



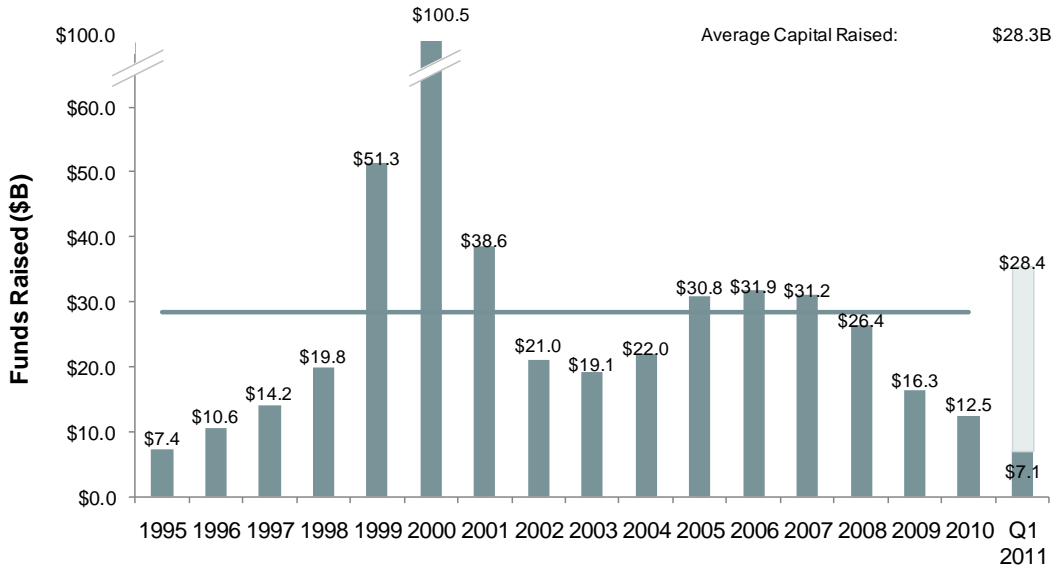
VC Fundraising

Commitments to Venture Capital Funds

U.S. VC Fundraising Dropped Again in 2010, but has Rebounded in 2011



MILKEN INSTITUTE





Liquidity Events

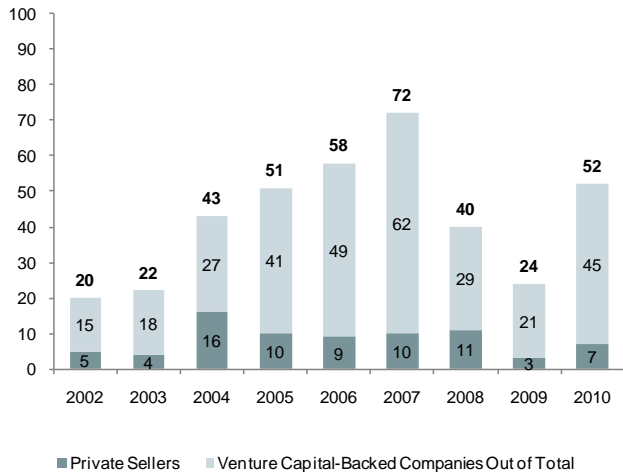
Venture Capital Backed Private Company Exits

