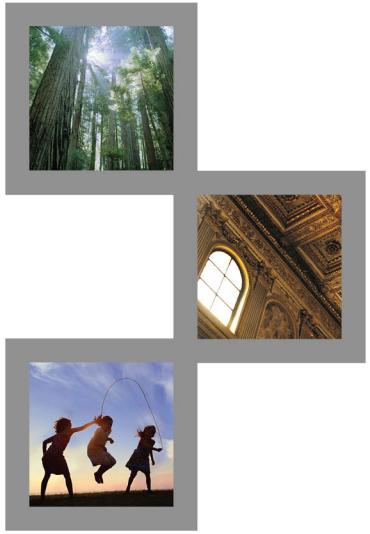
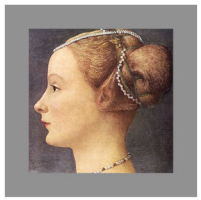
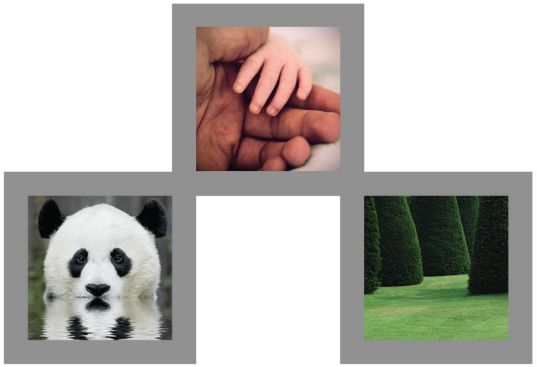
September 30, 2012

Cambridge Associates LLC
U.S. Venture Capital Index® and Selected Benchmark Statistics







CAMBRIDGE ASSOCIATES LLC

Official Performance Benchmark of the

NATIONAL VENTURE CAPITAL ASSOCIATION

Funding innovation. Empowering entrepreneurs.

Dear Benchmark Statistics User,

Our goal is to provide you with the most accurate and relevant performance information possible; as a result, Cambridge Associates' research organization continually monitors the constantly evolving private investments space and its fund managers. When we discern material changes in the structure of an asset class and/or a fund's investment strategy, it is in the interest of all users of our benchmark statistics that we implement the appropriate classification realignments.

Based on the results of an ongoing review, we have recently changed a number of industry focus and fund stage classifications for some funds within the Cambridge Associates private investments performance database. We have made changes to some fund initial stage classifications (Early Stage, Late & Expansion Stage and Multi-Stage) and also to some industry focus coding changes (Focused, Multi-Industry).

As a result of these realignments, you may notice changes in the results of analyses when historical benchmark returns are filtered on one or more of these criteria.

Please note that this reclassification effort does not impact fund asset class, vintage year or region classifications.

We thank you for your continued support.

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Data as of
September 30, 2012

U.S. Venture Capital Fund Index Summary: End-to-End Pooled Return

Net to Limited Partners

Index	1-Quarter	YTD	1-Year	3-Year	5-Year	10-Year	15-Year	20-Year	25-Year	30-Year
Cambridge Associates LLC U.S. Venture Capital Index®[1]	**0.64**	**6.09**	**7.69**	**12.19**	**4.47**	**6.07**	**24.22**	**28.75**	**18.80**	**17.17**
U.S. Venture Capital - Early Stage Index[1]	**1.30**	**7.77**	**8.31**	**12.90**	**4.53**	**4.92**	**61.81**	**39.74**	**24.02**	**20.56**
U.S. Venture Capital - Late & Expansion Stage Index[1]	**-1.50**	**2.19**	**5.37**	**17.09**	**8.10**	**10.30**	**8.65**	**12.48**	**11.91**	**12.08**
U.S. Venture Capital - Multi-Stage Index[1]	**0.36**	**4.86**	**7.50**	**9.44**	**3.03**	**6.82**	**6.72**	**13.89**	**11.35**	**11.23**
Barclays Government/Credit Bond Index	1.73	5.95	5.66	6.50	6.63	5.39	6.23	6.41	7.49	8.35
Dow Jones Industrial Average	5.02	16.58	26.52	14.45	2.16	8.59	5.93	9.84	9.59	12.64
Dow Jones U.S. Small Cap Index	4.90	20.78	31.48	14.00	3.49	11.32	7.14	10.63	NA	NA
Dow Jones U.S. TopCap Index	6.31	14.76	29.96	13.29	1.31	8.44	4.84	8.48	NA	NA
Nasdaq Composite*	6.17	26.98	29.02	13.66	2.90	10.27	4.18	8.74	8.10	9.82
Russell 1000®	6.31	22.28	30.06	13.27	1.22	8.35	4.95	8.68	8.77	11.43
Russell 2000®	5.25	19.41	31.91	12.99	2.21	10.17	5.52	9.09	8.16	10.35
S&P 500	6.35	22.50	30.20	13.20	1.05	8.01	4.70	8.50	8.61	11.41
Wilshire 5000 Total Market	6.16	21.79	29.89	13.22	1.34	8.66	4.98	8.67	8.63	11.24

The Cambridge Associates LLC U.S. Venture Capital Index® is an end-to-end calculation based on data compiled from 1,400 U.S. venture capital funds (906 early stage, 150 late & expansion stage, 338 multi-stage and 6 venture debt funds), including fully liquidated partnerships, formed between 1981 and 2012.

