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2017 PREQIN GLOBAL PRIVATE EQUITY & VENTURE CAPITAL REPORT

EXCLUSIVE VENTURE CAPITAL EXTRACT

CONTENTS

VENTURE CAPITAL FUNDRAISING

For the third consecutive year, annual venture capital fundraising has topped $50bn. Strong performance by post-GFC vintage funds, as well as steady growth in deal volume and value, has put venture capital on the radar of institutional investors and increased commitments to venture capital funds.

Key Findings:

- In 2016, 382 funds reached a final close, securing $55bn. While this capital is on par with the previous record in 2015 (from 442 funds), as more information becomes available, the 2016 figure is likely to surpass 2015 (Fig. 1).
- Consequently, average fund size reached a record high of $166mn in 2016, an increase of 16% from 2015.
- Generalist venture capital funds had the greatest interest from investors: 40% of venture capital funds closed in 2016 invested across all stages and raised 45% ($24bn) of total venture capital.
- Information technology remains the most prominent industry; 57% ($31bn) of all capital raised in 2016 targets the sector.
- Technology Crossover Ventures IX was the largest venture capital fund closed in 2016, securing $2.5bn in capital commitments, and seeks to make late stage investments in the technology sector – including internet, financial services, communications and software – across North America.

GEOGRAPHIC FOCUS

North America continues to dominate the venture capital fundraising market, largely due to the high concentration of GPs in and around Silicon Valley. Proportionally, regional market share has remained relatively unchanged from 2014, with funds focused on North America, Europe, Asia and all other regions securing 62%, 11%, 24% and 3% of the capital raised in 2016 respectively.

The regional breakdown is as follows:

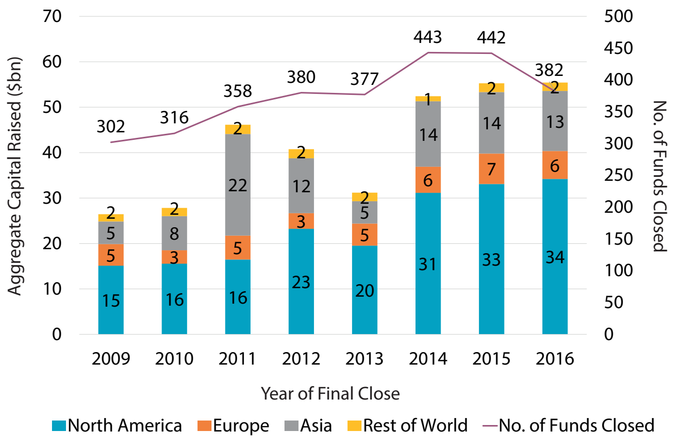
- **North America:** 222 funds focused on the region closed in 2016, raising an aggregate $34bn. California-based GPs managed $21bn (61%) of all North America-focused venture capital raised.
- **Europe:** 53 Europe-focused funds raised a combined $6.1bn in 2016.
- **Asia:** 80 Asia-focused funds secured $13bn, with China-focused funds accounting for 64% ($8.4bn) of all Asia-focused capital raised in 2016.
- **Rest of World:** 27 funds secured $1.8bn for investment outside North America, Europe and Asia in 2016, led by Israel- and Australia-focused venture capital: eight Israel-focused vehicles secured $0.8bn, while six Australia-focused funds raised $0.5bn.

OUTLOOK

Venture capital is likely to remain an important part of private equity fundraising over 2017, with a record 940 funds currently seeking capital and $16bn already committed to funds that have held an interim close. Although the number of funds reaching a final close was lower in 2016 than the year before, the aggregate capital raised remained strong. With record numbers of funds in market, managers face the challenge of convincing LPs that they can identify breakout potential among companies in order to secure institutional commitments in a competitive fundraising market.

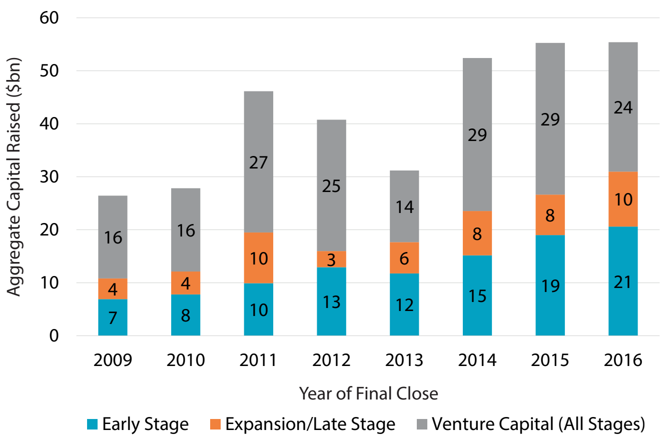
More than a quarter (28%) of investors surveyed by Preqin see venture capital as providing the best opportunities for investment, second only to small to mid-market buyout funds (58%). Additionally, 18% of investors expect to commit more capital to the asset class in the next 12 months than they did in the previous year, and 30% of investors also plan to increase their allocation over the longer term.

Fig. 1: Annual Venture Capital Fundraising by Primary Geographic Focus, 2009 - 2016



Source: Preqin Private Equity Online

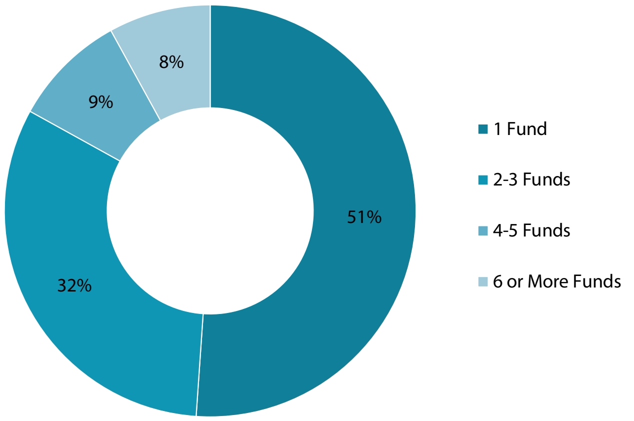
Fig. 2: Annual Venture Capital Fundraising by Fund Type, 2009 - 2016



Source: Preqin Private Equity Online

VENTURE CAPITAL FUND MANAGERS

Fig. 3: Venture Capital Fund Managers by Number of Funds Raised



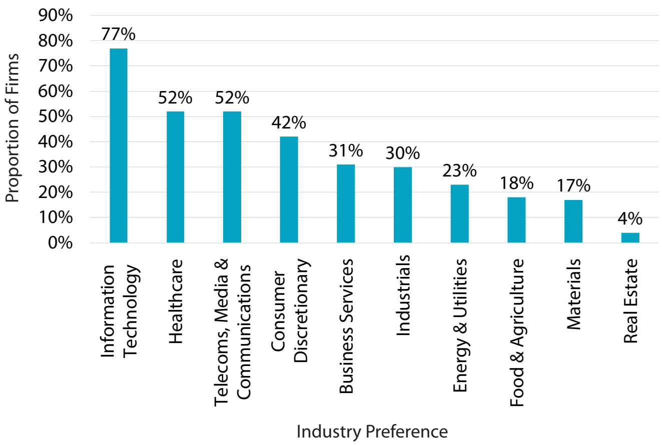
Source: Preqin Private Equity Online

Fig. 4: Number of Active Venture Capital Fund Managers by Location

Headquarters	No. of Firms
US	1,020
China	170
UK	93
India	68
Japan	67
Canada	60
France	57
South Korea	54
Germany	44
Israel	44

