

Venture Capital Report

Q2 2011

Contents

1 Venture Capital Market in the United States

- 1.1 Regional Share of Investment in the US
- 1.2 Total Amount Invested by Region
- 1.3 Total Number of Deals by Region
- 1.4 Total Amount Invested by Stage of Development

2 Venture Capital Market In San Francisco

- 2.1 Annual VC Investment in San Francisco
- 2.2 Investment in San Francisco Bay Area by Industry
- 2.3 Total Amount and Number of Deals in the SF Bay Area
- 2.4 Average Amount Per Deal in the SF Bay Area
- 2.5 Share of SF Bay Area Investment – Stage of Development

3 Venture Capital Firms in San Francisco Bay Area

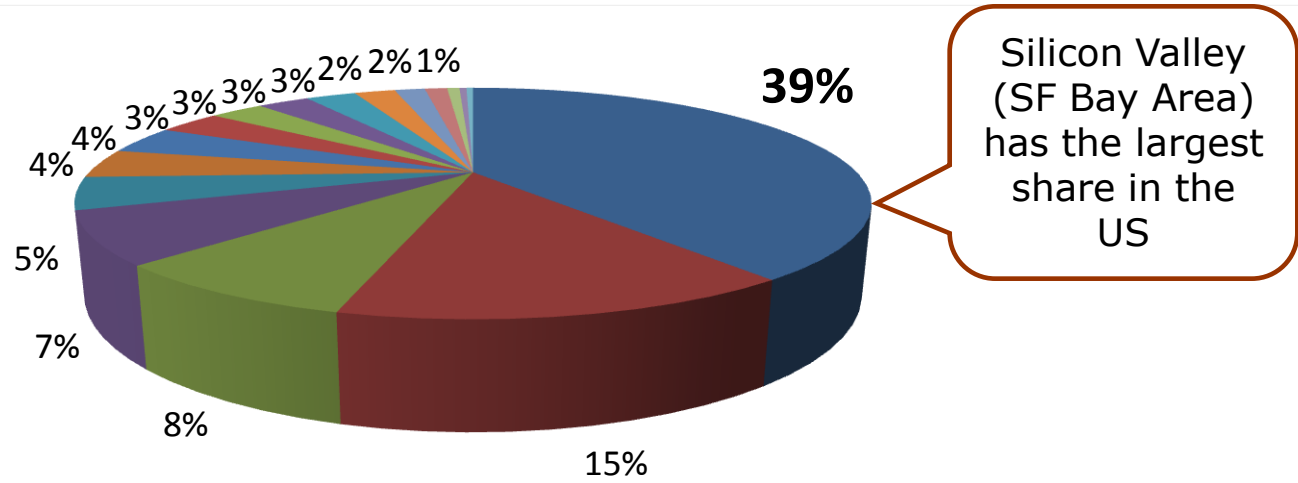
- 3.1 Regional Distribution of Venture Capital Firms in SF Bay Area
 - 3.2 Map of Regional Distribution
-

1 Venture Capital Market in the US

	Q2 2010	Q2 2011
Amount Invested (\$millions)	7,161	7,516
Number of Deals	998	966
Average Amount/Deal (\$ millions)	7.18	7.78

- ❑ Total VC Investment in Q2 2011 was up 4.7% from Q2 2010 although total number of deals decreased by 3.3%
- ❑ Average amount per deal increased by 7.8% over the same period

