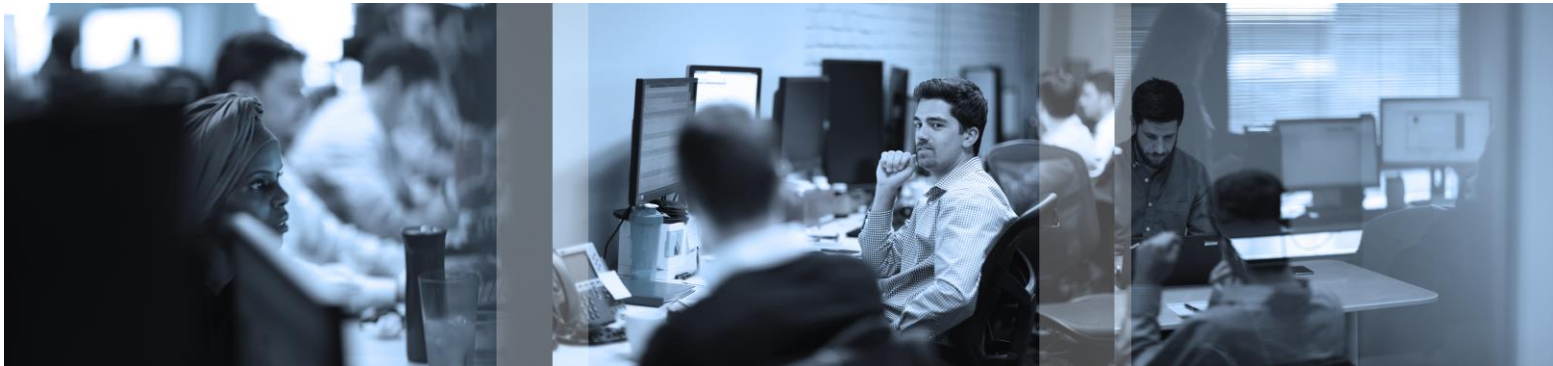




ANGEL RESOURCE INSTITUTE

Presents the

HALO Report™



Angel Group Update: 2014

Table of Contents

Q2 2014 Highlights p. 3

National Trends p. 5

Most Active Angels p.11

Regional Trends p.13

Sector Trends p.18

About the Halo Report p.21

2014 Highlights



Angel Group Update: Halo Report 2014

Highlights

- Angel only round sizes jump in 2014.
Mean up 60%, median up 40%.
- Median pre-money valuation increases to \$3.0M,
Highest in the HALO Report, up 20% from 2013.
- TX and NY boast multiple angel groups on the list
of most active for 2014.
- Great Lakes does the largest share of angel dollars
(17.2%) in 2014, just past California (17%).
- Internet sector down nearly 20% from 2013,
as a % of total U.S. deals.

Most Active Angel Groups

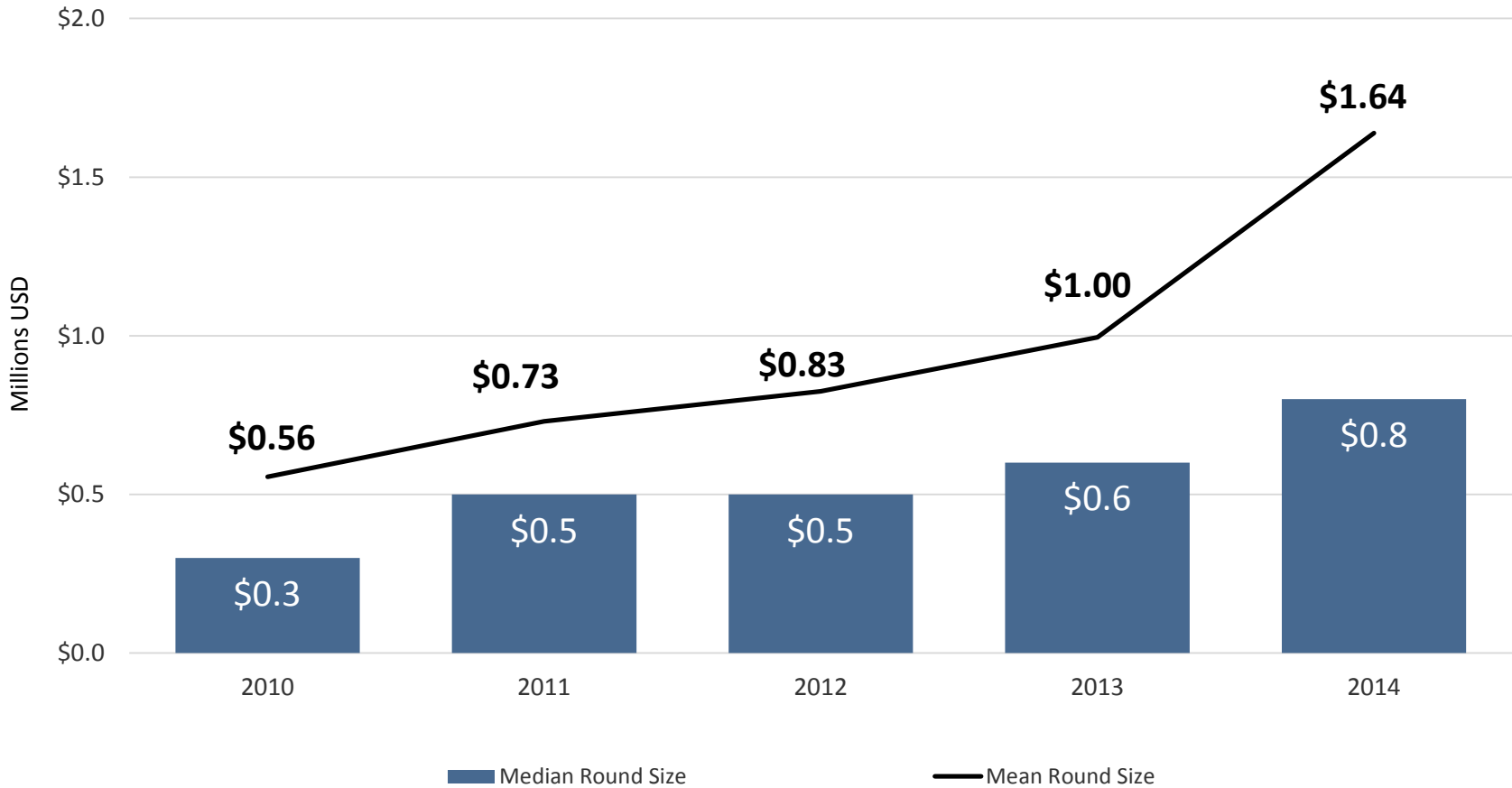
Total Deals 2014 (descending order)

