

## **Late Stage Venture Capital Deals Almost Double in Size** **The average value of Series D stage and later deals made by venture capital firms globally so far in 2014 are 86% larger compared to similar deals made in 2013**

Preqin's latest analysis of global venture capital investment activity has shown that the average value of Series D and later stage deals that occurred in H1 2014 was \$64.1mn, a significant increase on the average size of late stage deals done in 2013, which stood at \$34.4mn.

The aggregate value of venture capital deals that took place in Q2 2014 was up 27% on the aggregate value of Q1 2014 deals, yet the number of venture capital financings was 1% lower. All stages of investment have increased in terms of average deal value for 2014 in comparison to 2013, except for growth capital/expansion rounds which have fallen from \$18.3mn on average to \$15.9mn.

### **Other Key Facts:**

- 1,563 venture capital financings took place over the last quarter, compared to 1,577 in Q1 2014 and 1,896 during Q2 2013.
- \$21.5bn was invested in venture capital opportunities in Q2 2014, up 71% on the \$12.6bn invested during Q2 2013.
- Deal flow in North America has fallen 2% from Q1 2014 to Q2 2014, with a 24% rise in value.
- In Europe, 334 deals took place in Q2 2014 valued at \$2.6bn, representing a 1% drop in deal flow, but a 27% increase in value from the previous quarter.
- There has been a 23% increase in deal flow in India, rising from 75 financings in Q1 2014 to 92 in Q2 2014.
- The average angel/seed financing round so far in 2014 is \$1.3mn, the highest average value since 2007.
- The highest proportion of deals continues to take place in the internet sector, accounting for 23% of the number of deals in Q2 2014. This quarter, internet deals also accounted for the highest value of all venture capital deals of any sector at 30%, up from 23% in Q4 2013, surpassing software and related deals.

**For more information and analysis, please see the following fact sheet**

### **Comment:**

“Companies towards the end of the venture capital financing cycle have received far larger investments on average over the first half of this year compared to recent years. In fact, all venture capital financing stages except growth stage/expansion have seen higher average values in H1 2014, as firms invested over \$38bn in companies over the first two quarters of the year. Even though specific countries and regions, such as India, have seen a notable uptick in deals being made, the general trend across the world is that of static numbers of deals taking place over recent quarters. With fewer companies receiving larger financing rounds on average, it may be very competitive for many young, innovative companies, as well as more established firms, to secure valuable funding going forward.”

### **Christopher Elvin, Head of Private Equity Products – Preqin**

### **Note to Editors:**

- Preqin is spelled without the letter ‘U’ after the ‘Q’, the company name being an amalgamation of the former name, Private Equity Intelligence.

## About Preqin:

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

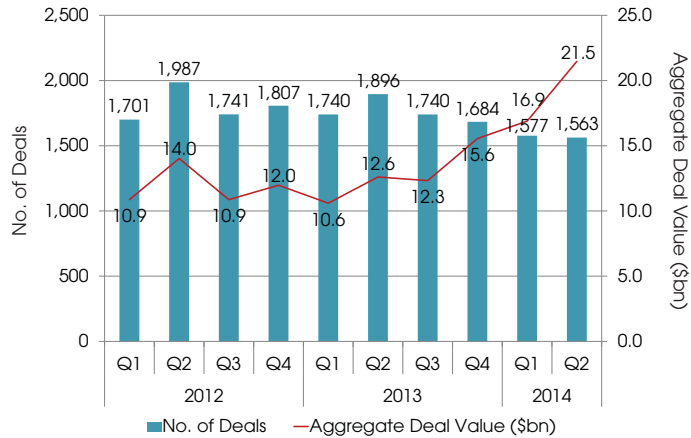
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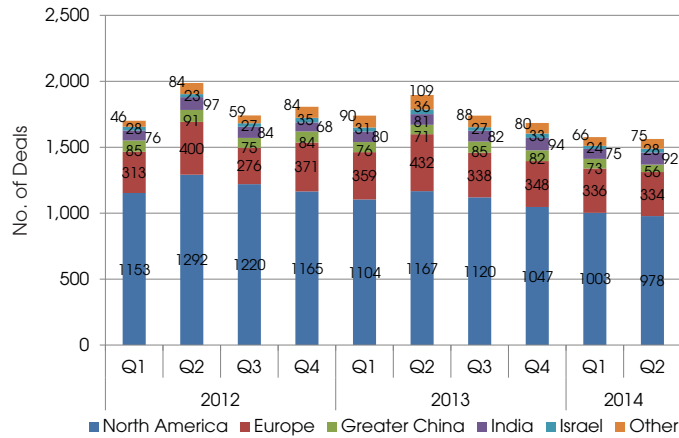
July 2014