1.1 Regional Share of Investment in the US

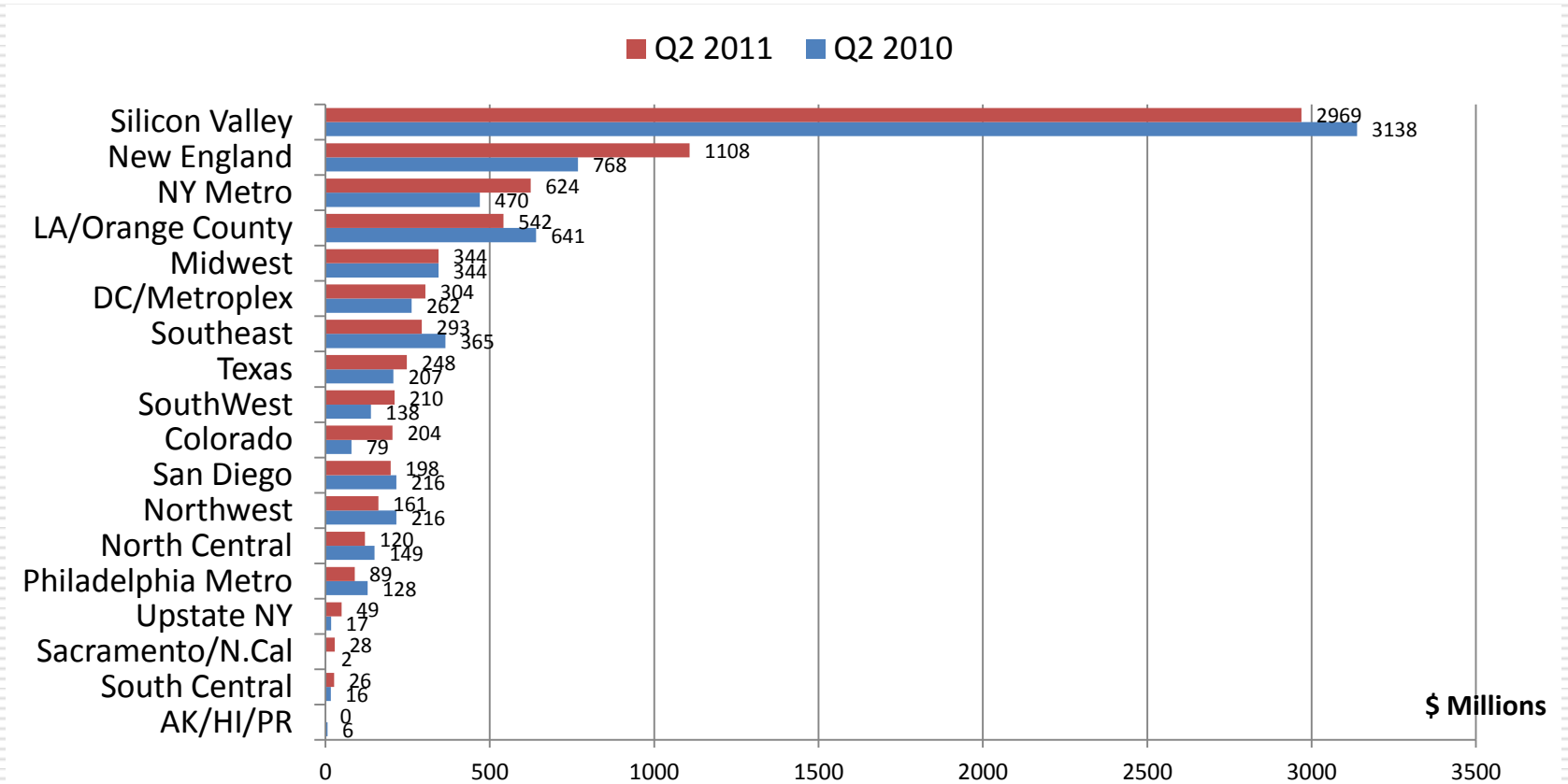


- Silicon Valley
- New England
- NY Metro
- LA/Orange County
- Midwest
- DC/Metroplex
- Southeast
- Texas
- SouthWest
- Colorado
- San Diego
- Northwest
- North Central
- Philadelphia Metro
- Upstate NY
- Sacramento/N.Cal
- South Central
- AK/HI/PR

Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=region>

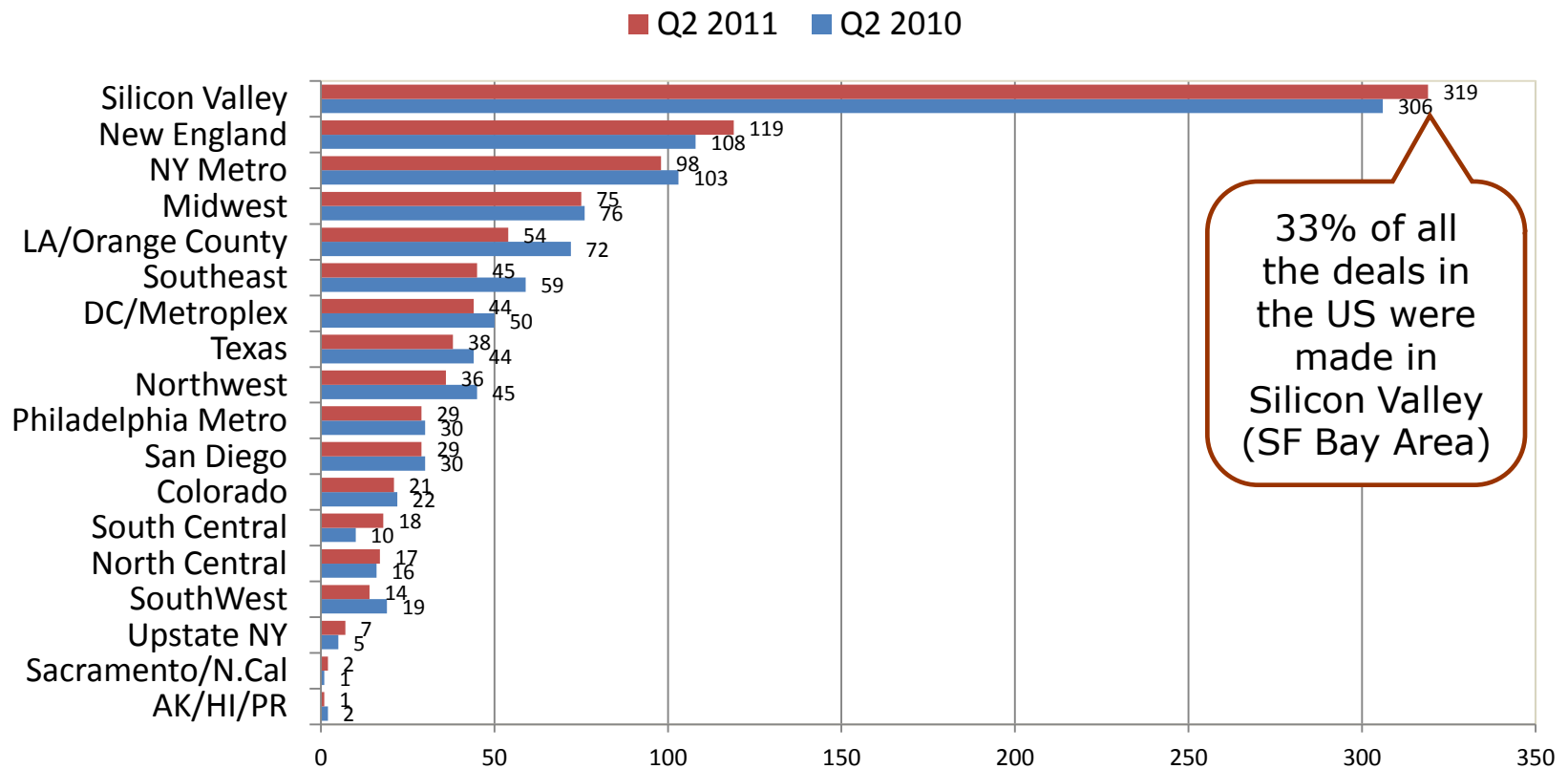
1.2 Total Amount Invested by Region



Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=region>

1.3 Total Number of Deals by Region



Data for Q2 2011

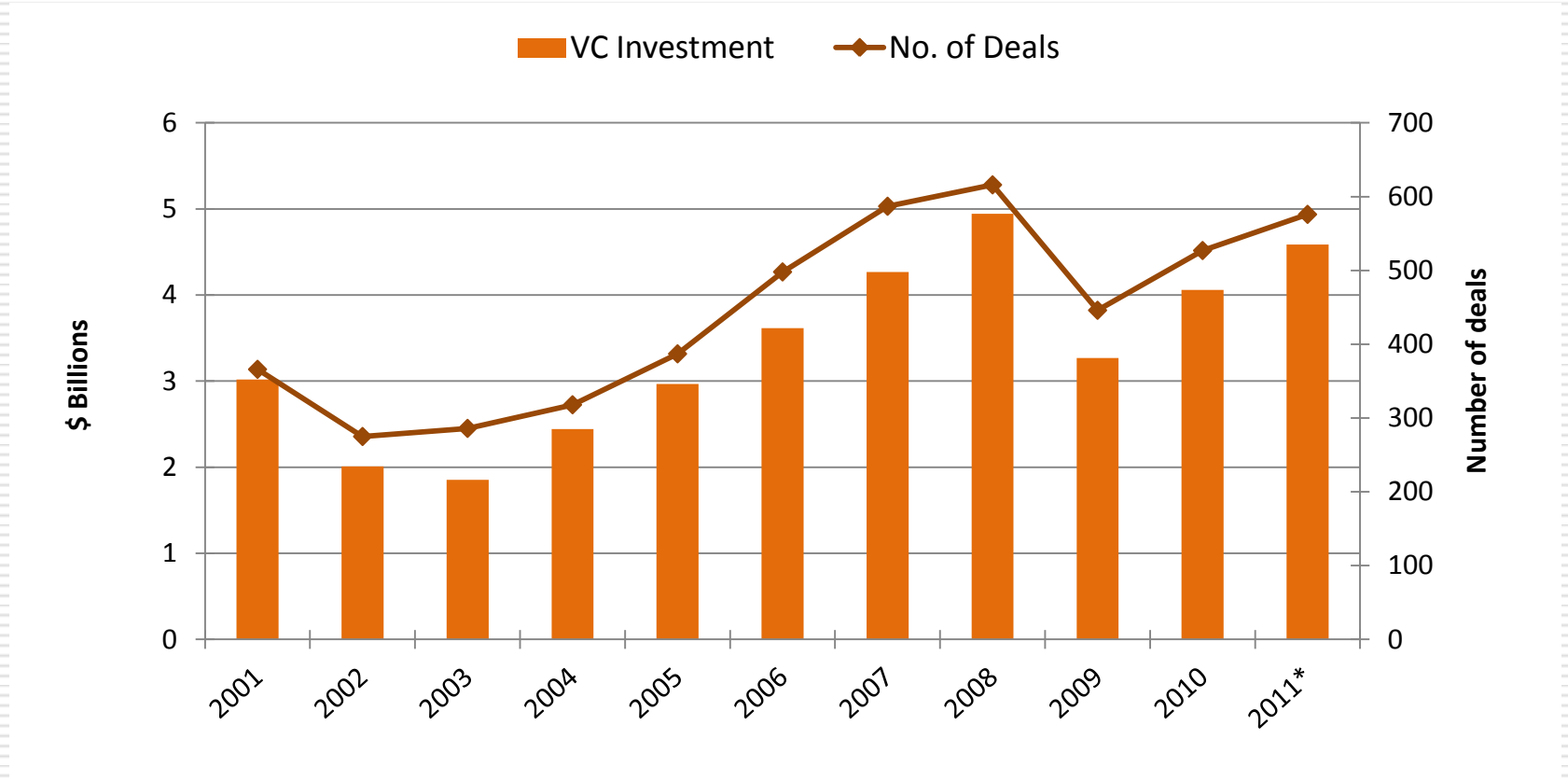
Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=region>