Acquisitions Of North American Private Sellers

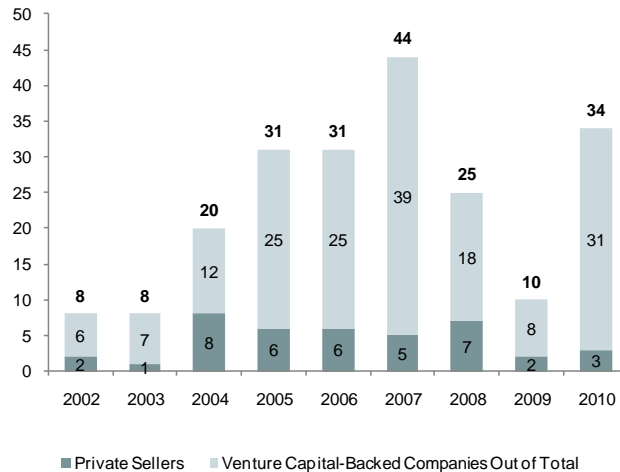


MILKEN INSTITUTE

Transactions Greater Than \$150MM



Transactions Greater Than \$250MM

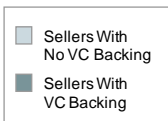


North American Private Seller Transactions Greater Than \$150MM⁽¹⁾

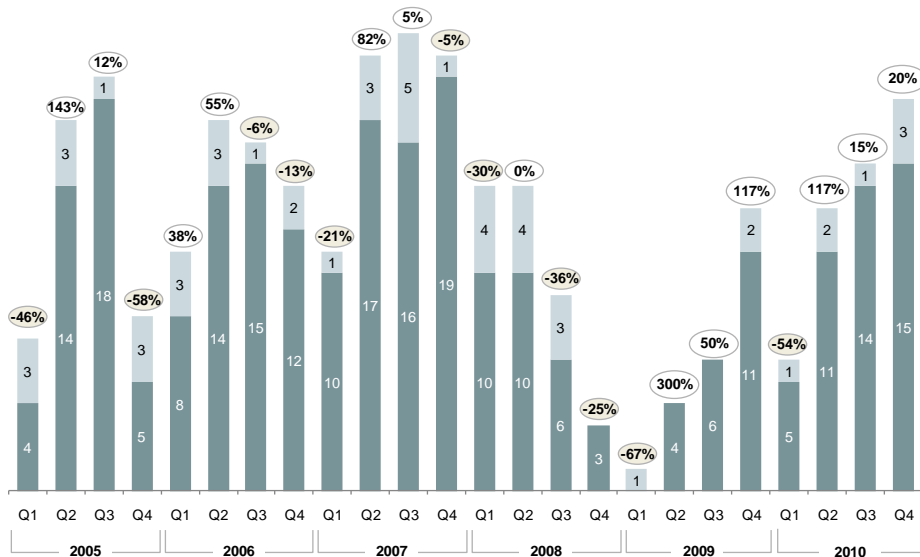
VC-Backed Sellers Accounted for 83% Of Private Company Sales Greater Than \$150MM In Q4 2010



MILKEN INSTITUTE



20% Indicates Quarter-over-Quarter Change For All Transactions



Source: Jefferies Global Technology Mergers and Acquisitions Database. Data includes mergers, acquisitions, majority stake purchases, purchases of remaining interests and large investments by non-financial buyers of North American technology companies. Large investments are defined as purchases valued at more than \$100MM or of more than 20% of equity. Minority stake purchases by financial buyers and product deals are excluded from the data.

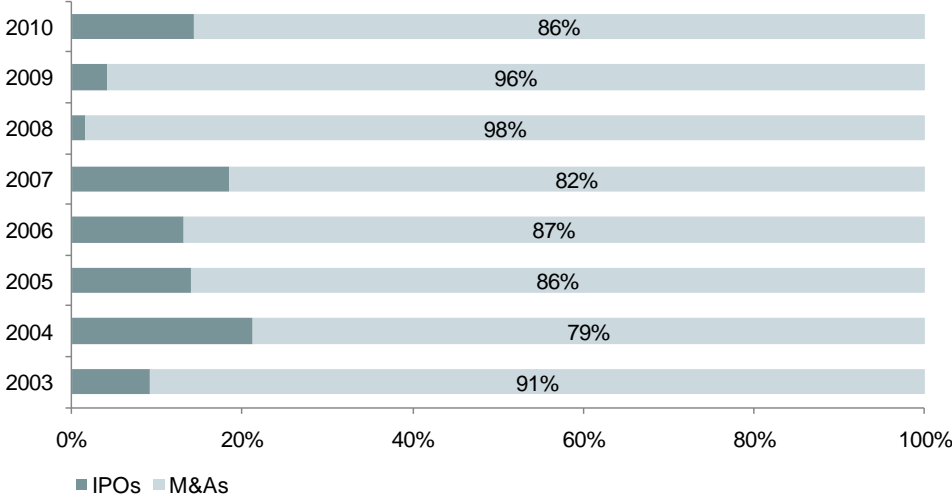
(1) Data compiled based on transactions where deal value was known. Data excludes Print Media and Telecommunications & IP Services transactions.