[1]Pooled end-to-end return, net of fees, expenses, and carried interest.

Sources: Cambridge Associates LLC, Barclays, Dow Jones Indexes, Frank Russell Company, Standard & Poor's, Thomson Reuters Datastream, and Wilshire Associates, Inc.

*Capital change only.

U.S. Venture Capital Fund Index Details: One Quarter End-to-End Pooled Return

Net to Limited Partners

Quarter Ending	End to End Return
1981 Q1	0.00
1981 Q2	1.38
1981 Q3	1.13
1981 Q4	1.03
1982 Q1	1.18
1982 Q2	0.30
1982 Q3	1.02
1982 Q4	2.73
1983 Q1	3.32
1983 Q2	8.86
1983 Q3	-1.05
1983 Q4	6.09
1984 Q1	-0.53
1984 Q2	-0.58
1984 Q3	-0.44
1984 Q4	0.43
1985 Q1	1.53
1985 Q2	-2.00
1985 Q3	-0.18
1985 Q4	2.65
1986 Q1	0.78
1986 Q2	0.87
1986 Q3	0.29
1986 Q4	5.15
1987 Q1	5.15
1987 Q2	2.18
1987 Q3	1.96
1987 Q4	-2.93

Quarter Ending	End to End Return
1988 Q1	0.60
1988 Q2	1.96
1988 Q3	0.01
1988 Q4	1.01
1989 Q1	0.82
1989 Q2	2.07
1989 Q3	1.39
1989 Q4	2.32
1990 Q1	0.71
1990 Q2	2.17
1990 Q3	-3.05
1990 Q4	1.78
1991 Q1	4.51
1991 Q2	1.56
1991 Q3	6.18
1991 Q4	7.24
1992 Q1	4.31
1992 Q2	-1.23
1992 Q3	2.57
1992 Q4	7.22
1993 Q1	1.90
1993 Q2	4.88
1993 Q3	6.79
1993 Q4	4.46
1994 Q1	4.12
1994 Q2	0.74
1994 Q3	7.16
1994 Q4	4.25

Quarter Ending	End to End Return
1995 Q1	6.94
1995 Q2	8.54
1995 Q3	11.32
1995 Q4	13.55
1996 Q1	8.79
1996 Q2	16.49
1996 Q3	4.69
1996 Q4	6.49
1997 Q1	-0.17
1997 Q2	14.34
1997 Q3	14.21
1997 Q4	3.02
1998 Q1	10.15
1998 Q2	5.33
1998 Q3	-2.06
1998 Q4	15.05
1999 Q1	19.55
1999 Q2	38.74
1999 Q3	29.08
1999 Q4	83.43
2000 Q1	29.71
2000 Q2	3.66
2000 Q3	10.72
2000 Q4	-19.69
2001 Q1	-15.18
2001 Q2	-7.24
2001 Q3	-17.29
2001 Q4	-7.71

Quarter Ending	End to End Return
2002 Q1	-8.34
2002 Q2	-10.91
2002 Q3	-10.05
2002 Q4	-9.78
2003 Q1	-4.19
2003 Q2	0.39
2003 Q3	-1.53
2003 Q4	1.05
2004 Q1	1.58
2004 Q2	0.20
2004 Q3	6.82
2004 Q4	6.17
2005 Q1	-2.10
2005 Q2	2.23
2005 Q3	4.26
2005 Q4	2.29
2006 Q1	4.49
2006 Q2	0.42
2006 Q3	2.27
2006 Q4	9.54
2007 Q1	2.16
2007 Q2	6.62
2007 Q3	2.61
2007 Q4	3.29
2008 Q1	-1.76
2008 Q2	0.32
2008 Q3	-2.79
2008 Q4	-12.64

Quarter Ending	End to End Return
2009 Q1	-2.73
2009 Q2	0.27
2009 Q3	2.01
2009 Q4	3.40
2010 Q1	0.68
2010 Q2	0.50
2010 Q3	3.81
2010 Q4	8.33
2011 Q1	5.02
2011 Q2	7.01
2011 Q3	-0.71
2011 Q4	1.44
2012 Q1	4.69
2012 Q2	0.61
2012 Q3	0.64

The Cambridge Associates LLC U.S. Venture Capital Index® is an end-to-end calculation based on data compiled from 1,400 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2012. Pooled end-to-end return, net of fees, expenses, and carried interest. Historic quarterly returns are updated in each year-end report to adjust for changes in the index sample.

