.

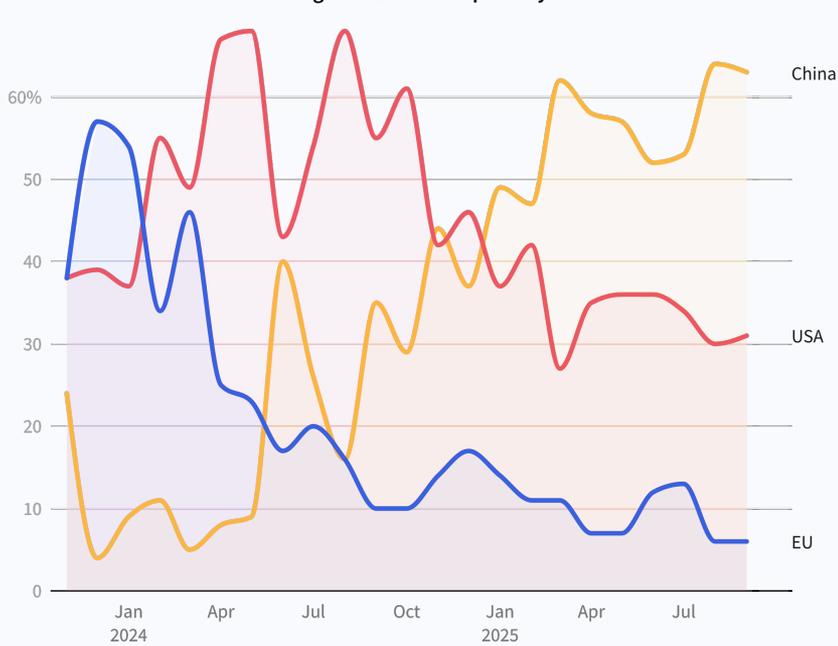
Regional Share of Global AI Compute (H100 equivalents)



Europe has fallen behind in the Generative AI race

Europe is a distant third behind China and the US in the race to build the most advanced LLM models.

Global regional model adoption by month



Mistral is the only European organization with notable LLM Model release

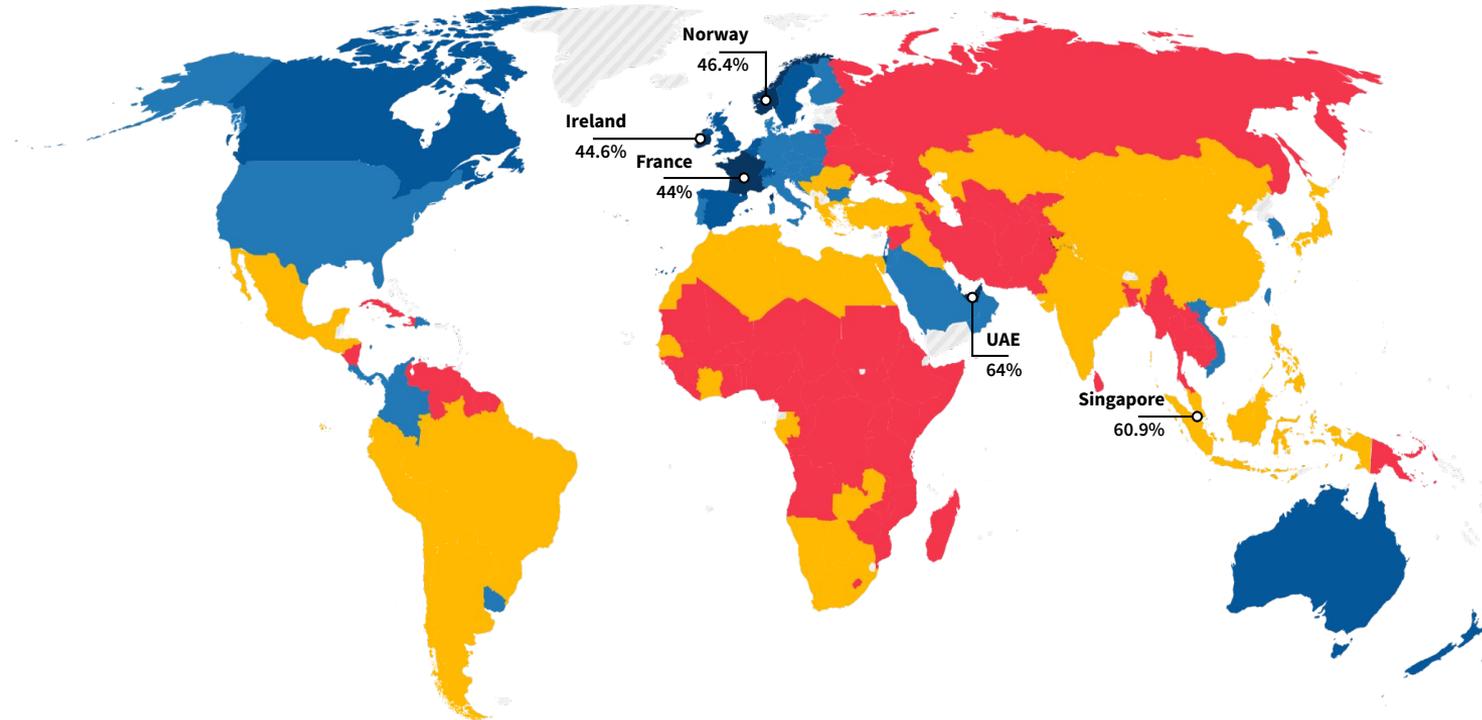
Number of notable AI models by organization, 2024



Europeans lead in the application of AI

AI adoption ('Diffusion') by country, H2 2025

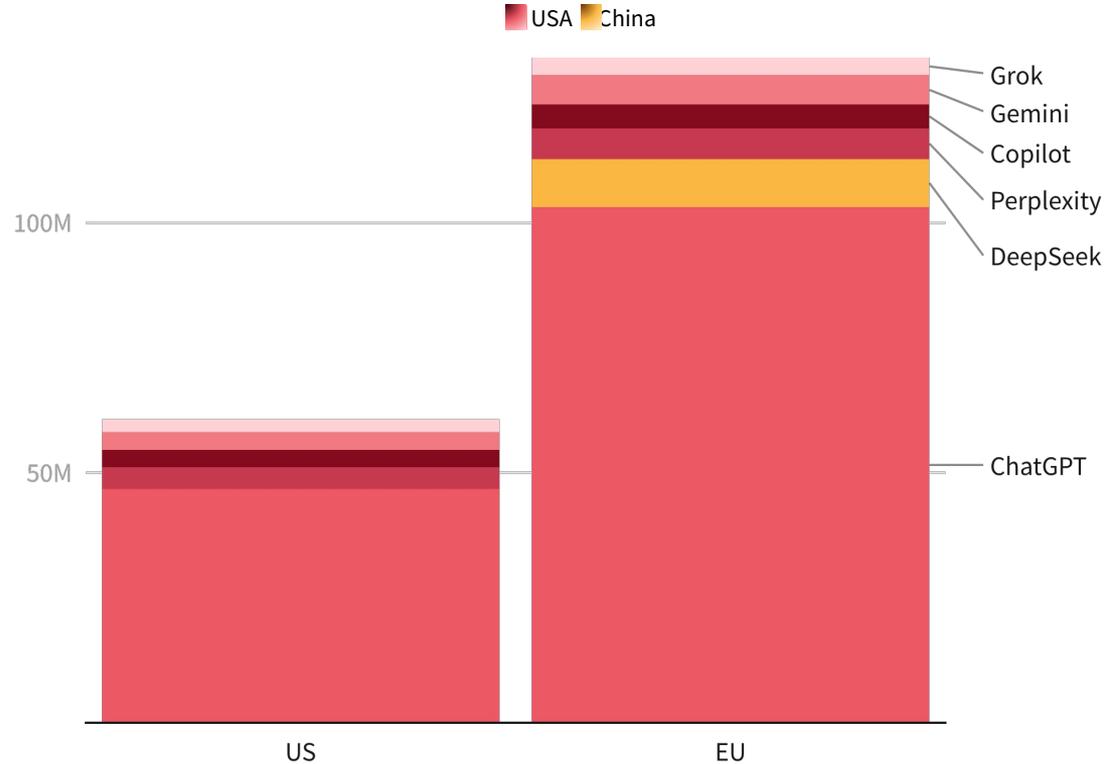
■ +40% ■ 30-40% ■ 20-30% ■ 10-20% ■ 0-10% ■ Insufficient Data



Europeans consume AI brilliantly, but we train the algorithms owned by others.

There are significantly more users of LLMs in Europe than in the USA.

Monthly average (MAU) users of LLMs (Jul 2024 - Sept 2025)

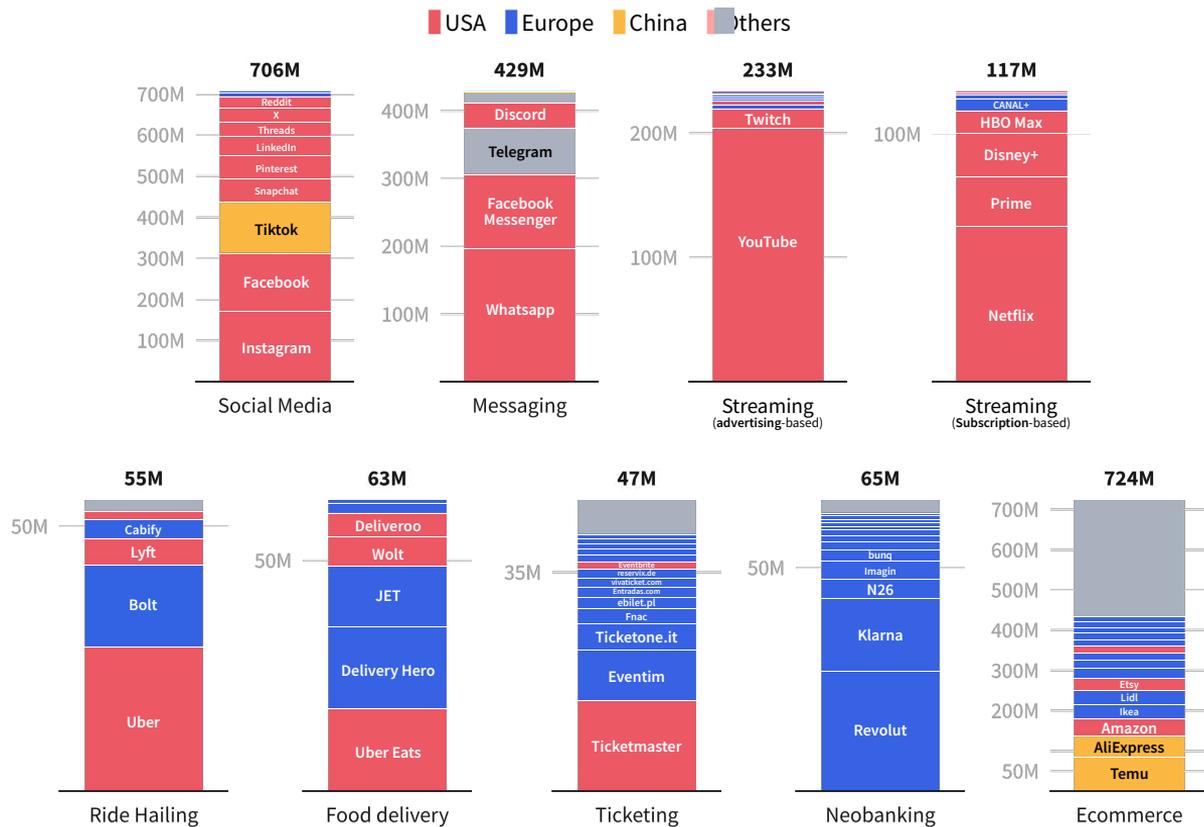


As AI models mature it will be about distribution.

Europe relies on foreign apps for most of its daily lives.

As AI gets embedded into the fabric of these apps, everything we buy and say and hear online will be shaped by models trained abroad.