Percentage Breakdown of Venture Backed Liquidity Events: IPO vs. M&A

M&As Remained Primary Source of Liquidity in 2010



MILKEN INSTITUTE

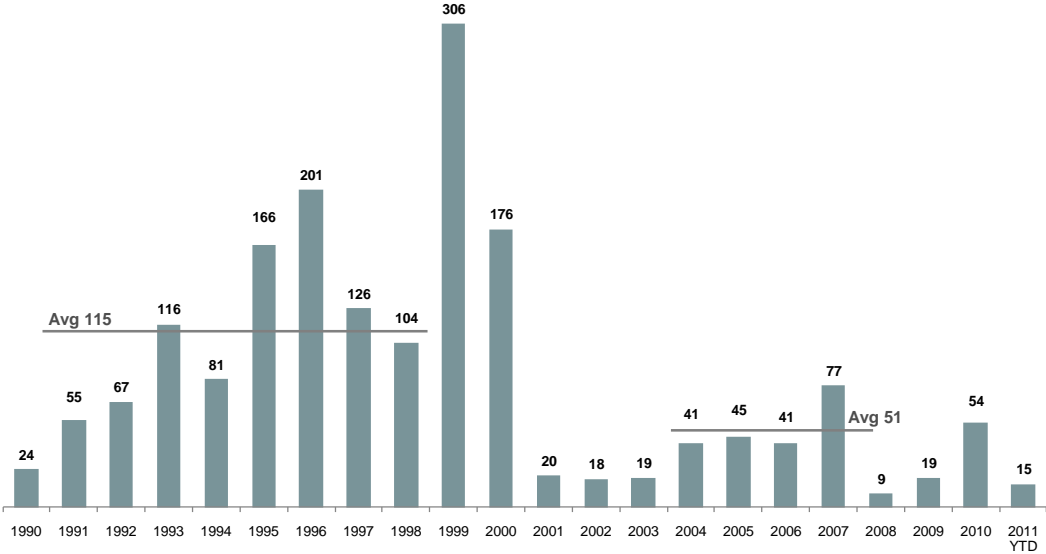


Source: National Venture Capital Association.

IPO Activity, 10 Years After The Bubble, Is Nowhere Close To “Pre-Bubble” Levels ... A Structural Change?



US TMT IPO Activity – Number of Transactions



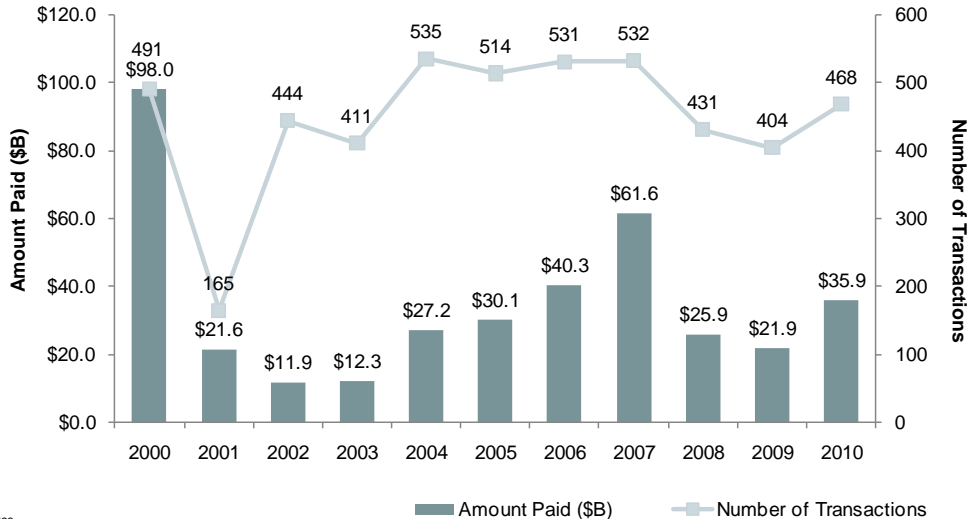
(1) Source: 2005-2009 Jefferies Technology IPO Database. 1990-2004 Thomson SDC. Data excludes transactions where proceeds were <\$15MM.

