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VENTURE CAPITAL FUNDS RAISED \$4.9 BILLION DURING FOURTH QUARTER 2013

Full Year 2013 Fundraising Slowest Since 2010

New York, January 13, 2014 – U.S. venture capital firms raised \$4.9 billion from 48 funds during the fourth quarter of 2013, an increase of 12 percent compared to the level of dollar commitments raised during the third quarter of 2013, but a 21 decrease by number of funds, according to Thomson Reuters and the National Venture Capital Association (NVCA). The dollar commitments raised during the fourth quarter of 2013 is a 53 percent increase from the levels raised during the comparable period in 2012 and marks the strongest quarter for venture capital fundraising, by dollars, since the third quarter of 2012. Venture capital firms raised \$16.7 billion from 185 funds during full year 2013, a 15 percent decline by dollar commitments compared to full year 2012 and the slowest annual period for fundraising since 2010.

| Year/Quarter | Number of Funds | Venture Capital (\$M) |
|--------------|-----------------|-----------------------|
| 2009 | 159 | 16,122.0 |
| 2010 | 173 | 13,243.3 |
| 2011 | 186 | 18,962.3 |
| 2012 | 208 | 19,554.6 |
| 2013 | 185 | 16,698.3 |
| 4Q'11 | 53 | 6,105.0 |
| 1Q'12 | 60 | 4,807.3 |
| 2Q'12 | 53 | 6,321.9 |
| 3Q'12 | 63 | 5,243.1 |
| 4Q'12 | 48 | 3,182.3 |
| 1Q'13 | 45 | 4,273.1 |
| 2Q'13 | 50 | 3,250.7 |
| 3Q'13 | 61 | 4,320.2 |
| 4Q'13 | 48 | 4,854.3 |

Source: Thomson Reuters and National Venture Capital Association



“Venture capital fundraising in 2013 ended much in the way it began - with continued concentration within the larger funds and a sense of optimism for the coming year,” said Bobby Franklin, president and CEO, National Venture Capital Association. “The difference today is that there is hard evidence of an improving exit market, which will actually help realize some of this positive momentum as limited partners again include venture as a vital component of their portfolio. If the IPO market continues to strengthen and receive quality offerings, we can expect more VCs involved in those exits to raise money in 2014, which will bode well for a new crop of startups looking to raise capital,” Franklin added.

There were 34 follow-on funds and 14 new funds raised during the fourth quarter of 2013, a 2.4 to-1 ratio of follow-on to new funds. The number of new funds raised during the fourth quarter marks a 22 percent decrease from the number of first-time funds raised during the third quarter of this year. During full year 2013, 53 new venture capital funds raised \$1.5 billion, an 11 percent decline by dollar commitments and 25 percent decline by number of new funds.

The largest new fund reporting commitments during the fourth quarter of 2013 was from Minnesota-based TTCP Fund I, L.P. which raised \$132.0 million for the firm’s inaugural fund. A “new” fund is defined as the first fund at a newly established firm, although the general partners of that firm may have previous experience investing in venture capital.

| | No. of New | No. of Follow-on | Total |
|--------------|------------|------------------|-------|
| 2009 | 39 | 120 | 159 |
| 2010 | 54 | 119 | 173 |
| 2011 | 58 | 128 | 186 |
| 2012 | 71 | 137 | 208 |
| 2013 | 53 | 132 | 185 |
| 4Q'11 | 16 | 37 | 53 |
| 1Q'12 | 18 | 42 | 60 |
| 2Q'12 | 18 | 35 | 53 |
| 3Q'12 | 23 | 40 | 63 |
| 4Q'12 | 19 | 29 | 48 |
| 1Q'13 | 8 | 37 | 45 |
| 2Q'13 | 16 | 34 | 50 |
| 3Q'13 | 18 | 43 | 61 |
| 4Q'13 | 14 | 34 | 48 |

Source: Thomson Reuters and National Venture Capital Association

Fourth quarter 2013 venture capital fundraising was lead by New York-based OrbiMed Private Investments V, L.P. which raised \$699.5 million, and Massachusetts-based General Catalyst Group VII, L.P. which raised \$675.0 million. The largest venture capital fund raised during full year 2013 was from Greylock XIV, L.P., which raised \$1.0 billion during the year.



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Methodology

The Thomson Reuters/National Venture Capital Association sample includes U.S.-based venture capital funds. Classifications are based on the headquarter location of the fund, not the location of venture capital firm. The sample excludes fund of funds.

Effective November 1, 2010, Thomson Reuters venture capital fund data has been updated in order to provide more consistent and relevant categories for searching and reporting. As a result of these changes, there may be shifts in historical fundraising statistics as a result of movements of funds between primary market & nation samples and/or between fund stage categories.

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About National Venture Capital Association

Venture capitalists are committed to funding America's most innovative entrepreneurs, working closely with them to transform breakthrough ideas into emerging growth companies that drive U.S. job creation and economic growth. According to a 2011 Global Insight study, venture-backed companies accounted for 12 million jobs and \$3.1 trillion in revenue in the United States in 2010. As the voice of the U.S. venture capital community, the National Venture Capital Association (NVCA) empowers its members and the entrepreneurs they fund by advocating for policies that encourage innovation and reward long-term investment. As the venture community's preeminent trade association, NVCA serves as the definitive resource for venture capital data and unites its nearly 400 members through a full range of professional services. For more information about the NVCA, please visit www.nvca.org.