2 Venture Capital Market In San Francisco

	2009	2010	2011 - H1
Amount Invested (\$)	3,267,732,000	4,057,716,500	2,293,044,200
Number of Deals	446	527	288
Average Amount/Deal (\$)	7,326,753	7,699,652	7,961,959

- ❑ VC Investment in San Francisco increased by 24% between 2009 and 2010
- ❑ 2011 VC Investment (H1 – 1st Half) is on track to surpass the 2010 annual figure
- ❑ Average amount per deal has been steadily rising from 2009

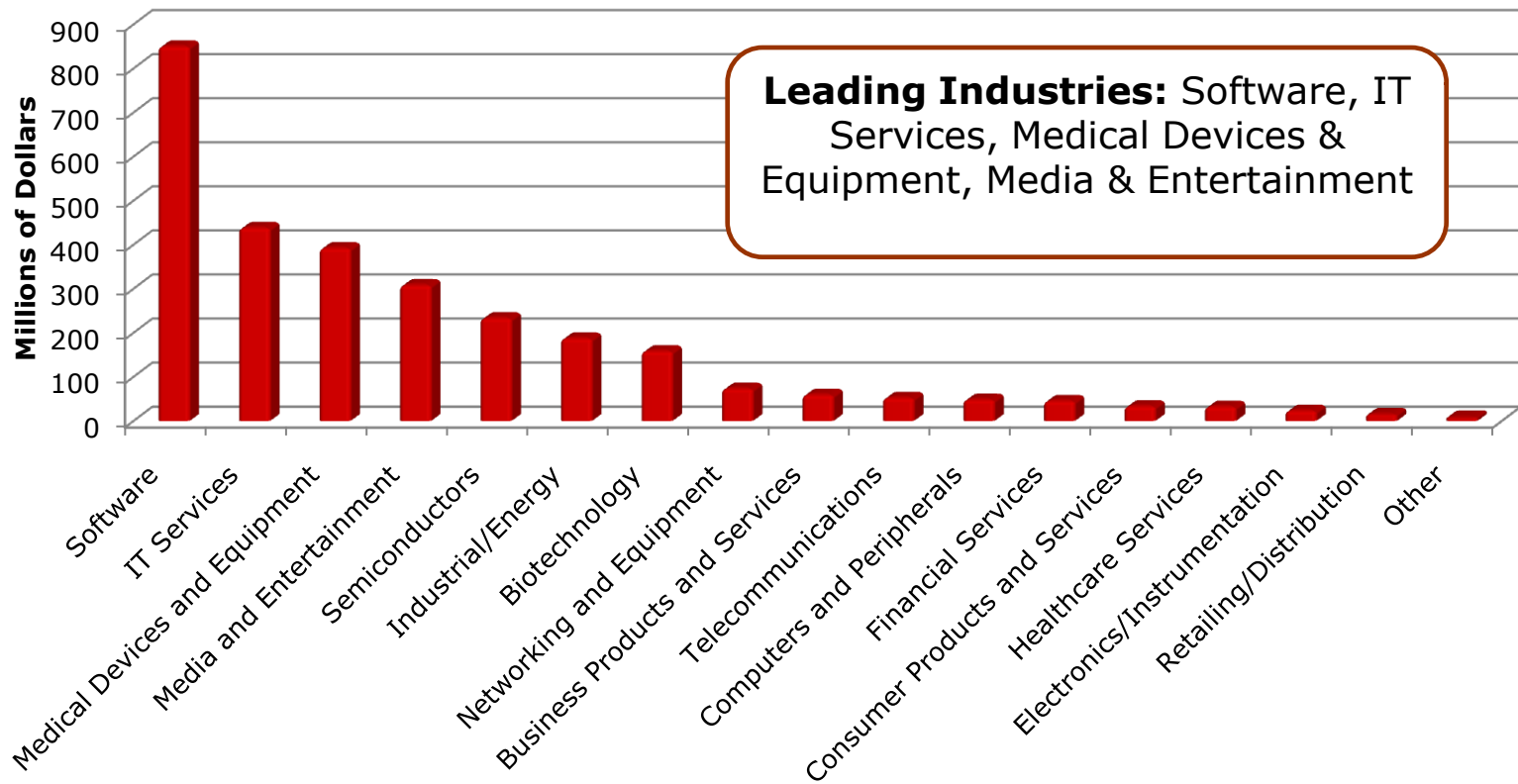
2.1 Annual VC Investment in San Francisco