- Houston Angel Network
- Tech Coast Angels
- Desert Angels
- Launchpad Venture Group
- New York Angels
- Golden Seeds
- Central Texas Angel Network
- Maine Angels
- Wisconsin Investment Partners
- Baylor Angel Network
- Atlanta Technology Angels
- Keiretsu Forum

National Trends

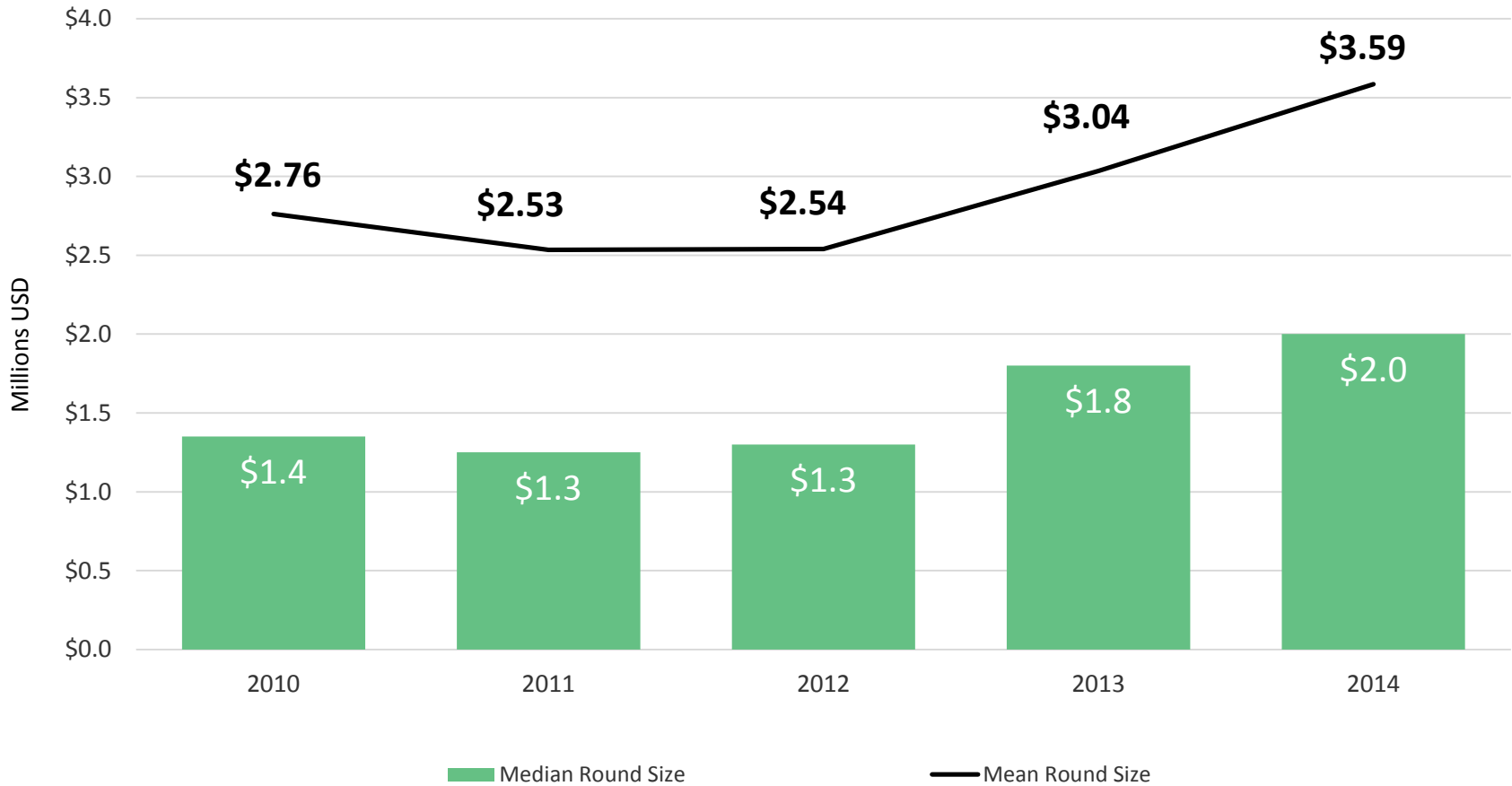
Median and Mean Round Sizes – Angels Only

