

Data Download: State of VC

1. Venture capital firms and fundraising
2. Venture investment by year, geography, and industry
3. Venture exits with an IPO spotlight

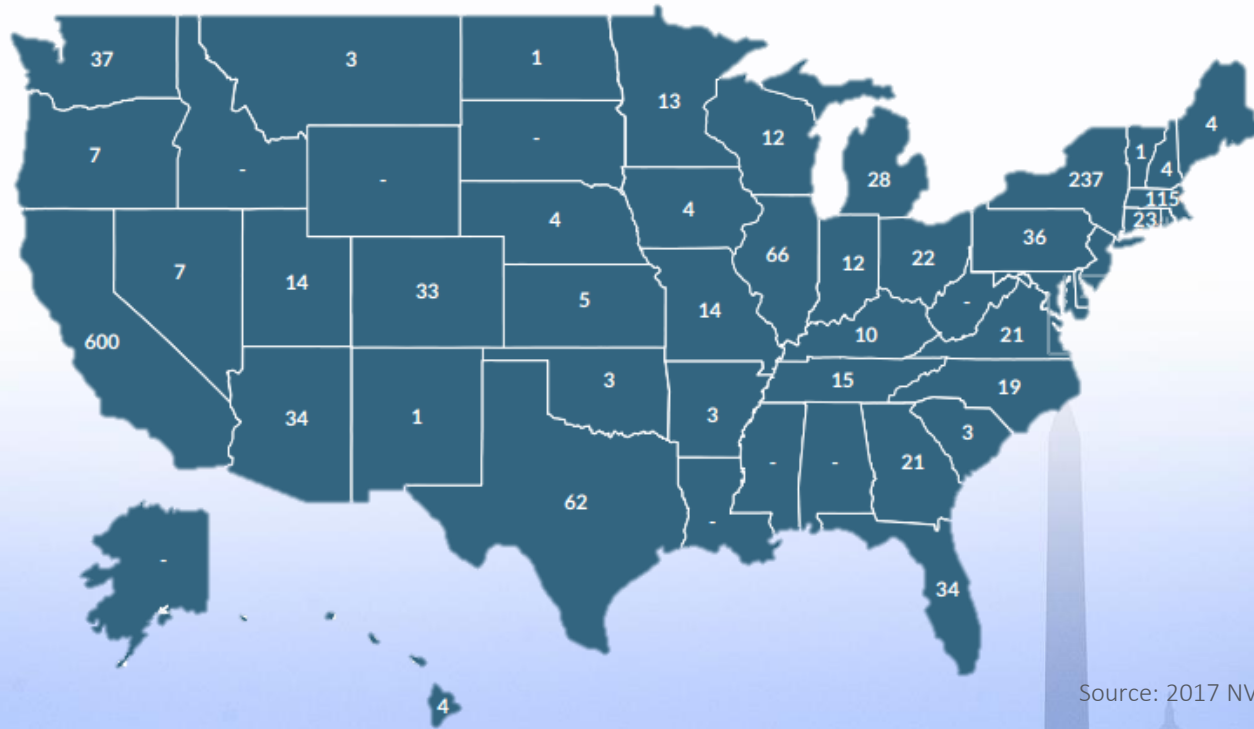
Adley Bowden VP Analysis at Pitchbook Data
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Venture Firms & Fundraising



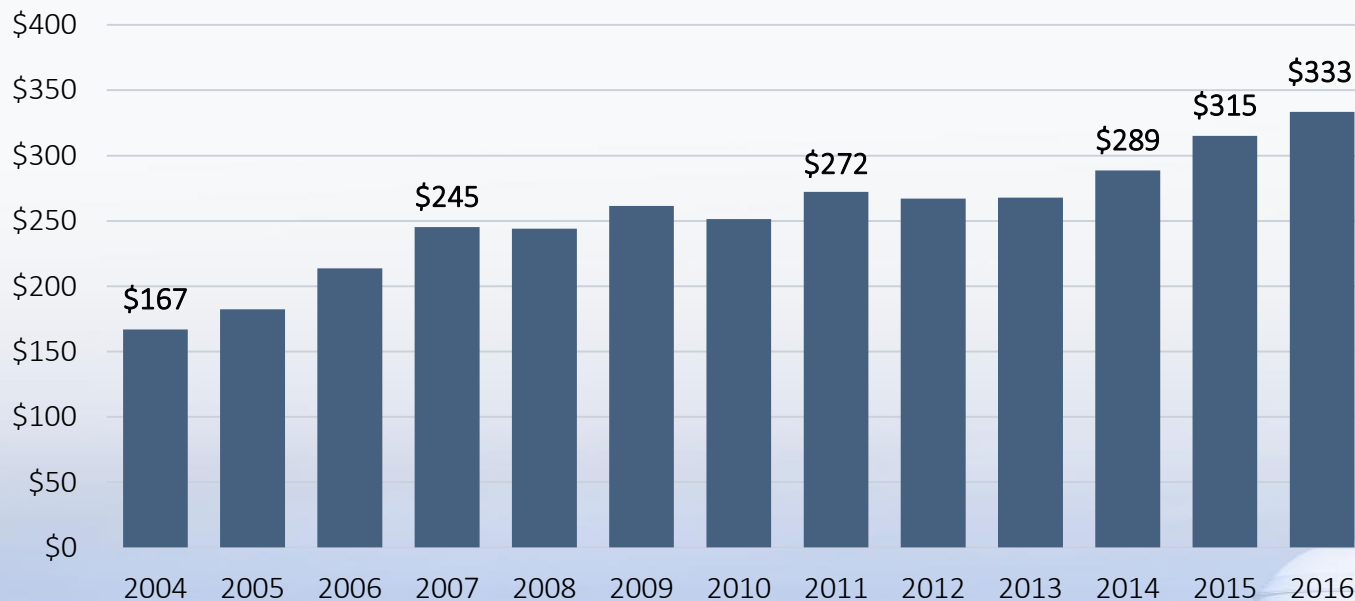
2,105 active U.S.-headquartered VC firms



Source: 2017 NVCA Yearbook

VC Firm AUM picks up after years of stagnant growth

Venture capital firms active AUM (\$B)



Source: 2017 NVCA Yearbook, Data Provided by PitchBook

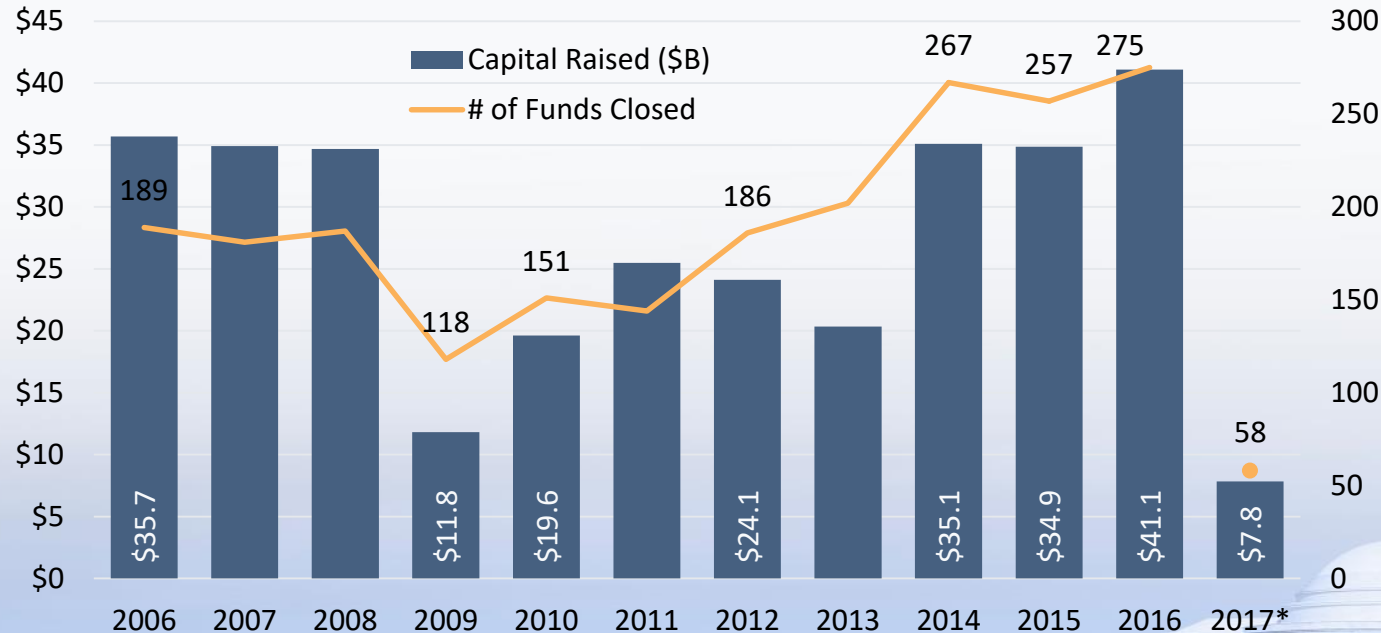
Venture firms enjoying several vintage years of market outperformance