Total Monthly Average Users (MAU) for vertical apps in Europe (by the apps' region of origin), Jul 2024 - Sep 2025



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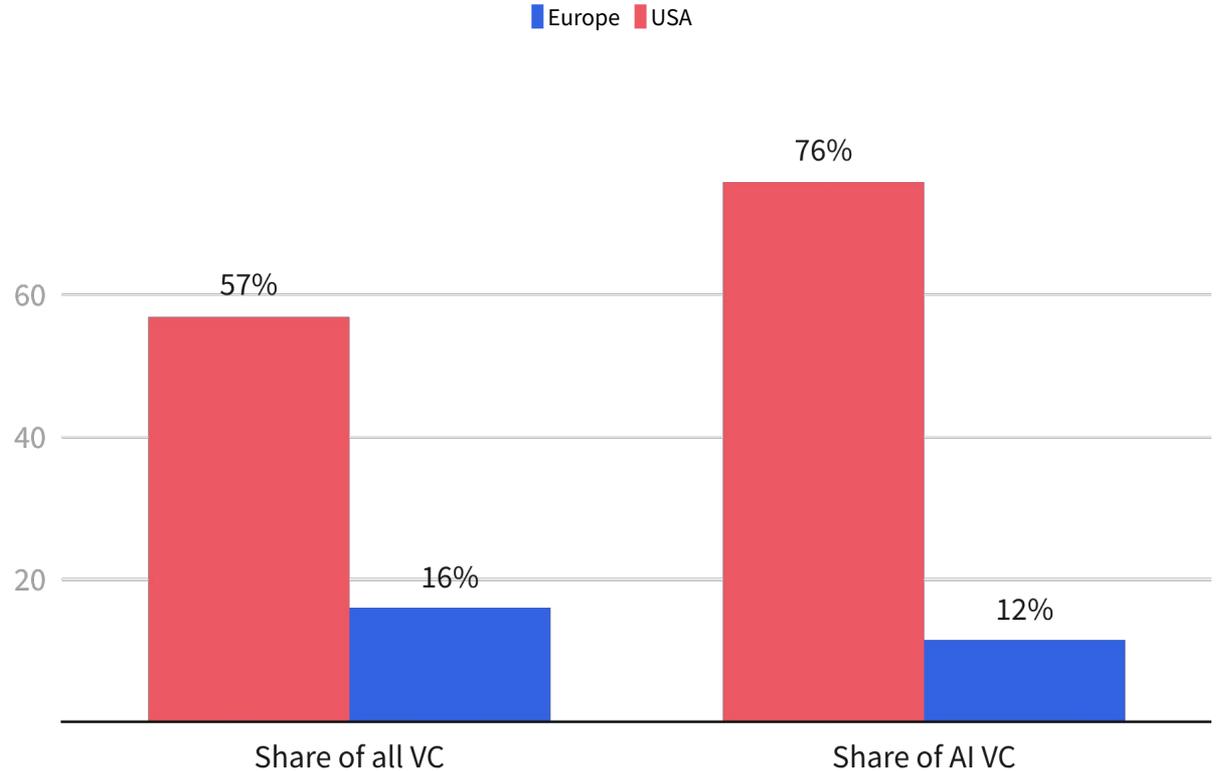
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US is far ahead, in funding AI startups.

The US leads as hyperscalers, frontier-model labs, and deep capital markets concentrate funding at scale. Europe and the rest of the world are ramping quickly, driven by catch-up investment, sovereign support, and broader AI adoption across industries.

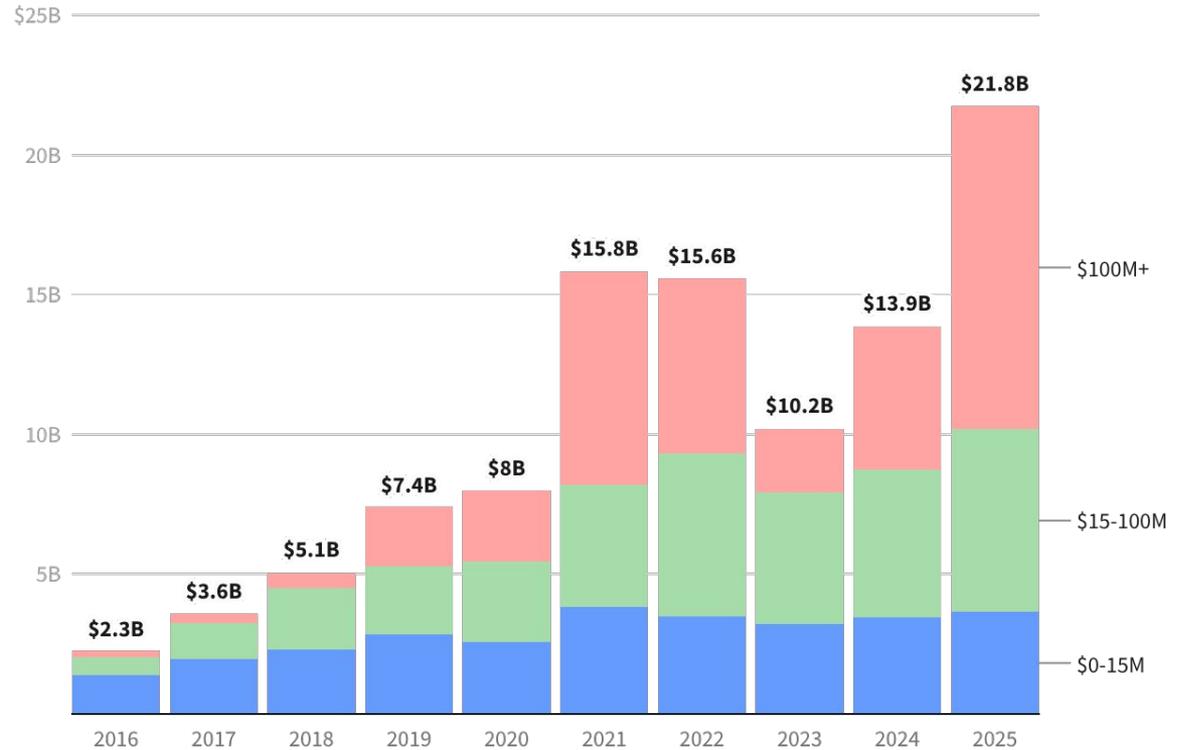
US vs. Europe: share of venture & AI, 2023-2025



AI funding in Europe is at all-time-high.

Over \$21B invested in European AI startups in 2025, 58% more than in 2024

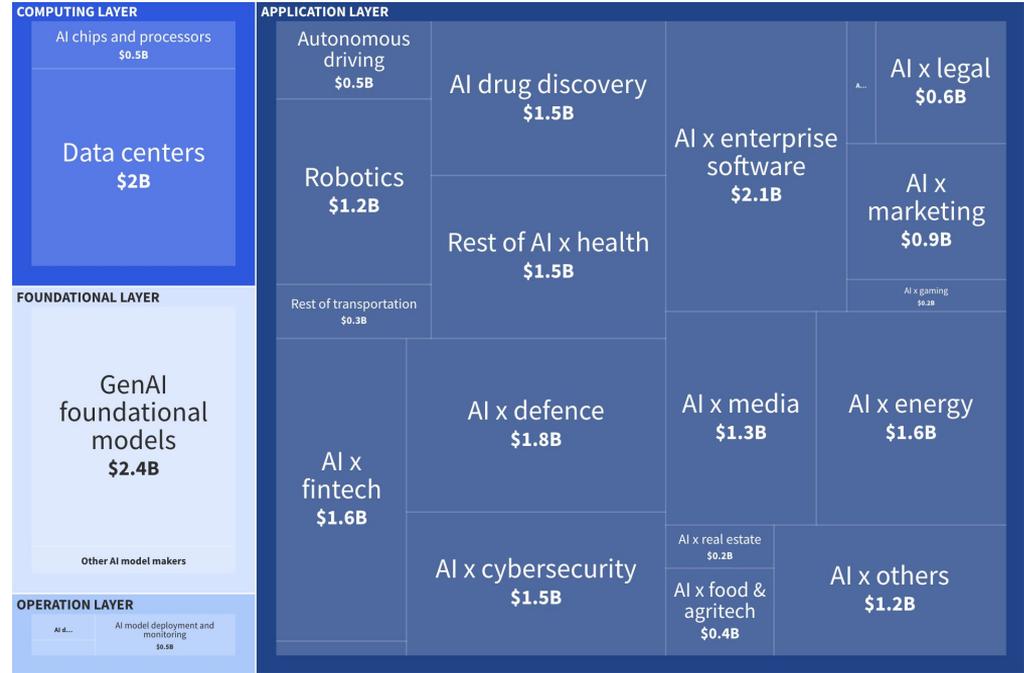
VC funding in European AI startups



While Europe trails in the first round of general-purpose Generative AI, it is positioning itself to lead the "Next Wave" of specialist, vertical applications.

- **Applications** dominate, making up three-quarter of the funding in Europe in 2025
- **Health, Enterprise software & Media, Defence & security, Robotics, Energy, and Fintech** are the largest application segments
- **AI Data centers** attracted significant funding (e.g. Nscale)
- **GenAI foundational models** attracted significant funding (e.g. Mistral AI)

AI VC funding in Europe by segment (2025)



**European AI
Champions are
now competing
head-to-head
with American
rivals.**

112

\$1B+ companies

135+

With \$100M+ revenue or \$1B+ value

synthesisia

VS

Hey Gen

This comparison features a blue circle with the synthesisia logo and a UK flag at the top, and a pink circle with the Hey Gen logo and an American flag at the bottom. The word 'VS' is centered between the two circles.

Lovable

VS

replit

This comparison features a blue circle with the Lovable logo and a Swedish flag at the top, and a pink circle with the replit logo and an American flag at the bottom. The word 'VS' is centered between the two circles.

IIElevenLabs

VS

AssemblyAI

This comparison features a blue circle with the IIElevenLabs logo and a UK flag at the top, and a pink circle with the AssemblyAI logo and an American flag at the bottom. The word 'VS' is centered between the two circles.

cusp.ai

VS

L I L A

This comparison features a blue circle with the cusp.ai logo and a UK flag at the top, and a pink circle with the L I L A logo and an American flag at the bottom. The word 'VS' is centered between the two circles.

Framer

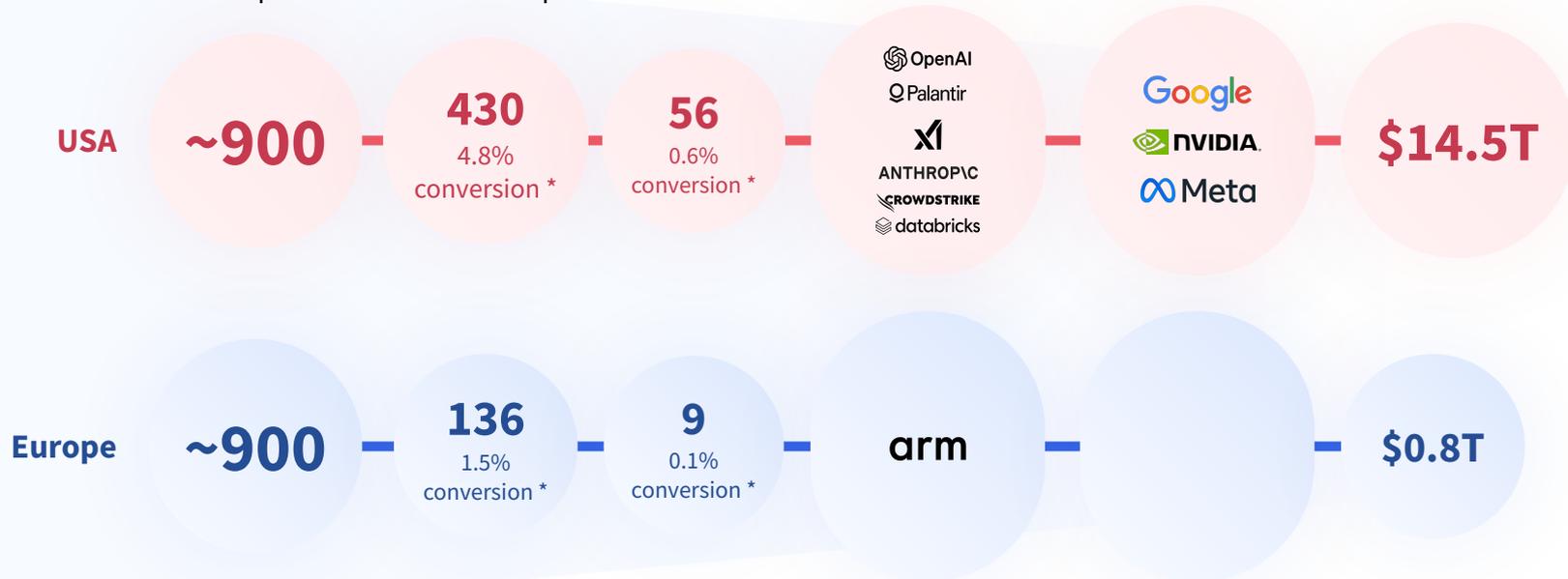
VS

Webflow

This comparison features a blue circle with the Framer logo and a Dutch flag at the top, and a pink circle with the Webflow logo and an American flag at the bottom. The word 'VS' is centered between the two circles.

