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CORPORATE VENTURE CAPITAL ACTIVITY ON THREE-YEAR UPWARD TREND

Corporate VC Investors Steadily Participating in Increased Share of Total VC Deals

February 21, 2012, Arlington, VA - Over the last three years, corporate venture capitalists (CVCs) have steadily increased investment activity, participating in 15 percent of all venture capital investment deals in 2011 according to the MoneyTree Report by PricewaterhouseCoopers and the National Venture Capital Association (NVCA) based on data by Thomson Reuters. This participation rate compares to 2010 when corporate VCs were involved in 13.6 percent of all venture capital deals and 12.7 percent of all deals in 2009. In 2011, CVCs invested $2.3 billion into 551 deals compared to $2.0 billion into 481 deals in 2010, a 15 percent increase in dollars and deals for the year.

“Corporations bring a unique and specialized perspective to venture investing and are increasingly becoming more active in supporting the growth of emerging technologies. In turn, the venture capital industry has embraced the CVCs’ depth of resources - including R&D, access to broad marketing channels and operating experience - as invaluable contributions to the success of the startup economy,” said Mark Heesen, president, National Venture Capital Association.

Over the past two years (2010-2011), driven by strong clean tech investment, CVCs put the most money into the Industrial/Energy sector where $974 million was invested in 95 deals. The MoneyTree report also showed that CVCs participated in more than one-fifth (22 percent) of the Clean Tech deals and provided nearly 15 percent of financing in the sector. Similar to trends in overall venture capital investment, CVCs were most active in the Software sector in 2011 where they invested $883 million in 284 deals. Biotechnology ranked second in terms of the number of deals where 172 rounds comprising $694 million were completed.

"It's not surprising to see corporate venture capitalists becoming even more active in the Biotech sector," noted Tracy T. Lefteroff, global managing partner of the venture capital practice at PricewaterhouseCoopers. "Larger biopharma companies have recognized that their expertise does not lie in early stage R&D - the smaller, more nimble venture-backed companies are more efficient at drug development. Accordingly, the larger biopharma companies are looking to these venture-backed companies to help fill their pipeline as many of their blockbuster drugs are coming off patent. Bringing corporate venture capitalists to the table early in the company's

development helps ensure that there will be interest in the drugs being developed and identify a potential acquirer early on, thus allowing the VCs to deliver more expedient returns to their investors."

	Corporate Venture Investment		Total Venture Investment		CVC Participation	
	Deals	Investment ($Mil)	Deals	Investment ($Mil)	Percent of Total Deals	Percent of Total $
2002	551	$1,905.9	3,183	$20,849.5	17.3%	9.1%
2003	447	$1,296.0	3,004	$18,613.8	14.9%	7.0%
2004	528	$1,548.7	3,179	$22,358.7	16.6%	6.9%
2005	535	$1,557.2	3,262	$22,945.70	16.4%	6.8%
2006	636	$2,031.5	3,827	$26,594.2	16.6%	7.6%
2007	777	$2,609.4	4,124	$30,829.0	18.8%	8.5%
2008	783	$2,263.5	4,113	$30,546.6	19.0%	7.4%
2009	390	$1,428.4	3,066	$19,751.8	12.7%	7.2%
2010	481	$1,999.8	3,526	$23,243.7	13.6%	8.6%
2011	551	$2,331.7	3,696	$28,454.5	14.9%	8.2%

"The venture-backed community represents an immense source of creative ideas. Aligning objectives through investment and integrating complementary capabilities assures that solutions can be brought forward at a scale that matters," said Mary Kay James, DuPont Ventures and NVCA Corporate Venture Group Advisory Board Member. "Given these benefits we anticipate the total amount of CVC investment and the percentage contribution to the overall venture investment totals to continue to steadily increase in the coming year and beyond."

MoneyTree Report results are available online at www.pwcmoneytree.com and www.nvca.org.

Note to the Editor

Information included in this release or related venture capital investment data should be cited in the following way: "The MoneyTree™ Report by PricewaterhouseCoopers and the National Venture Capital Association based on data from Thomson Reuters" or "PwC/NVCA MoneyTree™ Report based on data from Thomson Reuters." After the first reference, subsequent references may refer to PwC/NVCA MoneyTree Report, PwC/NVCA or MoneyTree

Report. Charts and tables displaying the data are sourced to "PricewaterhouseCoopers/National Venture Capital Association MoneyTree™ Report, Data: Thomson Reuters." After the first reference, subsequent references may refer to PwC/NVCA MoneyTree Report, PwC/NVCA, MoneyTree Report or MoneyTree.

About the PricewaterhouseCoopers/National Venture Capital Association MoneyTree™ Report

The MoneyTree™ Report measures cash-for-equity investments by the professional venture capital community in private emerging companies in the U.S. It is based on data provided by Thomson Reuters. The survey includes the investment activity of professional venture capital firms with or without a U.S. office, SBICs, venture arms of corporations, institutions, investment banks and similar entities whose primary activity is financial investing. Where there are other participants such as angels, corporations, and governments, in a qualified and verified financing round the entire amount of the round is included. Qualifying transactions include cash investments by these entities either directly or by participation in various forms of private placement. All recipient companies are private, and may have been newly-created or spun-out of existing companies.

The survey excludes debt, buyouts, recapitalizations, secondary purchases, IPOs, investments in public companies such as PIPES (private investments in public entities), investments for which the proceeds are primarily intended for acquisition such as roll-ups, change of ownership, and other forms of private equity that do not involve cash such as services-in-kind and venture leasing.

Investee companies must be domiciled in one of the 50 U.S. states or DC even if substantial portions of their activities are outside the United States.

Data is primarily obtained from a quarterly survey of venture capital practitioners conducted by Thomson Reuters. Information is augmented by other research techniques including other public and private sources. All data is subject to verification with the venture capital firms and/or the investee companies. Only professional independent venture capital firms, institutional venture capital groups, and recognized corporate venture capital groups are included in venture capital industry rankings.

About the 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 more than 400 member firms through a full range of professional services. For more information about the NVCA, please visit www.nvca.org.

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