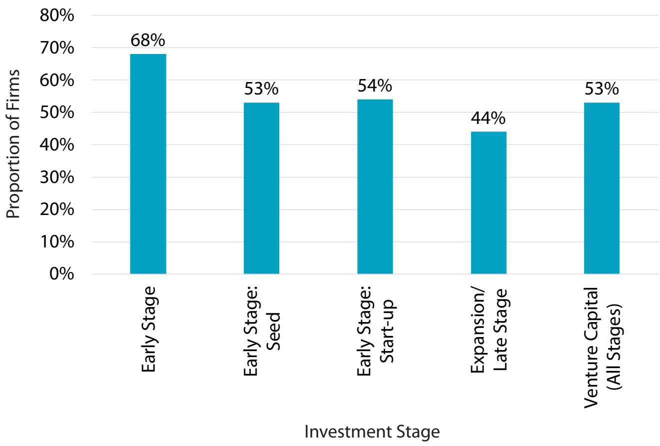
Source: Preqin Private Equity Online

Fig. 5: Venture Capital Fund Managers' Industry Preferences for Underlying Investments



Source: Preqin Private Equity Online

Fig. 6: Venture Capital Fund Managers by Investment Stage Preference



Source: Preqin Private Equity Online

Fig. 7: 10 Largest Fund Managers by Total Capital Raised for Venture Capital Funds in the Last 10 Years

Firm	Total Capital Raised in Last 10 Years ($bn)	Total Estimated Dry Powder ($bn)	Headquarters
Tiger Global Management	12.0	3.5	New York, US
New Enterprise Associates	8.2	1.9	Menlo Park, US
Sequoia Capital	7.9	1.6	Menlo Park, US
DST Global	7.2	2.3	Hong Kong
Kleiner Perkins Caufield & Byers	7.1	1.9	Menlo Park, US
Andreessen Horowitz	5.7	2.3	Menlo Park, US
Accel Partners	5.5	1.9	Palo Alto, US
IDG Capital Partners	5.0	1.1	Beijing, China
Index Ventures	4.7	1.5	London, UK
Lightspeed Venture Partners	4.6	1.9	Menlo Park, US

Source: Preqin Private Equity Online

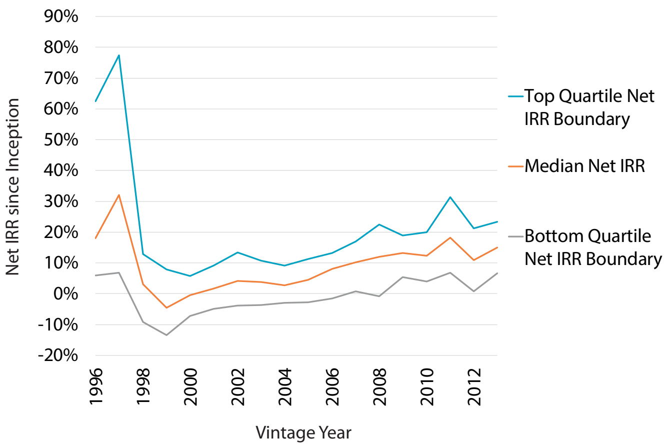
VENTURE CAPITAL PERFORMANCE BENCHMARKS

FUND STRATEGY: Venture Capital **GEOGRAPHIC FOCUS:** All Regions **AS AT:** 30 June 2016

Vintage	No. of Funds	Median Fund Called (%)	Median Fund Dist (%) DPI	Median Fund Value (%) RVPI	Multiple Quartiles (X) Q1	Multiple Quartiles (X) Median	Multiple Quartiles (X) Q3	IRR Quartiles (%) Q1	IRR Quartiles (%) Median	IRR Quartiles (%) Q3	IRR Max/Min (%) Max	IRR Max/Min (%) Min
2016	20	10.4	0.0	93.5	1.00	0.94	0.87	n/m	n/m	n/m	n/m	n/m
2015	30	23.2	0.0	92.5	1.06	0.94	0.82	n/m	n/m	n/m	n/m	n/m
2014	27	50.3	0.0	102.0	1.39	1.04	0.93	n/m	n/m	n/m	n/m	n/m
2013	29	75.5	3.8	110.7	1.47	1.17	1.09	23.4	15.0	6.6	74.8	-6.6
2012	32	83.8	2.0	104.0	1.41	1.21	0.91	21.3	10.9	0.8	71.6	-33.6
2011	30	87.0	10.8	120.7	2.05	1.67	1.08	31.4	18.2	6.9	90.1	-17.0
2010	20	96.6	26.6	115.0	1.81	1.48	1.28	20.0	12.4	4.0	36.1	-0.2
2009	20	95.9	27.5	98.0	1.92	1.40	1.13	18.9	13.3	5.4	37.4	-14.0
2008	39	96.4	45.6	79.4	2.12	1.55	1.00	22.4	12.0	-0.8	52.1	-31.2
2007	37	99.7	64.0	77.0	2.13	1.59	0.96	17.0	10.2	0.7	44.7	-34.0
2006	42	98.7	91.0	58.2	1.96	1.54	1.00	13.2	8.0	-1.5	25.8	-25.1
2005	40	99.0	77.0	39.0	1.68	1.17	0.80	11.3	4.5	-2.8	104.9	-16.0
2004	28	100.0	59.6	27.9	1.58	1.14	0.84	9.2	2.7	-2.9	66.9	-79.2
2003	28	100.0	103.1	0.8	1.55	1.09	0.66	10.7	3.8	-3.6	35.1	-24.0
2002	25	100.0	91.0	0.0	1.79	1.22	0.75	13.4	4.1	-3.8	42.8	-47.2
2001	46	100.0	89.0	5.4	1.54	1.00	0.70	9.2	1.7	-4.9	28.0	-25.1
2000	69	100.0	85.2	0.0	1.22	0.90	0.45	5.8	-0.4	-7.2	52.9	-96.0
1999	54	100.0	68.0	0.0	1.31	0.75	0.36	7.9	-4.6	-13.5	154.7	-43.4
1998	51	100.0	102.0	0.0	1.52	1.02	0.52	12.8	3.1	-9.2	514.3	-71.8
1997	65	100.0	187.3	0.0	3.59	1.87	1.27	77.4	32.1	6.8	267.8	-30.0
1996	39	100.0	166.0	0.0	3.34	1.76	1.07	62.4	18.0	5.9	188.4	-33.3

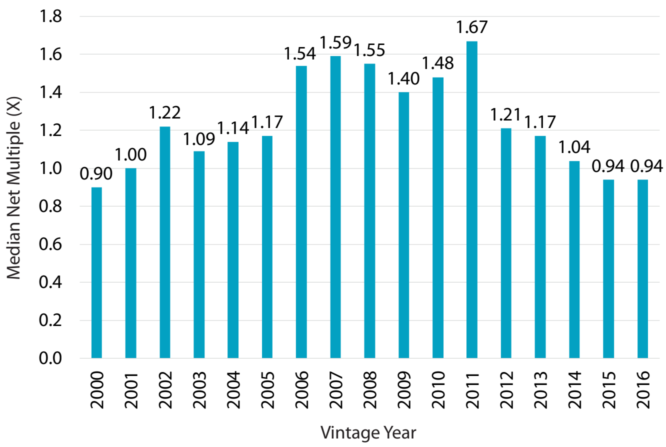
Source: Preqin Private Equity Online

Fig. 8: Venture Capital - Median Net IRRs and Quartile Boundaries by Vintage Year (As at June 2016)



Source: Preqin Private Equity Online

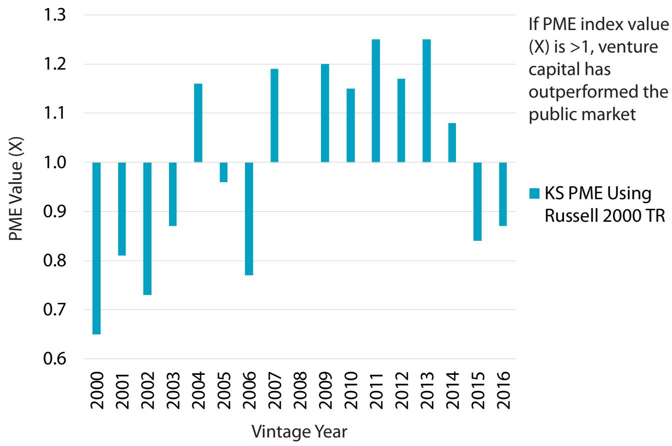
Fig. 9: Venture Capital - Median Net Multiples by Vintage Year (As at June 2016)