Europe is insanely entrepreneurial: It has lots of AI startups, but lacks breakthrough, mega-scale companies

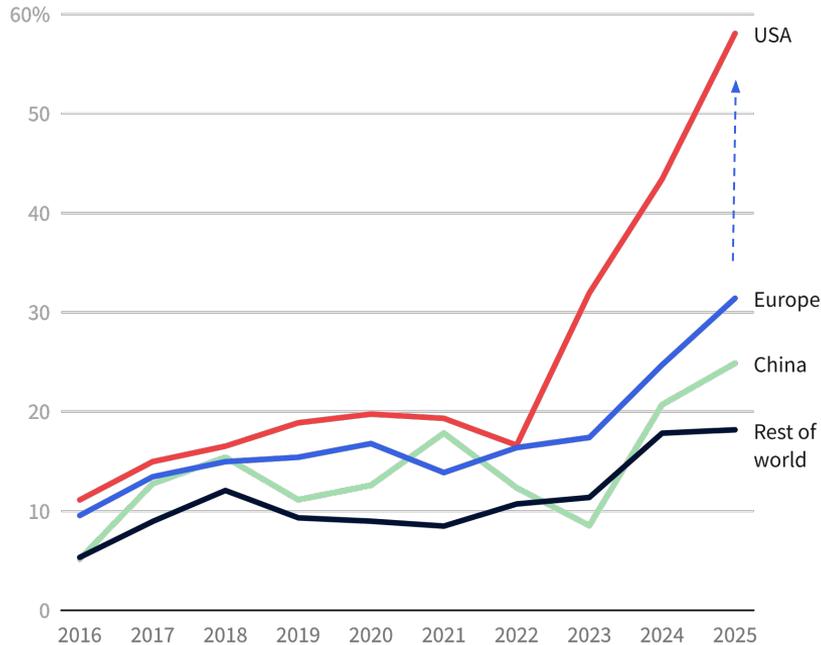
AI startup funnel for USA vs Europe



* Note: Conversion rate of companies that received standardized seed rounds from 2015-2020 to unicorns and/or thoroughbreds, and decacorns. Arm is not VC-backed.

Rising Giant: European AI is on the verge of a break out

A record 30%+ of VC funding went into AI in Europe in 2025,
2x more than 3 years ago



Record number of large seed rounds in Europe,
8 out of 10 in AI alone

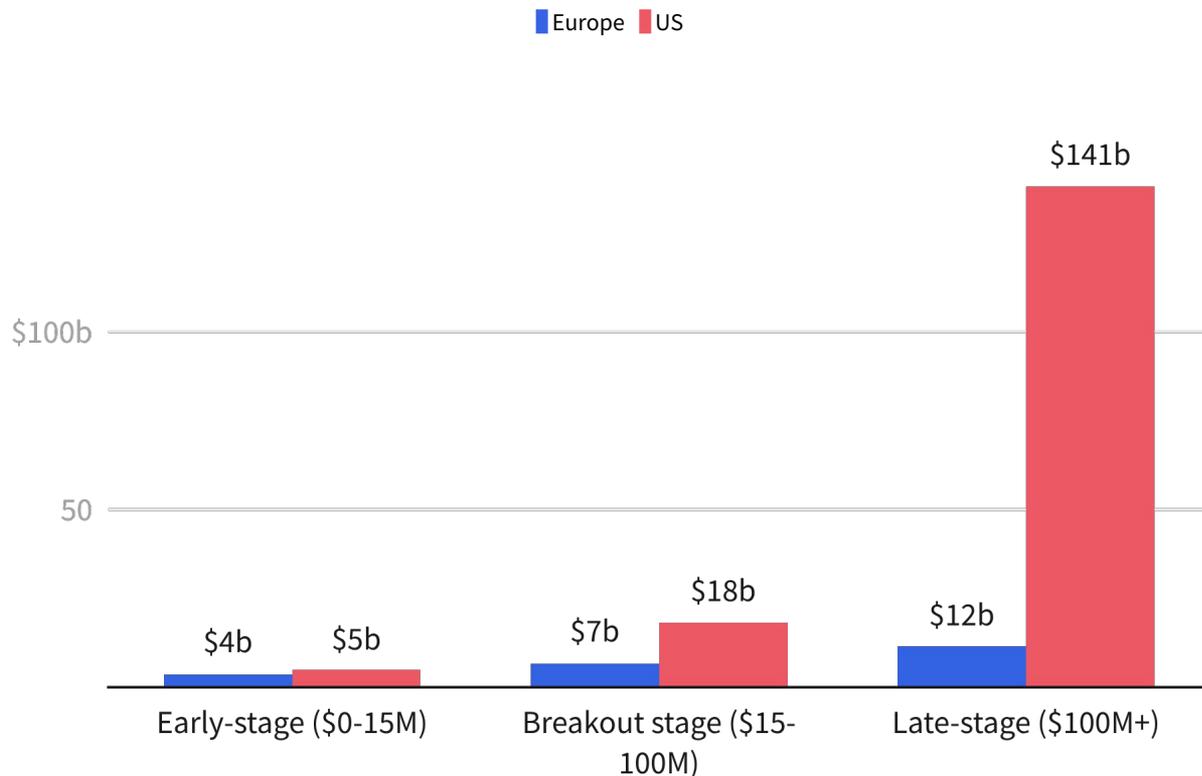
Company	Round Size	Date
 Advanced Machine Intelligence	\$1.03B	Mar 2026
Ineffable Intelligence	\$1B*	Feb 2026
 H	\$220M	May 2024
 BIONTECH	\$150M	Feb 2008
 general intuition	\$134M	Oct 2025
 newcleo <small>Puttable Energy</small>	\$118M	Aug 2021
 MISTRAL AI	€105M	Jun 2023
 Genesis AI	\$105M	Jul 2025
 GENERATIVE BIONICS	€70M	Dec 2025
 Gradium	\$70M	Dec 2025

Europe lags growth capital.

Europe is almost on par in early-stage AI funding but invests nearly 3x less at breakout stage, and a staggering 12x less at Late stage.

Without a robust late-stage funding environment, early-stage funding merely serves as an incubator for companies that will eventually be acquired or funded by foreign capital.

AI VC funding by stage Europe vs US

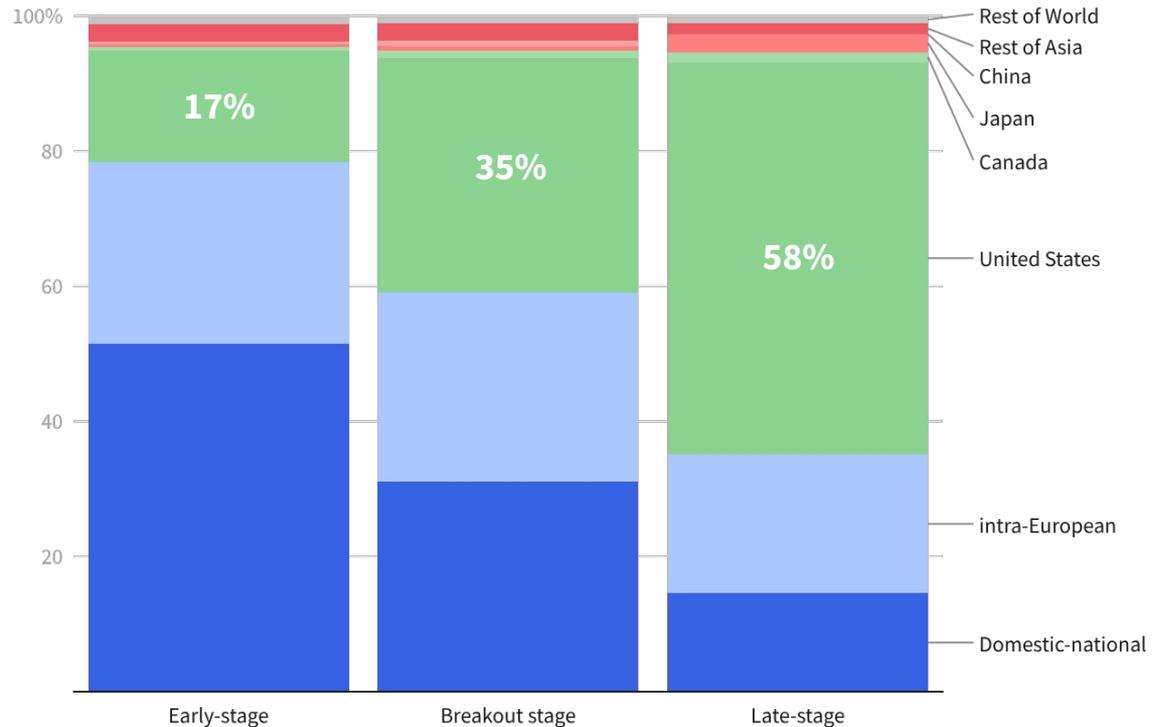


Europe is reliant on overseas capital at the breakout and scaleup stage.

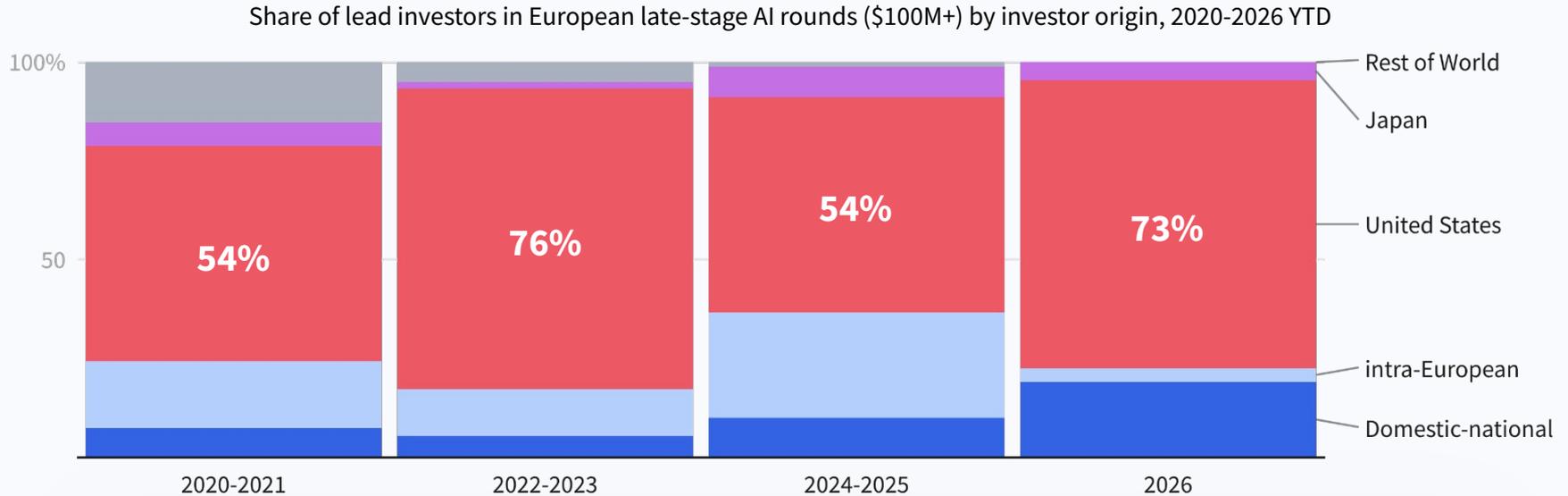
When European startups break through they tend to be commercialized and scaled by American firms.

The financial "value creation cycle" and long-term strategic control flow back to the USA.

