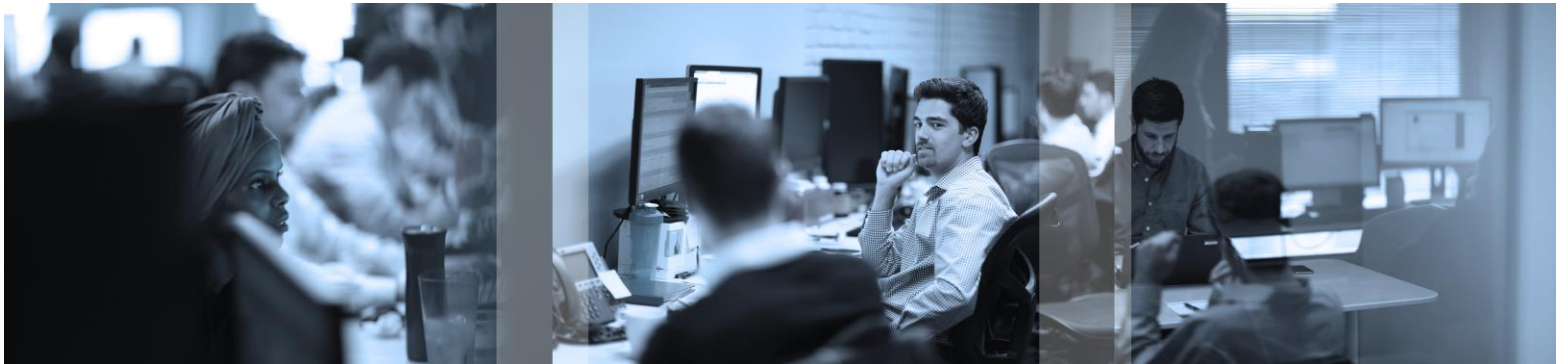


Presents the

 **HALO** Report™



2015 Annual Report

Table of Contents

2015 Highlights, p. 3

National Trends, p.5

Active Angel Groups, p. 9

National Trends, p. 12

Sector Trends, p. 20

About the Halo Report, p. 23

2015 Highlights



Angel Group Update: Halo Report Annual 2015 **HIGHLIGHTS**

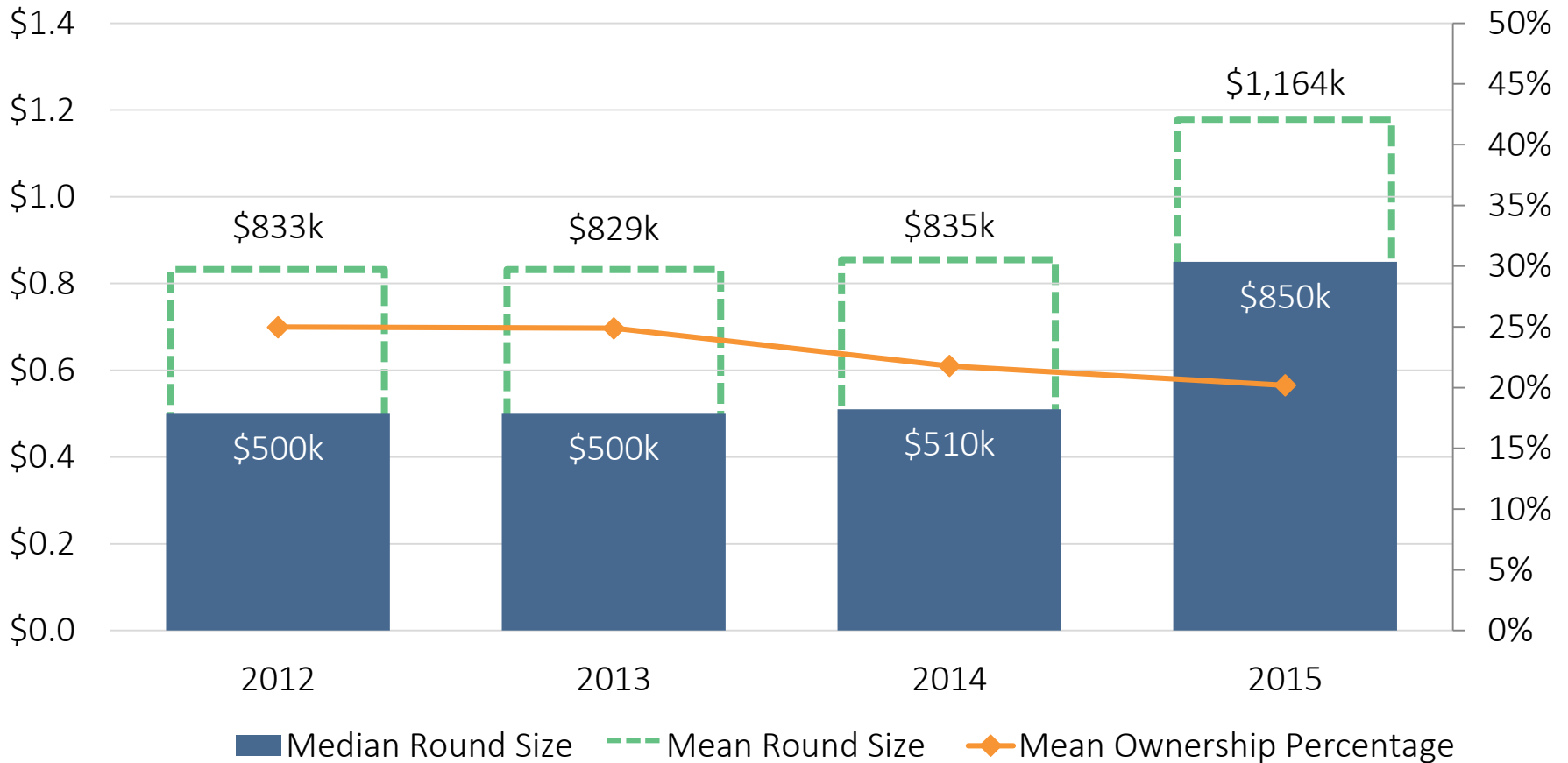
- Pre-money valuation of seed deals reaches \$4.6M, 53% increase from 2014
- Valuation growth and larger round sizes highly related, but percentage ownership after angel rounds remains relatively stable
- New England has doubled share of deals and dollars nationwide in the past year
- Most angel groups invest close to home
 - 75% to 80% of investments take place in within the region of the investors
 - California, New York, and Mid-Atlantic angels most likely to invest out-of-region