VC KS-PME fund benchmarks by vintage



Venture capital fundraising remains healthy

U.S. VC fundraising (\$B)

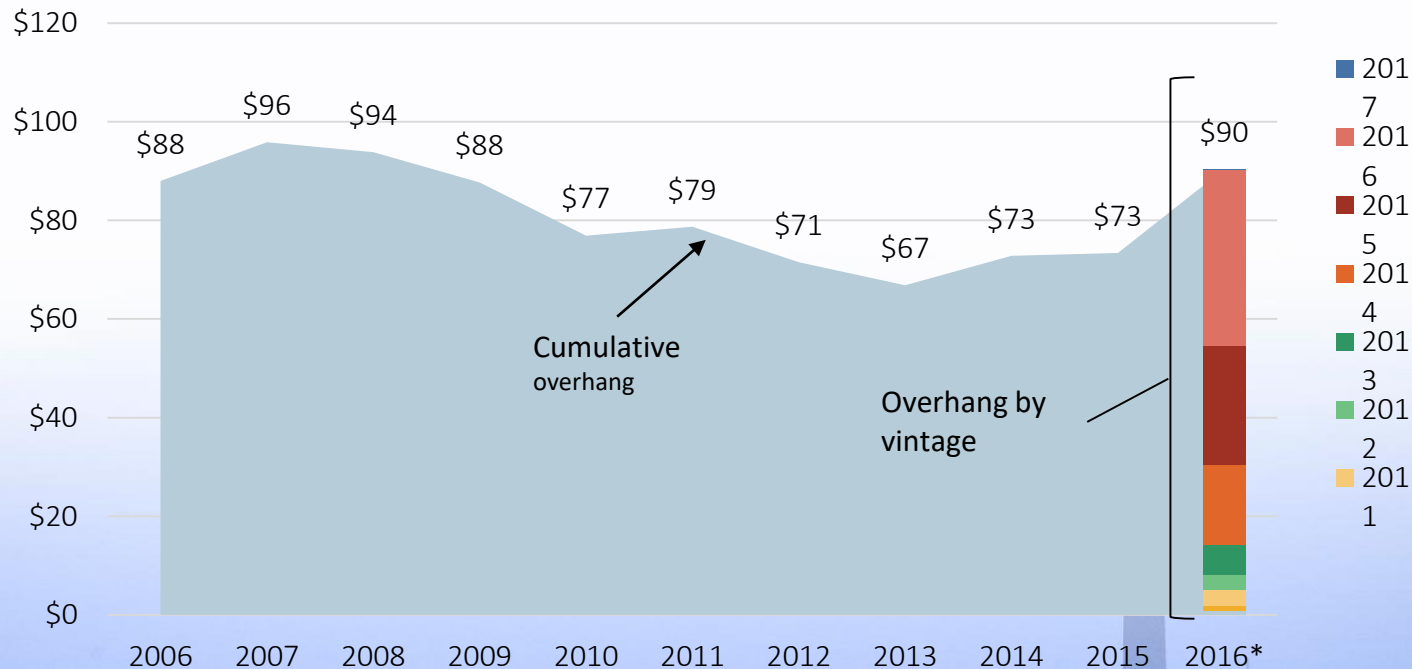


*Through 3/31/2017

Source: Q1 PitchBook-NVCA Venture Monitor

Venture dry powder at highest level since 2008

U.S. VC capital overhang (\$B)