2014 Sees Both Mean & Median Angel Round Size Increase Significantly



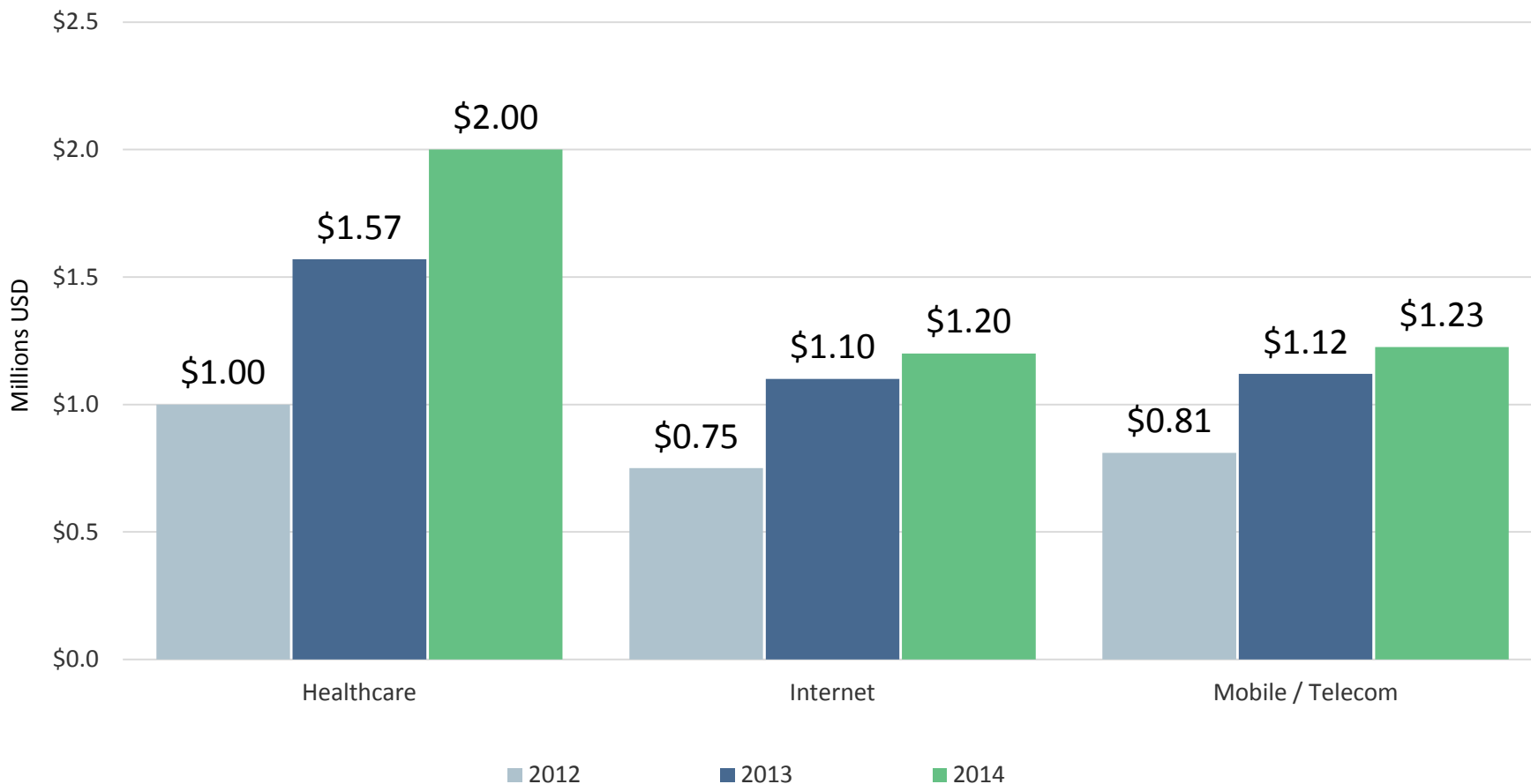
Median and Mean Round Sizes – Angel Co-Investments