National Trends

Median and Mean Round Sizes – Angels Only

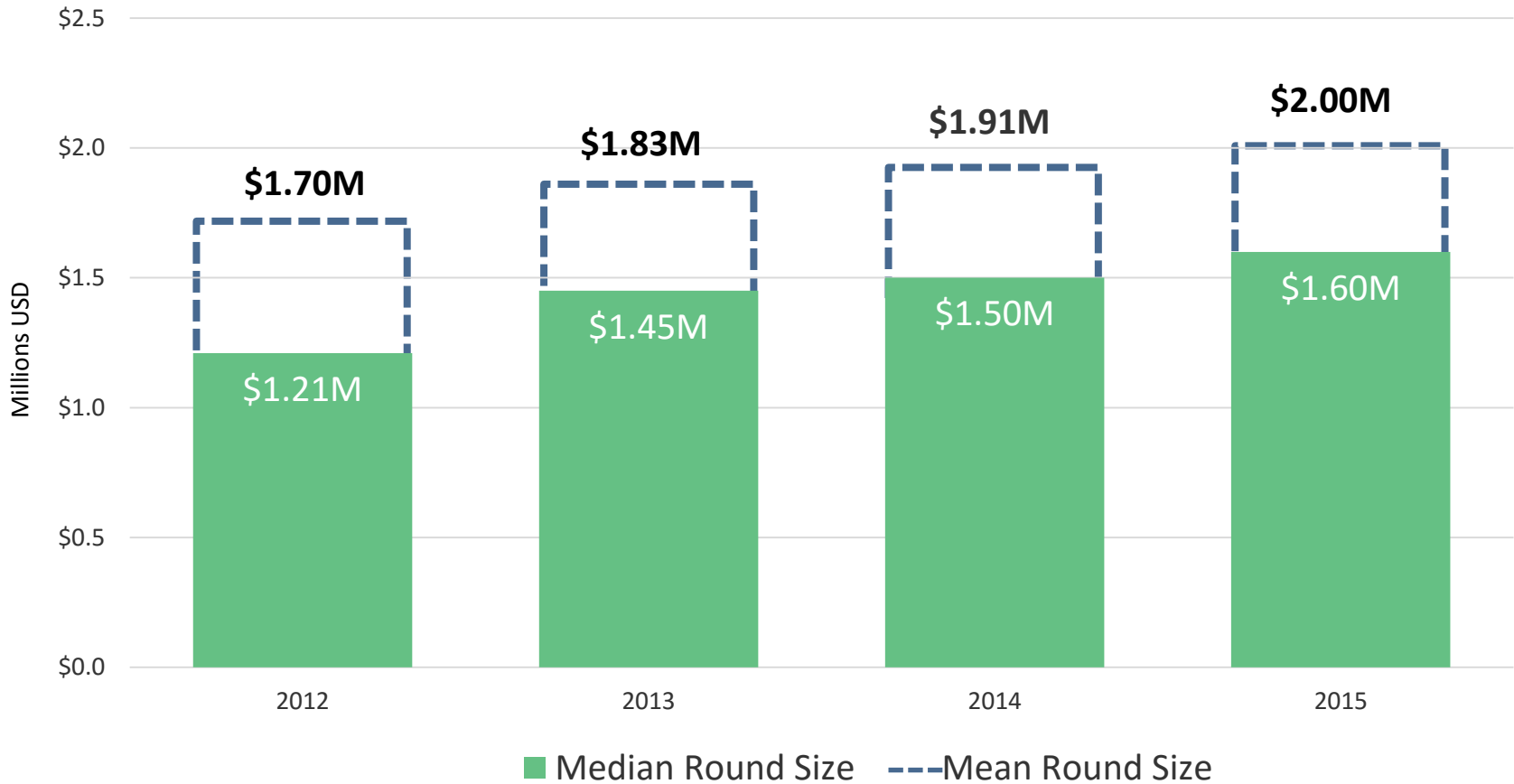
2015 Shows Round Sizes Increasing,

Mean Ownership of Angel round is Relatively Stable 20-25%



Median and Mean Round Sizes – Angel Co-Investments

Round Sizes Trending Up When Angel Groups Co-Invest With Non-Angels



Median Seed Stage Pre-Money Valuation

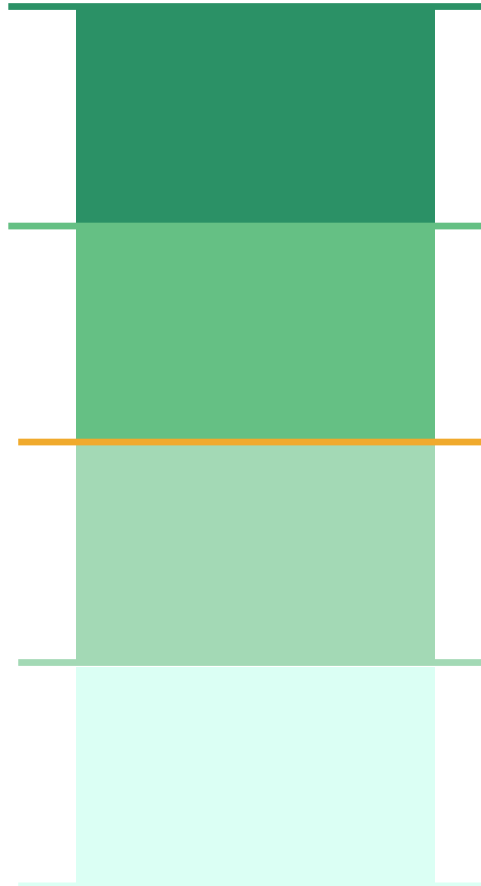
Median Valuation Up 53% From 2014, Highest Valuation in HALO History