Source: Preqin Private Equity Online

Fig. 10: KS PME (Kaplan-Schoar): Venture Capital - All Regions (As at June 2016)

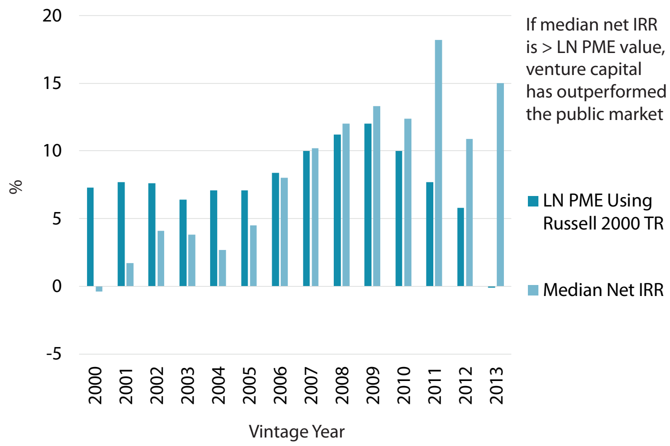
Vintage	No. of Funds	Capitalization ($bn)	KS PME Using Russell 2000 TR (X)
2000	44	20.6	0.65
2001	33	15.4	0.81
2002	15	2.9	0.73
2003	9	3.3	0.87
2004	21	5.3	1.16
2005	25	8.0	0.96
2006	35	14.7	0.77
2007	43	6.4	1.19
2008	36	11.3	1.00
2009	13	4.2	1.20
2010	16	4.8	1.15
2011	17	5.7	1.25
2012	18	7.6	1.17
2013	23	7.9	1.25
2014	27	6.2	1.08
2015	30	11.4	0.84
2016	16	4.8	0.87



Source: Preqin Private Equity Online

Fig. 11: LN PME (Long-Nickels): Venture Capital - All Regions (As at June 2016)

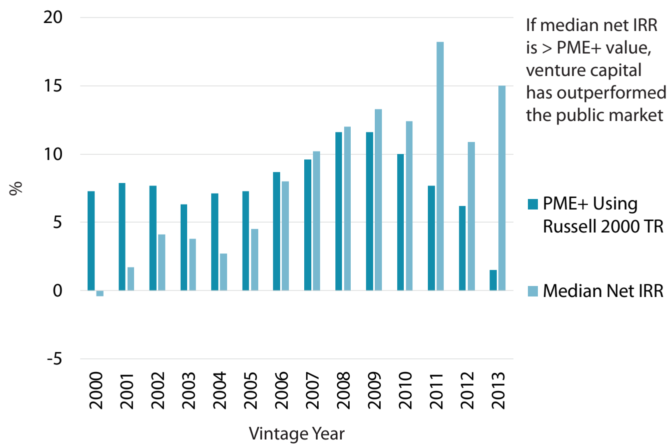
Vintage	No. of Funds	Capitalization ($bn)	LN PME Using Russell 2000 TR (%)	Median Net IRR (%)
2000	44	20.6	7.3	-0.4
2001	33	15.4	7.7	1.7
2002	15	2.9	7.6	4.1
2003	9	3.3	6.4	3.8
2004	21	5.3	7.1	2.7
2005	25	8.0	7.1	4.5
2006	35	14.7	8.4	8.0
2007	43	6.4	10.0	10.2
2008	36	11.3	11.2	12.0
2009	13	4.2	12.0	13.3
2010	16	4.8	10.0	12.4
2011	17	5.7	7.7	18.2
2012	18	7.6	5.8	10.9
2013	23	7.9	-0.1	15.0



Source: Preqin Private Equity Online

Fig. 12: Capital Dynamics PME+: Venture Capital - All Regions (As at June 2016)

Vintage	No. of Funds	Capitalization ($bn)	PME+ Using Russell 2000 TR (%)	Median Net IRR (%)
2000	44	20.6	7.3	-0.4
2001	33	15.4	7.9	1.7
2002	15	2.9	7.7	4.1
2003	9	3.3	6.3	3.8
2004	21	5.3	7.1	2.7
2005	25	8.0	7.3	4.5
2006	35	14.7	8.7	8.0
2007	43	6.4	9.6	10.2
2008	36	11.3	11.6	12.0
2009	13	4.2	11.6	13.3
2010	16	4.8	10.0	12.4
2011	17	5.7	7.7	18.2
2012	18	7.6	6.2	10.9
2013	23	7.9	1.5	15.0



Source: Preqin Private Equity Online

VENTURE CAPITAL DEALS

In 2016, 9,719 venture capital deals were announced globally, valued at a total of $134bn (Fig. 13). While this represents the lowest number of deals in any year since 2013, 2016 saw the second highest aggregate deal value on record.

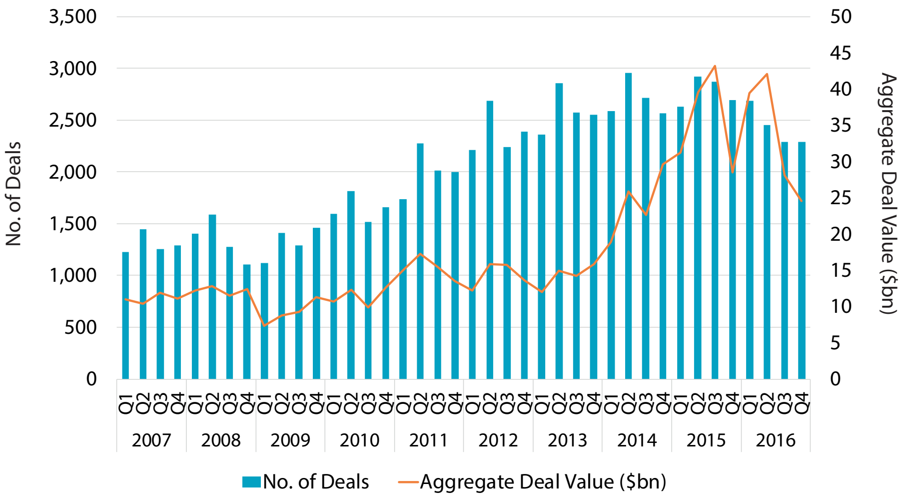
Key Findings:

- The rise in value was driven by a high number of $1bn+ transactions, including six of the top 10 largest deals in the period 2007-2016.
- High valuations have seen average deal size rise nearly 2.5x since 2013 for transactions at Series B and later stages.
- Q2 2016 had the second highest aggregate deal value of any single quarter at $42bn, trailing only Q3 2015 ($43bn).

2016 IN CONTEXT

2016 saw a 13% drop in the number of financings from 2015, reversing the upward trend of the previous six years. However, it is important to note that 2015 was a record year for venture capital deal activity with 11,115 financings, and aggregate deal value was only 6% lower in 2016 than in 2015.