*Estimation of annual 2011 figure from Q1 & Q2 figures

Source: PricewaterhouseCoopers/National Venture Capital Association MoneyTree(tm) Report based on data from Thomson Reuters

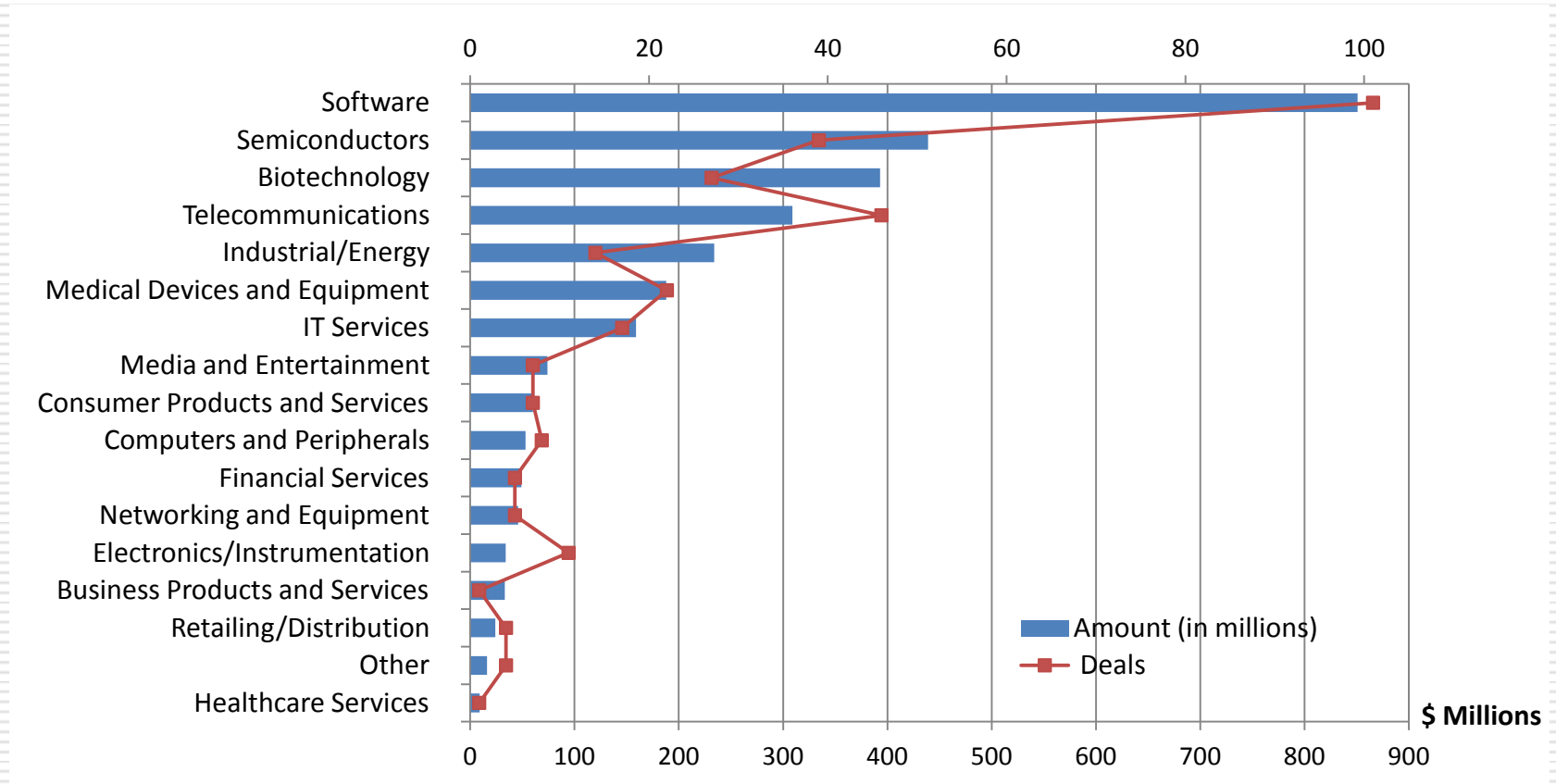
2.2 Investment in the San Francisco Bay Area by Industry



Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=region®ion=2101>

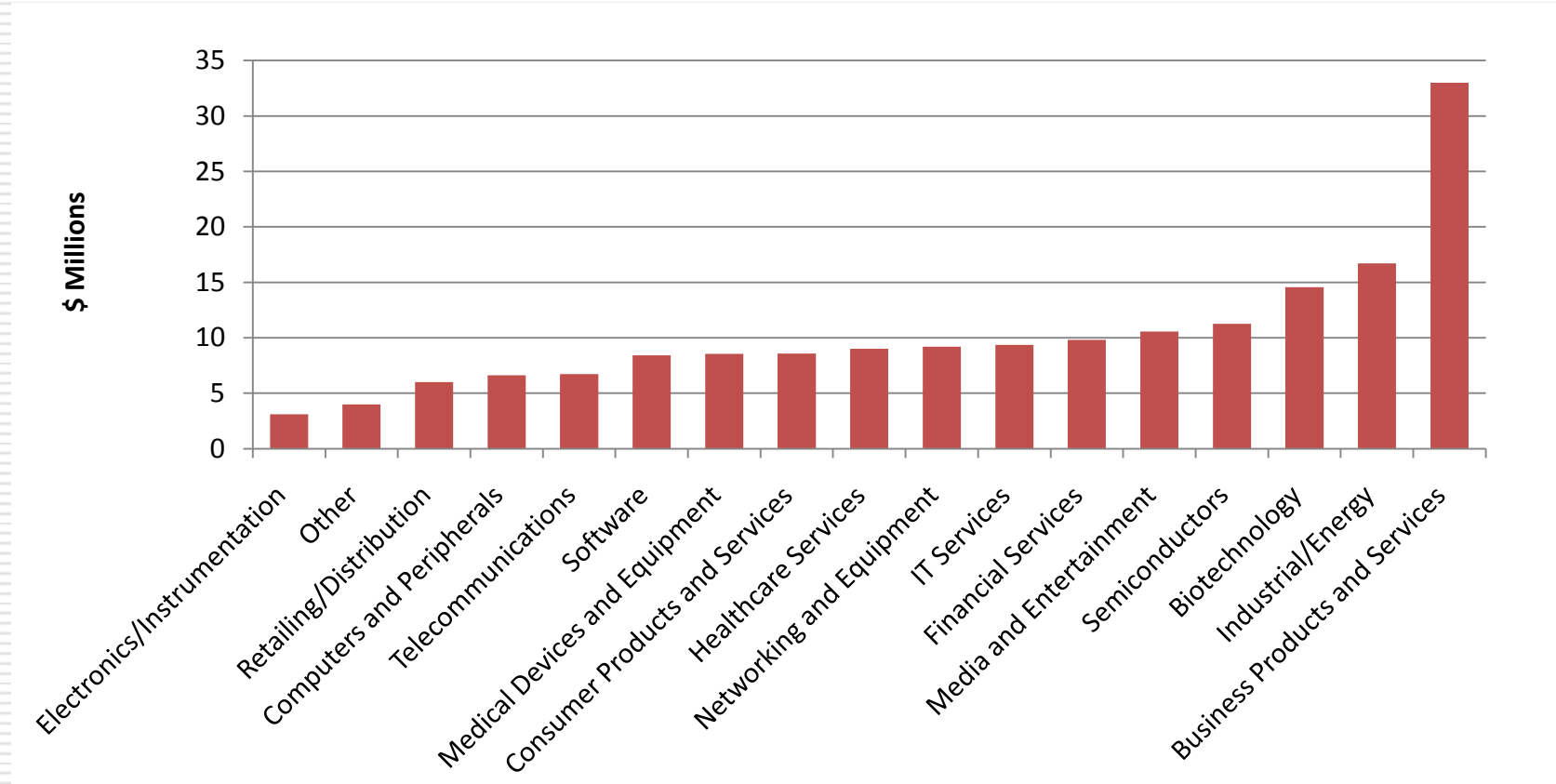
2.3 Total Amount and Number of Deals in the SF Bay Area



Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=region®ion=2101>

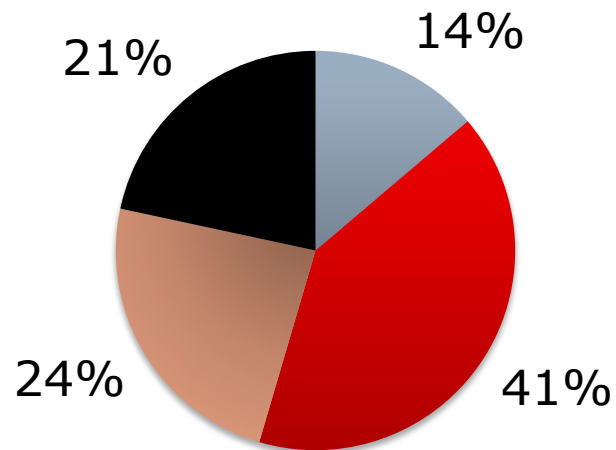
2.4 Average Amount Per Deal in the SF Bay Area



Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=region®ion=2101>

2.5 Share of SF Bay Area Investment - Stage of Development



■ Startup/Seed ■ Early Stage ■ Expansion ■ Later Stage

Share based on the number of deals

Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=region®ion=2101>

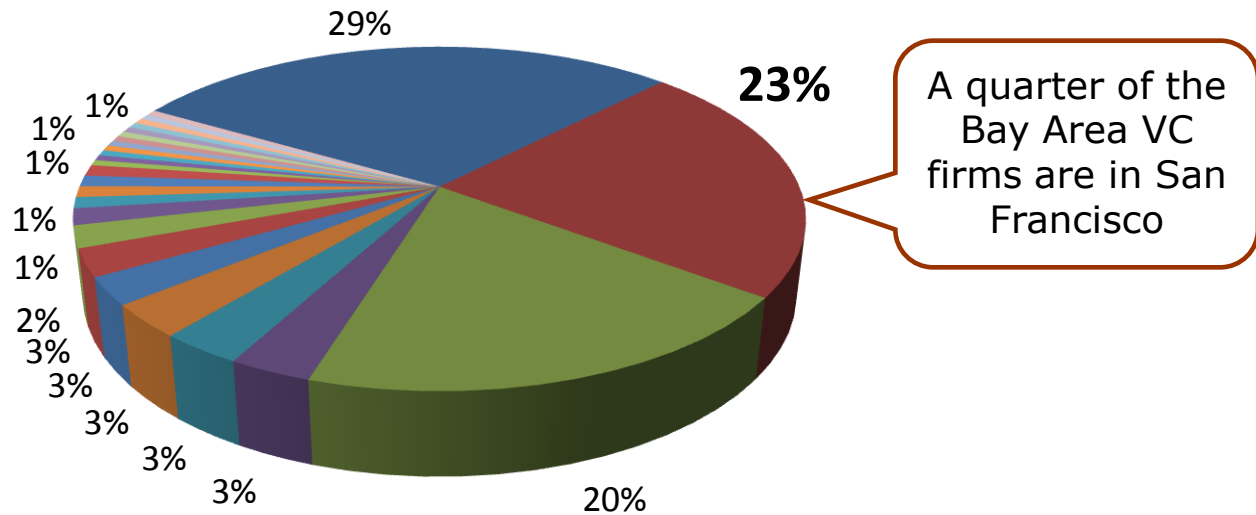
3 Venture Capital Firms in SF Bay Area

- ❑ 172 venture capital firms in SF Bay Area
(number of VC firms that made at least one investment in Q2 2011)
- ❑ 72% of the firms are located in Menlo Park, San Francisco and Palo Alto
- ❑ 23% of the firms are located in San Francisco

Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=vcreg>

3.1 Regional Distribution of Venture Capital Firms in SF Bay Area

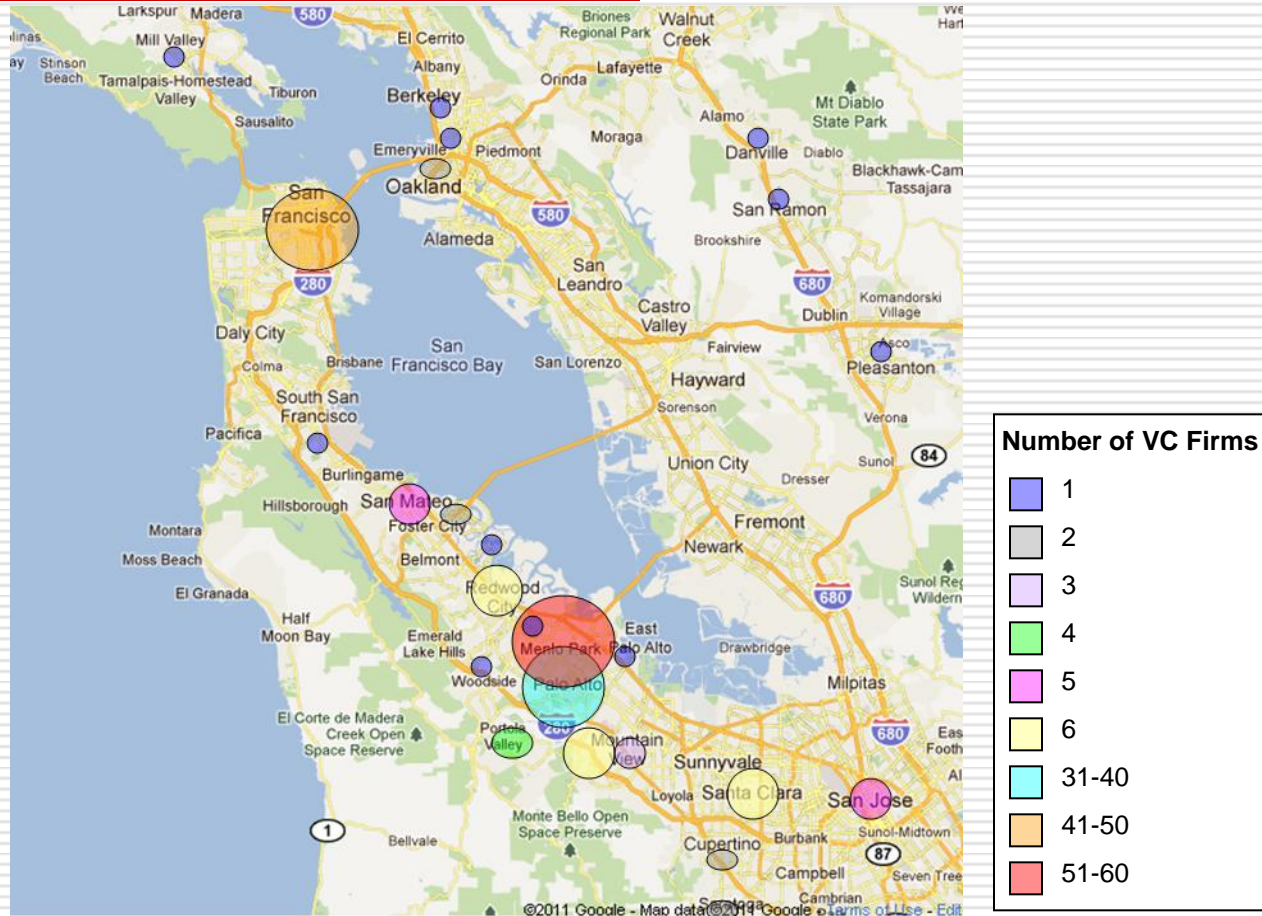


- Menlo Park
- San Francisco
- Palo Alto
- Los Altos
- Redwood City
- Santa Clara
- San Jose
- San Mateo
- Portola Valley
- Mountain View
- Cupertino
- Foster City
- Oakland
- Saratoga
- Atherton
- Berkeley
- Danville
- East Palo Alto
- Emeryville
- Felton
- Mill Valley
- Pleasanton
- Redwood Shores
- San Bruno
- San Ramon
- Woodside

Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=vcreg>

3.2 Map of Regional Distribution



Data for Q2 2011

Source: Money Tree Report™ - <https://www.pwcmoneytree.com/MTPublic/ns/nav.jsp?page=vcreg>