Rounds Also Trending Up When Angel Groups Co-Invest With Non-Angels



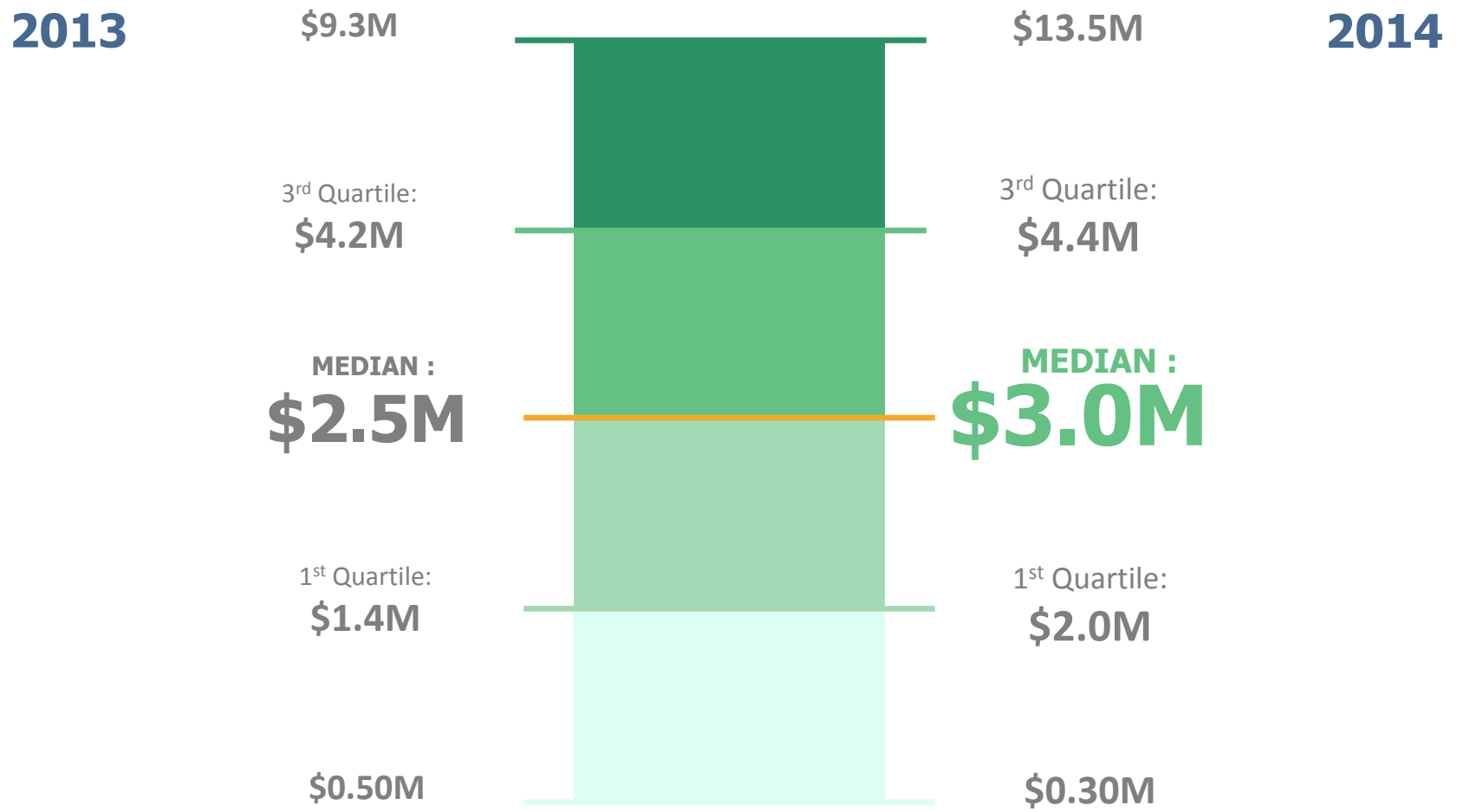
Median Round Sizes Up Across Industries

Deal Size Up Across The Board, Healthcare Deals Show Largest Increase



Median Seed Stage Pre-Money Valuation

Median Valuation Up 20% From 2013, Highest Ever Top Valuation In HALO



Active Angel Groups

Most Active Angel Groups 2014 – Total Deals (Alpha Order)