U.S. Venture Capital Fund Index Details: End-to-End Pooled Return

Net to Limited Partners

Multi-Year Returns

Years	End to End Return (%)	Years	End to End Return (%)
1 Year	7.69	21 Years	26.17
2 Years	14.02	22 Years	24.57
3 Years	12.19	23 Years	21.84
4 Years	5.71	24 Years	20.30
5 Years	4.47	25 Years	18.80
6 Years	6.89	26 Years	18.59
7 Years	7.22	27 Years	18.03
8 Years	7.62	28 Years	17.47
9 Years	7.83	29 Years	17.20
10 Years	6.07	30 Years	17.17
11 Years	3.08	31 Years	17.13
12 Years	-1.18		
13 Years	8.41		
14 Years	27.38		
15 Years	24.22		
16 Years	27.87		
17 Years	34.59		
18 Years	34.50		
19 Years	30.32		
20 Years	28.75		

One Year Rolling Returns

One Year Ended	End to End Return (%)	One Year Ended	End to End Return (%)
9/30/2012	7.69	9/30/1992	13.37
9/30/2011	20.67	9/30/1991	14.70
9/30/2010	8.61	9/30/1990	1.92
9/30/2009	-12.42	9/30/1989	5.46
9/30/2008	-0.98	9/30/1988	-0.17
9/30/2007	21.98	9/30/1987	14.84
9/30/2006	9.66	9/30/1986	4.36
9/30/2005	11.03	9/30/1985	-0.58
9/30/2004	9.99	9/30/1984	2.65
9/30/2003	-13.84	9/30/1983	13.21
9/30/2002	-32.42	9/30/1982	3.40
9/30/2001	-47.76		
9/30/2000	204.60		
9/30/1999	145.18		
9/30/1998	17.24		
9/30/1997	37.58		
9/30/1996	51.36		
9/30/1995	34.28		
9/30/1994	17.38		
9/30/1993	22.38		

The Cambridge Associates LLC U.S. Venture Capital Index® is an end-to-end calculation based on data compiled from 1,400 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2012. Pooled end-to-end return, net of fees, expenses, and carried interest.

U.S. Venture Capital: Fund Since Inception Analysis

U.S. Venture Capital: Since Inception IRR & Multiples by Fund Vintage Year

Net to Limited Partners

Vintage Year	Pooled Return (%)	Arithmetic Mean (%)	Median (%)	Equal-Weighted Pooled Return (%)	Upper Quartile (%)	Lower Quartile (%)	Standard Deviation (%)	DPI	RVPI	TVPI	Number of Funds
1981	8.47	9.01	7.87	9.03	13.24	5.94	5.59	1.76	0.00	1.76	9
1982	7.38	7.20	7.92	7.37	9.11	4.87	3.29	1.79	0.00	1.79	11
1983	10.23	9.55	8.72	10.09	12.46	7.10	5.73	2.01	0.00	2.01	28
1984	8.62	7.74	6.27	8.10	12.92	3.41	8.83	1.76	0.00	1.76	32
1985	12.91	11.70	12.86	12.88	17.35	5.49	8.21	2.69	0.00	2.69	26
1986	14.52	8.82	9.43	9.11	12.90	5.27	5.13	2.89	0.01	2.90	30
1987	18.27	14.53	15.65	15.82	22.18	8.70	10.64	2.72	0.01	2.72	34
1988	18.90	14.32	11.87	14.71	21.66	6.60	13.77	2.41	0.09	2.50	26
1989	19.16	17.05	13.31	18.88	28.80	7.75	14.46	2.59	0.00	2.59	37
1990	33.11	24.07	21.54	26.28	31.19	14.28	19.60	3.14	0.00	3.15	17
1991	27.22	23.10	17.61	24.99	27.59	10.90	20.63	3.06	0.00	3.06	16
1992	32.77	28.67	20.99	37.32	38.85	11.11	29.90	3.12	0.00	3.13	23
1993	46.70	30.44	18.83	41.09	46.49	12.54	31.08	4.12	0.01	4.13	36
1994	59.26	34.24	26.45	44.87	46.45	6.61	47.16	5.39	0.01	5.40	42
1995	88.46	56.58	41.65	77.41	80.62	21.53	58.46	6.06	0.01	6.07	35
1996	102.96	61.20	40.87	88.73	83.33	6.23	78.86	4.97	0.04	5.01	41
1997	91.80	53.81	9.65	73.72	63.34	-1.45	102.04	3.07	0.03	3.11	71
1998	12.04	16.81	-0.58	15.81	15.19	-6.28	71.50	1.40	0.09	1.49	81
1999	-0.93	-3.48	-3.43	-1.34	2.99	-12.62	17.87	0.81	0.14	0.94	114
2000	0.23	-2.97	-2.34	-0.69	3.99	-7.58	12.25	0.69	0.32	1.01	154
2001	2.27	-1.12	-0.41	2.43	6.29	-6.46	18.72	0.68	0.44	1.12	53
2002	-0.14	1.12	1.22	2.35	7.80	-7.19	9.22	0.60	0.40	0.99	34
2003	6.70	-0.30	0.08	5.02	7.35	-5.20	20.71	0.66	0.69	1.36	38
2004	7.88	2.25	1.11	8.41	7.19	-7.85	20.96	0.53	0.87	1.41	66
2005	4.77	1.42	2.08	4.99	9.08	-2.92	16.94	0.29	0.90	1.19	61
2006	6.46	4.04	4.54	5.29	9.28	-3.50	9.70	0.26	0.98	1.24	77
2007	12.29	10.70	8.13	13.20	20.12	1.63	20.21	0.26	1.11	1.37	62
2008	12.60	7.10	6.27	10.92	16.83	-2.69	21.86	0.14	1.12	1.26	56
2009	20.02	3.90	6.82	11.40	19.20	-11.81	23.87	0.16	1.19	1.35	20
2010	12.98	6.06	3.27	10.35	20.30	-12.02	27.40	0.04	1.11	1.15	31

Notes: Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Internal rates of return are net of fees, expenses and carried interest. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant.