Source of VC in European companies, 2024-2025



Later-stage European AI investments is increasingly dominated by US VC firms



Selected US investors in \$100m+ AI rounds in Europe, 2024-2025



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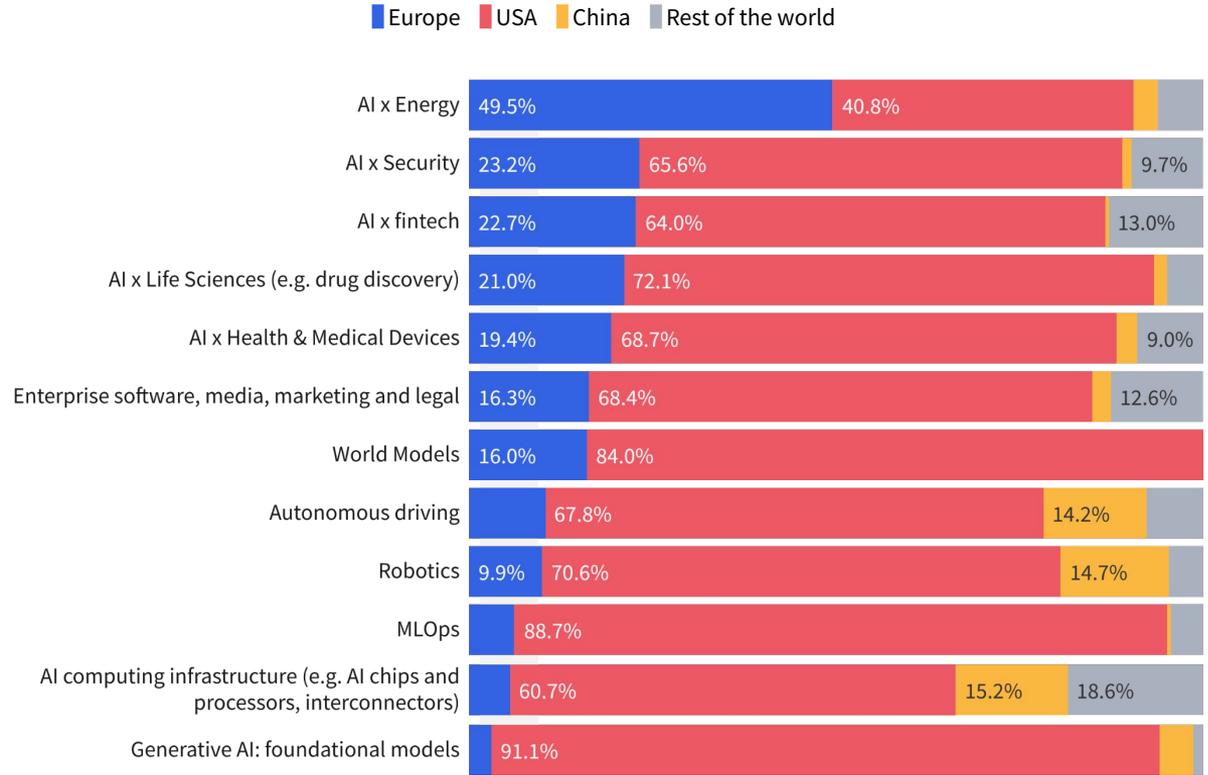
Wide Open: Europe's Strategic Opportunities

- 1** Develop European open-source model alternatives - Trust as Europe's moat (more Mistrals)
- 2** Own the Distribution by supporting the formation of competitive pan-European platforms
- 3** Build best-in-class vertical AI applications (more Legoras, Lovables)
- 4** Go all-in on the next wave of AI: World Models (more AMIs, General Intuitions)

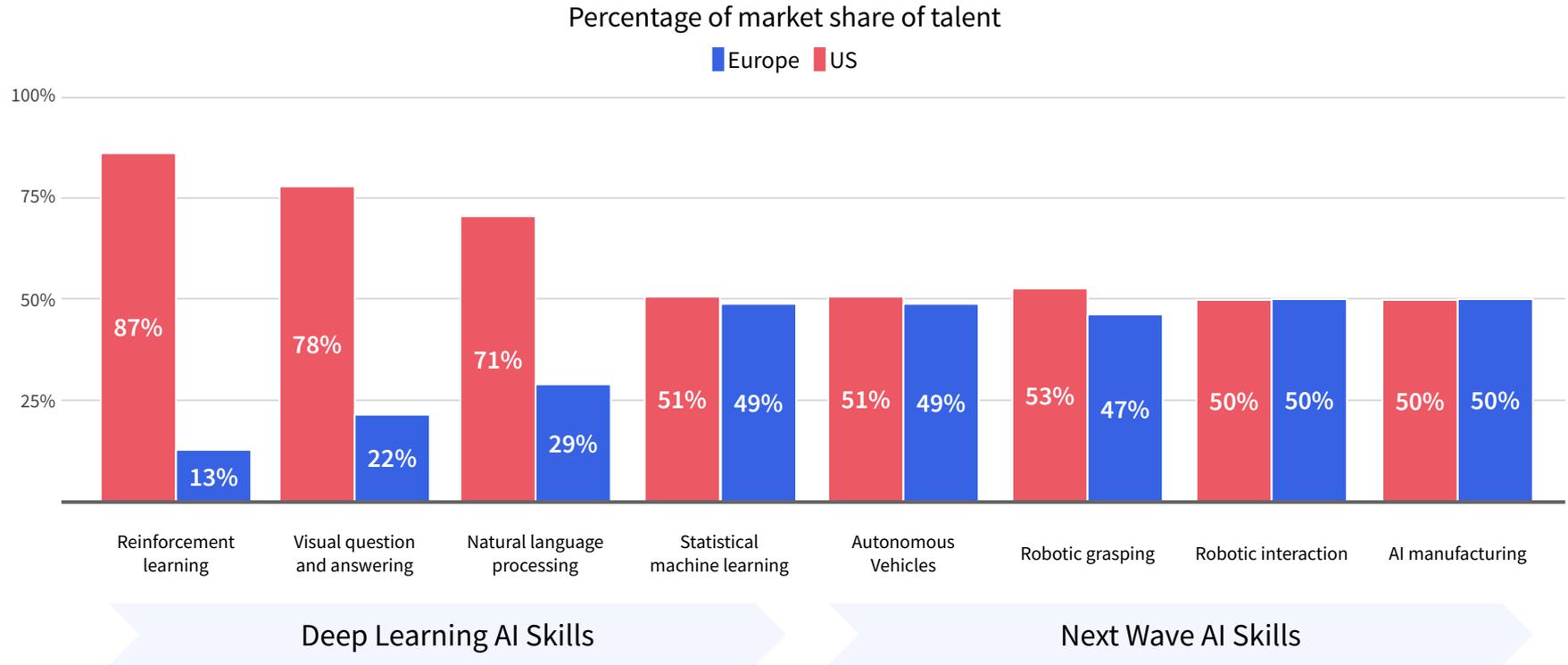
Where can Europe compete?

European is particularly strong in applied AI sectors such as AI for Energy, Security & Defense, Fintech and Health.

Share of VC funding by region in key AI segments, 2023-2025



Europe is trailing in GenAI, but remains competitive for the next wave in Robotics, Autonomous Vehicles and AI-enabled manufacturing



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In Summary:

Surprising Truths About a Hidden European AI Giant.



Talent Paradox

Europe Has the Talent.
It's in the Wrong Jobs.



Usage Paradox

Europe Uses AI Most.
But Trains Foreign
Models.



Startup Paradox

Europe Grows Them.
America Owns Them.

Europe is at a crossroad, but reforms need to accelerate

Invest

Mobilize growth capital

UNLOCK European pension funds to participate more in Growth Capital.

CONCENTRATE capital into Europe's leading hubs.

Unify

Eliminate internal friction

SUPERCHARGE EU-INC into a highway for hyperscaling Tech in Europe (by adding stock options, financing, labor laws, etc.) .

EXPAND the EU-INC highway to connect all major European hubs (e.g. UK, Switzerland and EEA markets).

PROMOTE the formation of competitive pan-European platforms

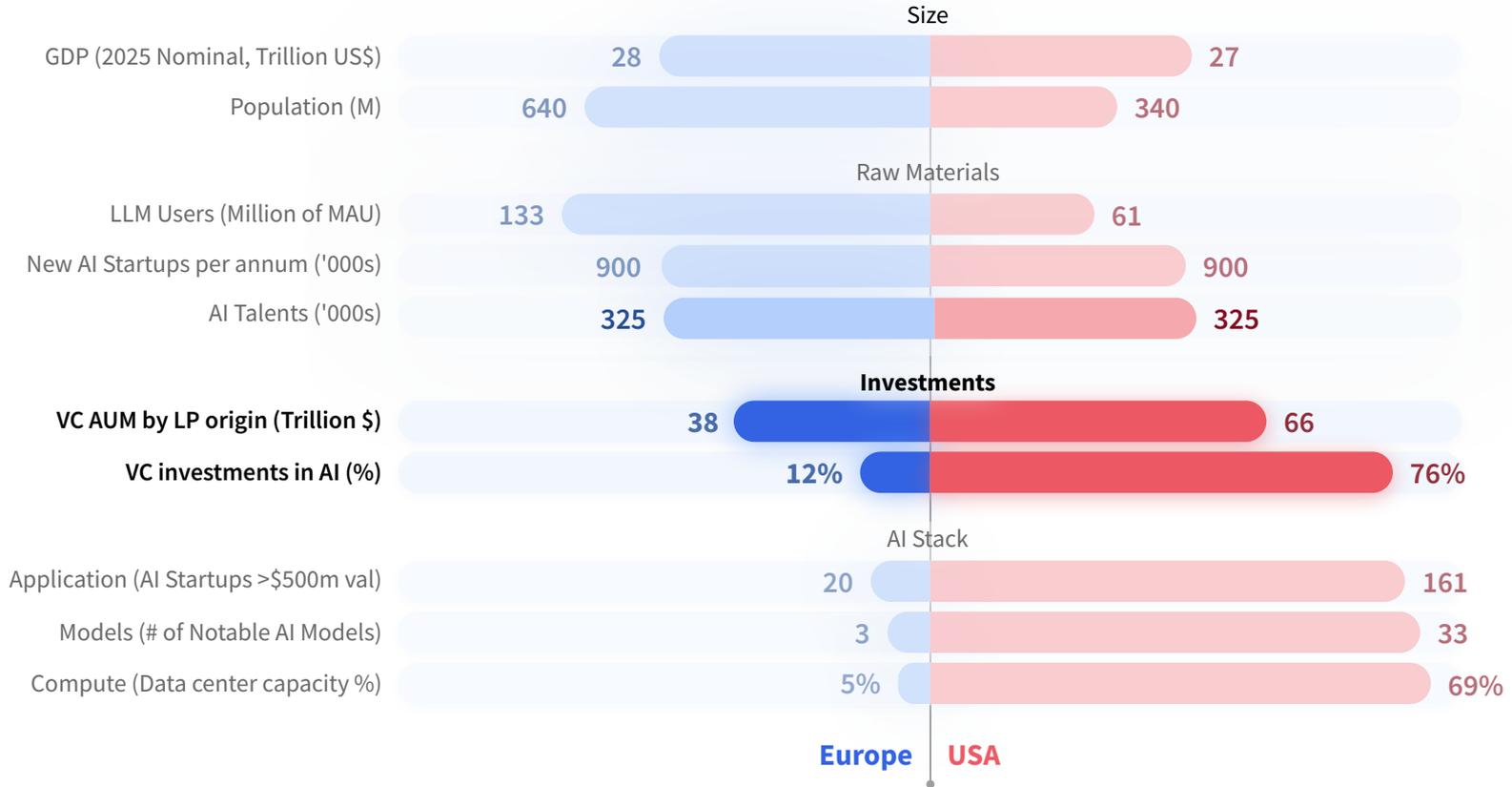
Simplify

Reduce regulatory burden

FAST-TRACK the Digital Omnibus - cut compliance friction, align AI Act timelines with reality, and give European innovators a rulebook they can build on.

