

Aggregate Venture Capital Deal Value Hits Record High in 2015

\$135.8bn of deals were recorded in 2015, with growth in Asia offsetting fewer deals in Europe

2015 saw the aggregate value of venture capital deals increase for the third successive year to stand at \$135.8bn, up from \$93.5bn in 2014 and more than double the \$57.1bn in 2013. Although the 9,202 deals recorded in the year is similar to both 2013 and 2014 (9,785 and 9,811 respectively), average deal size is up to \$18.4mn in 2015 from \$12.4mn in 2014. Asia, in particular, has seen a significant uptick in venture capital deal activity, as Greater China recorded 1,605 deals, more than in Europe (1,373), while India recorded 927 deals, almost twice the number seen in 2014 (512).

Despite the overall healthy deals environment, significant gains in Asia were balanced by declining deal numbers elsewhere. Europe recorded 1,373 deals, its second annual decline from a peak of 2,002 in 2013, and the lowest number of deals recorded in the region since 2010. Similarly, although aggregate deal value in North America increased, the number of deals in the region fell 23%, from 5,587 in 2014 to 4,307 in 2015. While Preqin expects these totals to rise as new data becomes available, 2015 activity does not look likely to match the levels seen in previous years.

Other Key Venture Capital Deals and Exits Facts:

- **Worldwide Figures:** Globally, there were 9,202 venture capital financings in 2015, worth a combined \$135.8bn. This represents a 6% drop from the 9,811 deals in 2014, but **a 45% increase on the \$93.5bn aggregate value recorded last year.**
- **Number of Deals by Stage:** Most venture capital deals occur earlier on in the lifecycle of a company, with **33% of deals completed at angel or seed stage** and a further 26% at Series A.
- **Investment Size by Stage:** The average size of financing rounds has risen substantially over 2015. Series A financings rose 34% from \$7.9mn in 2014 to \$10.6mn this year, while **the average venture debt financing increased from \$9.6mn to \$32.7mn.** Investments made in Series D and beyond are now worth an average of \$94.0mn.
- **Biggest Deals:** The July financing of Didi Kuaidi was the largest venture capital deal of 2015 at \$2bn. **Of the 10 biggest deals of the year, five were in Asia, and five were in the US,** with none taking place in Europe.
- **Exit Environment:** Overall venture capital exit activity declined in 2015 for the first time since 2008. The **number of exits decreased from 1,138 in 2014 to 1,052 in 2015,** while the total exit value declined 41%, from \$125.1bn to \$73.3bn.
- **Exits by Type:** Seven hundred and thirty nine of the exits in 2015 were achieved through a trade sale, **over two-thirds of total global exits.** The number of IPOs and follow-ons decreased from 248 in 2014 to 215 in 2015.
- **Largest Exits:** Irish internet company King.com achieved the largest exit in 2015, generating \$5.9bn through its sale to Activision Blizzard, Inc. **Five of the top ten exits were in the US,** and a further two in China.

To access further information and analysis, please see the factsheet that follows.

Comment:

"It was another strong year of financing in the venture capital industry. Asia once again developed strongly throughout the year, and achieved a notable milestone with Greater China recording more deals in a year than Europe for the first time ever. While North America, especially California, continues to dominate the venture capital industry, Asia is beginning to occupy an ever-larger share of the market.

Exit activity has been stifled through the year, with both the number and total value of exits decreasing from the levels seen in 2014. A tricky IPO market has made managers and investors wary, but there is still a lot of value being generated through exits from portfolio companies.”

Felice Egidio – Head of Venture Capital 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.

Preqin has built a reputation in the alternative assets industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin’s services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: www.preqin.com

For more information, please contact: Felice Egidio +1 646 751 3467 or fegidio@preqin.com
For general press enquiries, please contact: William Clarke +44 (0)20 3207 0265 or press@preqin.com