U.S. Venture Capital: Total Value to Paid In Capital Multiple (TVPI)

Net to Limited Partners

Vintage Year	Pooled Return	Arithmetic Mean	Median	Upper Quartile	Lower Quartile	Number of Funds
1981	1.76	1.86	1.90	2.02	1.55	9
1982	1.79	1.94	1.74	2.20	1.54	11
1983	2.01	1.99	1.85	2.30	1.54	28
1984	1.76	1.70	1.71	2.04	1.27	32
1985	2.69	2.62	2.38	3.04	1.45	26
1986	2.90	1.83	1.87	2.07	1.46	30
1987	2.72	2.56	2.28	3.19	1.72	34
1988	2.50	2.15	2.13	2.53	1.48	26
1989	2.59	2.44	2.09	2.99	1.52	37
1990	3.15	2.72	2.44	2.80	1.60	17
1991	3.06	3.11	2.28	3.13	1.62	16
1992	3.13	3.54	2.27	3.81	1.57	23
1993	4.13	3.57	2.30	3.53	1.57	36
1994	5.40	3.78	2.16	4.43	1.34	42
1995	6.07	5.17	2.68	4.33	1.87	35
1996	5.01	4.50	2.09	4.63	1.24	41
1997	3.11	2.58	1.42	2.45	0.93	71
1998	1.49	1.56	0.97	1.59	0.65	81
1999	0.94	0.92	0.82	1.26	0.42	114
2000	1.01	0.96	0.86	1.24	0.61	154
2001	1.12	1.13	0.98	1.40	0.74	53
2002	0.99	1.12	1.07	1.45	0.77	34
2003	1.36	1.27	1.00	1.45	0.74	38
2004	1.41	1.42	1.05	1.37	0.74	66
2005	1.19	1.21	1.09	1.42	0.88	61
2006	1.24	1.19	1.16	1.36	0.90	77
2007	1.37	1.39	1.23	1.58	1.03	62
2008	1.26	1.23	1.13	1.40	0.95	56
2009	1.35	1.17	1.09	1.31	0.87	20
2010	1.15	1.11	1.04	1.26	0.90	31

Notes: Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Internal rates of return are net of fees, expenses and carried interest. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Benchmarks with NA (not applicable) have an insufficient number of funds in the vintage year sample to produce a meaningful return.

U.S. Venture Capital: Distribution to Paid In Capital Multiple (DPI)

Net to Limited Partners

Vintage Year	Pooled Return	Arithmetic Mean	Median	Upper Quartile	Lower Quartile	Number of Funds
1981	1.76	1.86	1.90	2.02	1.55	9
1982	1.79	1.93	1.74	2.20	1.54	11
1983	2.01	1.99	1.85	2.30	1.54	28
1984	1.76	1.70	1.71	2.04	1.27	32
1985	2.69	2.62	2.38	3.04	1.45	26
1986	2.89	1.82	1.87	2.07	1.46	30
1987	2.72	2.55	2.28	3.19	1.72	34
1988	2.41	2.11	2.08	2.52	1.43	26
1989	2.59	2.44	2.09	2.99	1.52	37
1990	3.14	2.72	2.44	2.80	1.60	17
1991	3.06	3.11	2.28	3.13	1.62	16
1992	3.12	3.52	2.27	3.81	1.57	23
1993	4.12	3.56	2.29	3.53	1.51	36
1994	5.39	3.76	2.13	4.43	1.32	42
1995	6.06	5.15	2.68	4.29	1.87	35
1996	4.97	4.46	2.09	4.63	1.24	41
1997	3.07	2.54	1.35	2.40	0.87	71
1998	1.40	1.47	0.94	1.51	0.61	81
1999	0.81	0.78	0.62	1.06	0.28	114
2000	0.69	0.65	0.59	0.94	0.37	154
2001	0.68	0.72	0.57	0.84	0.37	53
2002	0.60	0.61	0.61	0.93	0.31	34
2003	0.66	0.50	0.34	0.56	0.09	38
2004	0.53	0.56	0.27	0.48	0.12	66
2005	0.29	0.27	0.18	0.36	0.11	61
2006	0.26	0.22	0.16	0.29	0.06	77
2007	0.26	0.28	0.13	0.32	0.02	62
2008	0.14	0.15	0.07	0.19	0.00	56
2009	0.16	0.11	0.00	0.06	0.00	20
2010	0.04	0.04	0.00	0.02	0.00	31

Notes: Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Internal rates of return are net of fees, expenses and carried interest. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Benchmarks with NA (not applicable) have an insufficient number of funds in the vintage year sample to produce a meaningful return.

