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VENTURE CAPITAL RETURNS CONTINUE TO IMPROVE THROUGH Q4 2010

May 18, 2011, Arlington VA – With the exception of the 15-year returns which declined slightly, venture capital performance improved from last quarter across all time horizons as of the end of the fourth quarter of 2010, according to the Cambridge Associates U.S. Venture Capital Index®, the performance benchmark of the National Venture Capital Association (NVCA). The increase in returns marks a continued trend in which the improved exit markets and more favorable portfolio valuations are positively impacting venture performance for the first time since the recession of 2008. Venture capital performance also surpassed the public market indices for the quarter, 5-, 15- and 20-year time horizons as of the end of 2010.

US Venture Capital Index Returns for the Periods ending 12/31/2010, 9/30/2010, 12/31/2009

Cambridge Associates	Qtr.	1	3	5	10	15	20	
LLC U.S. Venture		Year	Years	Years	Years	Years	Years	
Capital Index® ¹ for the								
period ending								
December 31, 2010	8.4	13.5	-0.3	5.67	-2.0	34.8	26.3	
September 30, 2010	3.7	8.2	-2.1	4.3	-4.6	36.9	25.6	
December 30, 2009	3.3	3.0	-0.3	4.4	-0.1	37.8	23.5	
U.S. Venture Capital -								
Early Stage Index ¹	8.5	13.3	-0.7	4. 9	-3.3	46.1	30.0	
U.S. Venture Capital -								
Late & Expansion Stage								
Index 1	12.2	28.2	5.8	12.6	1.7	15.7	21.6	
U.S. Venture Capital -								
Multi-Stage Index ¹	6.7	8.5	-2.0	4.2	-0.9	30.8	23.6	
December 31, 2010								
DJIA	8.0	14.1	-1.6	4.3	3.2	7.9	10.3	
NASDAQ Composite *	12.0	16.9	0.0	3.8	0.7	6.4	10.3	
S&P 500	10.8	15.1	-2.9	2.3	1.4	6.8	9.1	

The Cambridge Associates LLC U.S. Venture Capital Index® is an end-to-end calculation based on data compiled from 1,298 U.S. venture capital funds (863 early stage, 168 late & expansion stage, 264 multi-stage and 3 venture debt funds), including fully liquidated partnerships, formed between 1981 and 2010.

Sources: Barclays Capital, Bloomberg L.P., Cambridge Associates LLC U.S. Venture Capital Index®, Frank Russell Company, Standard & Poor's, Thomson Datastream, The Wall Street Journal, and Wilshire Associates, Inc. *Capital change only.

¹ Pooled end-to-end return, net of fees, expenses, and carried interest as of 12/31/2010.

"Collective venture capital performance continues to move in the right direction as we are experiencing a further opening of the IPO window and a strong pace of favorable acquisitions, allowing venture funds to distribute a meaningful amount of cash to their limited partners," said Mark Heesen, president of the NVCA. "With short-term returns improving and a healthy start to 2011, we can expect these performance numbers to continue on a steady upward trajectory through the remainder of 2011 and beyond."

"We observed a marked increase in distributions to LPs in the fourth quarter versus the third quarter, and combined with an increase in valuations, led to a nice quarterly return. Barring outside macro factors, we are hopeful that IPO and M&A exits will continue to fuel liquidity," said Peter Mooradian, Managing Director and Venture Capital Research Consultant at Cambridge Associates.

Vintage Year Return Ratios

The following chart illustrates the relationship between the dollars paid into venture capital funds by limited partners and the dollars distributed back to them by vintage year. The chart also incorporates the residual value of the portfolios at 12/31/10 for an overall ratio. For example, the 2004 vintage year funds have distributed cash of .26 times the amount of capital paid in by LPs. If you account for the current value of the existing portfolio of 1.04, the ratio increases to 1.30 times. However, it is important to note that the residual value is unrealized and will change as companies exit the portfolio, are revalued, or are written off.

The 1996 vintage year funds have the most positive ratio, returning 4.96 times the cash contributed by LPs, a number which rises to 5.03 should those funds realize the value of what is currently in the portfolio. More recent vintage years have yet to return significant cash to LPs as most funds do not begin returning capital until after year five.

Vintage Year Multiples Analysis Pooled Mean Net to Limited Partners As of December 31, 2010

Vintage Year	Distribution to Paid in Capital (DPI)	Residual Value to Paid in Capital (RVPI)	Total Value to Paid in Capital (TVPI)
1981-1995	3.51	0.01	3.53
1996	4.96	0.06	5.03
1997	3.02	0.05	3.08
1998	1.33	0.14	1.48
1999	0.71	0.23	0.94
2000	0.56	0.39	0.95
2001	0.47	0.58	1.05
2002	0.48	0.53	1.01
2003	0.39	0.79	1.19
2004	0.26	1.04	1.30
2005	0.17	0.92	1.08
2006	0.09	0.97	1.06
2007	0.06	1.05	1.11
2008	0.05	1.08	1.14
2009	0.01	1.03	1.04
2010	0.00	0.98	0.99
Overall	1.09	0.47	1.56

Source: Cambridge Associates LLC

Additional Performance Benchmarks

To view the full, comprehensive report, which includes tables on additional time horizons, vintage years and industry returns, please visit the Cambridge Associates or NVCA websites.

Cambridge Associates derives its U.S. venture capital benchmarks from the financial information contained in its proprietary database of venture capital funds. As of December 31, 2010, the database is comprised of 1,290 venture funds formed from 1981 through 2010.

About NVCA

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 400 plus members through a full range of professional services. For more information about the NVCA, please visit www.nvca.org.

About Cambridge Associates

Founded in 1973, Cambridge Associates delivers investment consulting, independent research, performance reporting services, and outsourced portfolio solutions to over 900 institutional investors and private clients worldwide. Cambridge Associates has advised its clients on alternative assets since the 1970s and today serves its clients with more than 180 professionals dedicated to consulting, research, operational due diligence, and performance reporting on these asset classes. The firm compiles the performance results for more than 4,200 private partnerships and their more than 59,000 portfolio company investments to publish its proprietary private investments benchmarks, of which the Cambridge Associates U.S. Venture Capital Index® and Cambridge Associates U.S. Private Equity Index® are widely considered to be the industrystandard benchmark statistics for these asset classes. The firm also compiles benchmark statistics for global private equity and venture capital, real estate, natural resources, distressed securities, and funds of funds and secondaries. Cambridge Associates has over 1,000 employees serving its client base globally and maintains offices in Arlington, VA; Boston, MA; Dallas, TX; Menlo Park, CA; London, England; Singapore, and Sydney, Australia. Cambridge Associates is recognized as a thought leader, innovator and advocate for institutional investors. For more information about Cambridge Associates, please visit www.cambridgeassociates.com.