ACCELERATE the Digital Fitness Check and opportunities for simplification

The solution to Europe's AI problem is hiding in plain sight: Capital



INVEST: Where the EU's growth capital is hiding

European pension funds

€3-10Tr **120%+**
AUM Funding ratio

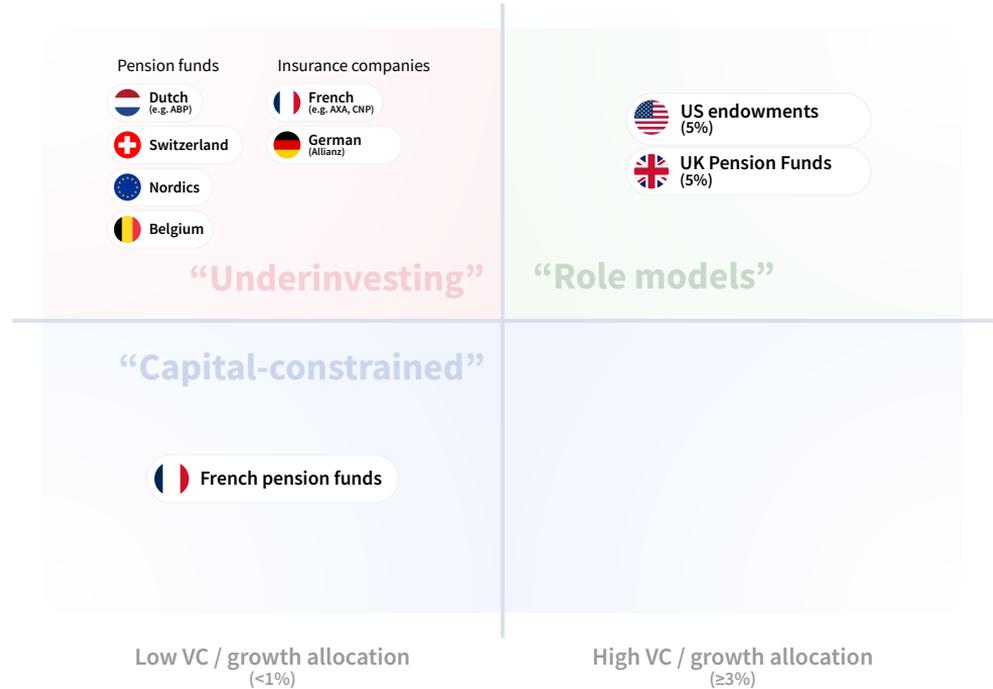
High funding ratio
($\geq 115-120\%$)

European Insurance Companies

€10Tr **200%+**
AUM Solvency

Low funding ratio
($< 100-105\%$)

Raising VC / Growth allocation from 0.12% to 3% (€100 billion) would close the gap with US



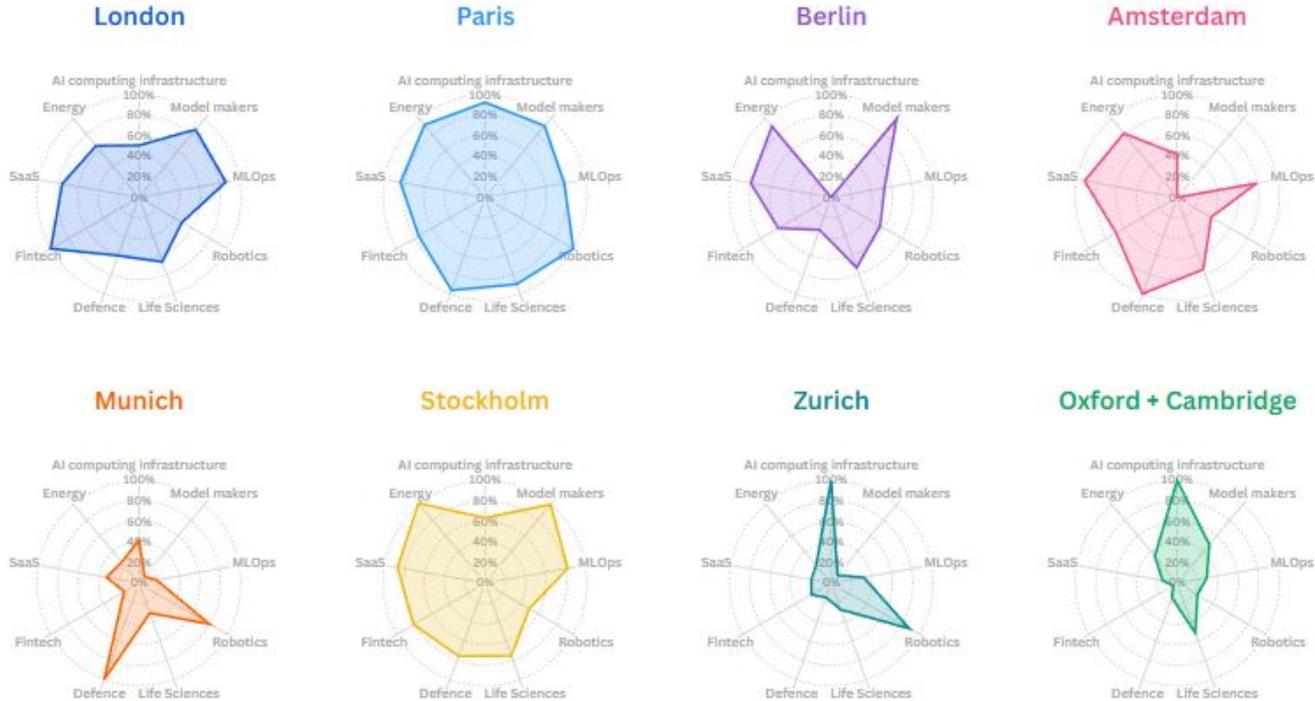
European AI Hub Power Law: Catching up requires Europe to focus on its top cities.

Key Global AI Champions in Europe compared on selected metrics

	Enterprise Value of AI Startups	# of VC backed AI Startups	# of AI Unicorns	Breakout Capital of AI Startups	Scaleup Capital of AI Startups	AI Startups Alumni Founders
London	\$130.1B	1.6K	24	\$4.8B	\$7.3B	1.3K
Paris	\$70B	646	12	\$2.6B	\$4.5B	2.2K
Berlin	\$20.6B	447	2	\$1.1B	\$300M	240
Amsterdam	\$36.5B	308	4	\$703.2M	\$310M	246
Munich	\$41.6B	242	4	\$893.1M	\$1.8B	420
Stockholm	\$31.3B	227	8	\$505.5M	\$1.3B	175
Zurich	\$11.7B	189	4	\$522.8M	\$130M	319
Copenhagen	\$30.3B	122	3	\$399M	\$0	197
Cambridge	\$141.5B	98	3	\$456.6M	\$1.2B	548
Oxford	\$6.7B	70	2	\$238.2M	\$240M	457

Most European Hubs has distinct strengths

Selected European hubs compared in selected sectors*



UNIFY:

Supercharge EU-INC into a Highway for Hyperscaling Tech across Europe

For example

Unified stock options plan

Unified employment and HR tools

EU-wide trademark and patent filing

Access to pan-European funding

EU tax breaks and incentives

Seamless banking / payments API

Connect *all* European hubs, including UK and Switzerland



UNIFY: A Rulebook European Innovators Can Actually Build On

Europe's AI rulebook is fragmented across **10+ overlapping frameworks**: AI Act, GDPR, Data Act, NIS2, DORA and more

Compliance complexity hits European AI startups hard - US and Chinese scaleups operate under simpler regimes

Further high-risk AI obligations due August 2026

Adopt the Digital Omnibus on AI by mid-2026 — phase in high-risk obligations on a realistic timeline, with sandboxes that actually work for startups

Rationalise EU digital regulation to boost AI training and deployment in Europe

- A coherent set of rules
- Streamlined enforcement
- Centralised notification
- Removing registration requirement

Accelerate the Digital Fitness Check

Time for Europe to create its own narrative

ACT I: THE AWAKENING (45 MINS)



TALENT UNLEASHED. RESEARCH POWERHOUSE. ETHICAL INNOVATION.

ACT II: THE SOVEREIGN BUILD (60 MINS)



SOVEREIGN AI. PRIVACY FIRST. INDUSTRIAL MIGHT.

ACT III: THE GLOBAL STANDARD (15 MINS)



TRUSTED AI. GLOBAL LEADERSHIP. THE HUMAN-CENTRIC FUTURE.

Let's build as if Europe's future depends on it

because it does



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PROSUS

An AI Powerhouse in Europe.

Prosus is a global technology company, unlocking an AI first world for its 2 billion customers. With investments in more than 100 companies across the world, Prosus builds local ecommerce champions in growth markets.

With leading positions in Food Delivery, Classifieds and Fintech, Prosus has created its own unique technology ecosystem, driving innovation, knowledge sharing and growth across its portfolio.

Through the Prosus Ventures team, the Group invests in new technology growth opportunities within AI, social and ecommerce platforms, fintech, B2B software, logistics, health, blockchain, agriculture and more.

The team actively backs exceptional entrepreneurs who are using technology to improve people's everyday lives.



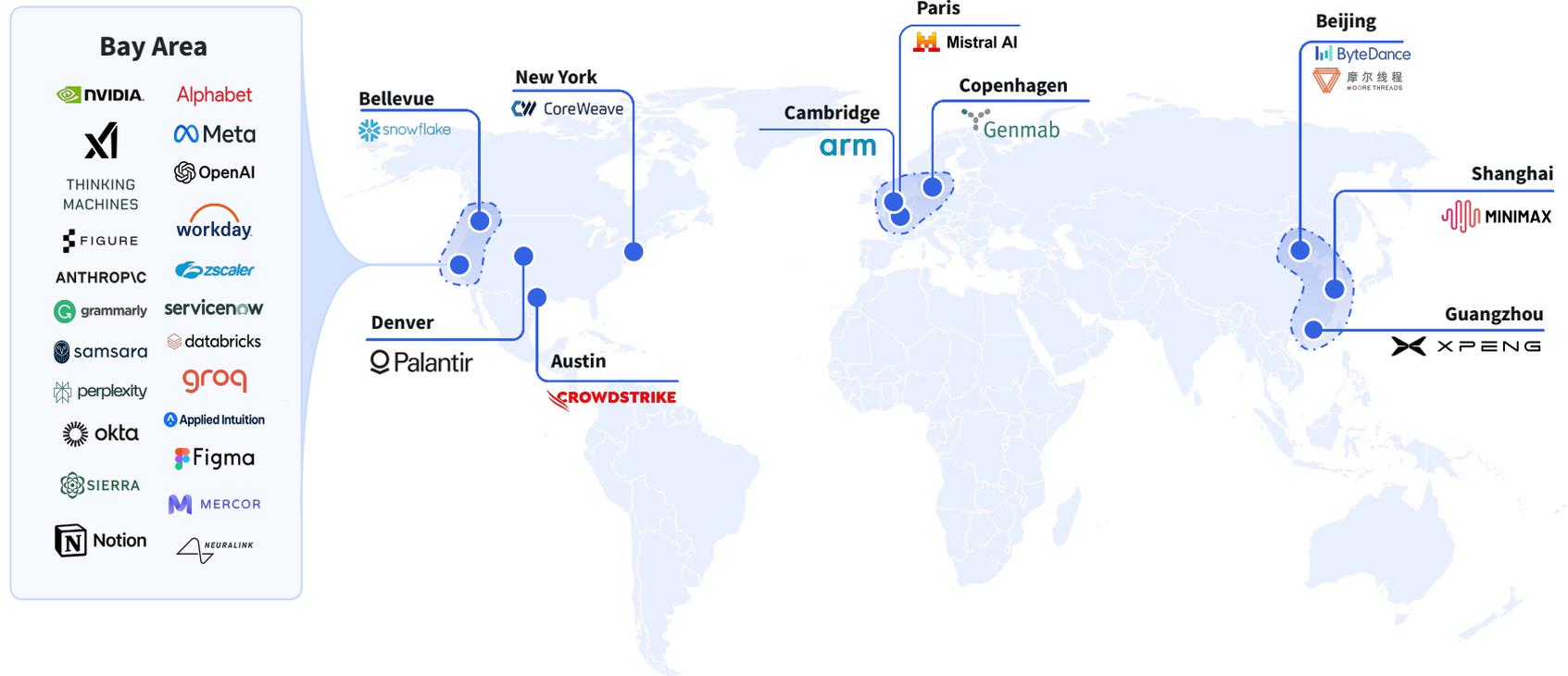
Global startup & venture capital intelligence platform.

Dealroom.co is a global intelligence platform for discovering and tracking the most promising companies, technologies and ecosystems. Clients include many of the world's foremost organizations such as Sequoia, Accel, Index Ventures, NATO Innovation Fund, NATO Diana, European Defence Fund, ESA, McKinsey, BCG, Deloitte, Google, AWS, Microsoft, Stripe.

Dealroom partners closely with local tech ecosystem development agencies and enablers, to create a comprehensive multi-dimensional blueprint of the tech ecosystem, including capital, talent, innovation, entrepreneurship and overall economic dynamism.