U.S. Venture Capital: Residual Value to Paid In Capital Multiple (RVPI)

Net to Limited Partners

Vintage Year	Pooled Return	Arithmetic Mean	Median	Upper Quartile	Lower Quartile	Number of Funds
1981	0.00	0.00	0.00	0.00	0.00	9
1982	0.00	0.00	0.00	0.00	0.00	11
1983	0.00	0.00	0.00	0.00	0.00	28
1984	0.00	0.00	0.00	0.00	0.00	32
1985	0.00	0.00	0.00	0.00	0.00	26
1986	0.01	0.01	0.00	0.00	0.00	30
1987	0.01	0.01	0.00	0.00	0.00	34
1988	0.09	0.04	0.00	0.00	0.00	26
1989	0.00	0.00	0.00	0.00	0.00	37
1990	0.00	0.00	0.00	0.00	0.00	17
1991	0.00	0.00	0.00	0.00	0.00	16
1992	0.00	0.01	0.00	0.00	0.00	23
1993	0.01	0.01	0.00	0.00	0.00	36
1994	0.01	0.01	0.00	0.00	0.00	42
1995	0.01	0.02	0.00	0.00	0.00	35
1996	0.04	0.04	0.00	0.05	0.00	41
1997	0.03	0.04	0.01	0.05	0.00	71
1998	0.09	0.10	0.03	0.14	0.00	81
1999	0.14	0.14	0.08	0.20	0.02	114
2000	0.32	0.30	0.24	0.40	0.12	154
2001	0.44	0.41	0.29	0.56	0.19	53
2002	0.40	0.51	0.42	0.66	0.20	34
2003	0.69	0.77	0.58	0.75	0.48	38
2004	0.87	0.87	0.64	0.90	0.48	66
2005	0.90	0.94	0.82	1.10	0.67	61
2006	0.98	0.97	0.92	1.17	0.74	77
2007	1.11	1.12	1.06	1.29	0.81	62
2008	1.12	1.08	1.05	1.22	0.87	56
2009	1.19	1.06	1.08	1.22	0.82	20
2010	1.11	1.07	0.98	1.15	0.88	31

Notes: Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Internal rates of return are net of fees, expenses and carried interest. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Benchmarks with NA (not applicable) have an insufficient number of funds in the vintage year sample to produce a meaningful return.

U.S. Venture Capital: Since Inception IRR Based on Fund Capitalization

Net to Limited Partners (%)

Vintage Year	All Funds[1]		Capitalization <=$50mm		Capitalization >$50mm<=$150mm		Capitalization >$150mm	
	Pooled Return	Number of Funds	Pooled Return	Number of Funds	Pooled Return	Number of Funds	Pooled Return	Number of Funds
1981	8.47	9	8.72	7	NA	2	NA	0
1982	7.38	11	7.17	8	NA	2	NA	1
1983	10.23	28	10.80	15	8.94	8	10.76	5
1984	8.62	32	8.25	19	10.51	10	4.73	3
1985	12.91	26	11.68	18	13.32	7	NA	1
1986	14.52	30	7.84	21	11.36	5	16.36	4
1987	18.27	34	13.66	17	19.63	11	19.95	6
1988	18.90	26	11.47	17	18.27	5	27.50	4
1989	19.16	37	14.65	22	24.38	9	18.94	6
1990	33.11	17	19.67	9	39.24	7	NA	1
1991	27.22	16	21.72	8	29.04	7	NA	1
1992	32.77	23	47.23	9	47.92	6	22.67	8
1993	46.70	36	14.93	16	57.20	15	43.32	5
1994	59.26	42	25.43	17	49.01	22	89.63	3
1995	88.46	35	42.42	9	103.29	24	NA	2
1996	102.96	41	48.15	9	105.35	18	104.92	14
1997	91.80	71	11.46	20	78.36	34	107.47	17
1998	12.04	81	107.31	15	8.06	34	12.13	32
1999	-0.93	114	1.02	14	-1.07	33	-0.95	67
2000	0.23	154	-1.88	21	-1.69	46	0.46	87
2001	2.27	53	0.73	15	2.04	10	2.34	28
2002	-0.14	34	2.73	11	3.77	12	-1.55	11
2003	6.70	38	2.48	10	1.76	9	7.32	19
2004	7.88	66	4.91	10	21.72	12	6.72	44
2005	4.77	61	9.79	9	5.57	10	4.64	42
2006	6.46	77	4.68	10	5.12	25	6.67	42
2007	12.29	62	5.49	6	27.08	9	11.60	47
2008	12.60	56	7.48	9	7.16	11	12.96	36
2009	20.02	20	-0.08	3	-0.64	4	21.02	13
2010	12.98	31	16.43	4	7.62	4	13.06	23

Notes: [1]Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Returns are net of fees, expenses and carried interest. To reflect fundraising environment, returns for vintage year 1981 through 1991 are represented by capitalization amounts of <$50mm, >$50mm and <$100mm, and >$100mm. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Benchmarks with NA (not applicable) have an insufficient number of funds in the vintage year sample to produce a meaningful return.