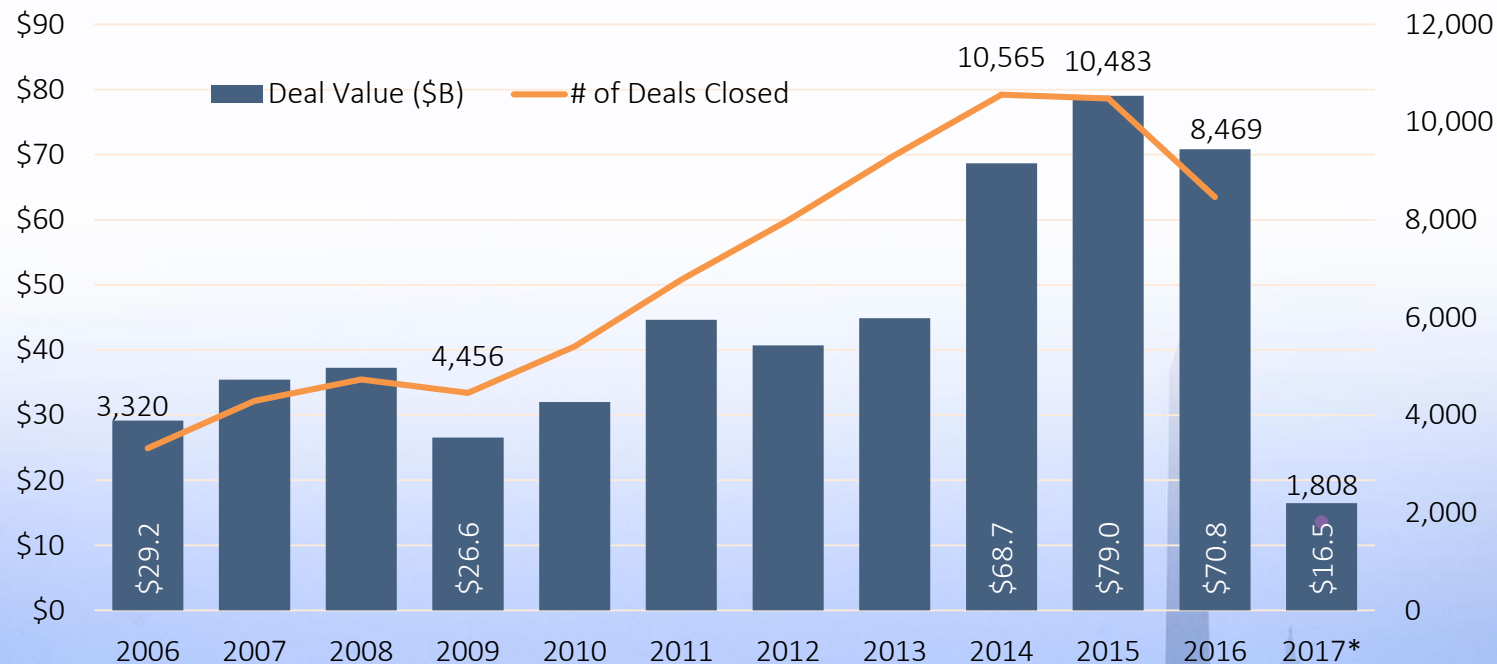
Source: PitchBook

Venture Deal Flow



Activity off to slow start as GPs study where to invest newly-raised capital

U.S. venture capital deal flow

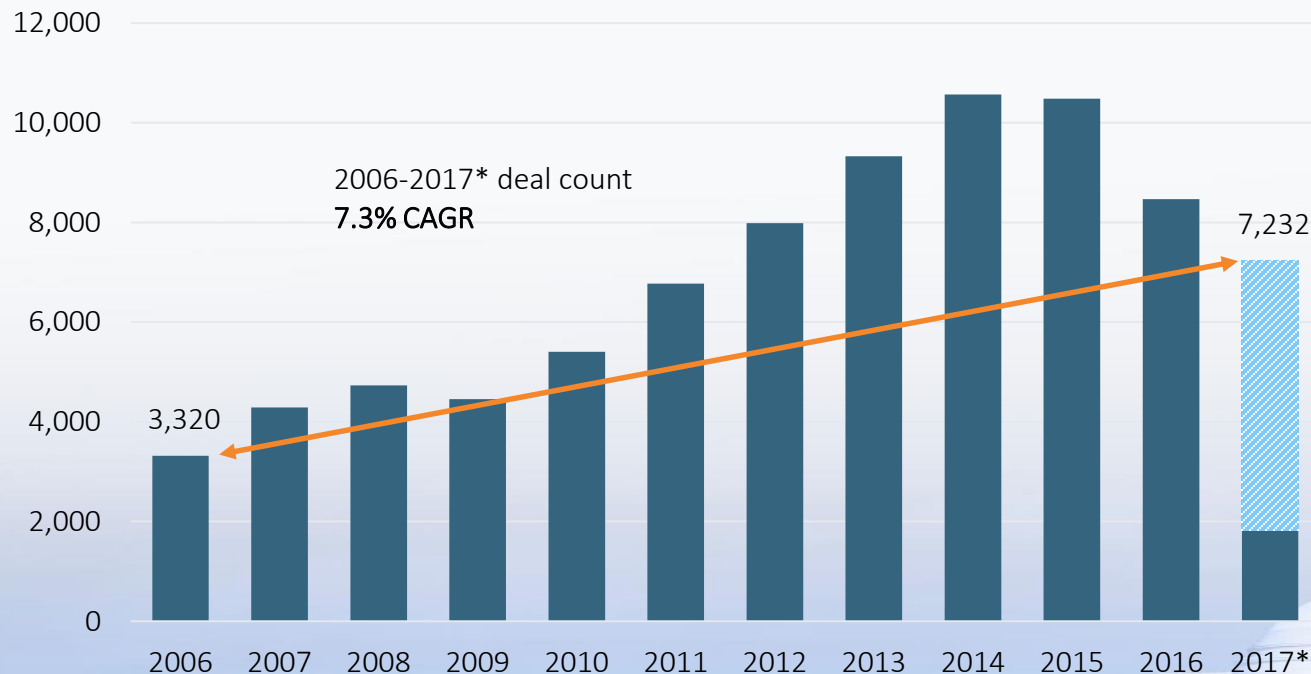


*Through 3/31/2017

Source: Q1 PitchBook-NVCA Venture Monitor

Venture deal activity has grown at a rate of 7.3% annually since 2016

CACGR of U.S. venture deals since 2016

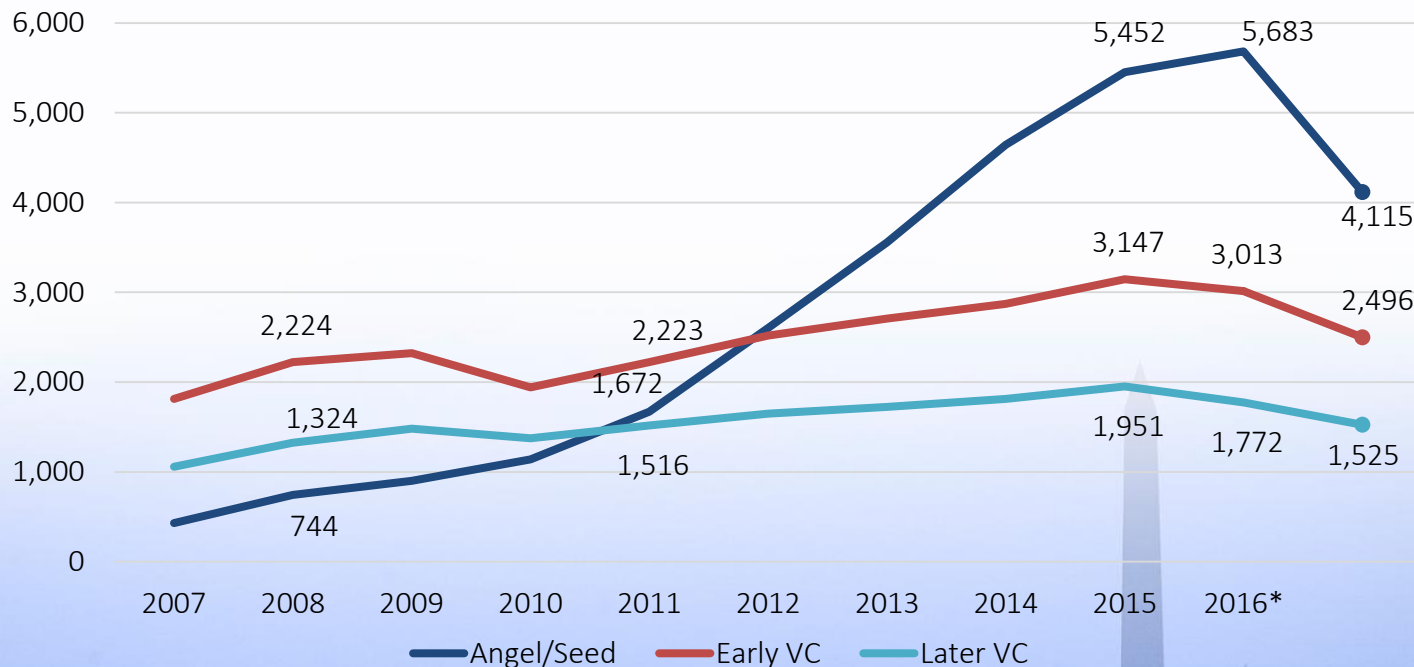


*Annualized 2017 based on 1Q deal count

Source: Q1 PitchBook-NVCA Venture Monitor

All stages are seeing a slowdown in activity

U.S. VC deal count by stage

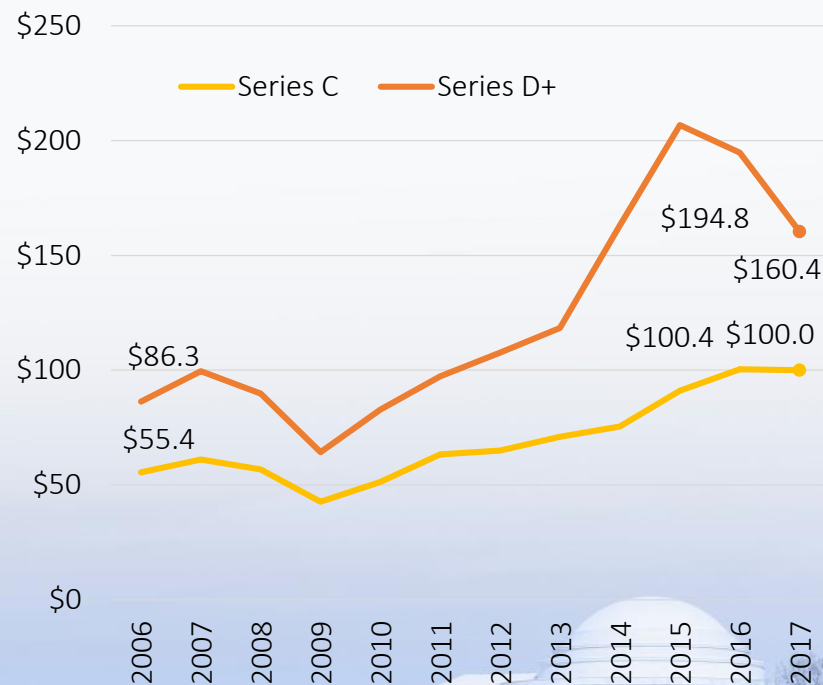
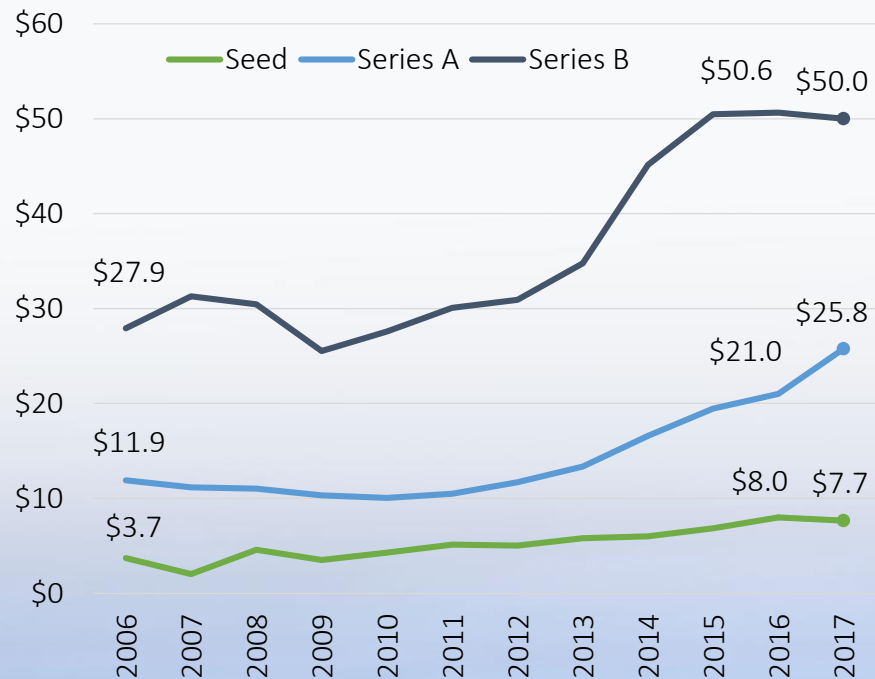