Fig. 13: Number and Aggregate Value of Venture Capital Deals* Globally, Q1 2007 - Q4 2016



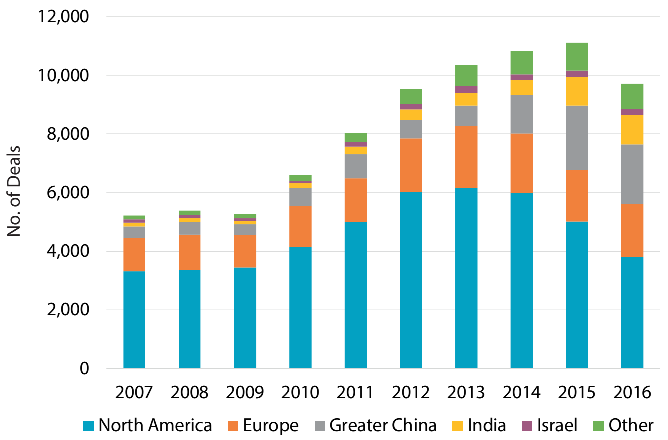
Source: Preqin Private Equity Online

CHINA'S EMERGENCE AND REGIONAL SHIFTS

2016 saw a continuation of the shift in venture capital activity from North America to Greater China, as shown in Figs. 14-18:

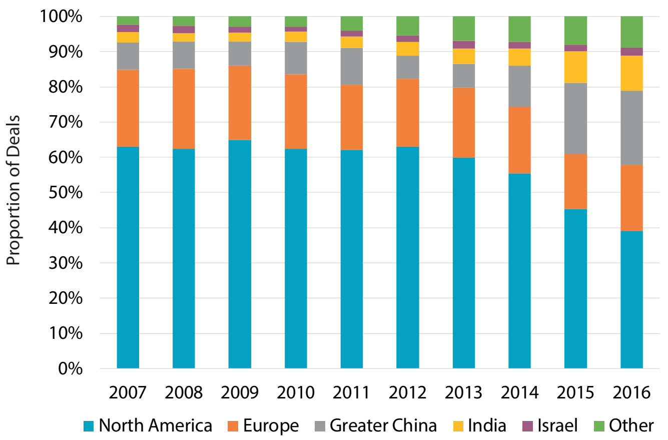
- The number of financings in North America in 2016 (3,793) was substantially lower than the previous year (5,013), causing the region's market share to decline by six percentage points over the period to 39%, substantially off its historical 62% average (2007-2014).
- While there were fewer financings in Greater China in 2016 than in 2015 (2,047 vs. 2,202 respectively), its share of the market increased for the fourth consecutive year to represent 21% of transactions, well above the historical average (8%, 2007-2014).
- Venture capital-backed financings in North America amounted to $61bn in 2016 (down 15% from 2015),

Fig. 14: Number of Venture Capital Deals* by Region, 2007 - 2016



Source: Preqin Private Equity Online

Fig. 15: Proportion of Number of Venture Capital Deals* by Region, 2007 - 2016



Source: Preqin Private Equity Online

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

- compared with $48bn in Greater China (up 20%). North America's share of aggregate deal value declined for the third consecutive year to 45%, while Greater China's grew from 8% in 2013 to 36% in 2016.

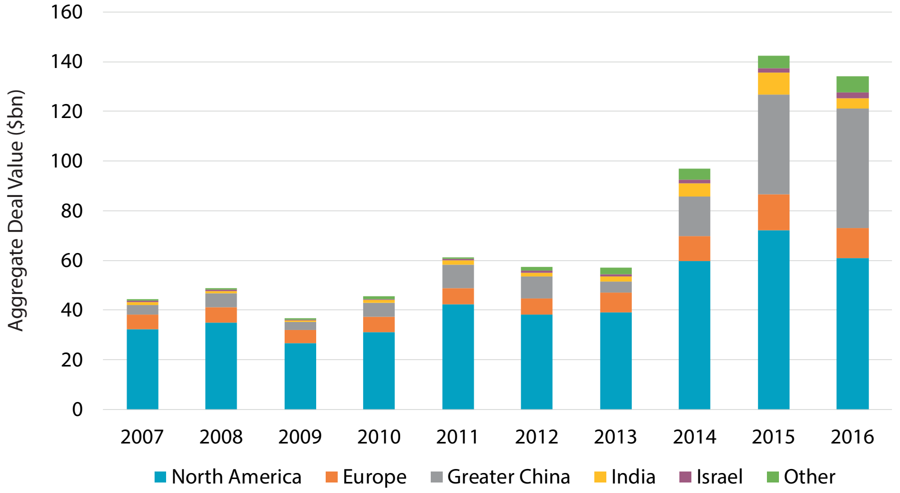
European venture capital deal activity increased in 2016 compared with 2015 (1,811 vs. 1,758), although the aggregate value of deals was $2.4bn lower than in 2015 ($15bn). Similarly, deals for Indian companies remained consistent with 2015 activity, but aggregate value fell by 53% to $4.1bn.

OUTLOOK

The venture capital marketplace is becoming increasingly competitive, and adding to the challenges faced by traditional venture capital fund managers is the growing influence of non-traditional investors, which has further increased competition and likely contributed to the rise in portfolio company valuations, raising concerns among some traditional venture capital investors.

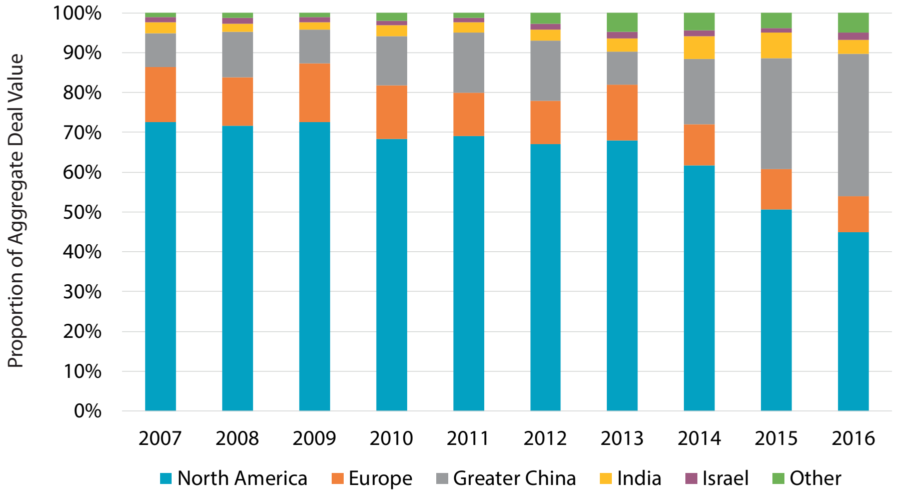
However, the global venture capital industry has clearly undergone rapid growth in deal activity over the past decade, and the reduction in deal value in 2016 could be in response to potentially overinflated valuations, with firms looking to be more selective in their investments. Furthermore, given the increasing prosperity within emerging markets, this shift away from the more traditional markets of North America and Europe will likely continue.

Fig. 16: Aggregate Value of Venture Capital Deals* by Region, 2007 - 2016



Source: Preqin Private Equity Online

Fig. 17: Proportion of Aggregate Value of Venture Capital Deals* by Region, 2007 - 2016



Source: Preqin Private Equity Online

Fig. 18: Number and Aggregate Value of Venture Capital Deals* in 2016 by Region

	2016		Percentage Change from 2015	
Region	No. of Deals	Aggregate Value ($bn)	No. of Deals	Aggregate Value
North America	3,793	61.1	-24%	-15%
Europe	1,811	12.1	+3%	-16%
Greater China	2,047	47.9	-7%	+20%
India	995	4.1	+3%	-53%
Israel	206	2.2	-2%	+27%
Other	867	6.7	-10%	+30%

Source: Preqin Private Equity Online

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

DEAL FLOW BY STAGE AND INDUSTRY

SERIES A AND EARLIER

As in 2015, early stage investments (Series A and earlier) dominated the venture capital market in 2016, accounting for 61% of the number of deals and 19% of aggregate deal value (Fig. 19).

Key Findings:

- There were 2,745 **Angel/Seed** financings in 2016 (21% decline from 2015) valued at $3.7bn (9% decline).
- 2,036 **Series A** deals were announced in the past year for a total of $20bn, and despite nominal reductions of 203 deals and $70mn from 2015, there was a two percentage point increase in the proportion of all venture capital deals taking place at this stage while the proportion of value remained at 16%.

SERIES B

The aggregate value of **Series B** deals rose from $22bn in 2015 to $30bn in 2016, and now represents the largest proportion of total venture capital deal value.

Key Findings:

- 2016 saw five Series B financings valued at $500mn or more, compared to just one in 2015. These included Ant Financial ($4.5bn) and Uber China ($2.0bn), which contributed to the 45% increase in average deal size to $33mn (Fig. 20).
- The number of deals remained steady: 1,050 financings at this round were recorded in 2016 compared with 1,091 deals in 2015.