U.S. Venture Capital: Since Inception IRR Based on Fund Initial Stage

Net to Limited Partners (%)

Vintage Year	All Funds[1]		Early Stage		Late & Expansion Stage		Multi-Stage	
	Pooled Return	Number of Funds	Pooled Return	Number of Funds	Pooled Return	Number of Funds	Pooled Return	Number of Funds
1981	8.47	9	10.74	6	NA	0	4.75	3
1982	7.38	11	7.67	10	NA	0	NA	1
1983	10.23	28	8.87	17	10.47	4	12.01	7
1984	8.62	32	8.38	21	NA	2	7.80	9
1985	12.91	26	13.65	18	NA	2	11.71	6
1986	14.52	30	9.26	21	NA	2	16.12	7
1987	18.27	34	17.35	20	20.90	6	17.15	8
1988	18.90	26	21.56	18	NA	1	14.56	7
1989	19.16	37	24.51	26	NA	2	15.58	9
1990	33.11	17	39.28	9	23.27	3	20.78	5
1991	27.22	16	28.75	12	NA	1	25.31	3
1992	32.77	23	36.86	16	20.20	3	25.71	4
1993	46.70	36	56.06	24	NA	2	19.82	10
1994	59.26	42	71.64	29	22.44	5	42.55	7
1995	88.46	35	102.19	24	33.82	3	17.51	8
1996	102.96	41	135.14	25	44.60	3	45.15	12
1997	91.80	71	117.22	54	106.40	6	6.83	11
1998	12.04	81	17.08	52	7.10	7	5.09	22
1999	-0.93	114	-5.96	72	3.75	20	6.20	21
2000	0.23	154	0.07	105	4.15	17	-0.94	31
2001	2.27	53	1.18	29	6.35	3	3.53	21
2002	-0.14	34	0.01	23	0.12	6	-2.03	4
2003	6.70	38	7.11	29	NA	2	2.83	7
2004	7.88	66	11.39	39	3.60	10	0.84	17
2005	4.77	61	1.77	41	18.86	7	2.76	13
2006	6.46	77	4.45	40	10.60	13	6.92	24
2007	12.29	62	14.26	33	11.64	5	10.70	23
2008	12.60	56	15.56	34	5.04	8	12.27	14
2009	20.02	20	25.96	12	NA	0	15.45	8
2010	12.98	31	14.34	18	7.82	4	11.33	9

Notes: [1]Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Excludes 6 Venture Debt stage funds. Returns are net of fees, expenses and carried interest. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Benchmarks with NA (not applicable) have an insufficient number of funds in the vintage year sample to produce a meaningful return.

U.S. Venture Capital: Since Inception IRR Based on Fund Industry

Net to Limited Partners (%)

Vintage Year	All Funds[1]		Focused		Multi-Industry	
	Pooled Return	Number of Funds	Pooled Return	Number of Funds	Pooled Return	Number of Funds
1981	8.47	9	9.68	3	7.47	6
1982	7.38	11	6.98	6	8.31	5
1983	10.23	28	9.26	12	10.74	16
1984	8.62	32	10.86	14	6.97	18
1985	12.91	26	14.49	12	10.71	14
1986	14.52	30	9.57	14	16.36	16
1987	18.27	34	20.11	15	17.22	19
1988	18.90	26	21.86	17	15.27	9
1989	19.16	37	27.20	16	15.94	21
1990	33.11	17	37.26	9	20.07	8
1991	27.22	16	29.18	13	10.84	3
1992	32.77	23	38.51	16	18.39	7
1993	46.70	36	48.08	22	44.28	14
1994	59.26	42	63.63	32	40.08	10
1995	88.46	35	102.58	28	29.24	7
1996	102.96	41	99.84	34	126.25	7
1997	91.80	71	96.41	51	80.45	20
1998	12.04	81	15.79	68	-1.58	13
1999	-0.93	114	-1.10	95	0.50	19
2000	0.23	154	-0.04	133	2.41	21
2001	2.27	53	2.26	45	2.33	8
2002	-0.14	34	-0.62	28	3.29	6
2003	6.70	38	7.24	34	-6.89	4
2004	7.88	66	8.74	58	2.82	8
2005	4.77	61	5.97	47	-0.71	14
2006	6.46	77	6.65	66	5.30	11
2007	12.29	62	14.87	47	6.42	15
2008	12.60	56	12.98	42	12.10	14
2009	20.02	20	20.35	14	19.65	6
2010	12.98	31	10.46	23	21.31	8

Notes: [1]Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Returns are net of fees, expenses and carried interest. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Benchmarks with NA (not applicable) have an insufficient number of funds in the vintage year sample to produce a meaningful return.