Austin, TX

Tucson, AZ

Waco, TX



New York, NY



Houston, TX



Washington, DC



Boston, MA



Portland, ME



New York, NY



Southern CA

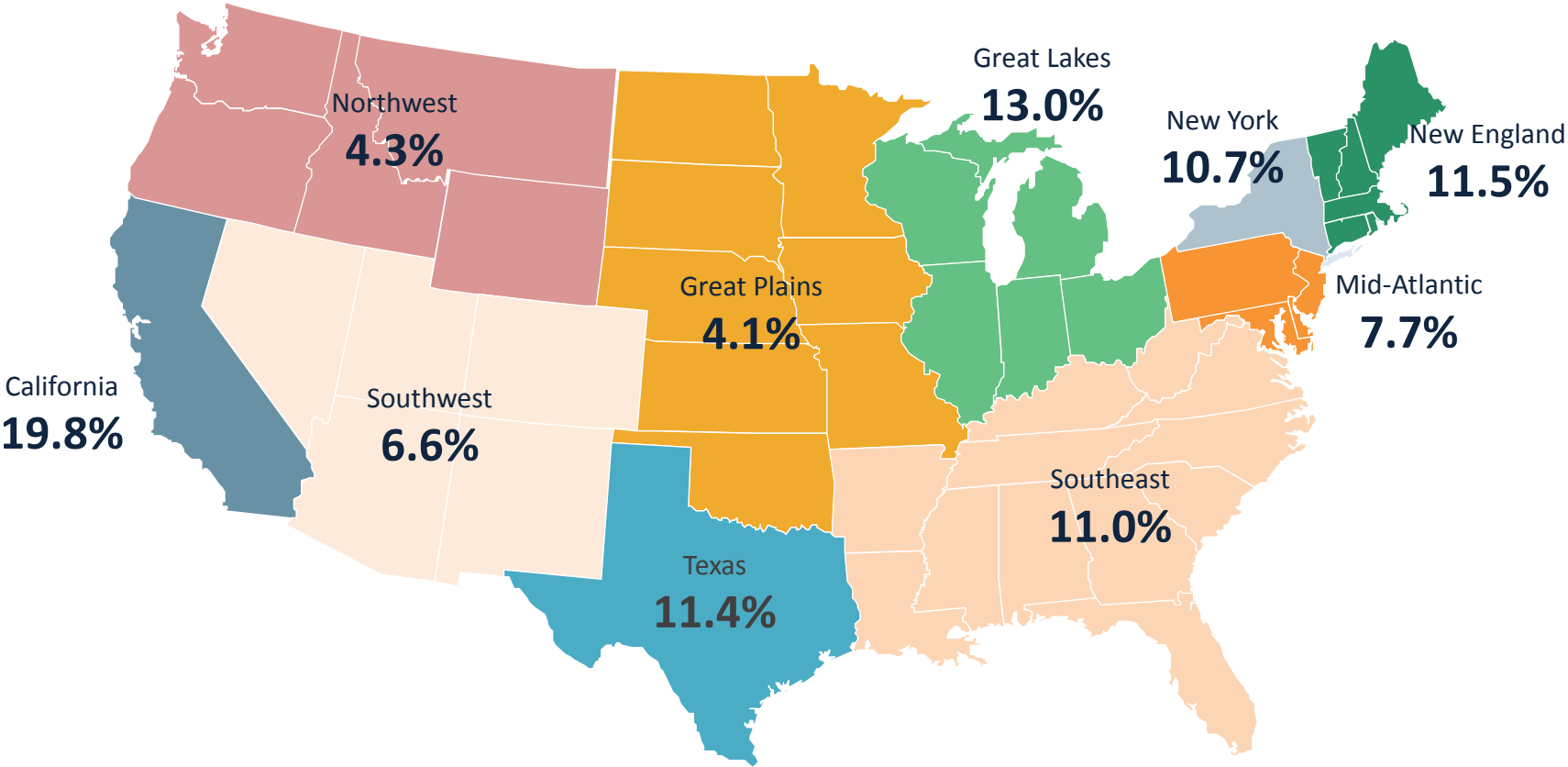


Wisconsin Investment Partners
Madison, WI