2014

\$13.5M
3rd Quartile:
\$4.4M
**MEDIAN :
\$3.0M**

1st Quartile:
\$2.0M

\$0.30M



\$23.5M

2015

3rd Quartile:
\$7.5M
**MEDIAN :
\$4.6M**

1st Quartile:
\$3.1M

\$0.22M

Active Angel Groups



Most Active Angel Groups 2015 – Total Deals



Angel Group Update: Halo Report 2015

Most Active Angel Groups

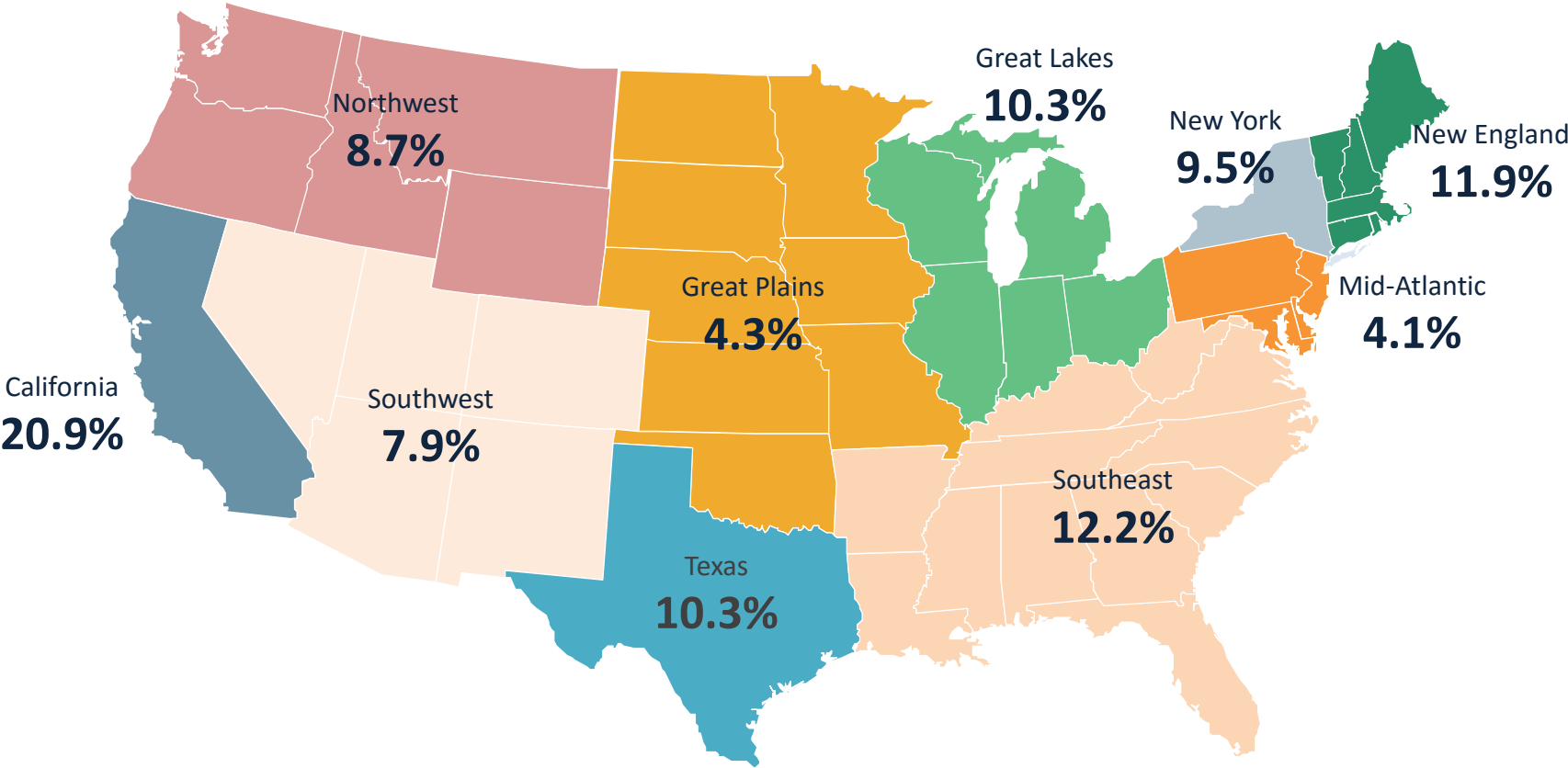
Total Deals 2015 (descending order)