*Through 12/31/2016

Source: PitchBook

Valuation growth has largely subsided or fallen

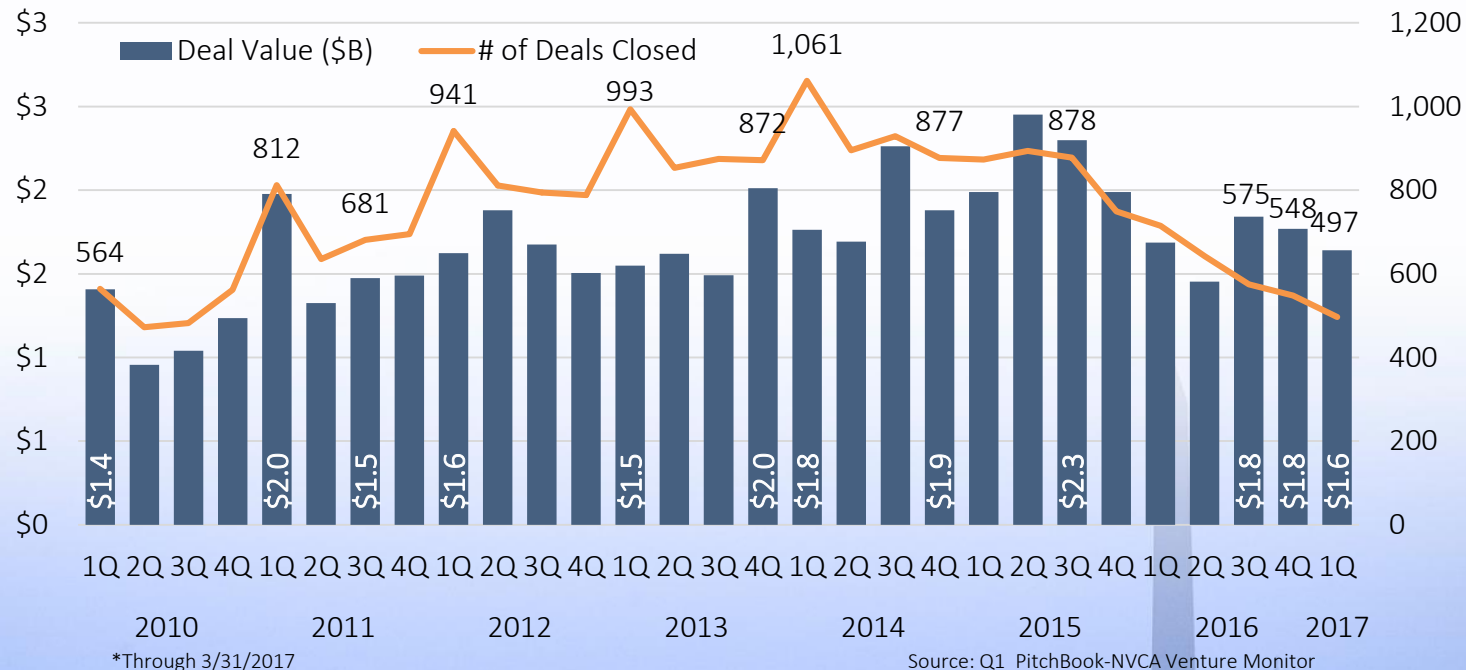
Median round valuations (\$M) by round series



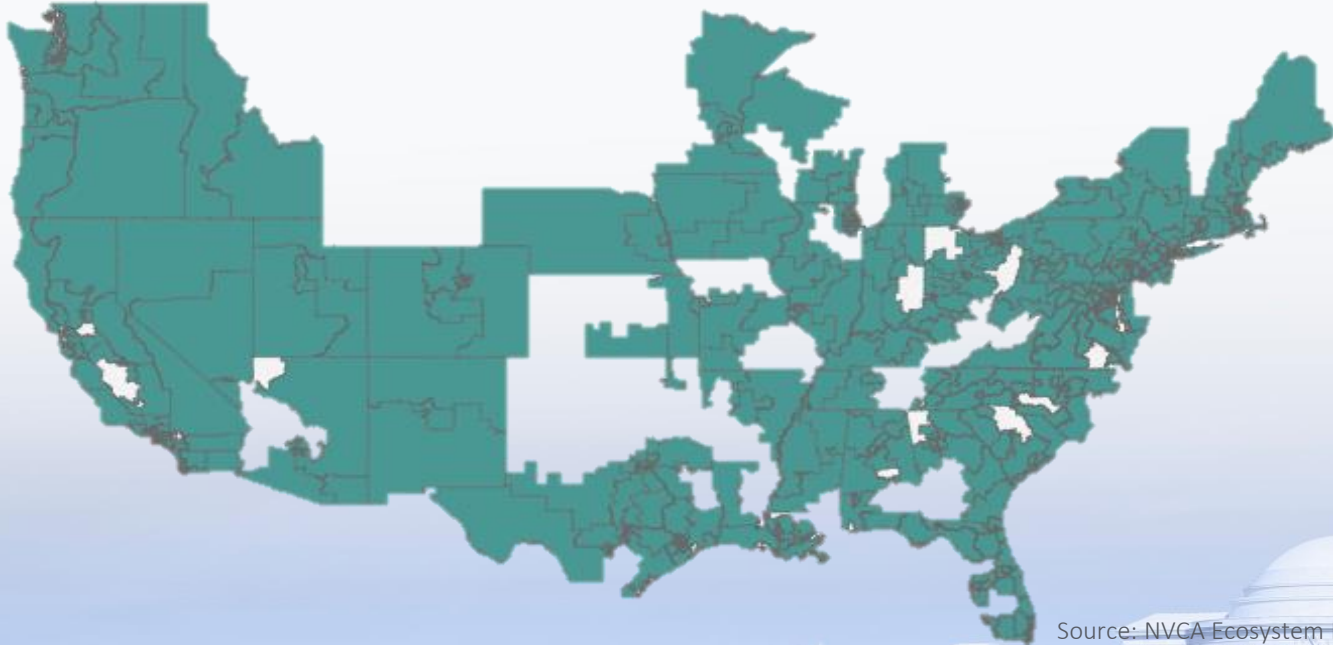
Source: PitchBook

First financings continue to drop as follow-ons make up bulk of VC deals

U.S. first financing VC activity



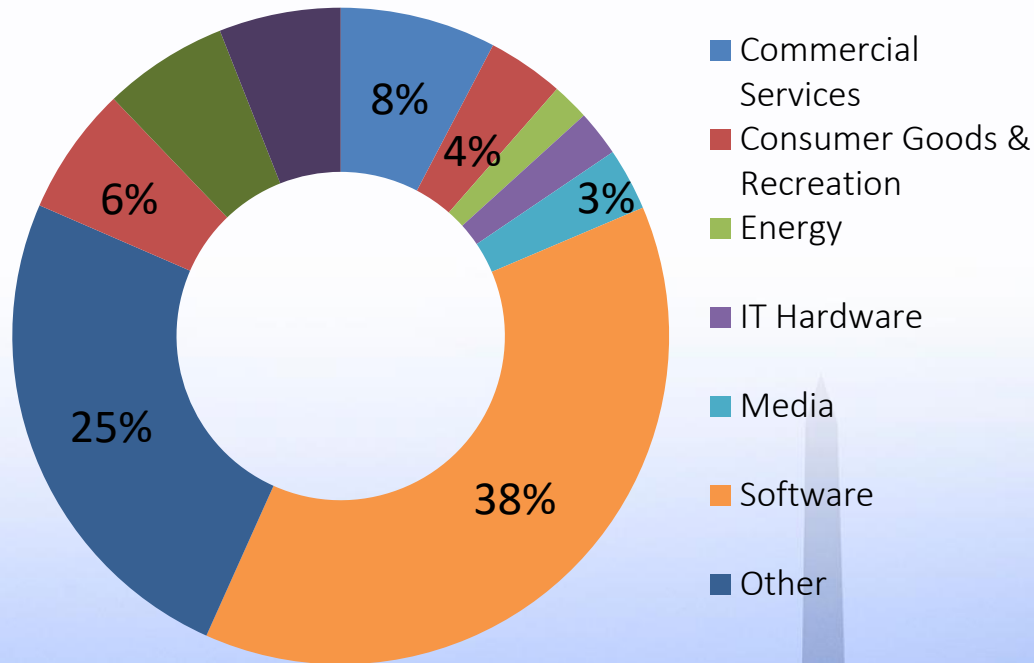
VC funding reached 386 congressional districts in 2016 up from 299 in 2011