CITY DEEP DIVES

Ecosystem Power Law: Where the AI decacorns have been built

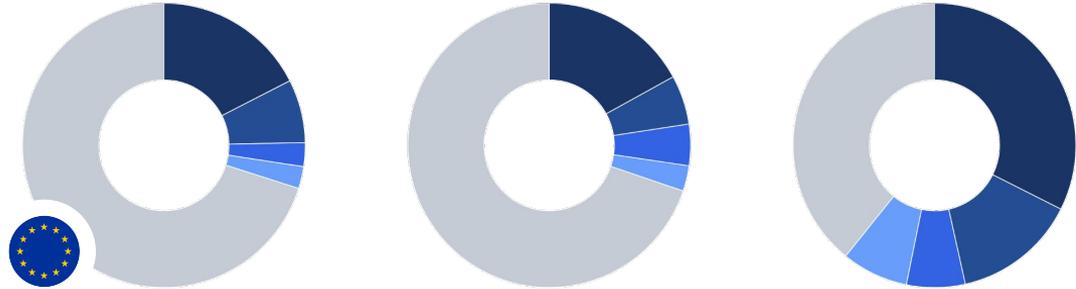


Catching up requires Europe to focus on its top cities.

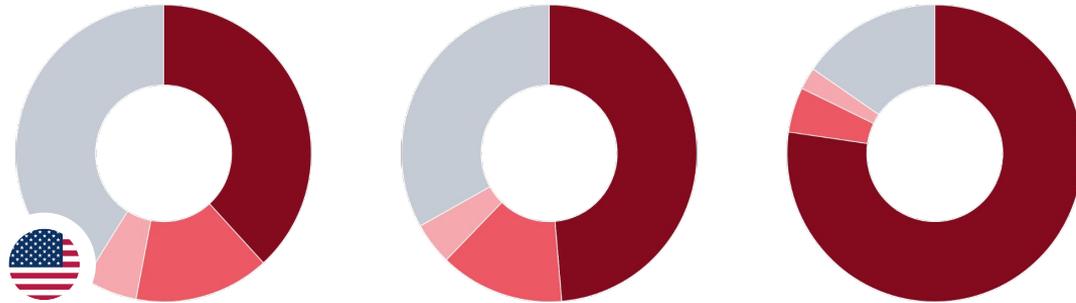
Europe is a more fragmented AI ecosystem than the US.

Source of VC in European companies, 2024-2025

London Paris Munich Stockholm Rest of Europe



Bay Area New York Boston Rest of the USA



of VC backed startups

of rounds in 2025

VC in 2025

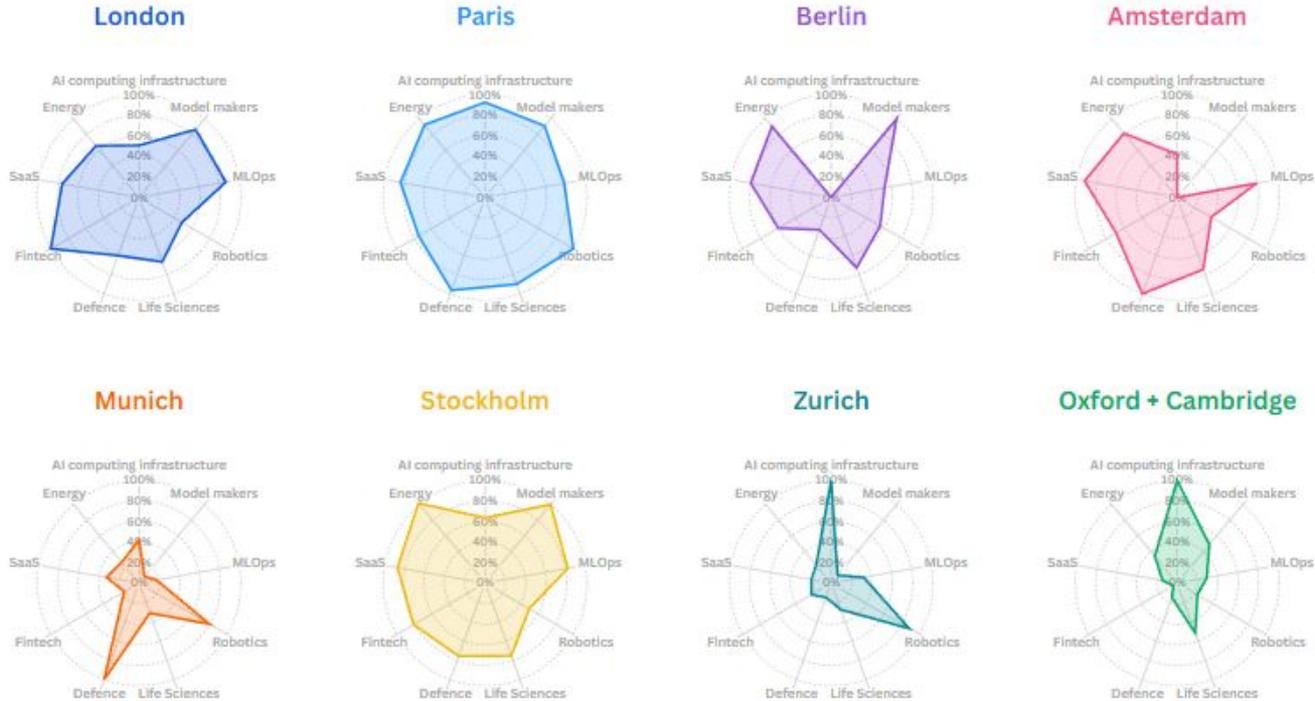
European AI Hub Power Law: London and Paris are clear front runners

Key Global AI Champions in Europe compared on selected metrics

	Enterprise Value of AI Startups	# of VC backed AI Startups	# of AI Unicorns	Breakout Capital of AI Startups	Scaleup Capital of AI Startups	AI Startups Alumni Founders
 London	\$149.2B	1.6K	24	\$4.8B	\$7.3B	1.3K
 Paris	\$71.8B	677	12	\$2.6B	\$4.5B	2.2K
 Berlin	\$22.4B	489	2	\$1.1B	\$300M	240
 Amsterdam	\$39B	322	4	\$703.2M	\$310M	246
 Munich	\$42.1B	253	4	\$893.1M	\$1.8B	420
 Stockholm	\$28.5B	234	8	\$505.5M	\$1.3B	175
 Zurich	\$11.8B	198	4	\$522.8M	\$130M	319
 Copenhagen	\$34.8B	132	3	\$399M	\$0	197
 Cambridge	\$136.8B	90	3	\$456.6M	\$1.2B	548
 Oxford	\$5.4B	52	2	\$238.2M	\$240M	457

Most European Hubs has distinct strengths

Selected European hubs compared in selected sectors*



London has imposed itself as the leading AI hub in Europe by scale

Key stats for AI startup ecosystem in London

1647

VC-backed startups

\$7.1B

VC funding in 2025

3.2x

In VC funding since 2020,
growing 1.9x since 2024

\$149B

Combined enterprise
value

1st

Hub in Europe by VC
funding in 2025

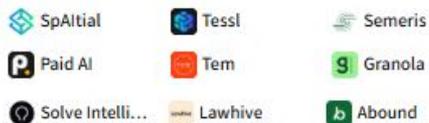
40%

Of all VC funding in 2025
in London went to AI

Successes



Rising Stars



Key stats for AI talent ecosystem
in London

1st

Hub in Europe for Frontier AI
talent (8.1% of Europe)

1st

Hub in Europe for AI
practitioners (9.2% of
Europe)

**Google, Meta, and
UCL**

are the top AI employers in
London

London overperforms in AI x fintech, AI model makers & MLOps and AI-native SaaS

London is the leading AI hub by scale in Europe, but it still has some key areas of specialization:

AI x fintech

London is the leading fintech hub in Europe and in the adoption of AI in the sector. Historical AI successes include Cleo, Quantexa, Onfido, and Accelerant, as well as recent rising stars like Paid AI, Triver, and Finster AI

AI Model Makers and MLOps

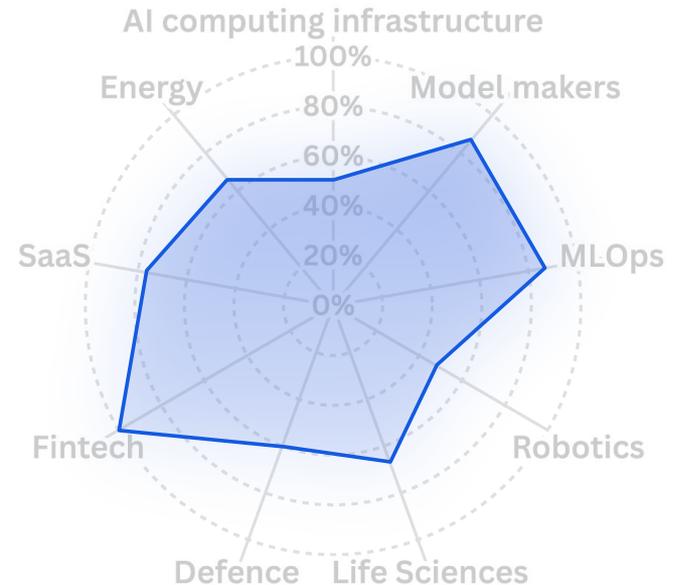
London is the base of Google DeepMind, Synthesia, Eleven Labs and several other model makers, as well as MLOps startups such as 11x and V7.

SaaS

London is home to fast-growing AI-native applications such as Lawhive (Legaltech), Tesla (coding), Granola (Enterprise software), Omnea (procurement). Robotics, Energy and Defence are less developed sectors.

London is the **second largest research hub for Google after Silicon Valley**, accounting for almost one-quarter of all global research and three-quarters of the European research force.
London is also the top research hub in Europe for **Meta**, and second one for **Microsoft, and Amazon**

London relative specialization in AI domains
indexed to 100% for strongest segment in comparison with rest of Europe



Source: Dealroom.co *Comparison on distribution of VC-backed AI startups across selected sectors among leading AI hubs in Europe. The percentages are only reflective of each city specialization in that area, not of how that city compares in absolute numbers with the others.

Munich

Key stats for AI startup ecosystem in Munich

253

VC-backed startups

\$1.6B

VC funding in 2025

6.1x

In VC funding since 2020,
growing 2.1x since 2024

\$42B

Combined enterprise
value

4th

Hub in Europe by VC
funding in 2025

51%

Of all VC funding in 2025
in Munich went to AI

Successes



Helsing



Quantum Syst...



Agile Robots



Celonis

Rising Stars



Hawk



ARX Robotics



Avelios Medical



planqc



Pina Earth



OroraTech

Key stats for AI talent ecosystem in Munich

5th

Hub in Europe for Frontier AI
talent (2.3% of Europe)

4th

Hub in Europe for AI
practitioners (2.3% of
Europe)

**TUM, BMW Group,
Google**

are the top AI employers in
Munich



Paris

Key stats for AI startup ecosystem in Paris

677

VC-backed startups

\$3.2B

VC funding in 2025

3.7x

In VC funding since 2020,
growing 1.2x since 2024

\$72B

Combined enterprise
value

2nd

Hub in Europe by VC
funding in 2025

43%

Of all VC funding in 2025
in Paris went to AI

Successes



Mistral AI



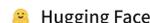
Poolside AI



Harmattan AI



Zama



Hugging Face



Photoroom



Pigment



Dataiku

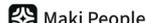


Vibe

Rising Stars



Nabla



Maki People



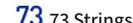
H Company



Lemlist



Qevlar AI



73 Strings

Key stats for AI talent ecosystem in Paris

2nd

Hub in Europe for Frontier AI
talent (6.6% of Europe)

2nd

Hub in Europe for AI
practitioners (6.0% of
Europe)

**Capgemini, BNP
Paribas, Thales**

are the top AI employers in
Paris



Amsterdam

Key stats for AI startup ecosystem in Amsterdam

322

VC-backed startups

\$535M

VC funding in 2025

4.6x

In VC funding since 2020,
growing 1.2x since 2024

\$39B

Combined enterprise
value

6th

Hub in Europe by VC
funding in 2025

33%

Of all VC funding in 2025
in Amsterdam went to AI

Successes



Framer



DataSnipper



Mews



BitFury

Rising Stars



Overstory



Cradle



Monumental



Oneleet



Carv



Gain.pro

Key stats for AI talent ecosystem in Amsterdam

11th

Hub in Europe for Frontier AI
talent (2.2% of Europe)

6th

Hub in Europe for AI
practitioners (1.2% of
Europe)

**Booking.com,
ABN Amro, UvA**
are the top AI employers in
Amsterdam

Zurich

Key stats for AI startup ecosystem in Munich

198

VC-backed startups

\$378M

VC funding in 2025

1.6x

In VC funding since 2020,
growing 1.2x since 2024

\$12B

Combined enterprise
value

8th

Hub in Europe by VC
funding in 2025

34%

Of all VC funding in 2025
in London went to AI

Successes



Auterion



Acronis



Scandit

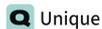
Rising Stars



RIVR



DeepJudge



Unique



Sparkli



Cradle



Flexion Robotic

Key stats for AI talent ecosystem in Zurich

8th

Hub in Europe for Frontier AI
talent (1.8% of Europe)