SERIES D AND LATER

With Series B transactions accounting for the largest proportion of deal value, later stage deals (**Series D/Round 4 or Later**) fell in prominence, representing 17% of total venture capital deal value in 2016, down from 23% in 2015.

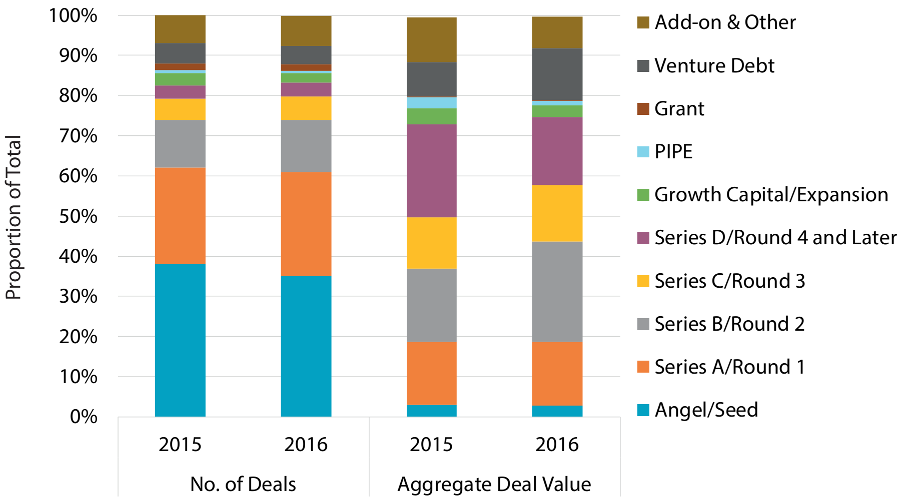
Key Findings:

- Fewer later stage transactions occurred in 2016 compared with 2015 (242 vs. 307 respectively).
- Aggregate deal value fell by $8.3bn to $20bn over the same timeframe.
- While average deal size at earlier stages rose from 2015 to 2016, the average size of later stage financings fell by $9mn to $87mn.

The decline in later stage financings could be due to apprehension from investors over the weaker exit environment – both the number of exits and aggregate exit value has fallen over the past two years. Firms may also be reluctant to invest large sums in late stage venture rounds given concerns over higher valuations and whether this trend is likely to persist.

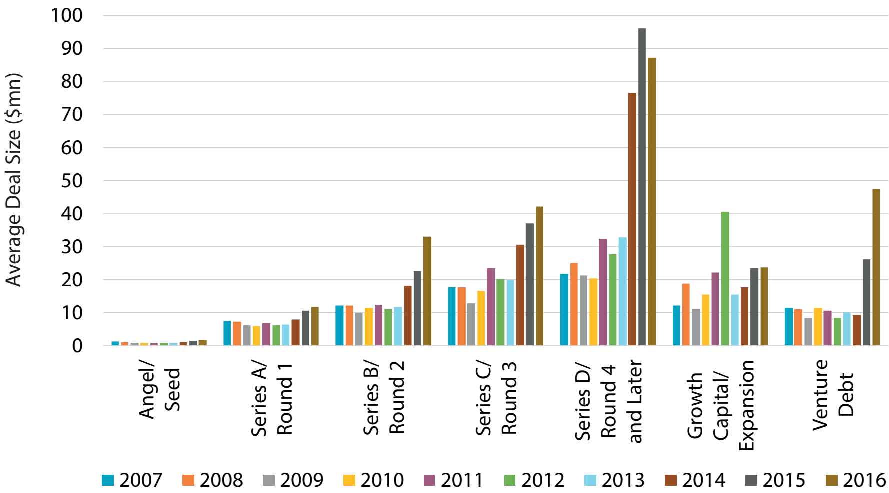
For the second consecutive year, there have not been any blockbuster venture capital-backed add-ons; the proportion of the market captured by add-ons remained at 7% of transactions. Venture debt's prominence rose, with $15bn worth of debt deals in 2016 in 395 transactions;

Fig. 19: Proportion of Number and Aggregate Value of Venture Capital Deals by Stage, 2015 vs. 2016



Source: Preqin Private Equity Online

Fig. 20: Average Venture Capital Deal Size by Stage, 2007 - 2016



Source: Preqin Private Equity Online

despite the number of transactions falling, five of the 10 largest venture debt transactions ever were completed in 2016, including the top two deals for Ucar (CNY 20bn) and Didi Chuxing ($2.5bn).

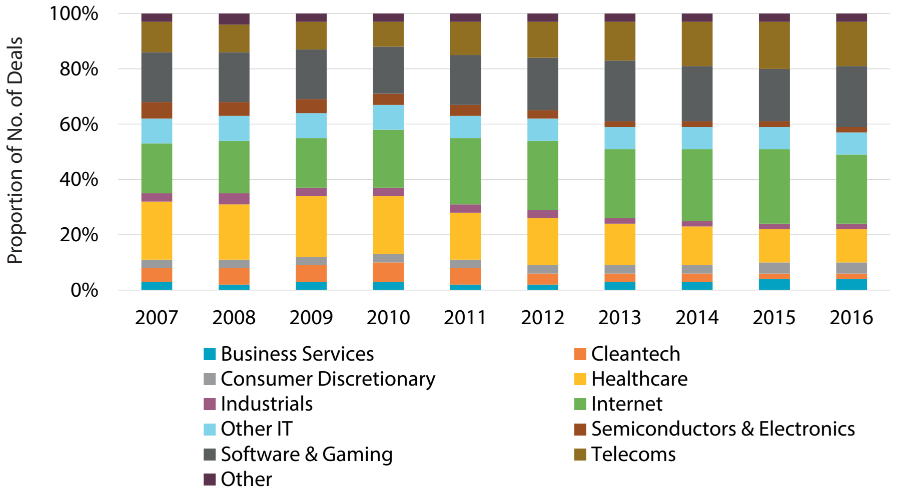
DEALS BY INDUSTRY

As shown in Figs. 21 and 22, venture capital deal flow continues to be led by the internet sector, which represented a quarter of financings in terms of number and 27% in terms of value in 2016. However, the proportion of aggregate value represented by the industry fell from 33% in 2015.

Software & gaming was the second most prominent industry for venture capital in 2016, growing by three percentage points from 2015 to reach just over a fifth of all deals, although the industry still represented a similar proportion of aggregate deal value.

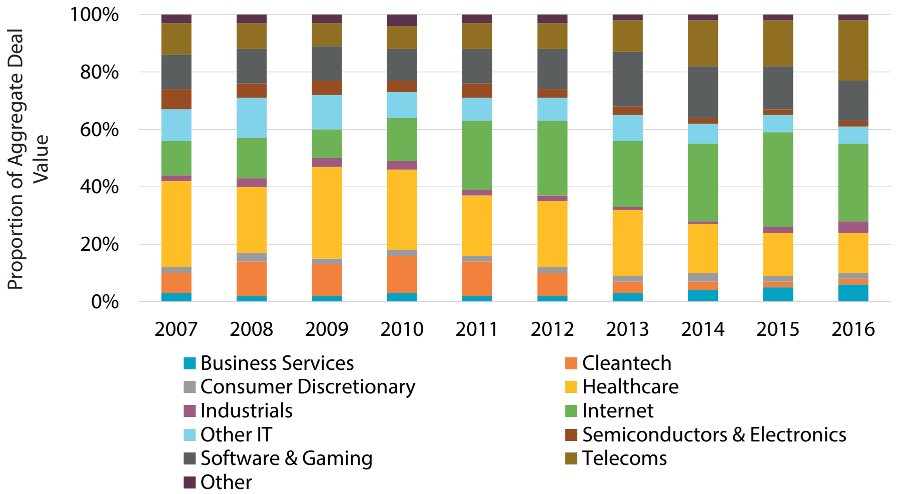
While, the majority of industries maintained a similar market share compared with 2015, the telecoms sector (which includes mobile apps) grew from representing 16% of venture capital deal value to 21% in 2016, despite 394 fewer transactions recorded. 2016 saw 1,502 telecoms deals for $28bn, led by multiple large financing rounds for Uber Technologies, Inc. and Didi Chuxing.