Source: NVCA Ecosystem Dashboard

Software continues to be the largest area of VC investment

U.S. VC deal count by industry 2016

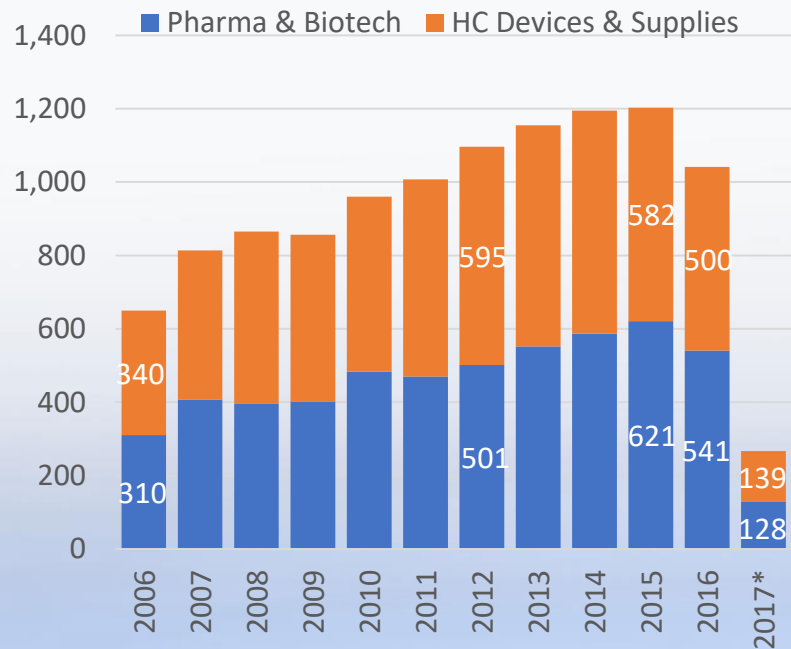


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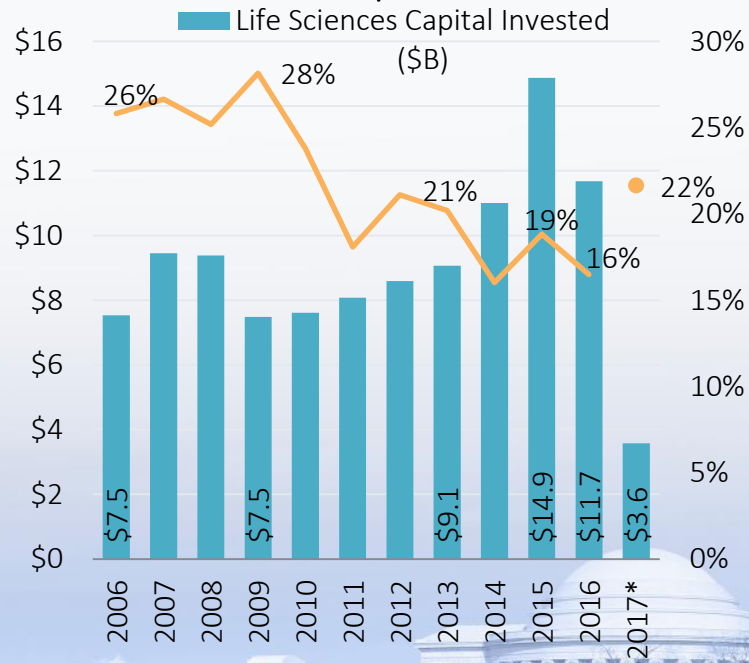
Source: PitchBook

Life Science deal flow and investment (\$B)

Life Sciences deal flow



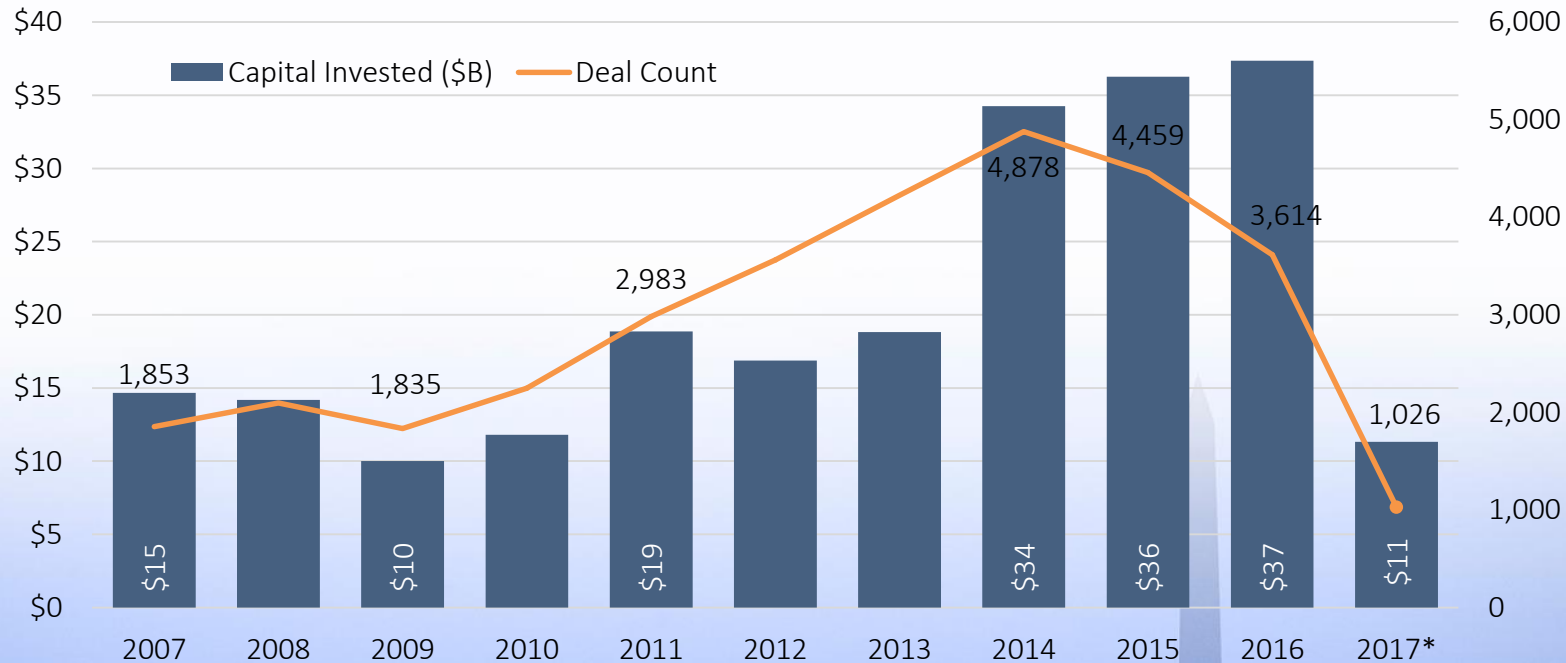
Life Sciences capital investment



*Through 3/31/2017

Source: Q1 PitchBook-NVCA Venture Monitor

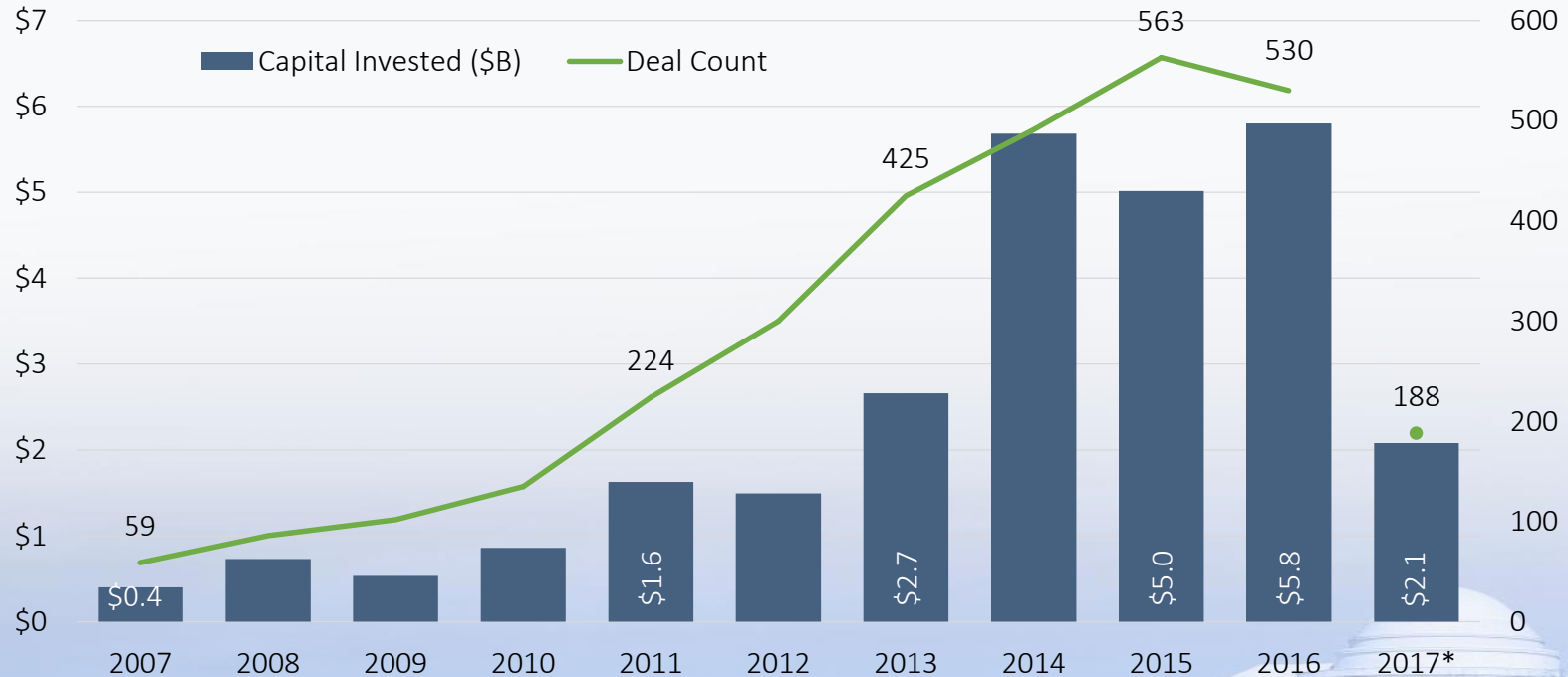
Tech deal flow and investment (\$B)