U.S. Venture Capital: Since Inception IRR Based on Fund Region

Net to Limited Partners (%)

Vintage Year	All Funds[1]		Focused		Multi-Region	
	Pooled Return	Number of Funds	Pooled Return	Number of Funds	Pooled Return	Number of Funds
1981	8.47	9	6.89	4	9.50	5
1982	7.38	11	8.37	4	6.80	7
1983	10.23	28	9.27	15	10.88	13
1984	8.62	32	9.43	15	7.97	17
1985	12.91	26	14.62	15	11.93	11
1986	14.52	30	9.23	13	15.35	17
1987	18.27	34	18.68	19	17.66	15
1988	18.90	26	16.87	12	20.90	14
1989	19.16	37	26.40	23	15.19	14
1990	33.11	17	27.76	9	35.91	8
1991	27.22	16	19.35	7	36.48	9
1992	32.77	23	52.43	9	19.96	14
1993	46.70	36	53.38	18	39.33	18
1994	59.26	42	78.40	25	28.48	17
1995	88.46	35	112.02	19	55.38	16
1996	102.96	41	170.00	17	34.79	24
1997	91.80	71	150.26	34	45.10	37
1998	12.04	81	24.02	41	4.06	40
1999	-0.93	114	0.52	58	-1.97	56
2000	0.23	154	-0.63	72	0.61	82
2001	2.27	53	1.52	19	2.70	34
2002	-0.14	34	0.38	14	-0.30	20
2003	6.70	38	8.67	19	5.36	19
2004	7.88	66	7.36	26	8.14	40
2005	4.77	61	0.20	20	6.05	41
2006	6.46	77	3.30	32	7.77	45
2007	12.29	62	15.26	20	11.43	42
2008	12.60	56	17.40	20	10.98	36
2009	20.02	20	34.68	6	14.89	14
2010	12.98	31	18.50	15	6.43	16

Notes: [1]Based on data compiled from 1,361 U.S. venture capital funds, including fully liquidated partnerships, formed between 1981 and 2010. Returns are net of fees, expenses and carried interest. Vintage year funds formed since 2009 are too young to have produced meaningful returns. Analysis and comparison of partnership returns to benchmark statistics may be irrelevant. Benchmarks with NA (not applicable) have an insufficient number of funds in the vintage year sample to produce a meaningful return.

U.S. Venture Capital: Company Analysis

U.S. Venture Capital: Since Inception IRR by Company Initial Investment Year

By Industry

Pooled Gross IRR (%) of Companies Receiving Initial Investment In:															
Industry	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Chemical/Materials	5.79	12.79	-8.90	-24.94	-16.96	-17.51	1.66	-21.97	11.49	-3.07	28.06	4.29	-3.69	26.84	115.93
Consumer/Retail	-5.92	7.07	-0.15	-1.10	11.43	3.29	15.52	13.78	2.66	-2.31	-6.83	11.89	23.08	13.31	8.85
Electronics	58.62	179.35	3.21	-15.92	-3.44	-0.27	-8.73	1.84	-3.42	-5.42	4.90	4.37	13.48	10.44	47.29
Energy	10.33	6.50	-2.47	5.31	-3.73	17.84	41.58	5.37	1.20	-3.39	13.31	0.27	10.83	-7.16	11.51
Environmental	-100.00	NA	NA	NA	-21.81	21.90	-74.06	-29.28	-19.17	-59.34	-8.23	9.52	5.82	19.96	52.28
Financial Services	16.95	36.86	5.39	9.51	21.72	18.93	14.88	29.88	7.95	19.97	-1.76	15.11	13.48	15.14	33.31
Hardware/Systems	51.89	201.26	0.62	-7.28	10.50	7.51	3.60	16.60	-0.75	-0.33	52.62	15.41	70.22	63.82	79.74
Health Care/Biotech *	7.78	17.61	13.08	2.03	9.05	7.41	13.97	7.07	10.90	3.67	8.76	10.78	17.35	22.85	12.04
Industrial	-99.89	16.33	10.92	-16.96	-100.00	NA	21.94	70.67	1.91	13.41	-6.19	40.79	NA	0.00	105.43
Information Technology *	275.14	277.68	34.58	-3.45	-2.22	9.70	16.52	15.30	25.26	17.10	19.57	30.41	50.08	46.33	17.44
Manufacturing	58.55	-14.12	8.46	-3.97	21.27	-13.73	21.18	1.24	-12.65	15.46	3.69	6.77	16.13	-1.81	10.50
Media/Communications	-0.81	187.49	12.38	-0.05	5.48	6.24	6.27	17.89	5.44	1.04	5.45	19.01	36.00	38.13	28.53
Software/Services	121.57	107.89	-4.09	-5.80	2.03	17.90	10.09	23.32	6.38	10.87	13.22	22.92	53.61	41.40	34.31
Other/Fund of Funds	32.54	4.32	-16.52	-8.48	1.07	-7.69	23.01	6.57	4.08	-1.51	6.54	0.24	34.31	11.74	12.33
All Companies	137.14	153.56	18.13	-3.28	3.68	10.11	11.41	13.08	12.32	7.34	12.38	17.54	34.22	32.03	22.71
Number of Companies	1,067	1,541	2,406	3,088	1,551	1324	1,319	1,560	1,485	1,679	1,772	1,555	992	1,338	1,593

* See following exhibit for industry subgroups.
NA indicates inadequate number of companies in sample.