Fig. 21: Proportion of Number of Venture Capital Deals* by Industry, 2007 - 2016



Source: Preqin Private Equity Online

Fig. 22: Proportion of Aggregate Value of Venture Capital Deals* by Industry, 2007 - 2016



Source: Preqin Private Equity Online

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

GLOBAL VENTURE CAPITAL EXIT OVERVIEW

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. 23).
- 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

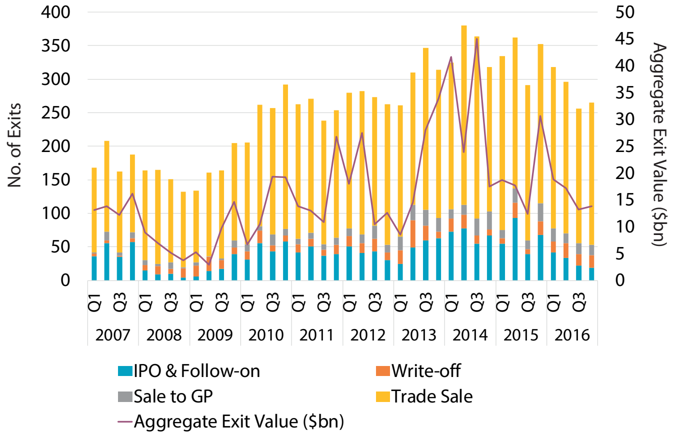
North America remains the primary region for venture capital exit activity in 2016, accounting for 58% of all exits and 72% of global exit value in 2016, compared to 54% and 56% respectively in 2015. There were 656 venture capital exits in North America for $46bn (Figs. 24 and 25). **European** exits 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

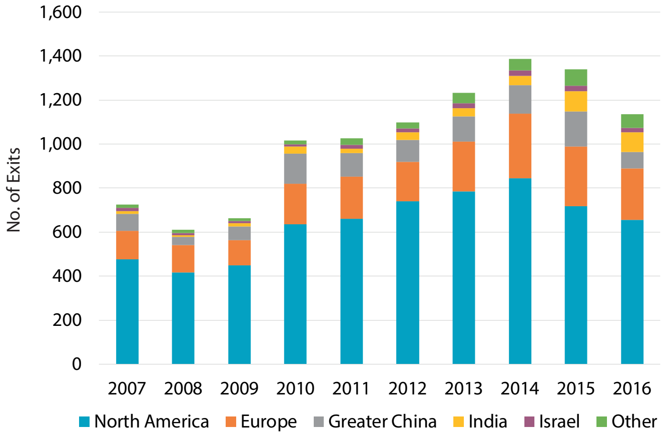
Venture capital exits in 2016 continued to be led by the internet and healthcare sectors (Fig. 26). However, the value of internet exits as a proportion of the total fell from the previous year, while the proportion increased for exits in the software & gaming, telecoms, business services and other IT sectors.

Fig. 23: Quarterly Number and Aggregate Value of Global Venture Capital Exits by Type, Q1 2007 - Q4 2016



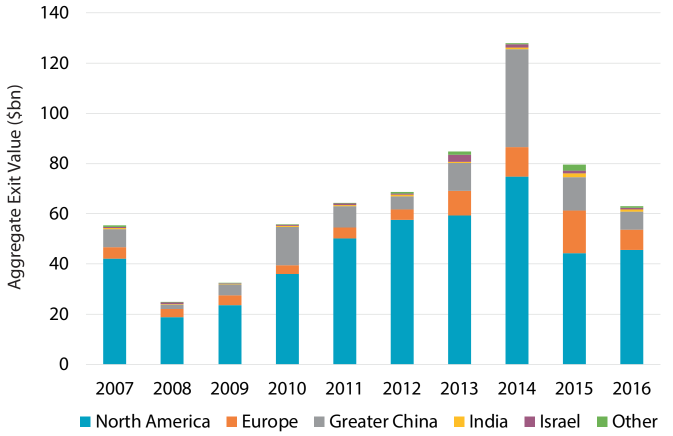
Source: Preqin Private Equity Online

Fig. 24: Number of Venture Capital Exits by Region, 2007 - 2016



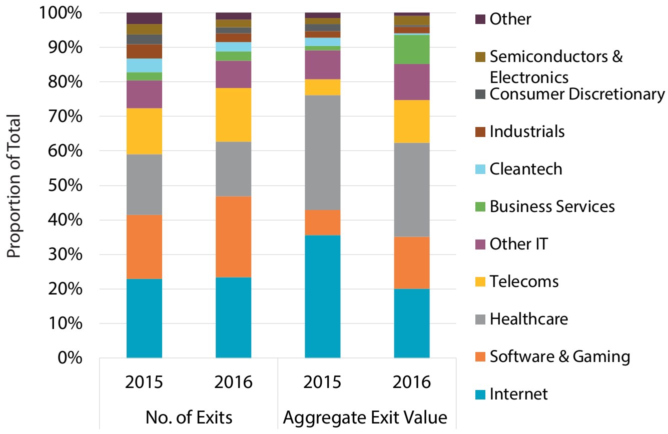
Source: Preqin Private Equity Online

Fig. 25: Aggregate Value of Venture Capital Exits by Region, 2007 - 2016



Source: Preqin Private Equity Online

Fig. 26: Proportion of Number and Aggregate Value of Venture Capital Exits by Industry, 2015 vs. 2016



Source: Preqin Private Equity Online

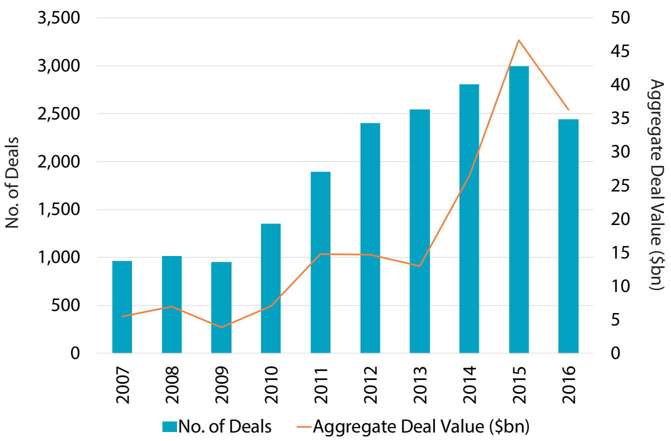
INDUSTRY FOCUS: INTERNET

Following two consecutive years of significant growth, the aggregate value of deals in the internet sector in 2016 was 22% lower than the previous year. However, the internet sector remains the largest individual industry for venture capital investment and still accounted for over a quarter of total venture capital deal value in 2016.

Key Findings:

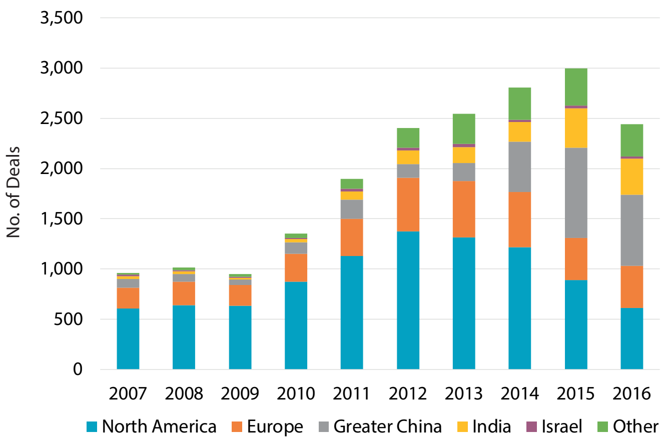
- Both the number of deals and their aggregate value fell from 2015's record: there were 2,440 venture capital financings within the internet industry in 2016, worth an aggregate $36bn, down from 2,994 transactions for $47bn in 2015.
- The number of internet deals in 2016 was at its lowest level since 2012 (2,401) halting six years of year-on-year growth.
- However, aggregate deal value marked the second highest figure for the industry, buoyed by the Series B round of Ant Financial, the Series G round of Uber Technologies and the financing of Meituan-Dianping, the three largest internet deals completed in 2016.
- Though there was only a slight reduction in the number of internet exits in 2016 from 2015, there was a significant drop in aggregate exit value from $28bn in 2015 to $13bn in 2016.