1. Keiretsu Forum¹
2. Tech Coast Angels²
3. Central Texas Angel Network
4. Houston Angel Network
5. Alliance of Angels & New York Angels (tied)
6. Wisconsin Investment Partners
7. Hyde Park Angels & Maine Angels (tied)
8. Desert Angels, Launchpad Venture Group & Sand Hill Angels (tied)

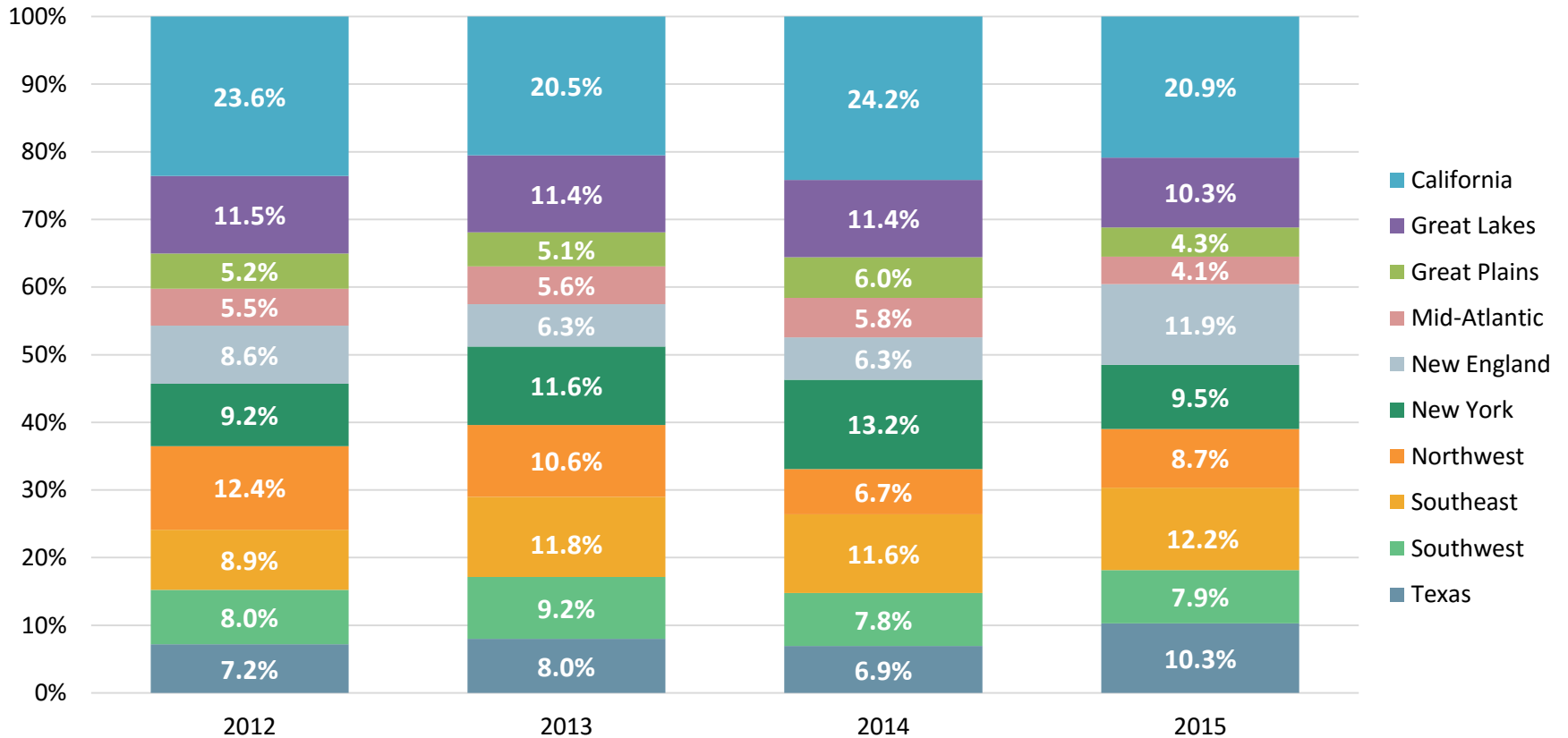
¹ Twenty-two chapters; ² Five chapters

National Trends

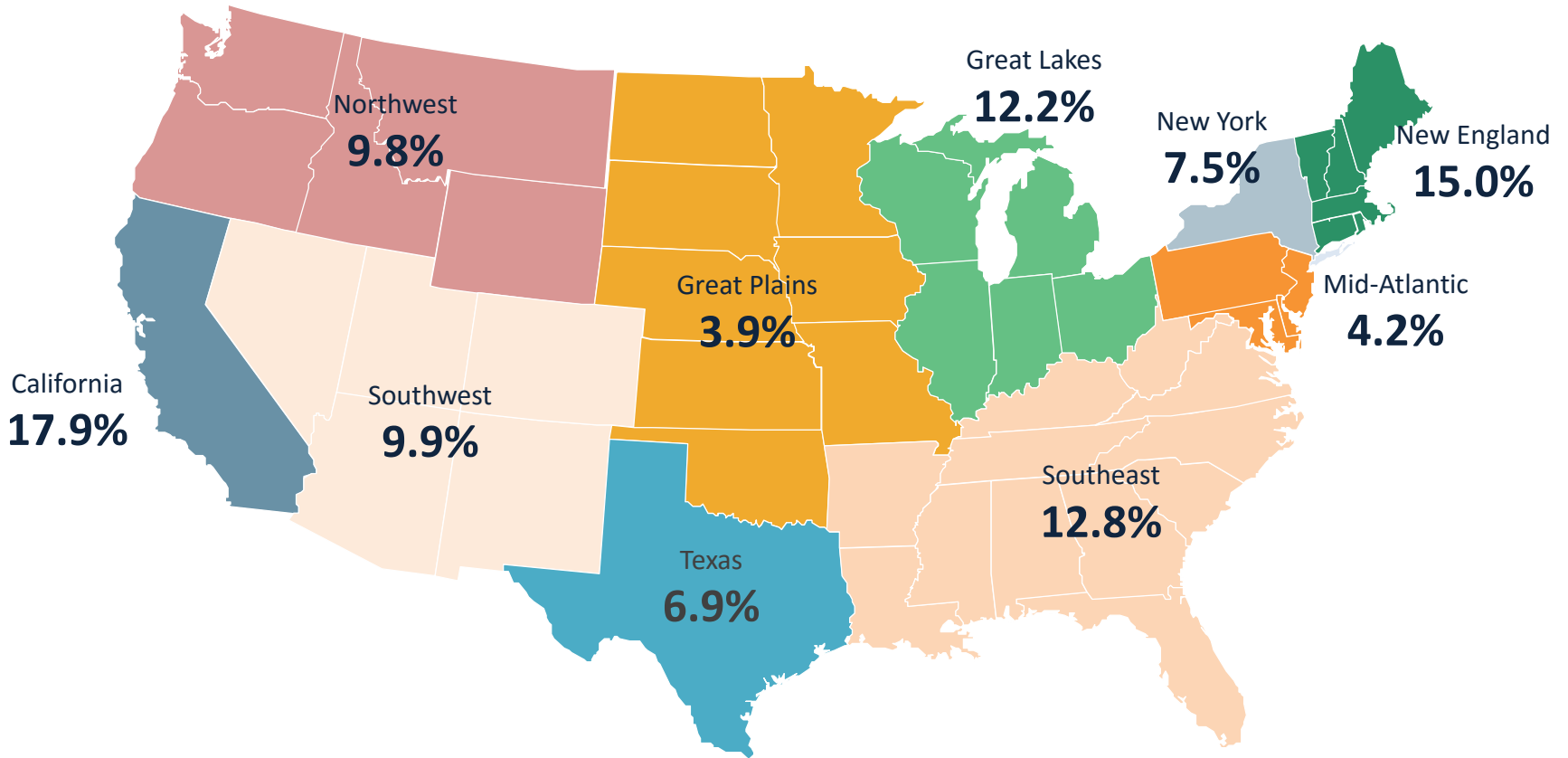
2015 Share of Angel Group Deals by Region