U.S. Venture Backed M&A Activity Rebounded in 2010

Transactions and Amount Paid in M&As



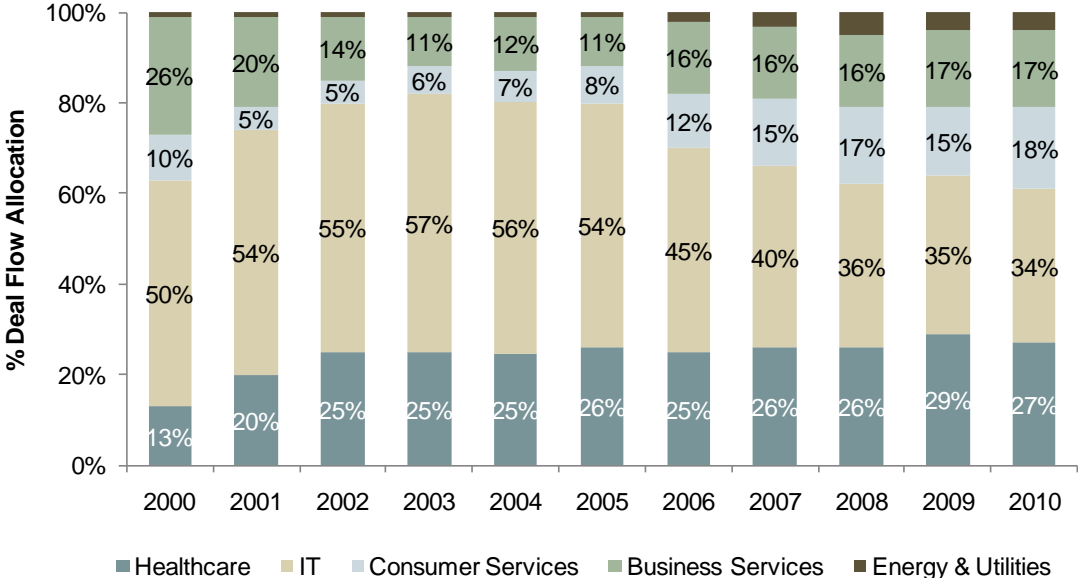
MILKEN INSTITUTE





Investment Trends By Industry Segment

Number of Deals Allocated by Selected Industries



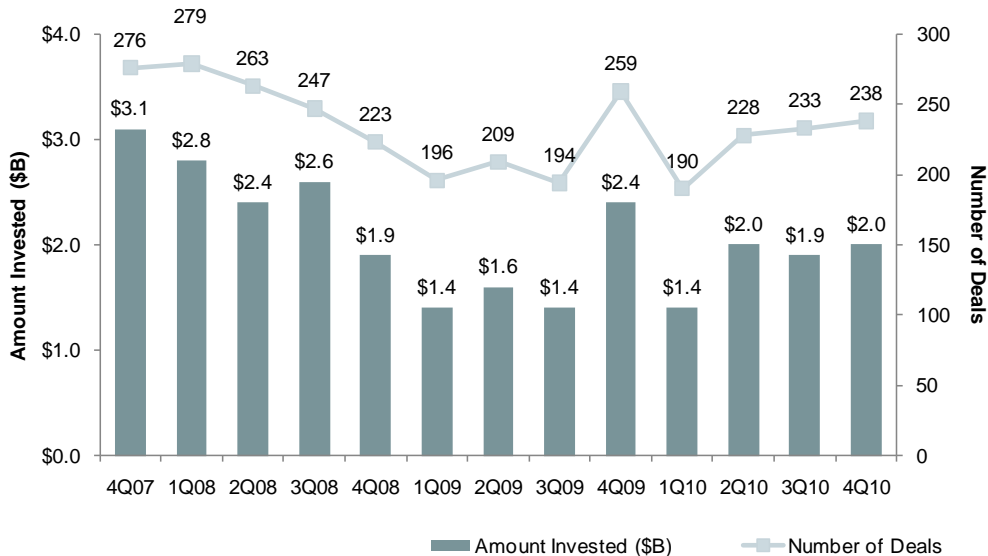
Source: Dow Jones VentureSource

IT Deal Flow and Investment Stabilized in 2010

Equity Investment in Information Technology Companies



MILKEN INSTITUTE



Healthcare Deal Flow Declined in 2nd Half Of 2010

Equity into Venture-Backed Healthcare Companies



MILKEN INSTITUTE

