ACA Member Groups
2015 Demographics
INVESTORS PER ANGEL GROUP IS UP

- Size of group membership has increased over time – average in 2012 was 52
- Largest 20% of groups account for 49% of ACA member angel investors

Average = 68
Median = 50

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
ANGELS PREFER SEED & EARLY STAGE DEALS

- Business stage preference has been relatively steady since 2008

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
GROUPS VARY IN DEAL ACTIVITY

Number of Investments Per Group in 2014

Average = 10.3
Median = 7.0
Highest = 61

Deals per group

Source: ACA Member Group Survey, March 2015 - 103 groups reporting
GROUPS VARY BY AMOUNT INVESTED

Total Investment Dollars Per Group in 2014

- **Less than $500,000**
- **$500K to $1M**
- **$1M to $2M**
- **$2M to $5M**
- **$5M to $10M**
- **More than $10M**

- **Average = $2.46M**
- **Median = $1.24M**
- **Highest = $16.34M**

- Averages are similar to 2013

Source: ACA Member Group Survey, March 2015 - 103 groups reporting
PORTFOLIO COMPANIES CREATE JOBS

Number of Employees One Year After ACA Member Investment

<table>
<thead>
<tr>
<th>Employees per firm</th>
<th>% of Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 to 5</td>
<td>15%</td>
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<tr>
<td>6 to 10</td>
<td>20%</td>
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<tr>
<td>11 to 20</td>
<td>25%</td>
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<tr>
<td>21 to 50</td>
<td>30%</td>
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<tr>
<td>51 to 100</td>
<td>10%</td>
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<tr>
<td>100 plus</td>
<td>5%</td>
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</tbody>
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Average = 41.4
Median = 17.5

Source: ACA Research, March 2015 – 167 companies
EXIT ACTIVITY IS HEATING UP

- 30% of ACA angel groups had a positive exit in 2014
- Two groups had 5 exits each
- Examples:
  - RideScout – 6.5X
  - Boston Heart Diagnostics – 8X
  - AIRSIS – 6X
  - WebPT – 10X
  - Sensima – 95% annualized return

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
BIG EVOLUTION: WHERE GROUPS INVEST

In what geography does your group prefer to invest?

- In 2008, 63% preferred closer to home
- In 2015, 54% invest in region or have no geography restrictions

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
DIVERSITY IS INCREASING... WE MUST DO MORE!

- Supporting women entrepreneurs
- Focused on Veteran-owned businesses
- Minority-focused investing
- Under 30 angel investors
- Number of angels that are women is increasing

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
GROUPS INTERESTED IN MANY INDUSTRIES

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
ACA GROUPS BY INVESTMENT STRUCTURE

Fund 16%
Network 63%
Network with Sidecar 12%
Other 9%

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
ANGEL FUNDS BY DOLLAR SIZE

Source: ACA Member Group Survey, March 2015 - 31 groups reporting

- Less than $2,000,000: 20%
- $2,000,001 to $4,000,000: 30%
- $4,000,001 to $6,000,000: 20%
- $6,000,001 to $8,000,000: 15%
- Greater than $8,000,000: 5%

Average: $7.1M
Median: $5.3M
2015 ANGEL GROUP MEMBER DUES

Source: ACA Member Group Survey, March 2015 - 80 groups reporting

Average: $1,450
Median: $1,500

0% 5% 10% 15% 20% 25% 30%

$0-$500 $501-$1000 $1001-$1500 $1501-$2000 $2001+

Source: ACA Member Group Survey, March 2015 - 80 groups reporting
OPTIMISM FOR INVESTING IN 2015

- 59%: Deals and investments will both increase
- 19%: Deals and investments will remain constant
- 9%: Deals will decrease but investments will increase
- 2%: Deals will increase but investments will decrease
- 11%: Deals and investments will both decrease

Source: ACA Member Group Survey, March 2015 - 106 groups reporting
2015 DEAL SYNDICATION PROSPECTS

Do you plan to increase syndication activities in 2015?

- 55%: No, our current mix of syndicated and non-syndicated deals is right for us
- 21%: We already syndicate all of our deals and are not interested in online platforms
- 16%: Yes, we will syndicate more including using online platforms
- 8%: Yes, we will syndicate more with groups and other investors

Source: ACA Member Group Survey, March 2015 - 106 groups reporting