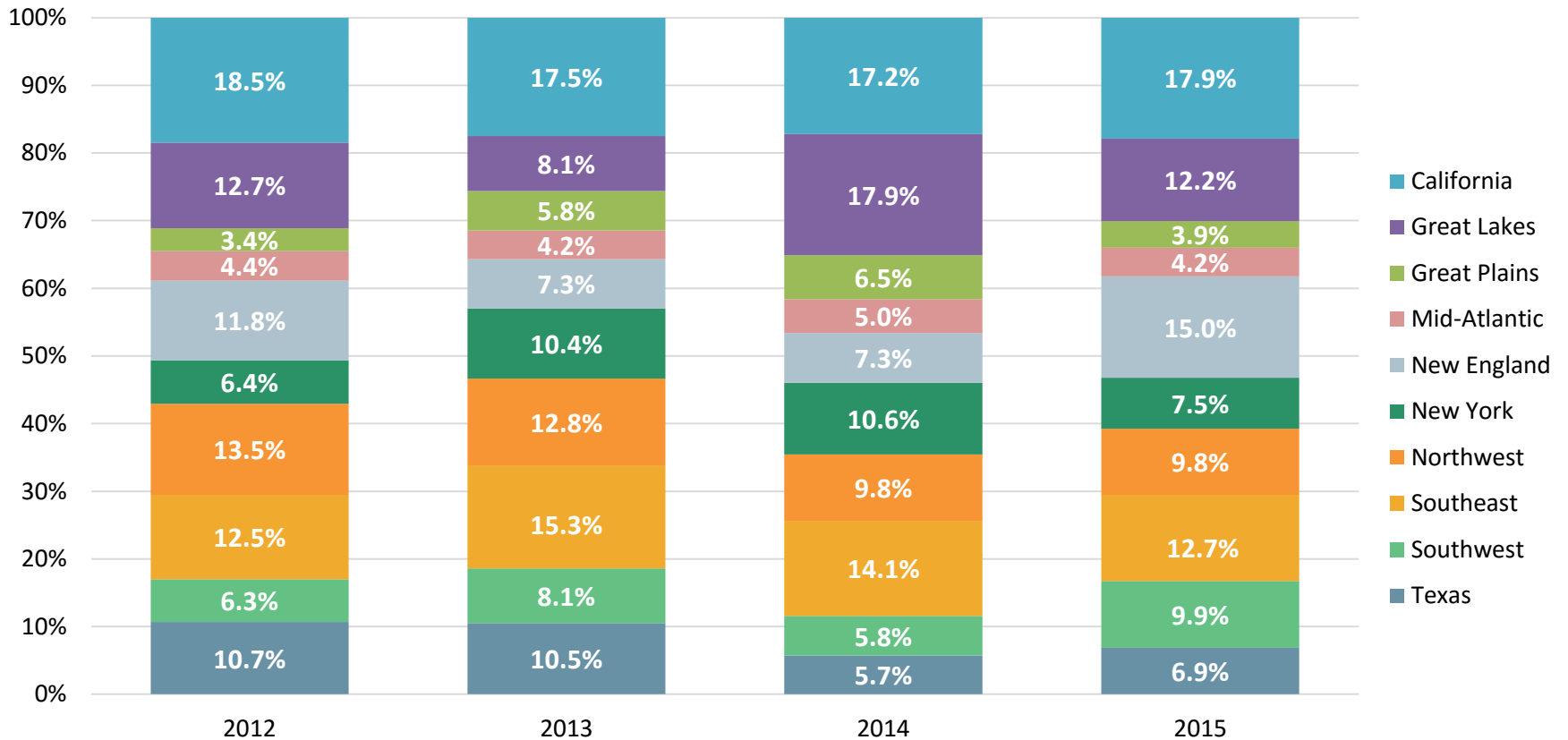
2015 Share of Angel Group Deals by Region