3rd

Hub in Europe for AI
practitioners (2.6% of
Europe)

**Google, ETH
Zurich, UBS**

are the top AI employers in
Zurich

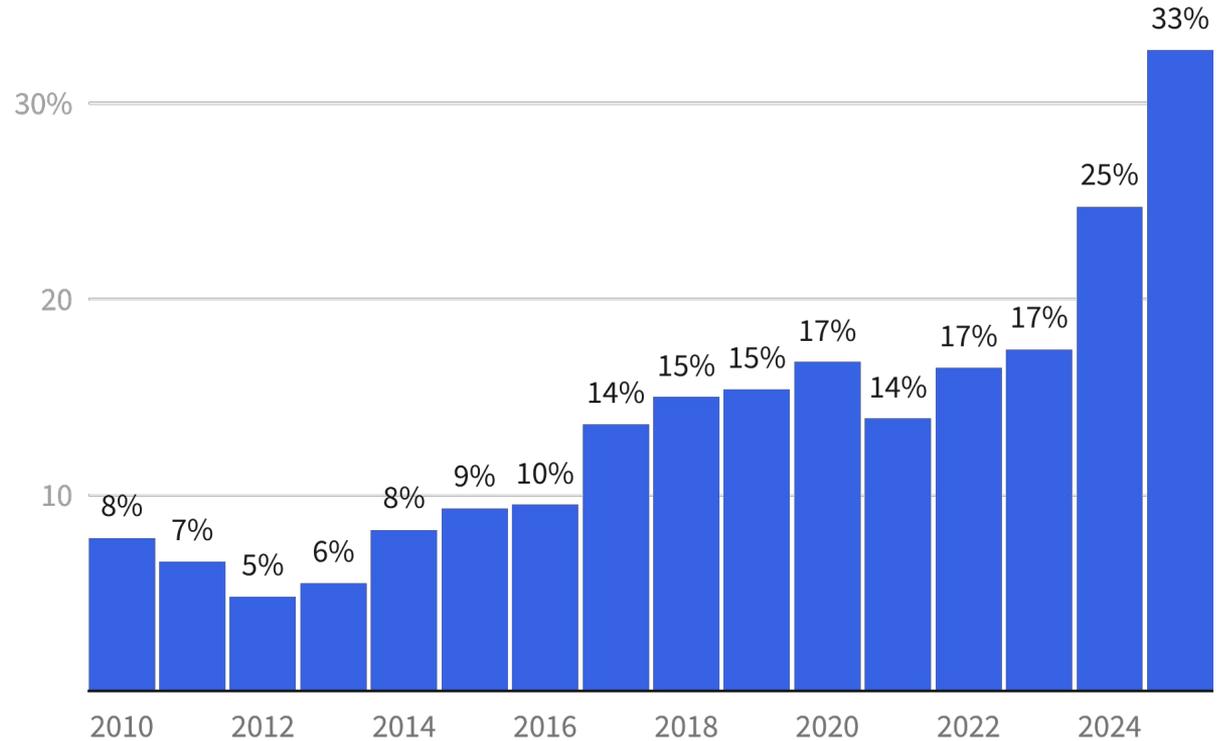




PROSUS

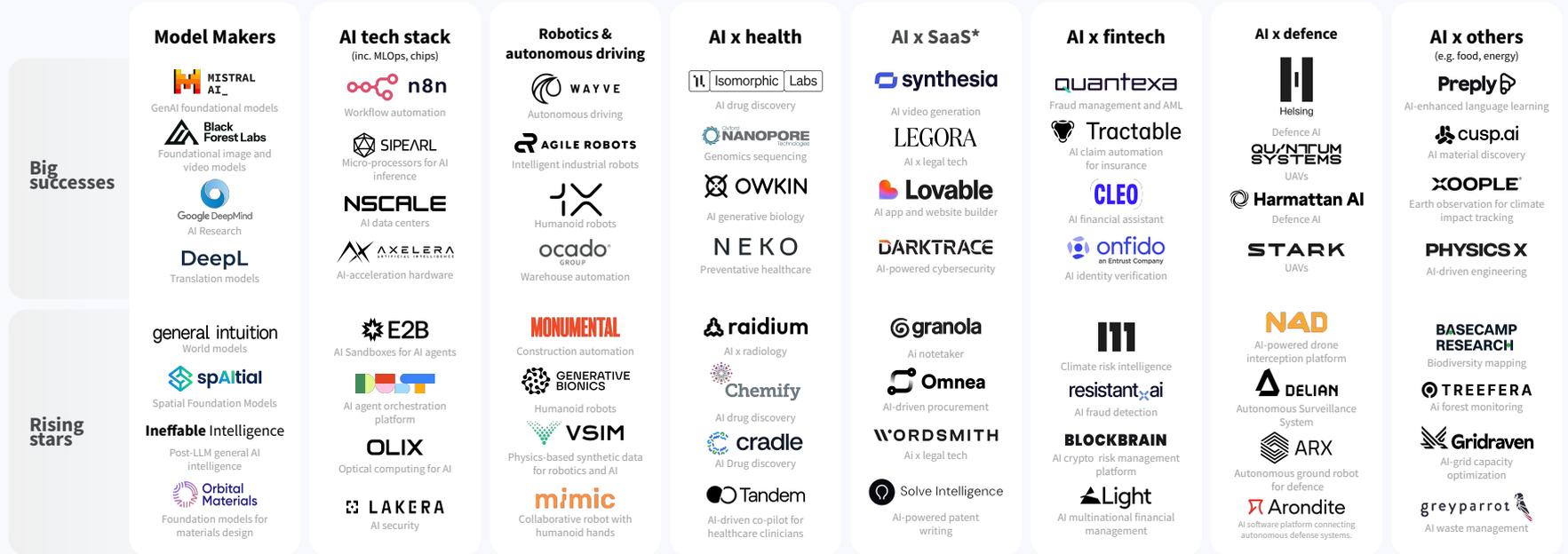
A record 30%+ of VC funding went into AI in Europe in 2025, 2x more than 3 years ago.

AI as % of total VC funding in Europe



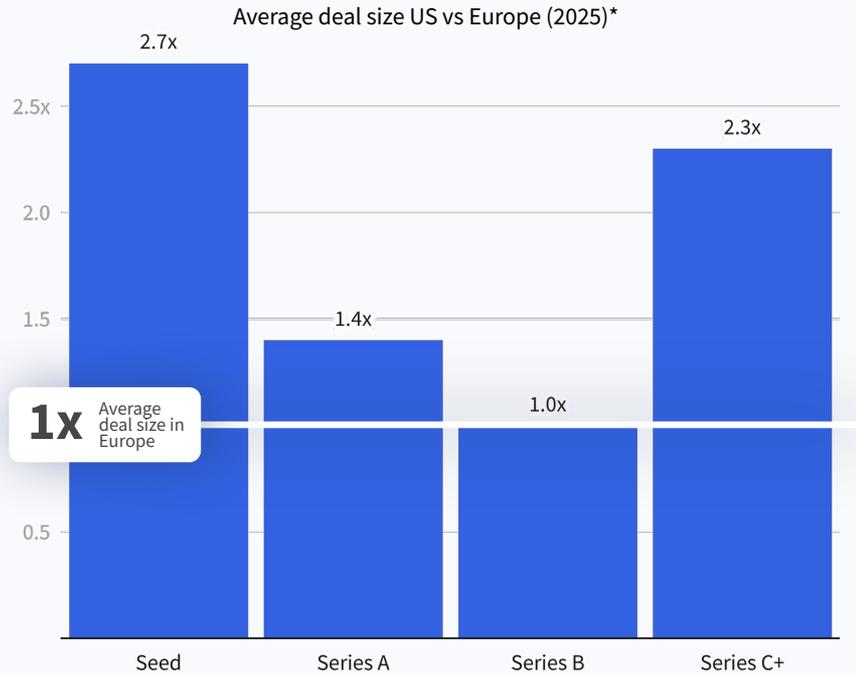
Top European AI successes and rising startups

A number of successful VC-backed companies can be found across each AI sub-category.

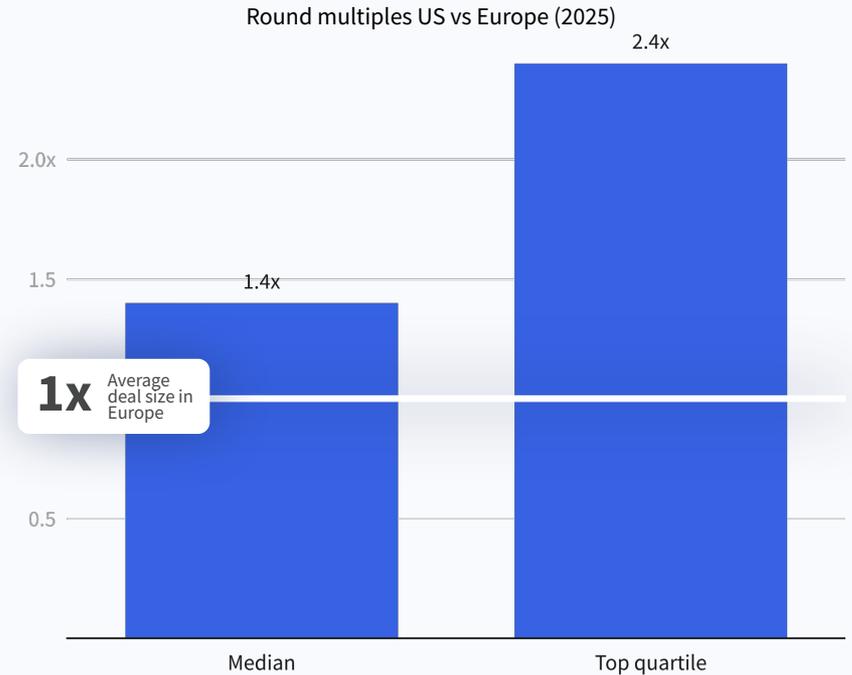


Average deal size in is bigger in the US and average multiple is higher

Rounds are on average up to 2-3x smaller in Europe than the US



Round multiples are also smaller, showing a valuation gap in respect to revenue outcomes



Europe is insanely entrepreneurial

European AI founders

25%

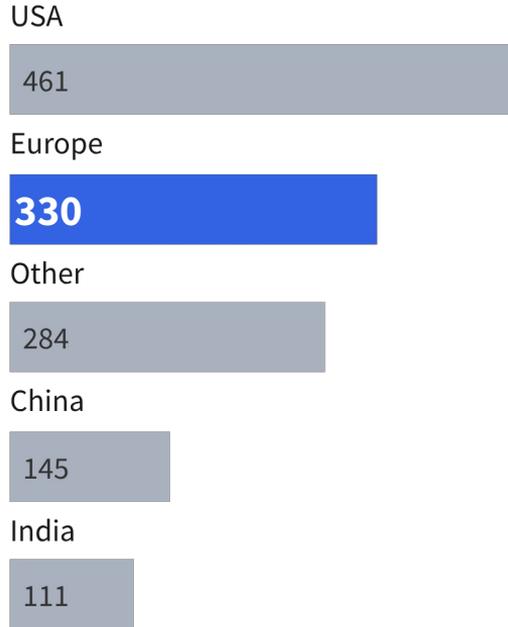
330 out of 1330
In global AI unicorn total

