



VC-PE Index: A Look at Private Equity and Venture Capital as of Q1 2014

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About Bison:

Last month, Bison released its first quarterly benchmark report to fill the void left by ThomsonOne. We currently track performance for over 3,800 funds that is being reported by more than 200 investors.

Going forward we will be releasing the Bison Benchmark Reports on a quarterly basis in preliminary and final versions. These reports are free to download on Bison (www.bison.co). Additionally, the benchmark is available to browse on our website, where you can also plot your funds' performance on the benchmark and export elegant charts. Bison currently provides nine segmented benchmarks for three geographies (Global, North America, and Global ex-North America) and three investment styles (All Private Equity, Buyout and Venture Capital / Growth Equity).

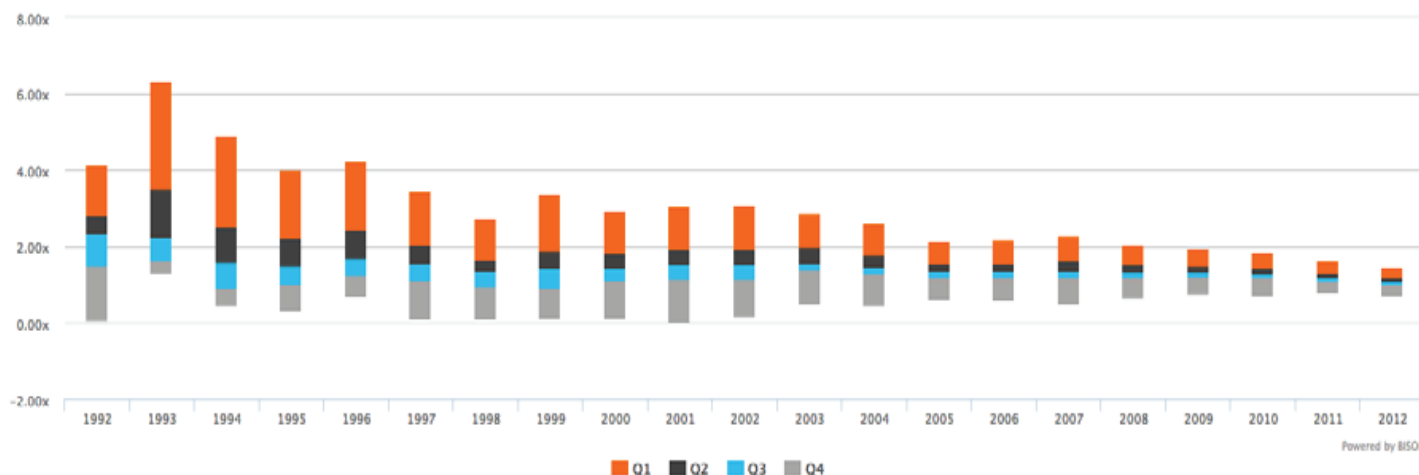
About the data:

Whether you look at H1 2014 or just Q1 2014, the public markets have been volatile. Global instability, QE (Quantitative Easing) or no QE, and worries about valuations getting ahead of themselves have all contributed to a few market ups and downs.

Private equity markets, unsurprisingly, were less volatile. Median returns in the private equity industry saw slight movements (both positive and negative) depending on the vintage year, with the funds from the last decade generally showing a positive trend.

Looking at DPI numbers for the industry, older funds appear to be holding onto their investments a little longer than investors would like. Median funds over the last decade have yet to return 100% of the capital they have invested (DPI > 1.0x). This is not surprising for more recent vintages but a little unexpected for the older vintages, particularly 2004 and 2005.

Finally, Bison produces a Momentum metric for the industry that allows investors to see year-over-year valuation changes and determine whether their investments are keeping up with their peers. For example, the top 25% of funds from 2009 - 2012 have increased their TVPI multiple by more than 20% from Q1 2013 to Q1 2014.