*Through 3/31/2017

Source: PitchBook

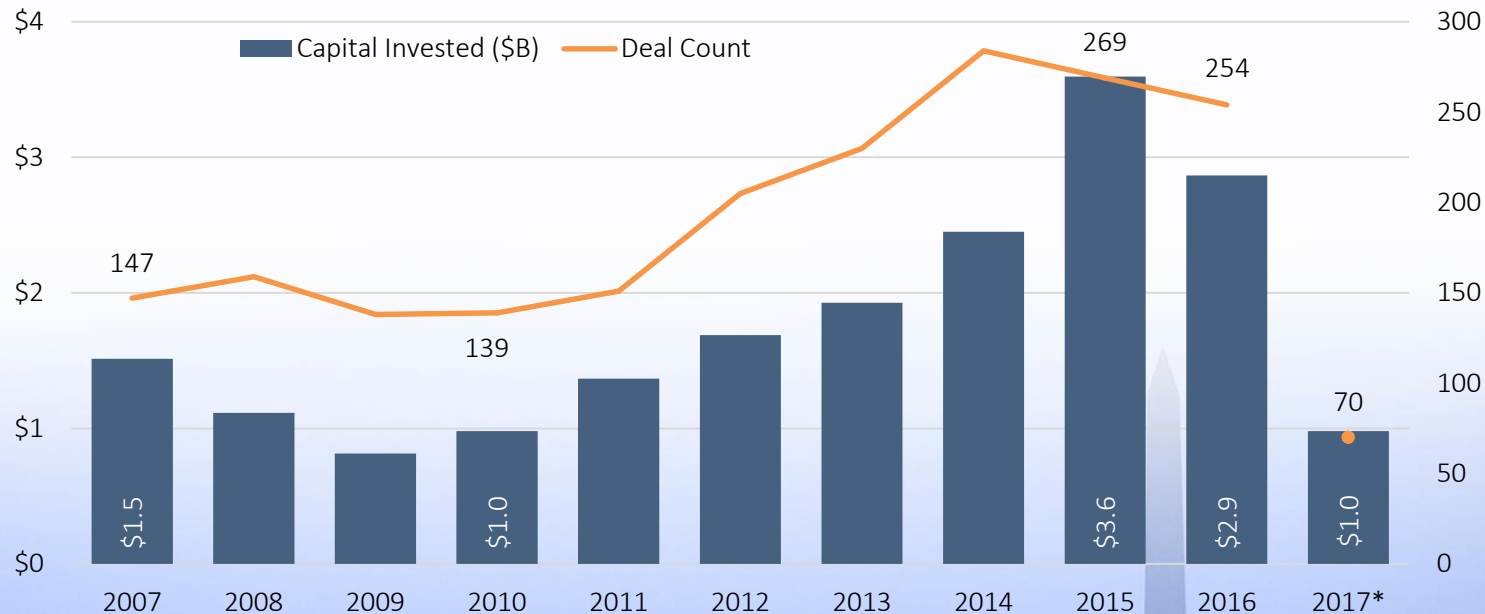
Big Data deal flow and investment (\$B)



*Through 3/31/2017

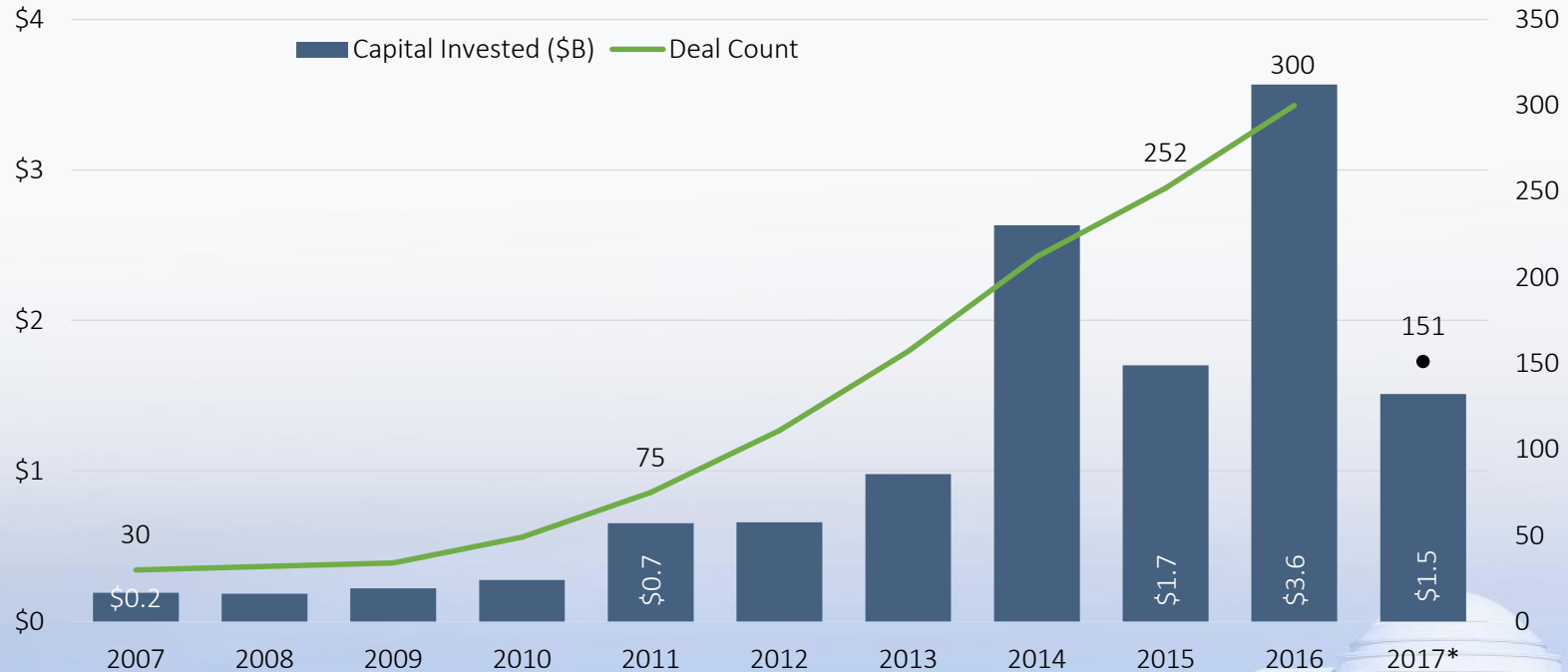
Source: PitchBook

Cybersecurity deal flow and investment (\$B)



*Through 3/31/2017
Source: PitchBook

AI deal flow and investment (\$B)