2015 Venture Capital Deals and Exits

5th January 2016

Fig. 1: Number and Aggregate Value of Venture Capital Deals*, 2008 - 2015

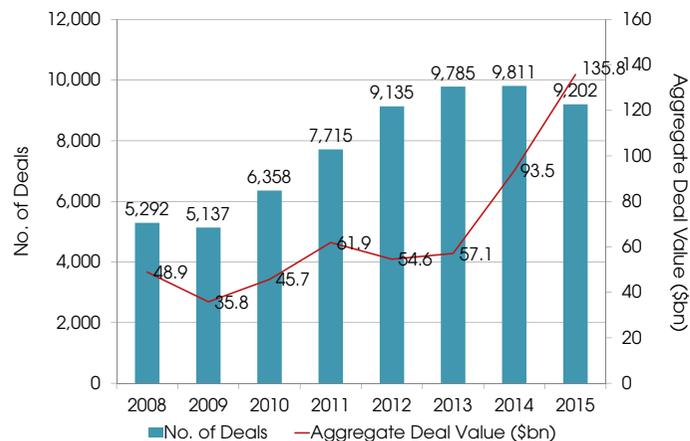


Fig. 2: Number of Venture Capital Deals* by Region, 2008 - 2015

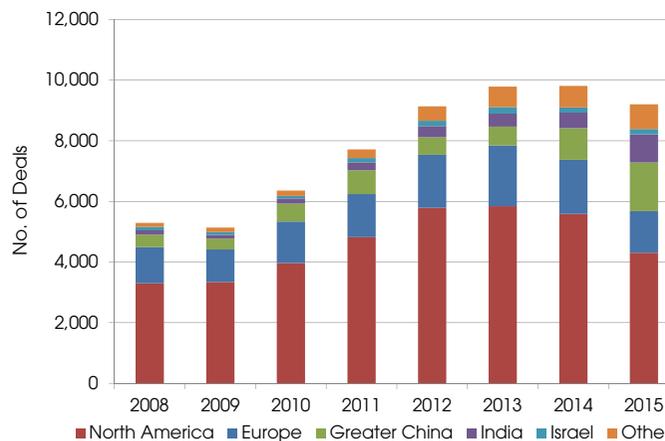


Fig. 3: Proportion of Number of Venture Capital Deals by Stage, 2015

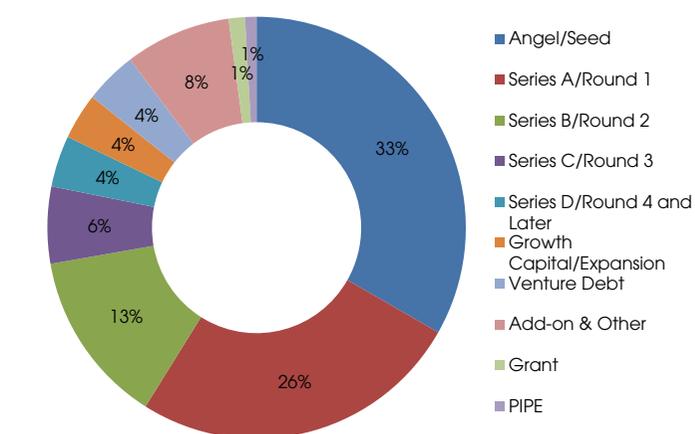


Fig. 4: Average Value of Venture Capital Deals by Stage, 2013 - 2015

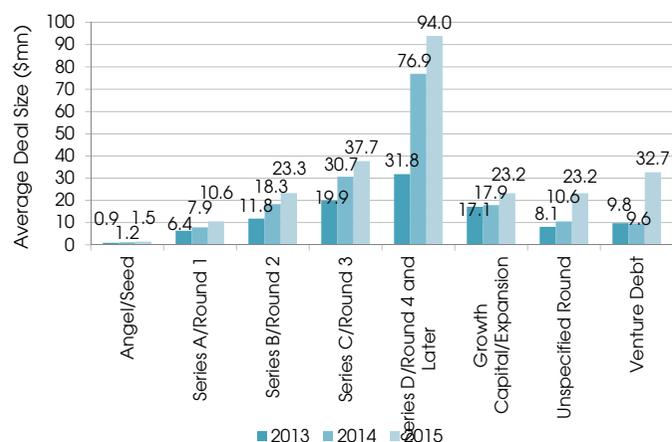


Fig. 5: Proportion of Number and Aggregate Deal Value of Venture Capital Deals* by Industry, 2015

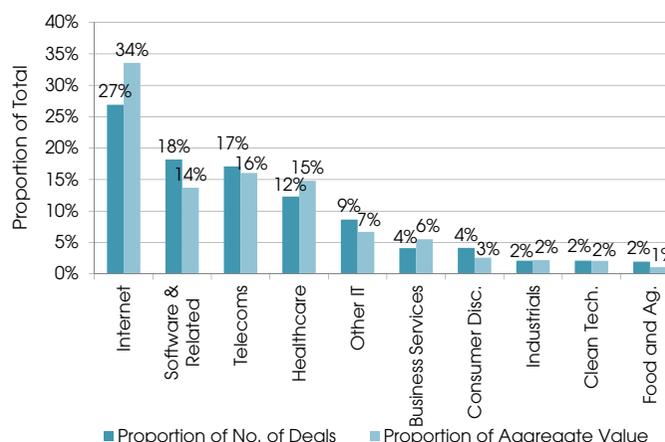
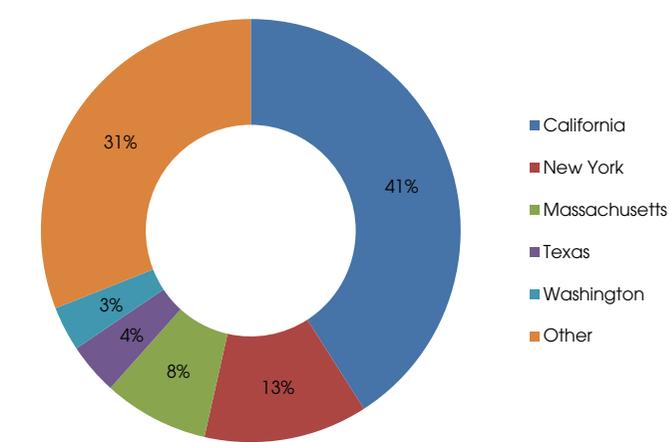