Fig. 1: Number and Aggregate Value of Venture Capital Financings\*, Q1 2012 - Q2 2014



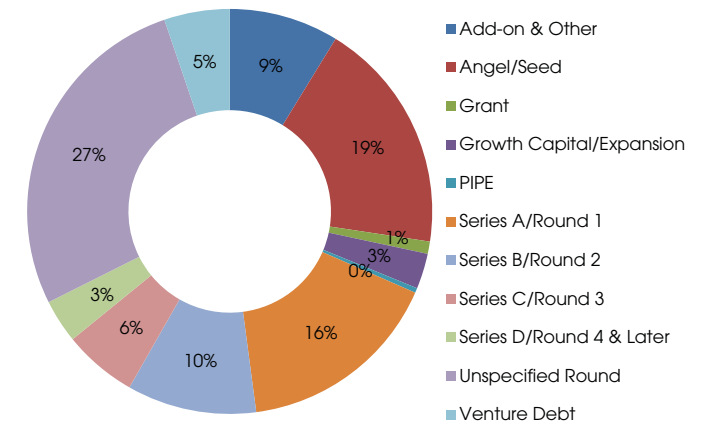
Source: Preqin Venture Deals Analyst

Fig. 2: Number of Venture Capital Deals\* by Region, Q1 2012 - Q2 2014



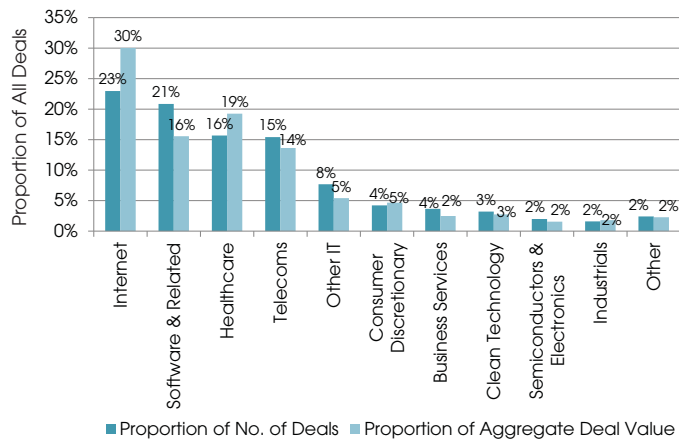
Source: Preqin Venture Deals Analyst

Fig. 3: Proportion of Number of Venture Capital Deals\* by Stage, Q2 2014



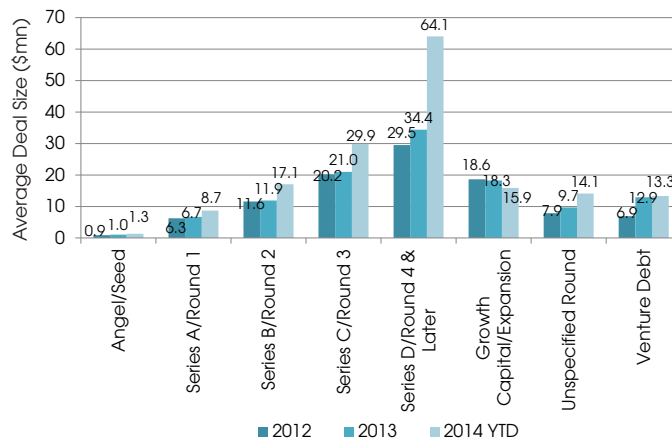
Source: Preqin Venture Deals Analyst

Fig. 4: Proportion of Number & Aggregate Deal Value of Venture Capital Financings by Industry, Q2 2014



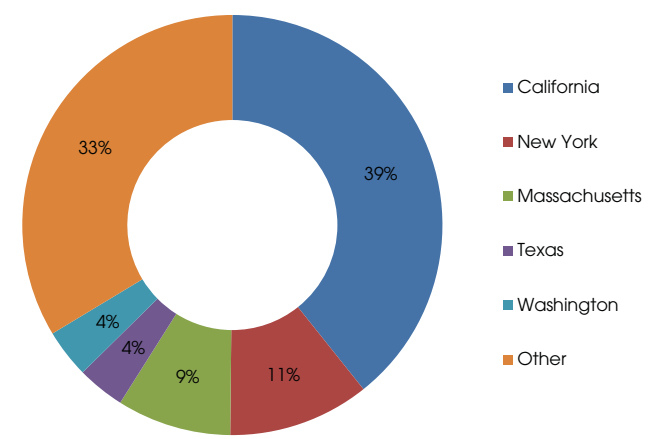
Source: Preqin Venture Deals Analyst

Fig. 5: Average Value of Venture Capital Deals, 2012 - Q2 2014



Source: Preqin Venture Deals Analyst

Fig. 6: Proportion of Number of US Venture Capital Deals by State, Q2 2014



Source: Preqin Venture Deals Analyst

\* Figures exclude add-ons, grants, mergers, venture debt and secondary stock purchases