*Through 3/31/2017

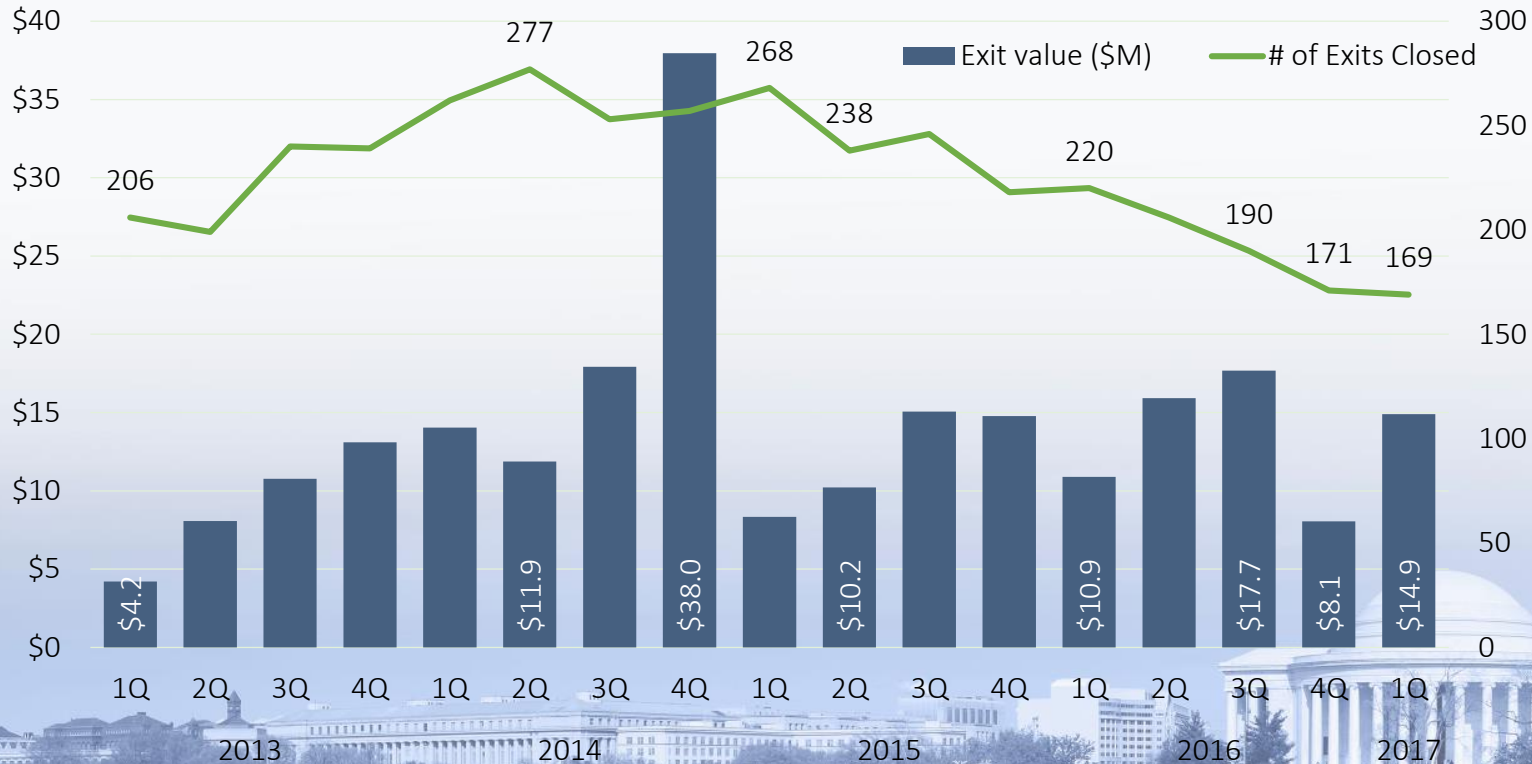
Source: PitchBook

Exit Activity & IPOs



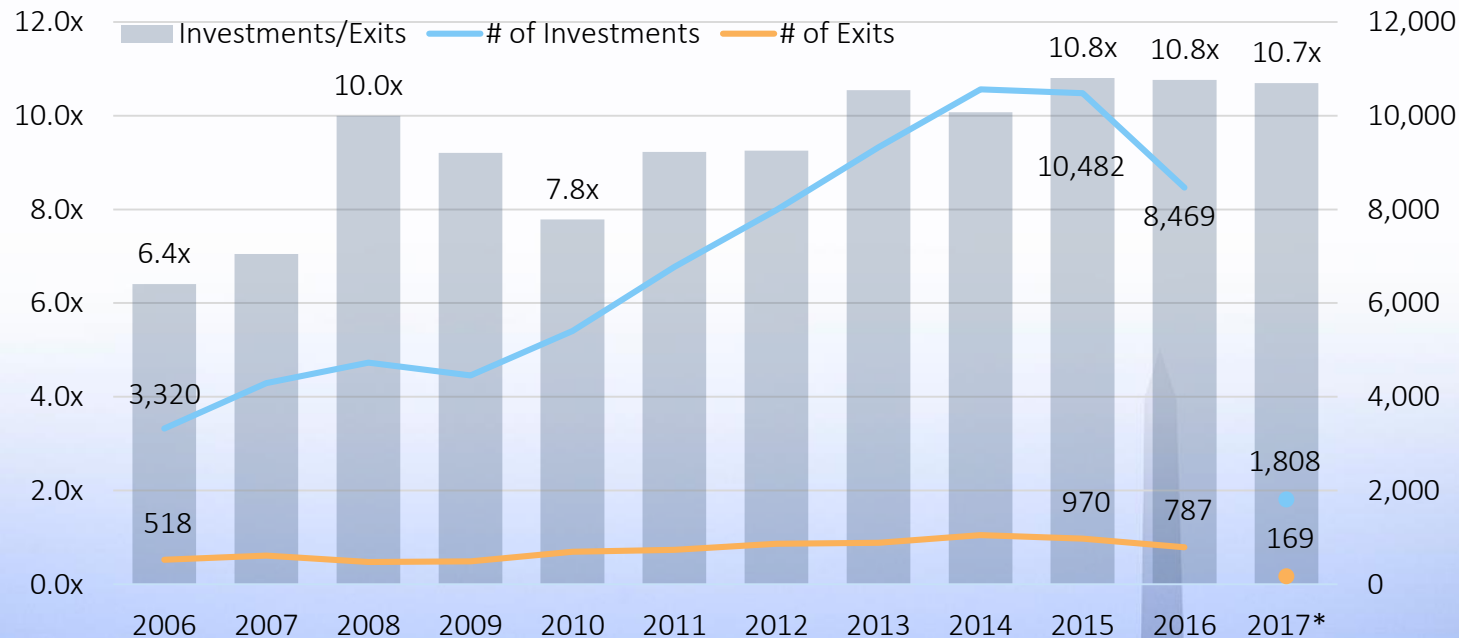
Exit activity sets multi-year low as exit count slides for sixth quarter

U.S. venture-backed exit activity



Frosty exit market keeps deal/exit ratio at historically high levels

venture investments (#) compared to venture exits (#)