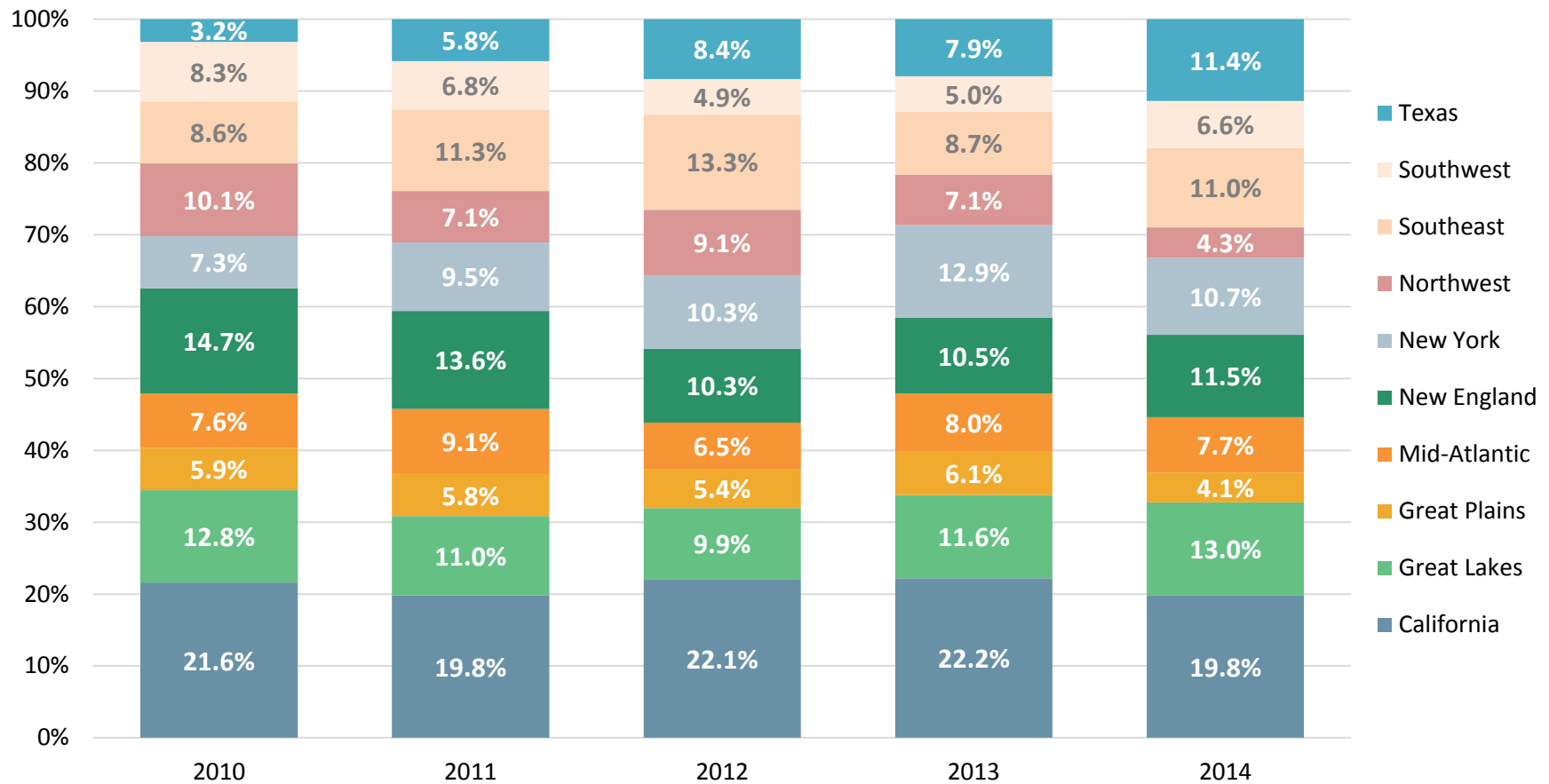
Regional Trends

2014 Share of Angel Group Deals by Region

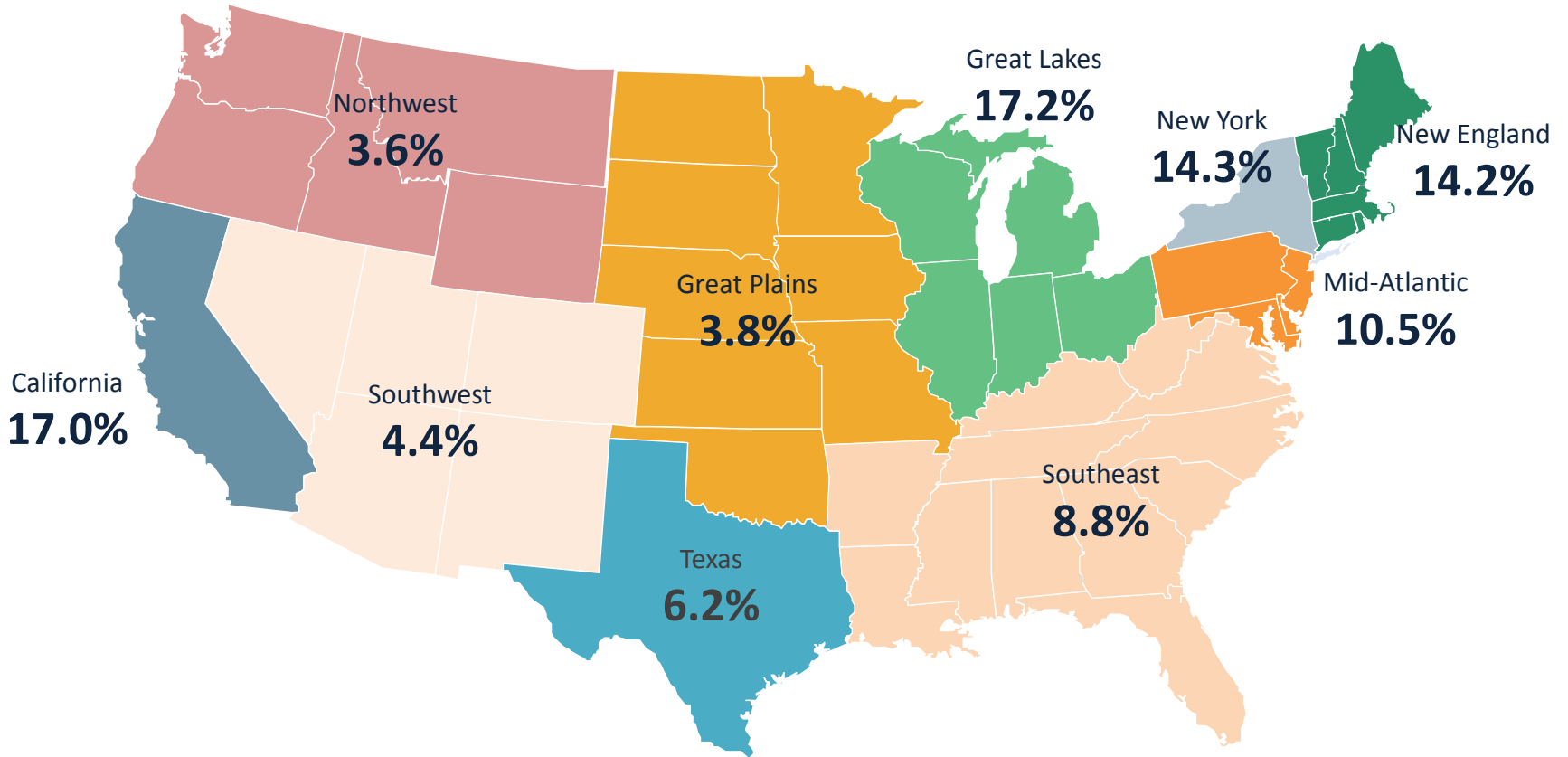


Yearly Share of Angel Group Deals by Region

Texas Gains 3.5% Share of Deals From 2013, Topping 11%