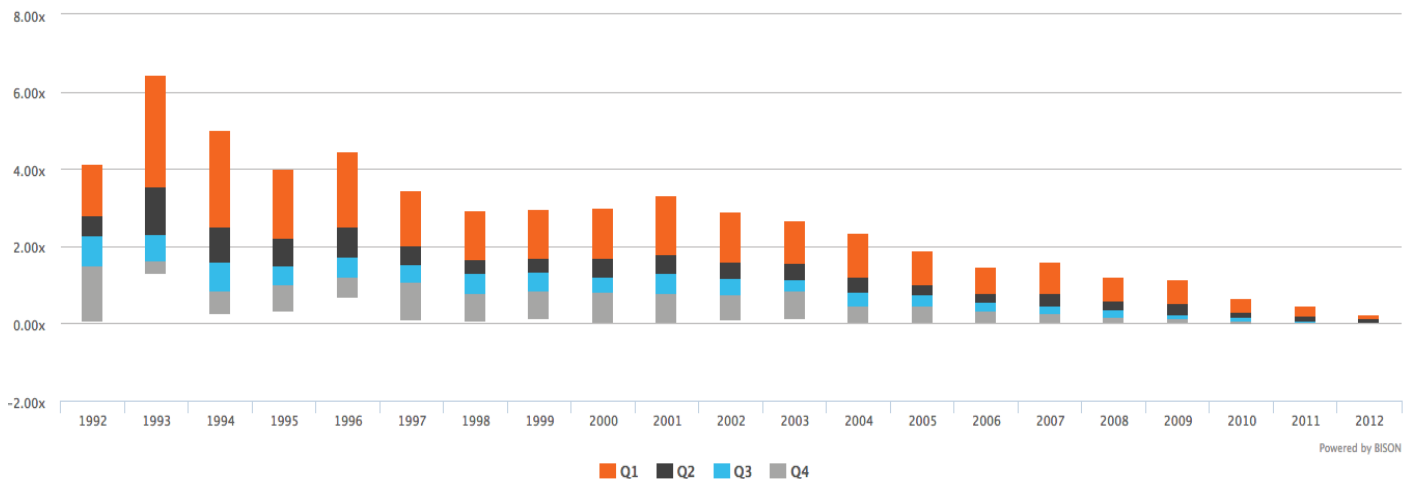
| Year | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Upper Fence | 4.10x | 6.28x | 4.88x | 3.96x | 4.17x | 3.42x | 2.71x | 3.35x | 2.90x | 3.03x | 3.04x | 2.83x | 2.56x | 2.10x | 2.13x | 2.25x | 2.00x | 1.91x | 1.82x | 1.57x | 1.42x |
| Q1 | 2.77x | 3.46x | 2.47x | 2.17x | 2.39x | 2.00x | 1.63x | 1.86x | 1.79x | 1.88x | 1.88x | 1.94x | 1.75x | 1.53x | 1.53x | 1.58x | 1.48x | 1.46x | 1.40x | 1.26x | 1.15x |
| Q2 | 2.31x | 2.21x | 1.59x | 1.46x | 1.68x | 1.53x | 1.34x | 1.41x | 1.41x | 1.52x | 1.51x | 1.53x | 1.43x | 1.35x | 1.34x | 1.36x | 1.30x | 1.31x | 1.24x | 1.15x | 1.05x |
| Q3 | 1.45x | 1.59x | 0.87x | 0.98x | 1.20x | 1.06x | 0.91x | 0.87x | 1.06x | 1.12x | 1.10x | 1.35x | 1.22x | 1.15x | 1.14x | 1.13x | 1.13x | 1.16x | 1.12x | 1.05x | 0.96x |
| Lower Fence | 0.04x | 1.25x | 0.42x | 0.30x | 0.64x | 0.05x | 0.07x | 0.11x | 0.09x | 0.00x | 0.12x | 0.46x | 0.41x | 0.58x | 0.55x | 0.46x | 0.61x | 0.71x | 0.69x | 0.74x | 0.69x |
| Funds | 18 | 30 | 26 | 33 | 47 | 51 | 78 | 93 | 148 | 105 | 83 | 76 | 111 | 171 | 205 | 256 | 254 | 104 | 129 | 153 | 154 |
| Commitments | 20 | 38 | 30 | 49 | 64 | 85 | 145 | 173 | 314 | 211 | 155 | 146 | 203 | 411 | 532 | 659 | 509 | 260 | 300 | 278 | 347 |