Fig. 27: Number and Aggregate Value of Venture Capital Deals* in the Internet Industry, 2007 - 2016



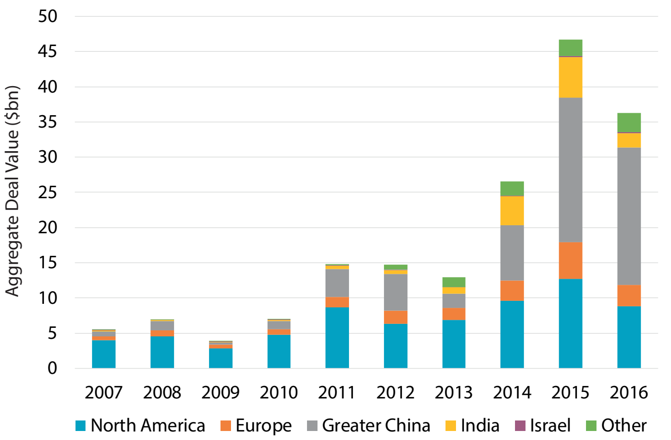
Source: Preqin Private Equity Online

Fig. 28: Number of Venture Capital Deals* in the Internet Industry by Region, 2007 - 2016



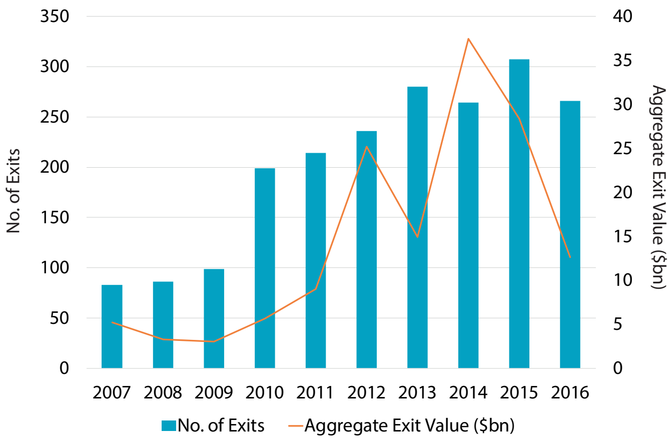
Source: Preqin Private Equity Online

Fig. 29: Aggregate Value of Venture Capital Deals* in the Internet Industry by Region, 2007 - 2016



Source: Preqin Private Equity Online

Fig. 30: Number and Aggregate Value of Venture Capital Exits in the Internet Industry, 2007 - 2016



Source: Preqin Private Equity Online

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

INDUSTRY FOCUS: SOFTWARE & GAMING

Investments in software & gaming companies made up just over a fifth of all venture capital deals in 2016, with 2,103 financings valued at $19bn (Fig. 31).

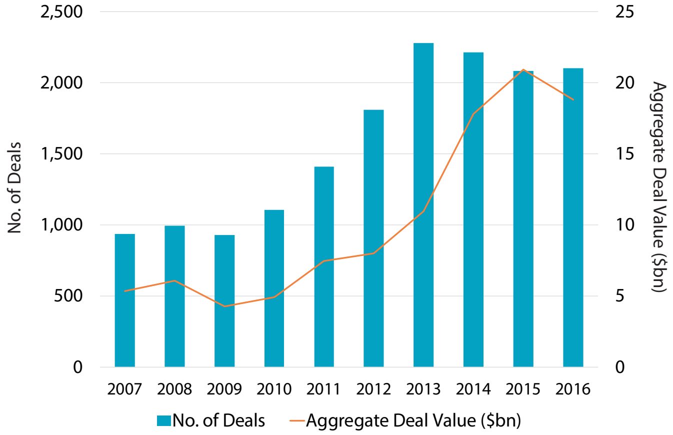
While the number of deals remained close to the 2015 level, aggregate deal value was 10% lower than the previous year, largely due to fewer $100mn+ transactions taking place (30 in 2015 vs. 17 in 2016). However, this trend reflects the decrease in aggregate deal value across the wider venture capital industry. The proportion of total capital invested in software & gaming companies actually remained similar to 2015 levels (14% in 2016 vs. 15% in 2015).

Key Findings:

- Following six consecutive years of growth, the value of software deals globally declined by 10% from 2015 ($21bn) to 2016 ($19bn), although the 2016 value is still high when compared to historical averages.
- North America remains the main focus of software & gaming deal activity, representing the majority of deals by both number (54%) and aggregate value (71%). This is despite 127 fewer deals occurring in the region than in 2015, and aggregate deal value being $3.2bn lower (Figs. 32-33).
- The exit environment improved from 2015, with 266 exits (up from 248) and a recovery from 2015's six-year low in aggregate exit value to $9.6bn in 2016 (Fig. 34).

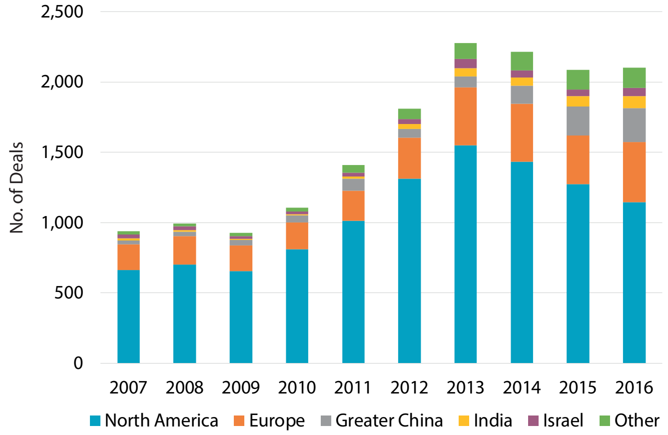
Europe and Greater China were the only regions to see a significant increase in aggregate deal value over the course of the year, with deal value rising 30% and 58% respectively to reach $1.9bn and $2.3bn respectively. In terms of the total number of software & gaming deals, there was growth in all regions except North America (-10%); the largest gains were seen in Israel (+26%) and Europe (+23%).

Fig. 31: Number and Aggregate Value of Venture Capital Deals* in the Software & Gaming Industry, 2007 - 2016



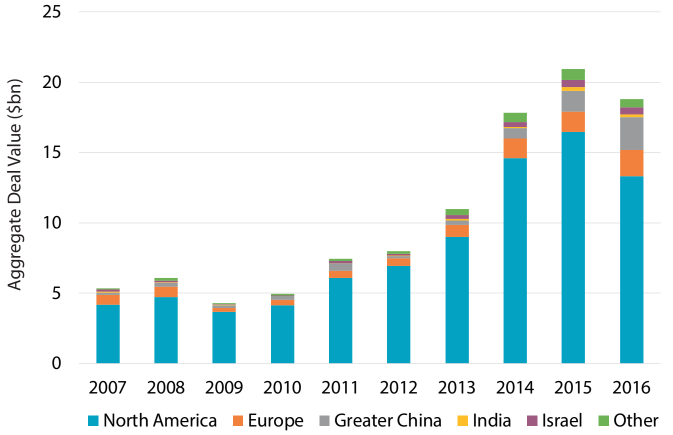
Source: Preqin Private Equity Online

Fig. 32: Number of Venture Capital Deals* in the Software & Gaming Industry by Region, 2007 - 2016