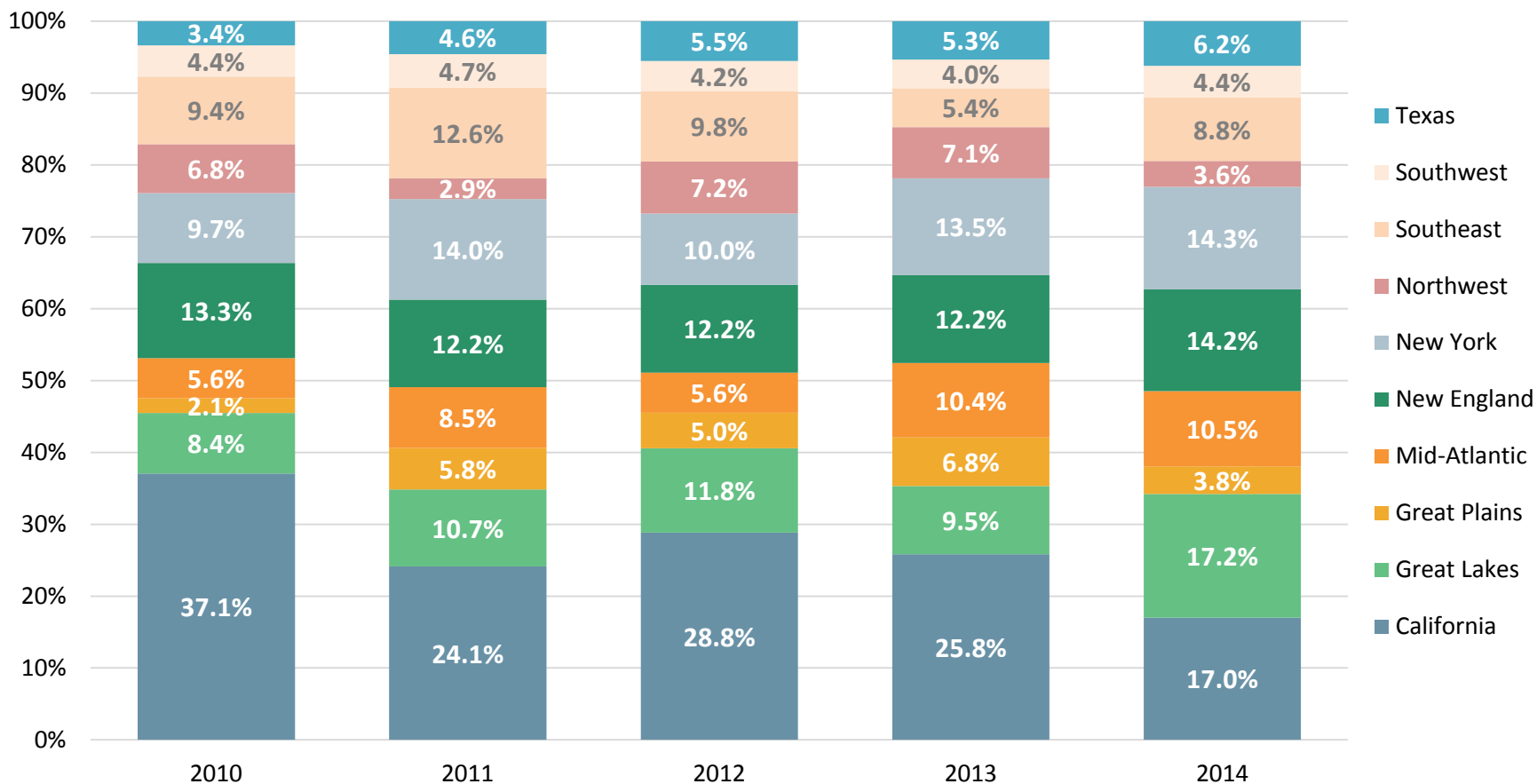


2014 Share of Angel Group Dollars by Region



Yearly Share of Angel Group Dollars by Region

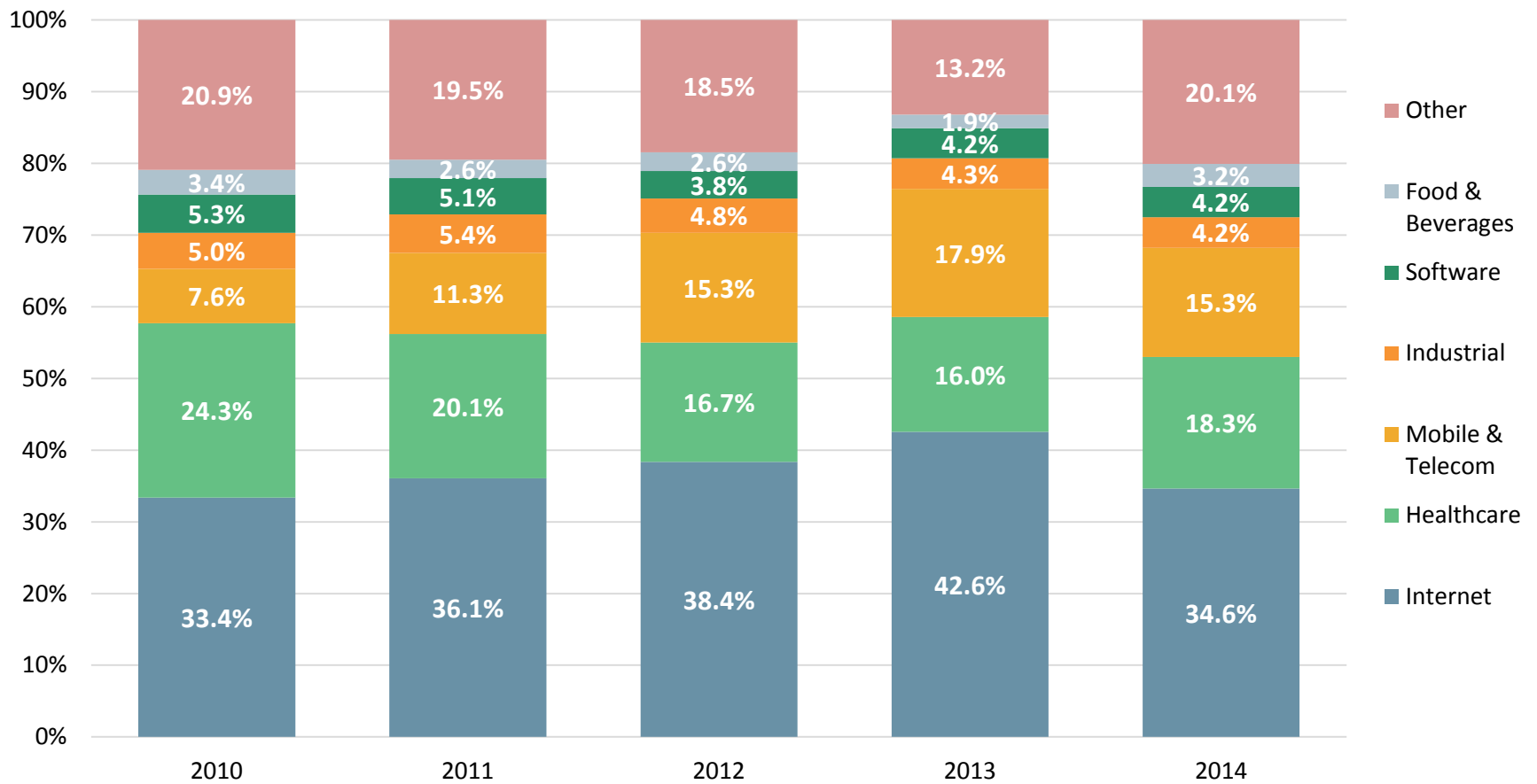
Great Lakes Region Led 2014 With 9 Deals of \$10M or Above