Value created

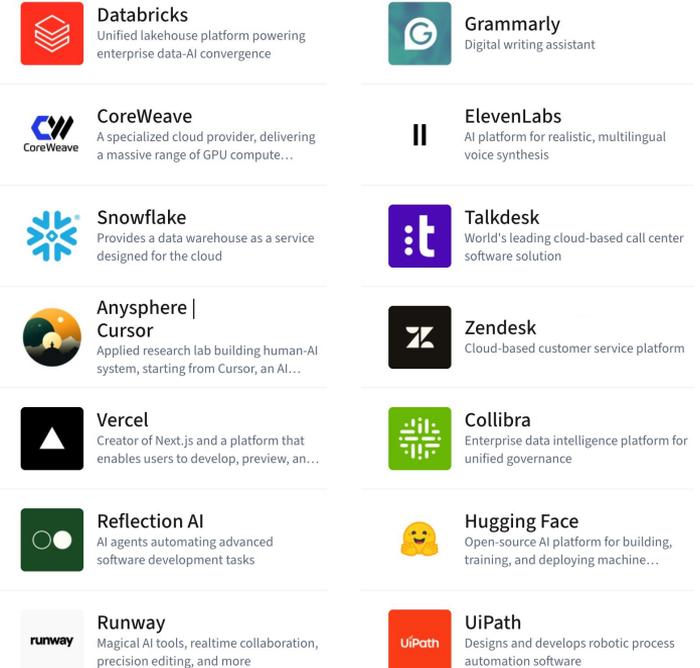
18%

\$94Bn out of \$507Bn
in global AI unicorn total

Global AI unicorn founders by nationality

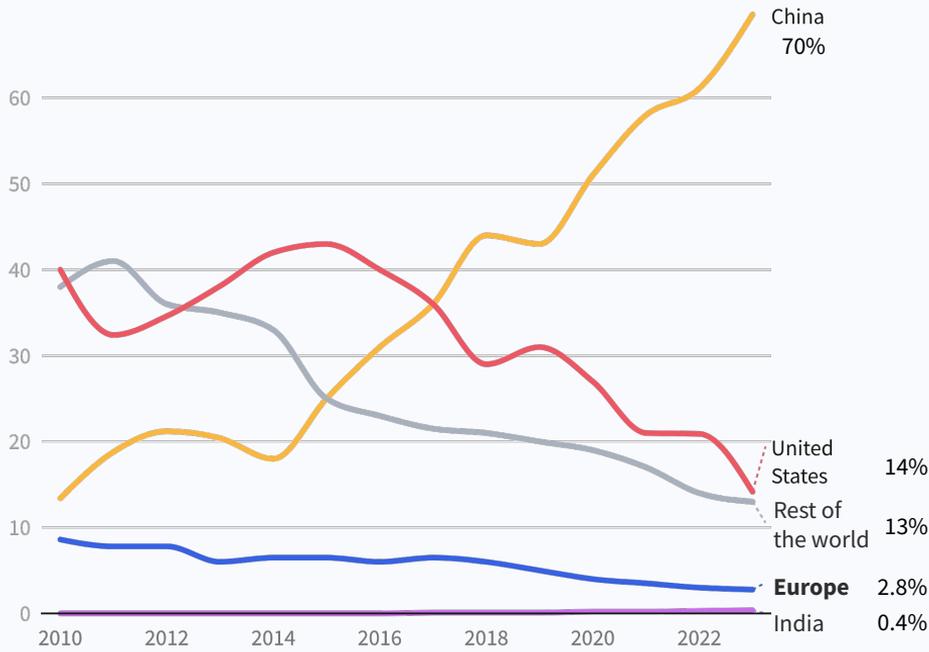


US AI startups from European diaspora*

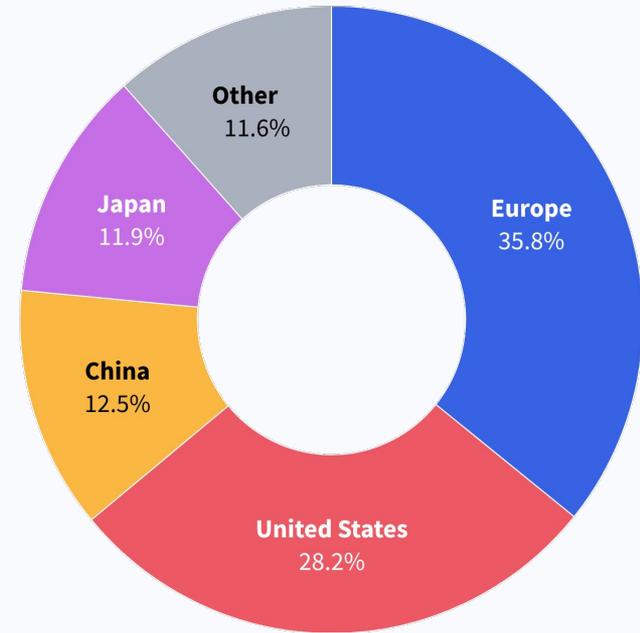


China and the USA dwarf Europe's number of AI patents

Europe is outperformed by China and the US in new AI patents ¹...



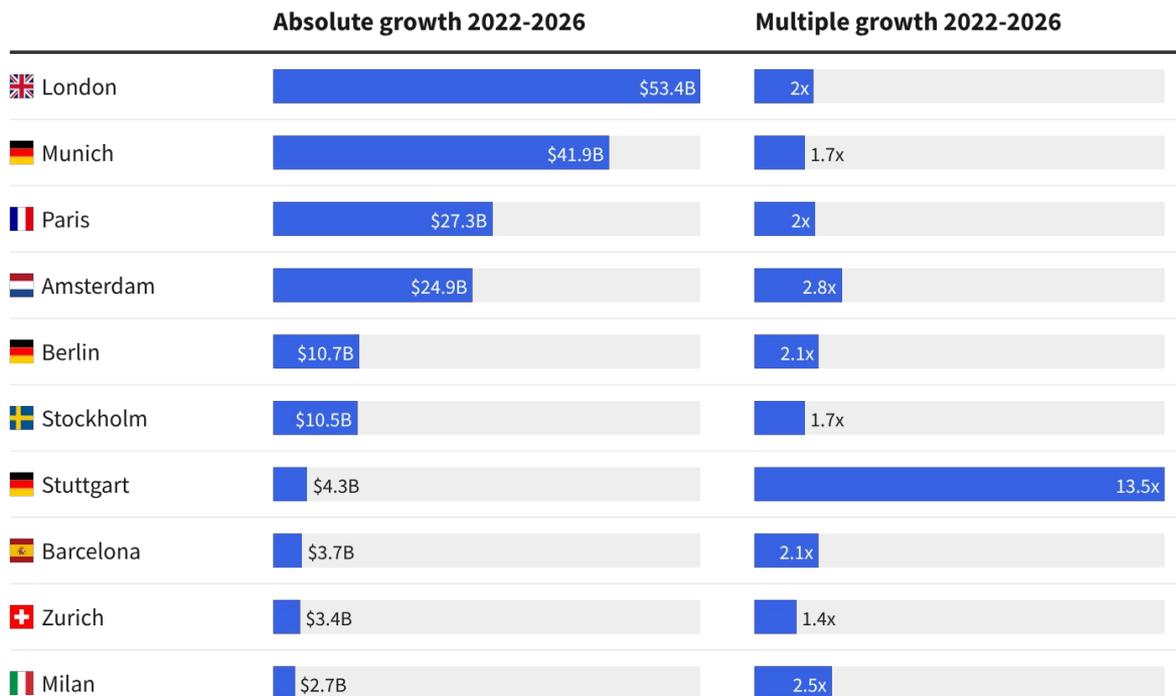
...And the majority of patents in Europe are actually not from Europe ²



European AI Hub Power Law: London, Munich and Paris captured most of the growth.

Stuttgart has shown the most acceleration driven by Black Forest Labs

Top European cities by AI Enterprise value growth, 2022-2026

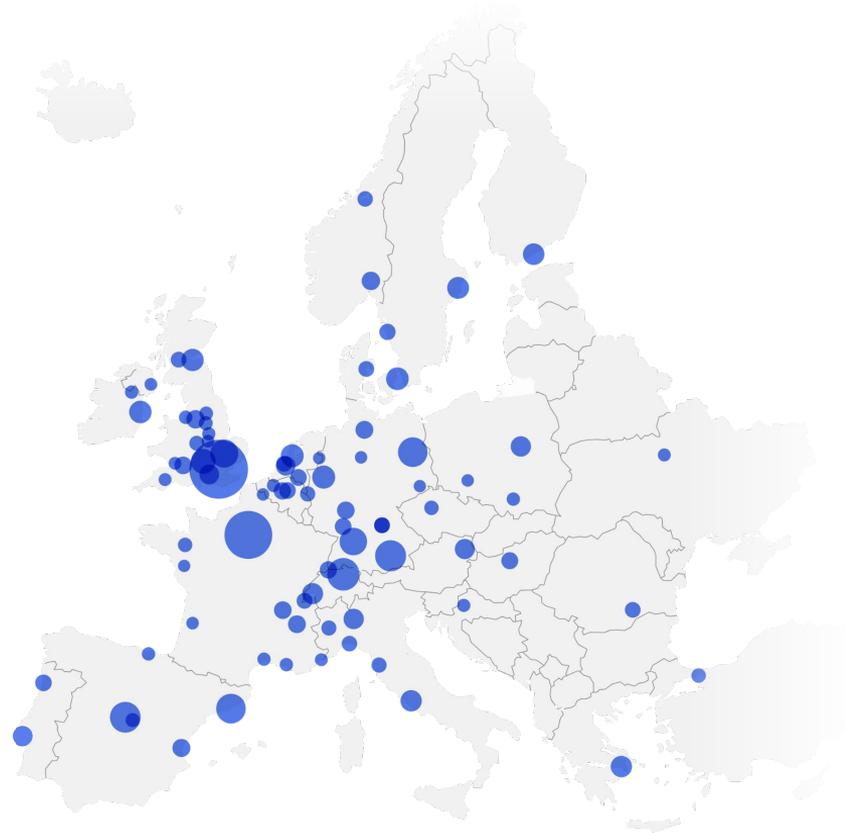


The AI narrative is a story of US hegemony, ‘model drops’ and ‘mega deals’

Metric	United States	Europe
Total Unicorns (2025)	~360	~105
Investment Proxy	\$162 Billion (2025 private AI inv.)	\$21 Billion (2025 private AI inv.)
Communication Frequency	53% More Updates	Lower frequency; focus on "traction first"
Media Strategy	"Press as proof of life" (Early PR)	"Press as a result of success" (Late PR)
Narrative	Dominant (Silicon Valley focus)	Improving but "Underrated"
Global AI Media %	~80% of all mentions	~10% of all mentions
PR Strategy	"Frontier AI" (Model benchmarks)	"Sovereignty" (B2B, Defense)
Top Mention Hook	AGI, Compute power, Musk/Altman	Regulation (AI Act), privacy, autonomy

London, Munich and Zurich are top hubs for AI Researchers

City	% of European AI researcher	% of European AI talent	Top 3 AI employers
London	9.2%	8.1%	Google, Meta, UCL
Paris	6.0%	6.6%	Capgemini, BNP Paribas, Thales
Zurich	2.6%	1.8%	Google, ETH Zurich, UBS
Munich	2.3%	2.3%	TUM, BMW Group, Google
Madrid	2.3%	3.2%	BBVA, UPM, Indra
Barcelona	2.1%	2.1%	BSC, UPC, Apple
Berlin	2.1%	2.4%	Zalando, Amazon, Tesla
Cambridge	1.9%	0.7%	University of Cambridge, AstraZeneca, Arm
Stuttgart	1.8%	1.3%	Bosch, Mercedes-Benz AG, Karlsruhe Institute of Technology
Oxford	1.4%	0.5%	University of Oxford, Oxa, Oxford Nanopore Technologies
Rhine-Ruhr	1.2%	1.2%	Bayer, University of Bonn, Deutsche Telekom
Amsterdam	1.2%	2.2%	Booking.com, ABN AMRO, University of Amsterdam
Copenhagen	1.1%	1.1%	Novo Nordisk, University of Copenhagen, DTU
Dublin	1.1%	1.2%	Google, Optum, UCD
Edinburgh	1.1%	0.5%	University of Edinburgh, Heriot-Watt University, NatWest Group



Source: Dealroom.co;

Map showing the top 50 hubs by number of AI Researchers

AI Researchers include any Researcher that has published either papers related to Core AI topics such as Deep Learning or AI related research as per Google Scholar's classification.

An unexpected surprise:

The Netherlands has the most dense AI Talent pool in Europe.

This accounts for 7% of the total AI Talent pool in Europe, compared to just 3% of the population (~2x more)

Country	AI Talent	Share of Europe	AI Talent per million capita ▾
Netherlands	22K	7%	1,210
Ireland	6K	2%	1,182
Switzerland	10K	3%	1,103
Denmark	5K	2%	942
United Kingdom	53K	17%	766
Sweden	7K	2%	646
France	44K	14%	643
Portugal	6K	2%	606
Spain	28K	9%	573
Germany	43K	14%	504
Belgium	5K	2%	420
Poland	11K	4%	299
Italy	15K	5%	253
United States	281K	99%	808
Europe	285K	100%	475

Why does this matter? Top AI Talent attracts other talent

Overall Europe has a lower talent density than the US, but some nations like the Netherlands and Switzerland more.