Fig. 6: Proportion of Number of US Venture Capital Deals* by State, 2015



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

2015 Venture Capital Deals and Exits

5th January 2016

Fig. 7: 10 Largest Venture Capital Deals* in 2015

Company Name	Stage	Deal Date	Deal Size (mn)	Investors	Location	Industry
Didi Kuaidi	Unspecified Round	Jul-15	2,000 USD	Alibaba Group, Capital International, China Investment Corporation, Coatue Management, Ping An Ventures, Temasek Holdings, Tencent	China	Telecoms
Airbnb	Unspecified Round	Jun-15	1,500 USD	Baillie Gifford, CBC Capital, Fidelity Investment Managers, General Atlantic, GGV Capital, Hillhouse Capital Management, Horizon Ventures, Kleiner Perkins Caufield & Byers, T Rowe Price, Temasek Holdings, Tiger Global Management, Wellington Management	US	Internet
Ele.me	Unspecified Round	Dec-15	1,250 USD	Alibaba Group	China	Internet
Coupang	Unspecified Round	Jun-15	1,000 USD	Softbank	South Korea	Internet
Didi Kuaidi	Unspecified Round	Sep-15	1,000 USD	Alibaba Group, Capital International, China Investment Corporation, Coatue Management, Ping An Ventures, Temasek Holdings, Tencent	China	Telecoms
Social Finance	Series E/Round 5	Sep-15	1,000 USD	Baseline Ventures, DCM, Institutional Venture Partners, Renren Inc., Softbank, Third Point Ventures, Wellington Management	US	Financial Services
SpaceX	Unspecified Round	Jan-15	1,000 USD	Draper Fisher Jurvetson, Fidelity, Founders Fund, Google, Valor Equity Partners	US	Aerospace
Uber Technologies, Inc.	Series E/Round 5	Feb-15	1,000 USD		US	Telecoms
Uber Technologies, Inc.	Series F/Round 6	Jul-15	1,000 USD	Microsoft, Times Internet	US	Telecoms
17u	Unspecified Round	Jul-15	6000 CHY	CITIC Capital, Dalian Wanda Group, Tencent	China	Internet

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

Fig. 8: Global Number and Aggregate Value of Venture Capital-Backed Exits, 2008 - 2015

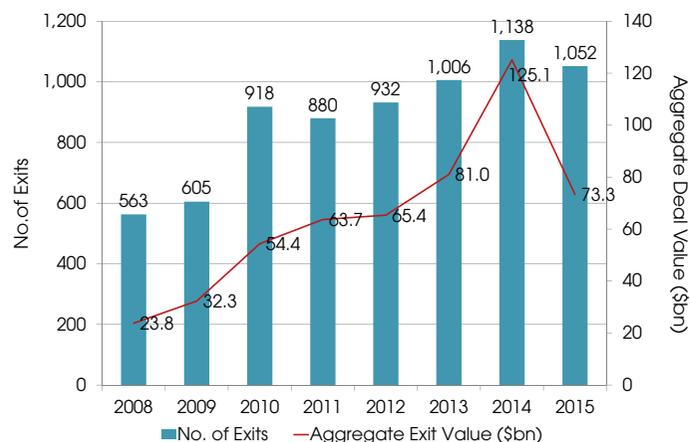
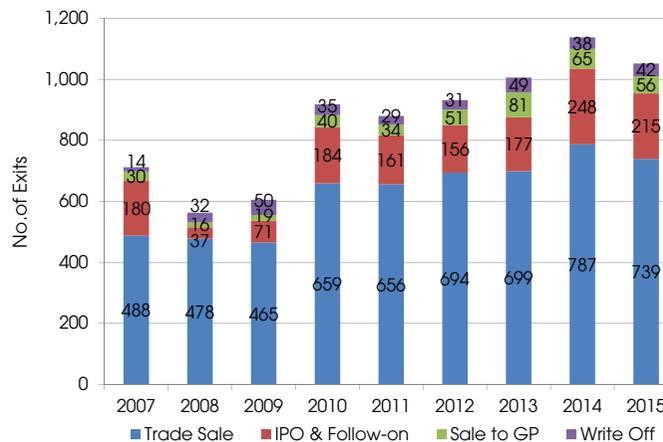


Fig. 9: Global Number of Venture Capital-Backed Exits by Type, 2007-2015



Key Facts

- \$128bn** Aggregate capital raised in 2015, up 37% from the previous year.
- 971** Number of venture capital exits in the year, down from 1,140 in 2014.
- 27%** Proportion of global venture capital deals in 2015 that occurred in Greater China and India.