Sector Trends

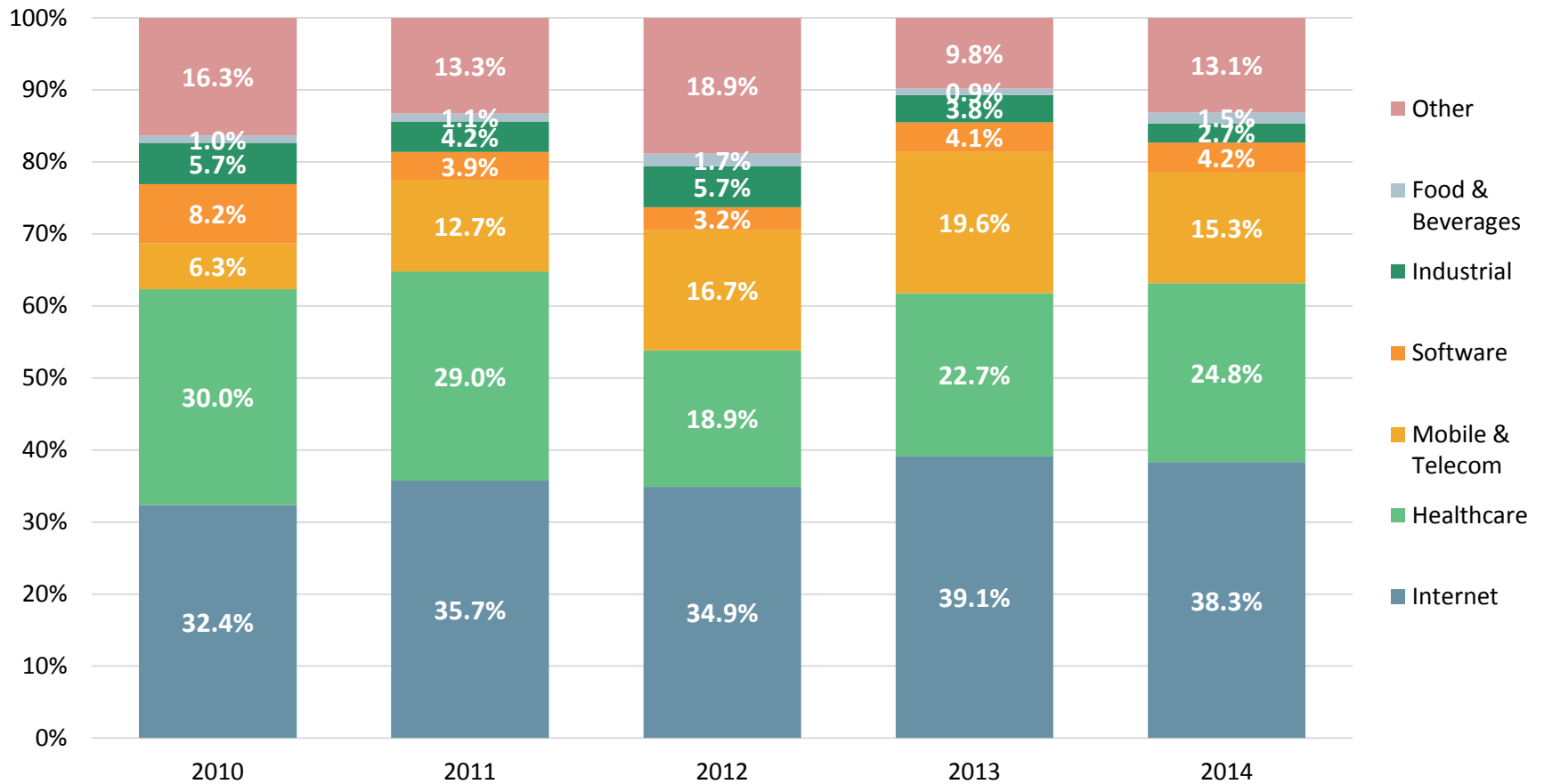
Yearly Share of Angel Group Deals by Sector

Internet, Healthcare, Mobile & Telecom Account for 68% of Deals



Yearly Share of Angel Group Dollars by Sector

Internet & Healthcare Alone Account for 63% of Invested Capital



About the Halo Report™



Understanding the Data: Special Round Types and Industry Sectors

The Halo Report™ provides analysis and trends on US angel and angel group activity.

Angels and angel groups invest alone, together, and with many other types of investors. Unless otherwise noted the Halo Report data includes all rounds that have at least one angel group participating and may include other types of investors in those rounds.

This report discusses angel group investment trends for 2014, which represents a total of 870 deals and \$1.65B in total rounds including co-investors.

A few charts report on an “Angel Round,” a special classification of investment when angel groups invest alone or just with other angels and angel groups.

Unless otherwise noted, values of less than 1% are included, but are not labeled or noted as a change in activity.

Halo Report Industry Sectors

Internet	Industrial	Financial Services
Mobile & Telecom	Automotive & Transportation	Food & Beverages
Software	Business Products & Services	Leisure
Energy & Utilities	Consumer Products & Services	Media
Computer Hardware & Services	Electronics	Metals & Mining
Healthcare	Environmental Services & Equipment	Retail
		Risk & Security

Halo Report Contacts

Angel Resource Institute

Liz Bruning, liz@angelresource.org

The **Angel Resource Institute** (ARI) is a charitable organization devoted to education, mentoring and research in the field of angel investing, a growing driver of our entrepreneurial economy. ARI was founded by the Ewing Marion Kauffman Foundation. The programs of ARI include educational workshops and seminars, research projects and reports, and information about angel investing for the general public. ARI is affiliated with the Angel Capital Association, the professional association of angel groups in North America. More information is available at www.angelresourceinstitute.org

