

# GLOBAL VENTURE CAPITAL EXIT OVERVIEW

Using data from **Private Equity Online**, we take a look at the latest data on venture capital exit activity as at the end of 2016.

Venture capital exit activity has continued to slow throughout 2016. Compared to the previous year, the number of venture capital exits decreased by 15% in 2016, while the aggregate value of exits fell 21%.

## Key Findings:

- 2016 saw 1,135 venture capital exits valued at \$63bn, a decline on the 1,339 exits for \$80bn in 2015 (Fig. 1).
- Aggregate exit value declined quarterly to Q3 2016 and full-year exit value is at its lowest level since 2010.
- The number of exits declined for a second consecutive year, and is now at its lowest level since 2013. This is

mainly due to a large reduction in IPO and follow-on exit activity (down 48% from 2015) and a drop in trade sales.

## NORTH AMERICA REMAINS ON TOP

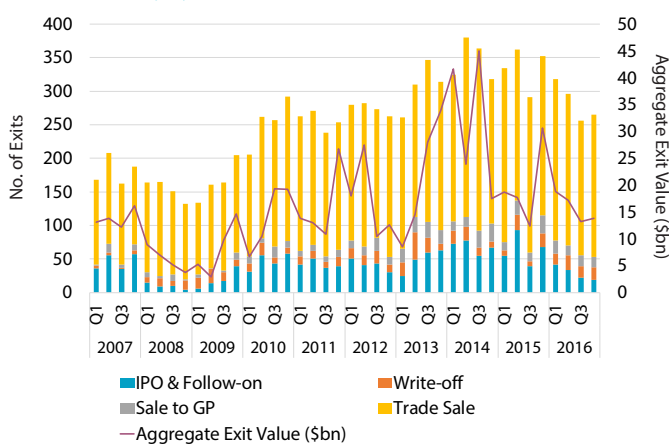
North America remains the primary region for venture capital exit activity in 2016, accounting for 58% of all exits and 72% of global exit value in 2016, compared to 54% and 56% respectively in 2015. There were 656 venture capital exits in North America for \$46bn (Figs. 2 and 3). **European** exits saw a 13% reduction in number and 53% decline in value in 2016, with 234 exits for \$8bn. The number and value of exits in **Greater China** fell 54% and 46% respectively from 2015,

with 74 exits for \$7.1bn in 2016. Venture capital exit activity in **India** and **Israel** fell 3% and 16% since 2015 respectively, with a 32% and 50% fall in the value of exits respectively. There were 89 exits in India valued at \$925mn and 21 in Israel at \$577mn.

## INDUSTRIES

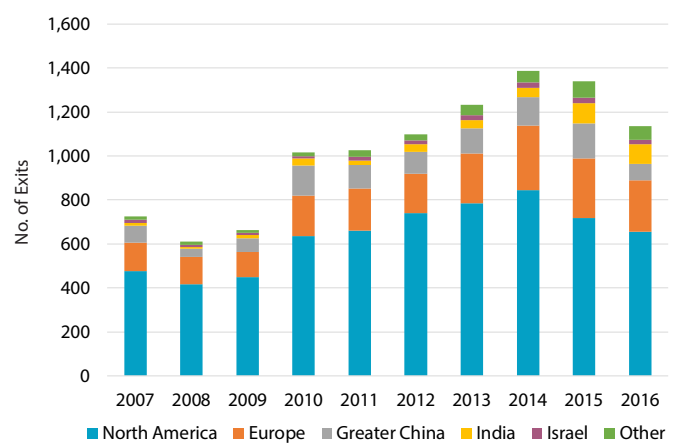
Venture capital exits in 2016 continued to be led by the internet and healthcare sectors (Fig. 4). However, the value of internet exits as a proportion of the total fell from the previous year, while the proportion increased for exits in the software & gaming, telecoms, business services and other IT sectors.