U.S. Venture Capital: Since Inception IRR by Company Initial Investment Year

By Health Care/Biotech and Information Technology Subgroups

	Pooled Gross IRR (%) of Companies Receiving Initial Investment In:														
Subgroup	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Biotechnology/Biopharm/R&D	10.28	48.89	70.73	-4.09	9.54	6.34	21.56	3.01	14.54	3.80	12.00	10.49	21.99	27.68	17.48
Health Care Devices	8.48	3.73	7.51	6.66	3.32	-0.06	4.64	2.11	8.70	-0.05	1.04	8.84	3.12	17.02	8.06
Health Care Services	2.62	9.81	7.08	10.20	13.29	13.59	23.76	22.66	13.83	11.46	13.24	9.58	27.24	21.95	13.65
Health Care Software/Systems	9.14	4.44	2.16	-1.26	1.96	-2.23	-14.15	15.65	10.99	-4.66	25.82	34.15	29.78	18.83	7.22
Pharmaceuticals	6.64	26.98	19.60	17.29	15.88	29.68	16.08	16.29	2.18	8.03	3.37	4.71	18.50	17.83	6.69
Internet-eBusiness	140.80	104.89	-5.85	2.16	6.77	25.79	29.64	41.05	19.62	15.41	14.81	26.70	45.60	45.11	25.64
Internet-eCommerce	682.30	294.03	36.12	1.55	0.84	8.76	39.13	22.01	47.35	31.66	29.51	44.53	60.98	46.79	13.93
Telecom Network/Systems	240.20	360.38	281.21	-9.46	-3.49	15.41	6.39	5.23	0.46	-4.05	17.96	18.59	23.81	36.87	1.87
Telecom Products	245.38	306.06	67.39	-10.24	-8.74	-11.04	12.92	-6.76	-4.26	-15.03	-8.22	-5.79	52.89	66.63	-3.44
Telecom Services	138.95	101.45	-11.29	-2.79	5.12	8.82	13.80	5.21	1.23	4.65	10.87	-8.02	-45.51	46.57	4.89

NA indicates inadequate number of companies in sample.

Description of Performance Measurement Methodology

Cambridge Associates LLC (CA) has established a database to monitor investments made by venture capital and other alternative asset partnerships. On September 30, 2012, 1,400 U.S. venture capital funds from the years 1981 through 2012 were included in the sample. Users of the analysis may find the following description of the data sources and calculation techniques helpful to their interpretation of information presented in the report:

1. Partnership financial statements and narratives are the primary source of information concerning cash flows and ending residual/ net asset values (NAV) for both partnerships and portfolio company investments.
2. Recognizing the alternative asset community's sensitivity to the distribution of information pertaining to individual fund investments, as a matter of policy CA only releases aggregated figures in its benchmark report.
3. Vintage year is defined as the legal inception date as noted in a fund's financial statement.
4. CA uses both the internal rate of return and the end-to-end performance calculation in its benchmark reports:
    a. The internal rate of return (IRR) is a since inception calculation that solves for the discount rate, which makes the net present value of an investment equal to zero. The calculation is based on cash-on-cash returns over equal periods modified for the residual value of the partnership's equity or portfolio company's NAV. The residual value attributed to each respective group being measured is incorporated as its ending value. Transactions are accounted for on a quarterly basis, and annualized values are used for reporting purposes. Please note that all transactions are recorded on the 45th day or midpoint of the quarter.
    b. The end-to-end performance calculation is similar to the IRR, however it is measuring the return between two points in time. The calculation takes into account the beginning NAV as the initial investment. The subsequent quarterly cash flows and the ending NAV for the specified time period (i.e. one quarter, one year, etc.) are utilized in the same fashion as the IRR calculation. All returns greater than one year are annualized.
5. Additional Definitions:
    a. **Pooled return** aggregates all cash flows and ending NAVs in a sample to calculate a dollar-weighted return.
    b. **Arithmetic mean** averages the individual fund IRRs included in a vintage year.
    c. **Median** is the middle fund IRR of the group of individual fund IRRs included in a vintage year.
    d. **Equal-weighted pooled return** equally weights all cash flows and ending NAVs based on paid in capital to calculate a dollar-weighted return.
    e. **Upper/ lower quartile** are the thresholds for the upper (top 25%) and lower (bottom 25%) quartiles based on the individual fund IRRs included in a vintage year. Can be used in conjunction with the median to determine quartile placement.
6. **Realization ratio exhibits (TVPI, DPI, RVPI):** CA has independently calculated the proper realization ratio for each fund in each vintage year. Please note that each fund has been ranked within its respective vintage year by the corresponding realization ratio, as opposed to being ranked by IRR as they are ranked in the since inception IRR exhibit. As a result a fund's ranking within its vintage year may change. For example, it is possible that a vintage year can have a different median fund when ranked by IRR vs. when ranked by TVPI, DPI or RVPI.
7. Exhibits detailing data for portfolio companies are grouped by year of the fund's initial investment in a company, as opposed to vintage year. Returns are gross returns.

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