2015 Venture Capital Deals and Exits

5th January 2016

Fig. 10: 10 Largest Venture Capital-Backed Exits in 2015

Company Name	Date of First Investment	Total Known Funding (\$mn)	Exit Type	Exit Date	Investors	Acquiror (Exit)	Exit Value (\$mn)	Primary Industry	Location
King.com	Jun-05	43	Trade Sale	Nov-15	Apax Partners, Index Ventures, Mosaic Ventures	Activision Blizzard, Inc.	5,900	Internet	Ireland
Youku Tudou Inc.	Nov-14	-	Trade Sale	Nov-15	Alibaba Group, Boyu Capital, Brookside Mezzanine Partners, Capital Today, Chengwei Capital, China Development Bank Capital, CITIC Capital, Crescent Point Group, DST Global, Farallon Capital Management, General Catalyst Partners, GGV Capital, IDG Capital Partners, JAFCO Investment (Asia Pacific), Japan Asia Investment Company, KTB Ventures, Maverick Capital Ventures, Silver Lake, Sutter Hill Ventures, Temasek Holdings, Tiger Global Management, Tudou, Venrock, Western Technology Investment, Xiaomi, YF Capital, Youku.com	Alibaba Group	4,800	Internet	China
HomeAway, Inc.	Jan-05	578	Trade Sale	Nov-15	American Capital, Austin Ventures, Google Ventures, Institutional Venture Partners, Redpoint Ventures, Technology Crossover Ventures, Trident Capital	Expedia	3,900	Internet	US
Auspex Pharmaceuticals, Inc.	May-08	87	Trade Sale	Mar-15	BioMed Ventures, Costa Verde Capital, Deerfield Management, Oxford Finance Corporation, Panorama Capital, Presidio Partners, Sloan Biotech Fund, Square 1 Bank, Thomas, McNeerney & Partners	TEVA Pharmaceuticals	3,500	Pharmaceuticals	US
Ganji.com	Jun-09	398	Trade Sale	Apr-15	58.com, BlueRun Ventures, Capital Today, Carlyle Group, CITIC Private Equity Funds Management, DCM, Macquarie Group, Nokia Growth Partners, Ontario Teachers' Pension Plan, SAIF Partners, Sequoia Capital, Tencent, Tiger Global Management, Warburg Pincus	58.com	1,600	Internet	China
Lynda.com, Inc.	Jan-13	289	Trade Sale	Apr-15	Accel Partners, Bain Capital, Bessemer Venture Partners, Goldman Sachs, Greylock Partners, LinkedIn, McGraw-Hill Education, Meritech Capital Partners, Rocket Internet, Sapphire Ventures, Sequoia Capital, Spectrum Equity, TPG	LinkedIn	1,500	Internet	US
Flexus Biosciences	Dec-14	38	Trade Sale	Feb-15	Celgene, Kleiner Perkins Caufield & Byers, The Column Group	Bristol-Myers Squibb	1,250	Biotechnology	US
Avito.ru	Jun-09	131	Trade Sale	Oct-15	Accel Partners, Baring Vostok Capital Partners, Kinnevik, Naspers, Northzone Ventures	Naspers	1,200	Advertising	Russia
Virtustream Inc.	Sep-09	130	Trade Sale	May-15	Blue Lagoon Capital, Columbia Capital, Intel Capital, Noro-Moseley Partners, Orix Venture Finance, QuestMark Partners, SAP, TDF Ventures	EMC	1,200	IT	US
Hyperion Therapeutics	Sep-07	153	Trade Sale	Mar-15	Bay City Capital, Comerica Bank, Deerfield Management, Essex Woodlands, FirstMark Capital, Highland Capital Partners, Horizon Pharma, Kreos Capital, Life Sciences Partners, New Enterprise Associates, Oxford Finance Corporation, Panorama Capital, Scale Venture Partners, Silicon Valley Bank, Sofinnova Ventures, Sutter Hill Ventures, TVM Capital, WRF Capital"	Horizon Pharma	1,100	Pharmaceuticals	US

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