Fig. 1: Quarterly Number and Aggregate Value of Global Venture Capital Exits by Type, Q1 2007 - Q4 2016



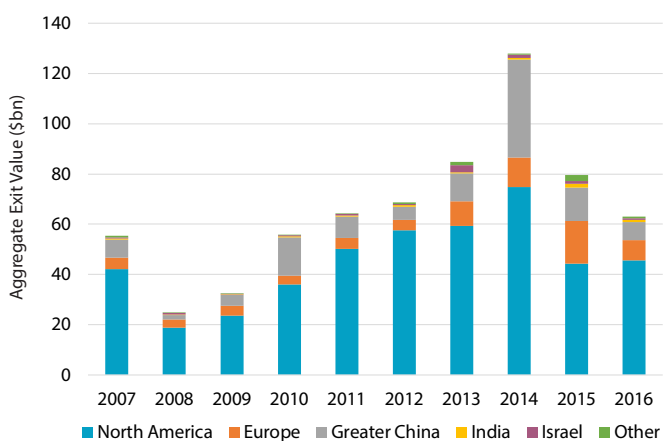
Source: Preqin Private Equity Online

Fig. 2: Number of Venture Capital Exits by Region, 2007 - 2016



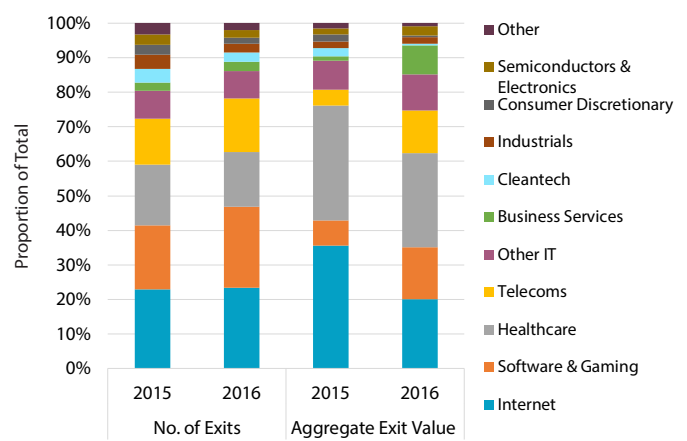
Source: Preqin Private Equity Online

Fig. 3: Aggregate Value of Venture Capital Exits by Region, 2007 - 2016



Source: Preqin Private Equity Online

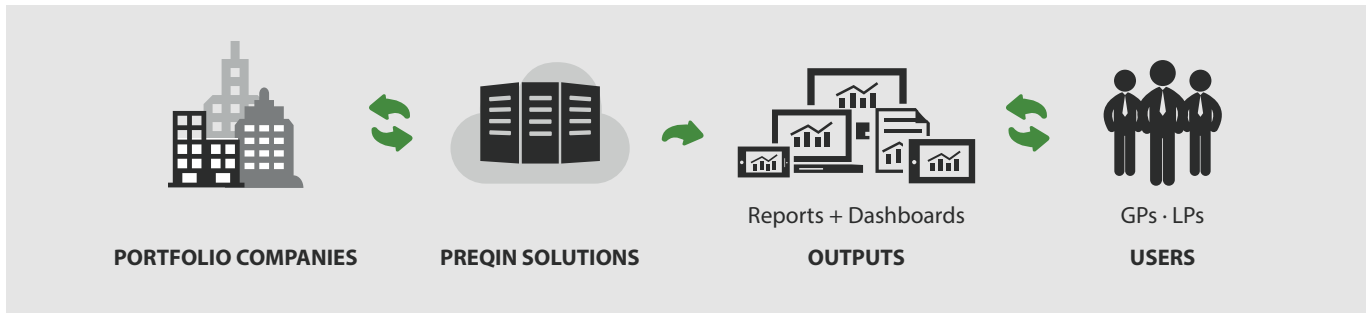
Fig. 4: Proportion of Number and Aggregate Value of Venture Capital Exits by Industry, 2015 vs. 2016



Source: Preqin Private Equity Online

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