Exhibit 1: Global All Private Equity TVPI Benchmark



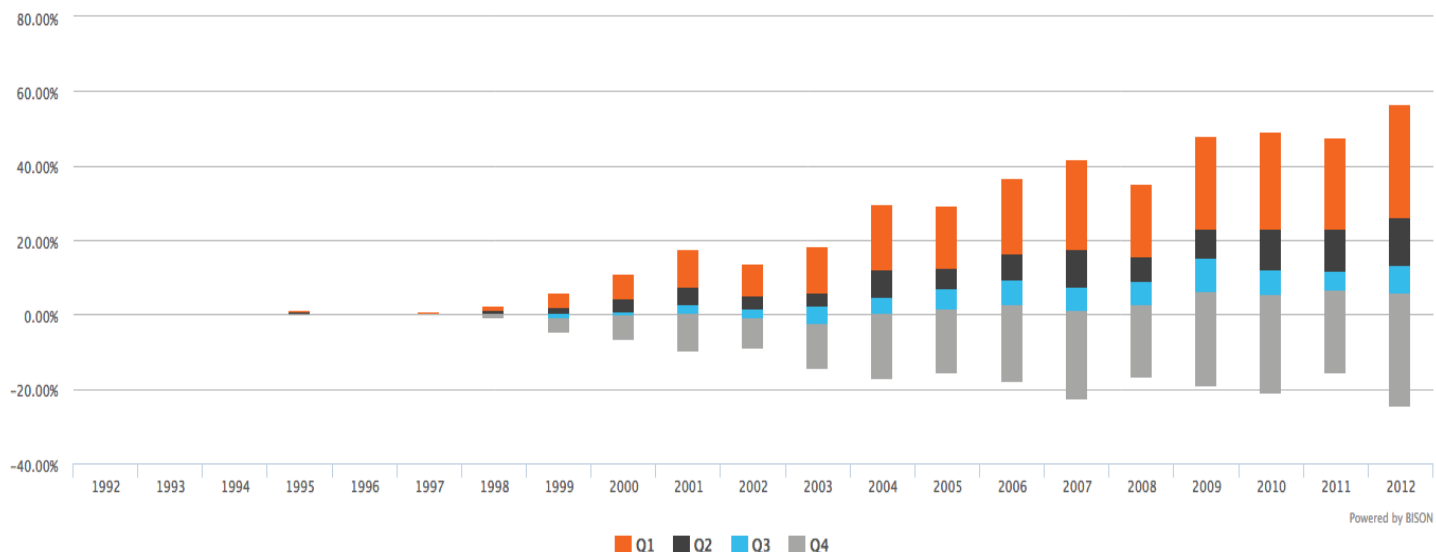
| Year | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-------------|---------|--------|---------|---------|--------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|---------|---------|--------|--------|---------|---------|
| Upper Fence | 59.65% | 79.36% | 63.89% | 56.69% | 65.56% | 47.16% | 35.14% | 36.71% | 41.49% | 51.85% | 42.35% | 33.72% | 24.38% | 22.27% | 22.37% | 32.93% | 32.25% | 32.86% | 34.04% | 34.80% | 36.45% |
| Q1 | 28.68% | 39.88% | 23.09% | 21.78% | 27.60% | 19.90% | 13.77% | 13.82% | 17.29% | 22.44% | 18.01% | 16.86% | 12.09% | 10.93% | 10.91% | 15.28% | 15.94% | 17.99% | 17.95% | 16.78% | 13.50% |
| Q2 | 20.17% | 25.04% | 8.20% | 10.43% | 9.54% | 9.96% | 7.96% | 7.77% | 8.08% | 9.56% | 9.90% | 10.44% | 7.87% | 7.18% | 7.47% | 9.65% | 9.59% | 12.60% | 11.58% | 11.20% | 7.79% |
| Q3 | 8.03% | 13.56% | -4.11% | -1.49% | 2.30% | 1.72% | -0.48% | -1.44% | 1.15% | 2.83% | 1.78% | 5.63% | 3.90% | 3.37% | 3.26% | 3.51% | 5.07% | 8.08% | 7.22% | 4.78% | -1.80% |
| Lower Fence | -22.94% | 5.66% | -22.56% | -15.27% | -6.34% | -25.54% | -21.85% | -24.34% | -23.05% | -26.59% | -15.40% | -11.23% | -8.39% | -7.97% | -8.20% | -14.14% | -11.24% | -6.80% | -8.87% | -13.24% | -24.75% |
| Funds | 16 | 29 | 20 | 30 | 44 | 44 | 69 | 86 | 136 | 96 | 76 | 72 | 103 | 157 | 192 | 247 | 241 | 91 | 114 | 131 | 117 |
| Commitments | 19 | 38 | 23 | 43 | 61 | 71 | 111 | 148 | 270 | 171 | 133 | 134 | 189 | 354 | 470 | 605 | 464 | 221 | 249 | 211 | 214 |