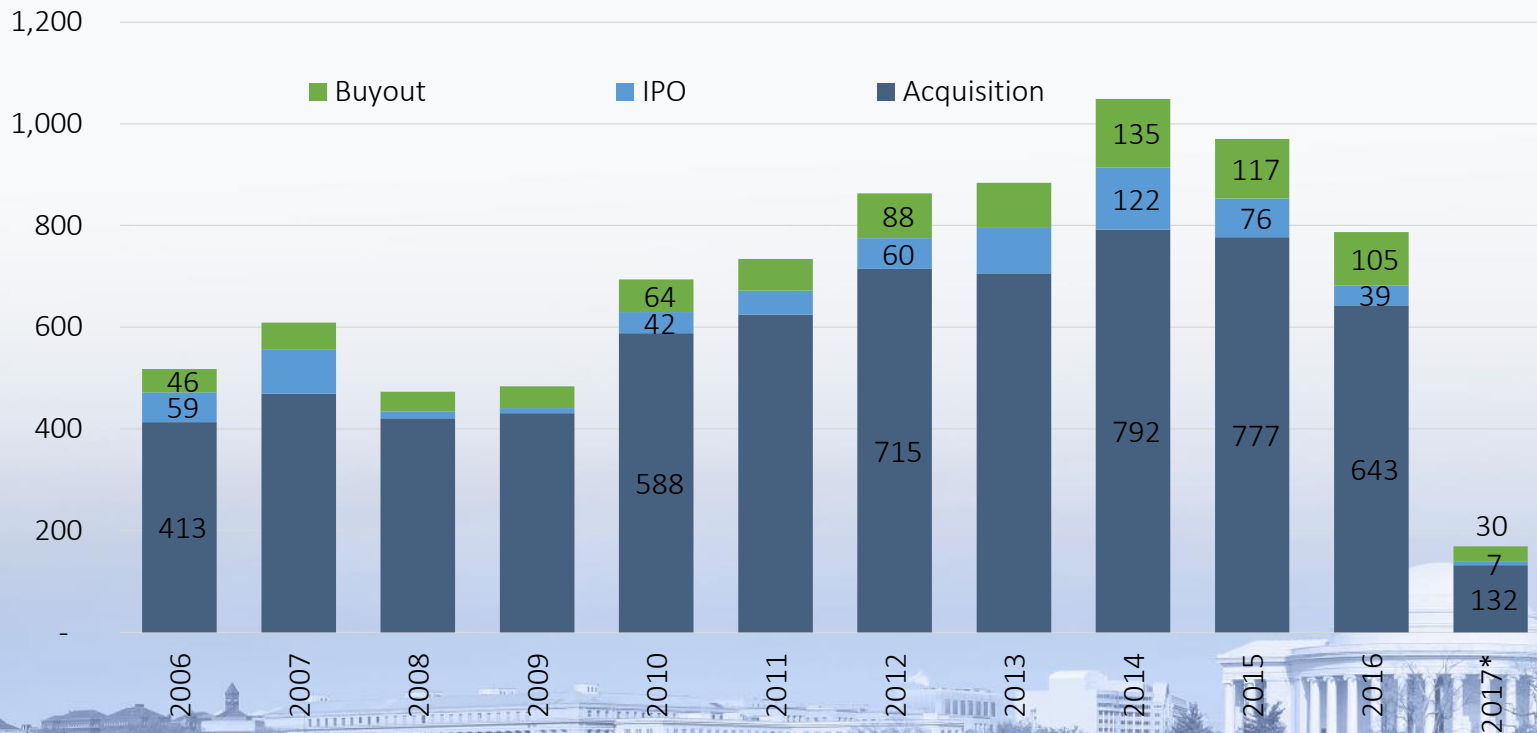


*Through 3/31/2017

Source: PitchBook

Corporate acquisitions are the main driver of venture exits

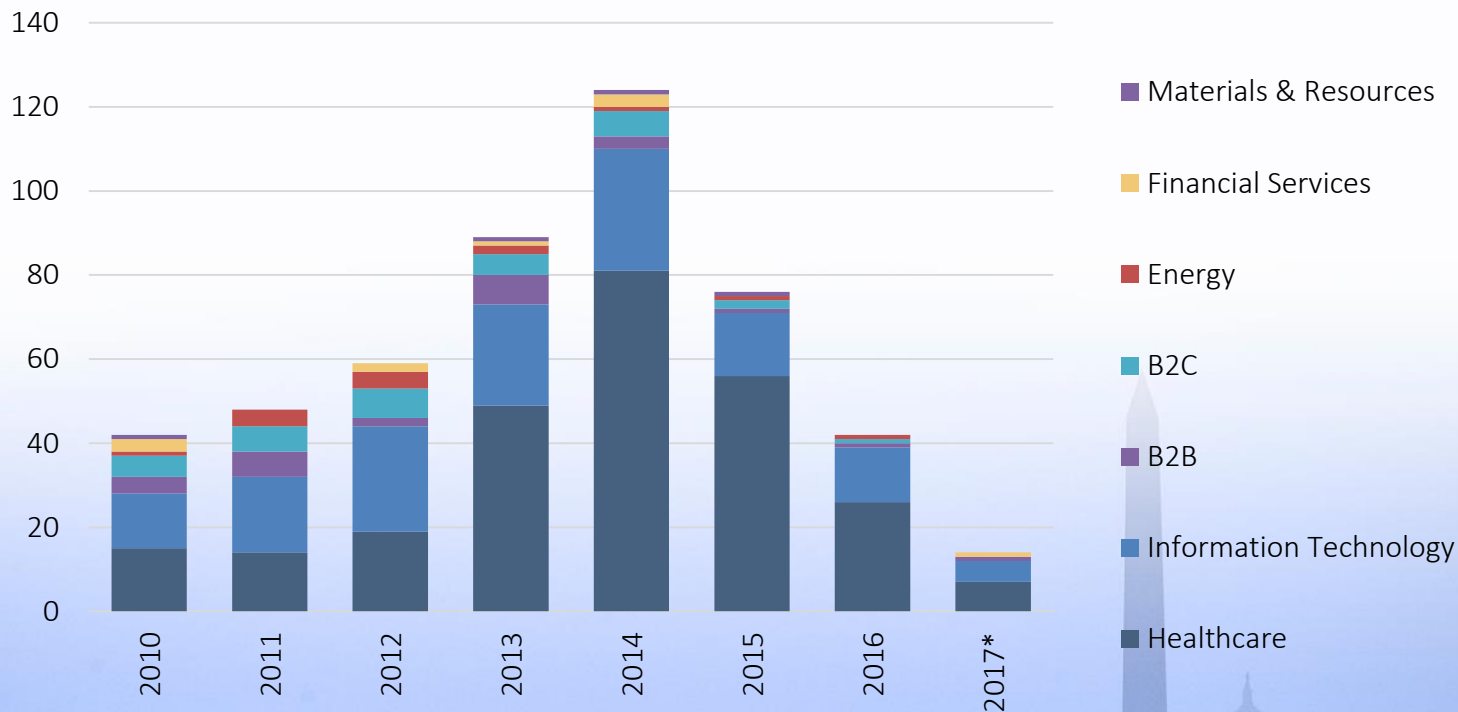
U.S. venture-backed exits by type



*Through 3/31/2017

Source: Q1 PitchBook-NVCA Venture Monitor

Healthcare companies lead IPO count for six of the last eight years

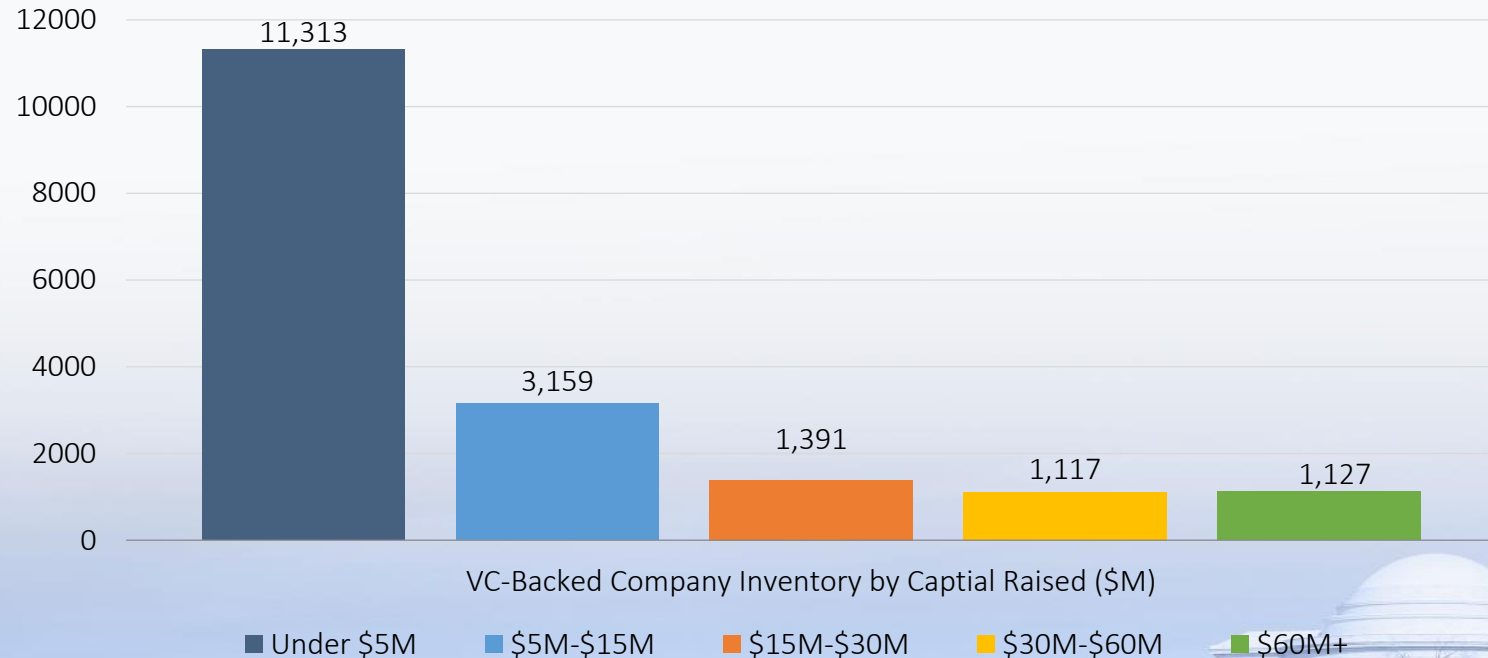


*Through 3/31/2017

Source: Q1 PitchBook-NVCA Venture Monitor

There are over 18,000 active venture-backed companies in the US

U.S. VC-backed company inventory by capital raised (\$M)



Source: PitchBook

In summary

1. Venture firms and the asset class as a whole is poised for another few years of growth.
2. Deal activity is cooling, but more in terms of reversion to the mean vs a bubble bursting.
3. The lack of exits is one of the biggest challenges facing venture today and is highlighted by the decline in IPOs.