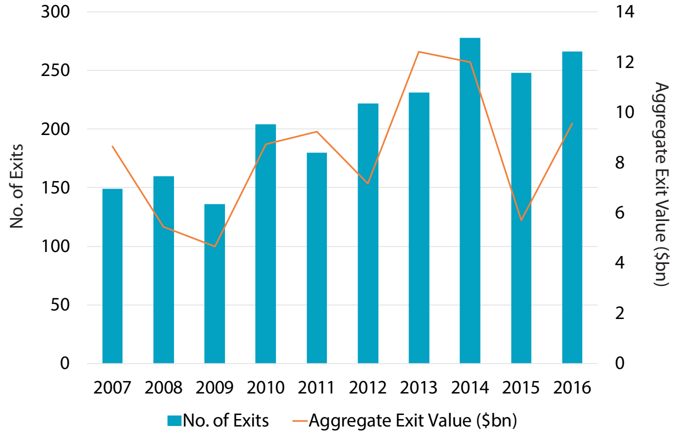
Source: Preqin Private Equity Online

Fig. 33: Aggregate Value of Venture Capital Deals* in the Software & Gaming Industry by Region, 2007 - 2016



Source: Preqin Private Equity Online

Fig. 34: Number and Aggregate Value of Venture Capital Exits in the Software & Gaming Industry, 2007 - 2016



Source: Preqin Private Equity Online

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

MOST ACTIVE FIRMS, LARGEST DEALS AND NOTABLE EXITS

Fig. 35: 10 Most Active Venture Capital Firms Globally in 2016 by Number of Deals*

Investor	No. of Deals
500 Startups	142
Sequoia Capital	121
New Enterprise Associates	94
Accel Partners	82
Matrix Partners	72
IDG Capital Partners	64
Y Combinator	62
Index Ventures	60
Khosla Ventures	59
Lightspeed Venture Partners	59

Source: Preqin Private Equity Online

Fig. 36: 10 Largest Venture Capital Deals Globally in 2016*

Portfolio Company	Date	Stage	Deal Size (mn)	Investor(s)	Industry	Location
Ant Financial	Apr-16	Series B/ Round 2	4,500 USD	CCB Trust**, China Development Bank Capital, China Investment Corporation**, China Life Insurance Company, China Post Capital, Primavera Capital	Software	China
Uber Technologies, Inc.	Jun-16	Series G/ Round 7	3,500 USD	Public Investment Fund**, SBT Venture Capital	Telecoms	US
Meituan-Dianping	Jan-16	Unspecified Round	3,300 USD	Baillie Gifford, Capital Today, China Development Bank Capital, CPP Investment Board, DST Global**, Hillhouse Capital Management, Sequoia Capital, Temasek Holdings, Tencent**, Trustbridge Partners**	Internet	China
Didi Chuxing	Jun-16	Unspecified Round	2,800 USD	Alibaba Group, Ant Financial Service Group, BlackRock, Oppenheimer Alternative Investment Management, Softbank, Tencent	Telecoms	China
Uber China	Jan-16	Series B/ Round 2	2,000 USD	Baidu**, CBC Capital, China Life Insurance Company, China Minsheng Banking Corp, China Taiping Insurance, China Vanke Co. Ltd., CITIC Securities, Guangzhou Automobile Co. Ltd., HNA Group, Uber Technologies, Inc.	Telecoms	China
Cainiao	Mar-16	Unspecified Round	1,540 USD	GIC, Khazanah Nasional Berhad, Primavera Capital, Temasek Holdings	Logistics	China
Letv Sports Culture Develop (Beijing) Co.	Mar-16	Series B/ Round 2	8,000 CNY	HNA Group	Media	China
Shanghai Lujiazui International Financial Asset Exchange	Jan-16	Series B/ Round 2	1,216 USD	Bank of China Group Investment, China Minsheng Banking Corp, COFCO Limited, Guotai Junan Securities	Financial Services	China
OneWeb Ltd.	Dec-16	Unspecified Round	1,200 USD	Softbank Capital**	Internet	US
Snap Inc.	May-16	Series F/ Round 6	1,087 USD	Coatue Management, Fidelity Investments, General Atlantic, Glade Brook Capital Partners, Institutional Venture Partners, Lone Pine Capital, Sequoia Capital, T Rowe Price	Telecoms	US

Source: Preqin Private Equity Online

*Figures exclude add-ons, grants, mergers, secondary stock purchases and venture debt.
**Indicates lead investor(s).*

Fig. 37: Notable Venture Capital Exits Globally in 2016

Portfolio Company	Date of First Investment	Investors (Entry)	Total Known Funding ($mn)	Exit Type	Exit Date	Acquiror (Exit)	Exit Value ($mn)	Industry	Location
Stemcentrx	Mar-11	Artis Ventures, Capital Group, Fidelity Investments, Founders Fund, Sequoia Capital, Silicon Valley Bank	474	Trade Sale	Apr-16	AbbVie	5,800	Healthcare	US
Legend Pictures, LLC	Jul-05	Accel Partners, Bank of America, Breyer Capital, Goldman Sachs, IDG Capital Partners, J.P. Morgan, Morgan Stanley Alternative Investment Partners, Royal Bank of Canada, Softbank Capital, TomorrowVentures, UBS, Valar Ventures, Waddell & Reed	1,130	Trade Sale	Jan-16	Dalian Wanda Group	3,500	Media	US
Jet.com	Jul-14	Accel Partners, Alibaba Group, Bain Capital Ventures, Coatue Management, Fidelity Investments, General Catalyst Partners, Goldman Sachs, GV, MentorTech Ventures, New Enterprise Associates, Norwest Venture Partners, Silicon Valley Bank, Temasek Holdings, Thrive Capital, Western Technology Investment	570	Trade Sale	Aug-16	Wal-Mart	3,300	Internet	US
YTO Express*	May-15	Alibaba Group, YF Capital	-	Merger	Mar-16	Dayang Group	2,683	Business Services	China
Skyscanner Ltd.	Nov-07	Artemis Ventures, Baidu, Baillie Gifford, Ctrip / Qunar, Khazanah Nasional Berhad, Scottish Equity Partners, Sequoia Capital, Silver Lake, Vitruvian Partners, Yahoo Japan Corporation	189	Trade Sale	Nov-16	Ctrip / Qunar	1,742	Internet	UK
Cvent Inc.	Jul-11	Greenspring Associates, Insight Venture Partners, New Enterprise Associates	137	Sale to GP	Apr-16	Vista Equity Partners	1,650	Software	US
Celator Pharmaceuticals, Inc.	Jan-03	BDC Venture Capital, Domain Associates, GrowthWorks Capital, Hearthstone Investments Ltd., National Securities Corporation, Quaker Partners Management, Roth Capital Partners, Thomas, McNerney & Partners, TL Ventures, Valence Life Sciences, Ventures West Capital	137	Trade Sale	May-16	Jazz Pharmaceuticals	1,500	Pharmaceuticals	US
Jasper, Inc.	Jun-05	AB, Bench, Benchmark, Benchmark Capital, Bridgescale Partners, Crescendo Ventures, DAG Ventures, Integral Capital Partners, Sequoia Capital, Temasek Holdings	257	Trade Sale	Feb-16	Cisco Systems, Inc.	1,400	IT	US
SquareTrade, Inc.	Oct-99	Argus Capital Partners, Bain Capital Ventures, BlueCrest Capital Finance, Clayton Dubilier & Rice, Draper Richards, Global Investment Partners, JPMorgan Chase, Staenberg Venture Partners, Weston Presidio Capital	252	Trade Sale	Nov-16	The Allstate Corporation	1,400	Business Services	US
Dollar Shave Club	Mar-12	Andreessen Horowitz, Battery Ventures, Comcast Ventures, Dragoneer Investment Group, Felicis Ventures, Forerunner Ventures, Kleiner Perkins Caufield & Byers, Pritzker Group Venture Capital, Shasta Ventures, Technology Crossover Ventures, Venrock, White Star Capital	148	Trade Sale	Jul-16	Unilever	1,000	Internet	US

Source: Preqin Private Equity Online

**Denotes a partial exit.*

2017
PREQIN GLOBAL PRIVATE EQUITY & VENTURE CAPITAL REPORT

EXCLUSIVE VENTURE CAPITAL EXTRACT

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