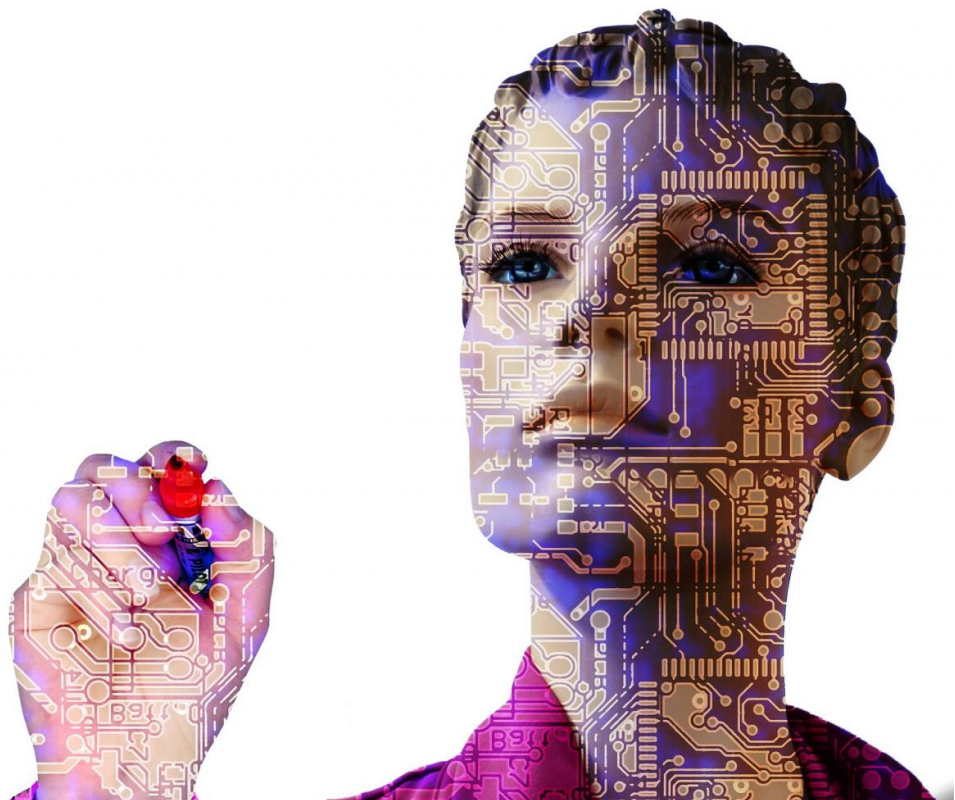# French AI start-up Mistral AI raises 385 mn euros

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Credit: CC0 Public Domain

French artificial intelligence start-up Mistral AI announced Sunday it had raised 385 million euros ($414 million), becoming one of Europe's

two AI leaders.

Founded in May by industry heavyweights, Mistral had already raised 105 million euros in June.

Among European AI firms, only Germany's Aleph Alpha has brought in as much funding, raising nearly 500 million euros in early November.

This second round of financing, led by Californian fund Andreessen Horowitz, values Mistral at 2 billion euros, according to financial sources—making it a French tech unicorn, with a valuation of over one billion euros.

Mistral CEO Arthur Mensch said the newly announced finding marked "another major step in our acceleration".

The emergence of European AI players comes as the European Union looks to secure future regulation of the sector, without curbing innovation in the region.

EU member states and lawmakers on Friday clinched a deal on how to draft rules regulating AI models.

France and Germany had initially feared that excessive regulation would hobble their nascent champions.

Among Mistral's backers are several American tech giants including software publisher Salesforce and also, according to industry sources, the Nvidia group, a global leader in supercomputer chips.

The mobilization of Silicon Valley's biggest players reflects the enthusiasm generated by Mistral in just eight months of existence.

US media has already cited it as a potential rival to OpenAI, the company behind ChatGPT.

Like many of its competitors, Mistral, which has 22 employees, offers companies open-source language models fed by public data.

Its three French co-founders are CEO Mensch, 31, along with Guillaume Lample and Timothee Lacroix—all with experience at major US tech firms, including Meta.

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