# Q2 2014 Venture Capital Deals Fact Sheet

July 2014

Fig. 7: Top 10 Venture Capital Financings, Q2 2014\*

Portfolio Company Name	Deal Date	Stage	Deal Size (mn)	Investors	Primary Industry	Location
Uber Technologies, Inc.	Jun-14	Series D/Round 4	1,200 USD	BlackRock, Fidelity Equity Partners, Google Ventures, Kleiner Perkins Caufield & Byers, Menlo Ventures, Summit Partners, Wellington Management	Telecoms	US
Airbnb	Apr-14	Unspecified Round	450 USD	Dragoneer Investment Group, Sequoia Capital, T Rowe Price, TPG	Internet	US
CURA HealthCare Pvt. Ltd.	Jun-14	Unspecified Round	356 USD	Peepul Capital	Medical Instruments	India
Xunlei	Apr-14	Series E/Round 5	310 USD	IDG Capital Partners, Kingsoft, Morningside Group, Xiaomi	Internet	China
Campaign Monitor Pty. Ltd	Apr-14	Series A/Round 1	250 USD	Insight Venture Partners	Internet	Australia
Cove Financial Group, Inc.	Apr-14	Unspecified Round	250 USD	-	Financial Services	US
Forma Therapeutics, Inc.	Apr-14	Unspecified Round	225 USD	Celgene	Pharmaceuticals	US
Pure Storage, Inc.	Apr-14	Series F/Round 6	225 USD	Greylock Partners, Index Ventures, Redpoint Ventures, Sutter Hill Ventures, T Rowe Price, Tiger Global Management, Wellington Management	Hardware	US
Flipkart	May-14	Unspecified Round	210 USD	Accel Partners, DST Global, Iconiq Capital, Naspers, Tiger Global Management	Internet	India
17u	Apr-14	Unspecified Round	200 USD	Ctrip.com International, Ltd.	Internet	China

Source: Preqin Venture Deals Analyst

Fig. 8: Top 5 Venture Capital Exits: Q2 2014

Name	Date of First Investment	Investors (Entry)	Total Known Funding (mn)	Exit Type	Exit Date	Acquiror (Exit)	Exit Value (mn)	Industry	Location
JD.com	Aug-07	Bull Capital Partners, Capital Today, DST Global, Kingdom Holding Company, Ontario Teachers' Pension Plan, Tencent, Tiger Global Management, Wal-Mart	1,945 USD	IPO	May-14	-	1,849 USD	Internet	China
Youku Tudou Inc.	Mar-12	Brookside Group, Capital Today, Chengwei Capital, Crescent Point Group, Farallon Capital Management, General Catalyst Partners, GGV Capital, IDG Capital Partners, JAFCO Investment (Asia Pacific), Japan Asia Investment Company, KTB Ventures, Maverick Capital, Sutter Hill Ventures, Temasek Holdings, Tudou, Venrock, Western Technology Investment, Youku.com	-	Trade Sale	Apr-14	Alibaba Group, Yunfeng Capital	1,220 USD	Internet	China
Fusion-io, Inc.	Mar-08	Accel Partners, Andreessen Horowitz, Dell Ventures, Lightspeed Venture Partners, Meritech Capital Partners, New Enterprise Associates, Sumitomo Ventures, Triangle Peak Partners	112 USD	Trade Sale	Jun-14	SanDisk	1,100 USD	Hardware	US
Healogics	Sep-05	Morgan Stanley Expansion Capital, Scale Venture Partners	-	Sale to GP	May-14	Clayton Dubilier & Rice	910 USD	Healthcare	US
Labrys Biologics Inc.	Dec-12	Canaan Partners, InterWest Partners, Sofinnova Ventures	31 USD	Trade Sale	Jun-14	TEVA Pharmaceuticals	825 USD	Biotechnology	US

Source: Preqin Venture Deals Analyst

\* Figures exclude add-ons, grants, mergers, venture debt and secondary stock purchases

For more information or for any specific data queries, please contact [press@preqin.com](mailto:press@preqin.com) or visit [www.preqin.com](http://www.preqin.com)