Exhibit 2: Global All Private Equity IRR Benchmark



| Year | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|--------|--------|--------|--------|
| Upper Fence | 4.10x | 6.39x | 4.96x | 3.96x | 4.41x | 3.40x | 2.90x | 2.91x | 2.95x | 3.29x | 2.84x | 2.63x | 2.29x | 1.85x | 1.43x | 1.55x | 1.18x | 1.10x | 0.61x | 0.43x | 0.20x |
| Q1 | 2.77x | 3.51x | 2.47x | 2.17x | 2.47x | 1.99x | 1.61x | 1.65x | 1.64x | 1.75x | 1.56x | 1.54x | 1.17x | 0.98x | 0.75x | 0.75x | 0.55x | 0.49x | 0.26x | 0.17x | 0.08x |
| Q2 | 2.27x | 2.29x | 1.58x | 1.46x | 1.71x | 1.51x | 1.28x | 1.32x | 1.19x | 1.26x | 1.14x | 1.12x | 0.78x | 0.72x | 0.54x | 0.43x | 0.33x | 0.22x | 0.13x | 0.04x | 0.01x |
| Q3 | 1.45x | 1.60x | 0.82x | 0.98x | 1.18x | 1.05x | 0.74x | 0.81x | 0.77x | 0.73x | 0.70x | 0.81x | 0.43x | 0.40x | 0.29x | 0.22x | 0.13x | 0.08x | 0.03x | 0.00x | 0.00x |
| Lower Fence | 0.04x | 1.25x | 0.24x | 0.30x | 0.64x | 0.06x | 0.02x | 0.11x | 0.00x | 0.00x | 0.07x | 0.10x | 0.00x | -0.00x | 0.00x | 0.00x | 0.00x | -0.00x | -0.02x | -0.00x | -0.00x |
| Funds | 18 | 31 | 26 | 33 | 48 | 51 | 80 | 95 | 150 | 103 | 85 | 78 | 115 | 176 | 207 | 257 | 257 | 106 | 129 | 155 | 156 |
| Commitments | 21 | 41 | 30 | 51 | 68 | 89 | 154 | 180 | 332 | 213 | 158 | 156 | 223 | 435 | 554 | 675 | 520 | 265 | 307 | 287 | 355 |

Exhibit 3: Global All Private Equity DPI Benchmark



| Year | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-------------|--------|-------|--------|--------|--------|--------|--------|--------|--------|---------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Upper Fence | 0.03% | 0.00% | 0.02% | 0.81% | 0.11% | 0.28% | 1.93% | 5.57% | 10.30% | 17.21% | 13.02% | 17.82% | 29.34% | 28.95% | 36.14% | 41.05% | 34.71% | 47.42% | 48.82% | 47.04% | 56.06% |
| Q1 | 0.01% | 0.00% | 0.00% | 0.32% | 0.05% | 0.11% | 0.74% | 1.60% | 3.77% | 6.88% | 4.54% | 5.56% | 11.78% | 12.14% | 15.76% | 16.94% | 15.29% | 22.35% | 22.43% | 22.55% | 25.67% |
| Q2 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.23% | 0.62% | 2.37% | 1.26% | 1.97% | 4.50% | 6.69% | 9.11% | 7.13% | 8.59% | 15.00% | 11.80% | 11.57% | 13.00% |
| Q3 | 0.00% | 0.00% | -0.02% | -0.02% | 0.00% | -0.01% | -0.06% | -1.04% | -0.58% | -0.00% | -1.12% | -2.61% | 0.07% | 0.94% | 2.18% | 0.87% | 2.34% | 5.64% | 4.83% | 6.22% | 5.41% |
| Lower Fence | -0.02% | 0.00% | -0.04% | -0.51% | -0.07% | -0.18% | -1.26% | -5.01% | -7.10% | -10.33% | -9.60% | -14.87% | -17.49% | -15.87% | -18.20% | -23.24% | -17.08% | -19.43% | -21.56% | -16.02% | -24.97% |
| Funds | 18 | 28 | 26 | 27 | 43 | 47 | 67 | 80 | 131 | 91 | 73 | 62 | 97 | 144 | 165 | 212 | 201 | 73 | 100 | 108 | 96 |
| Commitments | 19 | 32 | 30 | 40 | 57 | 78 | 119 | 145 | 253 | 179 | 124 | 115 | 168 | 336 | 425 | 524 | 374 | 190 | 231 | 188 | 214 |

Exhibit 4: Global All Private Equity Momentum Benchmark

Author Bios



Prior to founding Bison, **Mike Nugent** held senior roles at SVG Advisers, LP Capital Advisors and HarbourVest Partners, and has more than \$3B in private market commitments to his credit. Mike started his career in the public markets with the NASDAQ Stock Market, and also gained significant operating experience while running operations for a textiles manufacturer. He received his MBA from Boston College, and his BA from St. Bonaventure University. Mike lives on the North Shore of Massachusetts with his wife and two sons.



Mike Roth is the Research Manager at Bison and oversees the data collection and content production. Before Bison, Mike spent six years on the investment team at SVG Advisers. There, he conducted research and due diligence on buyout and venture capital funds in the Americas. Mike received his BA in Economics from Boston College and is a CFA Level III candidate.