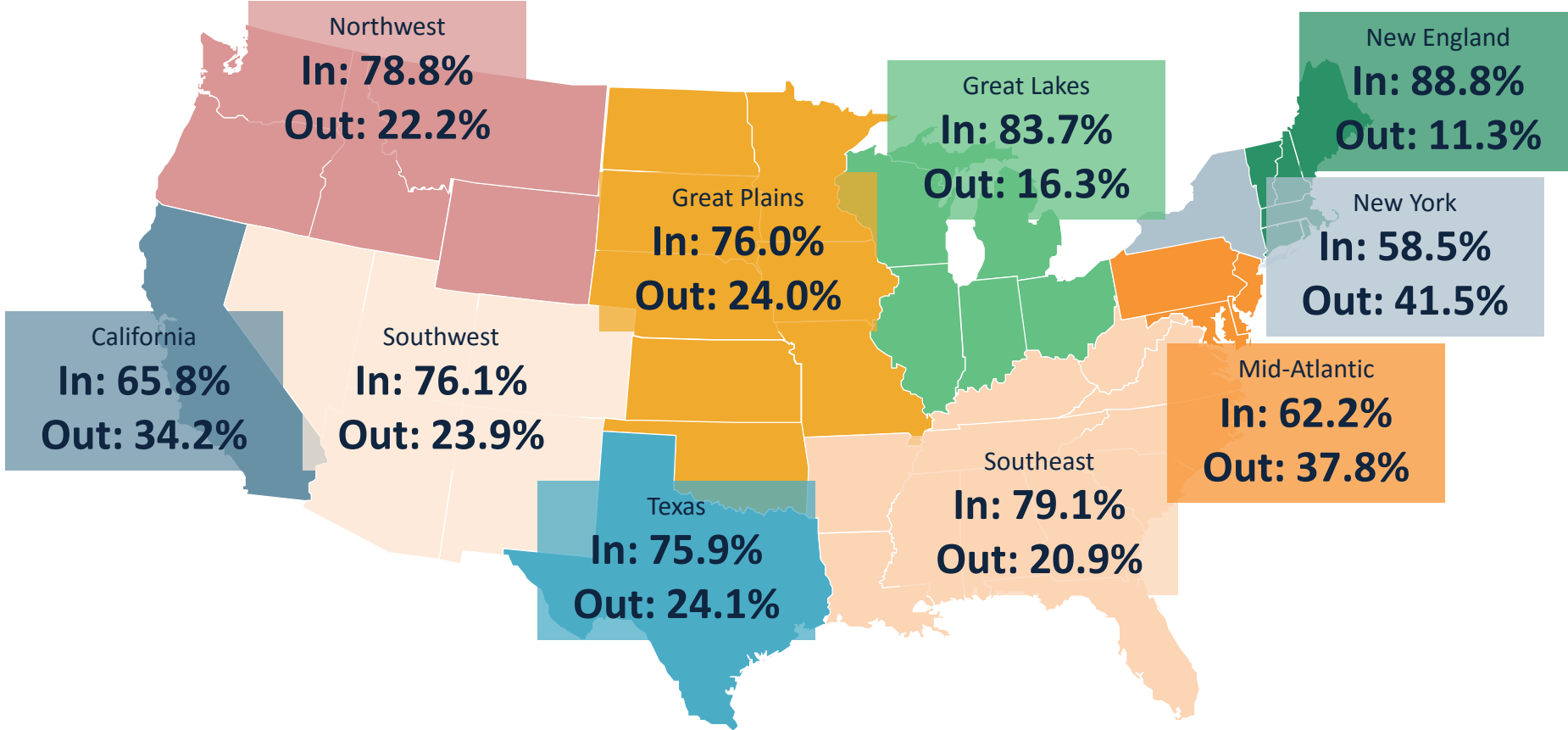
2015 Share of Angel Group Dollars by Region



2015 Share of Angel Group Dollars by Region

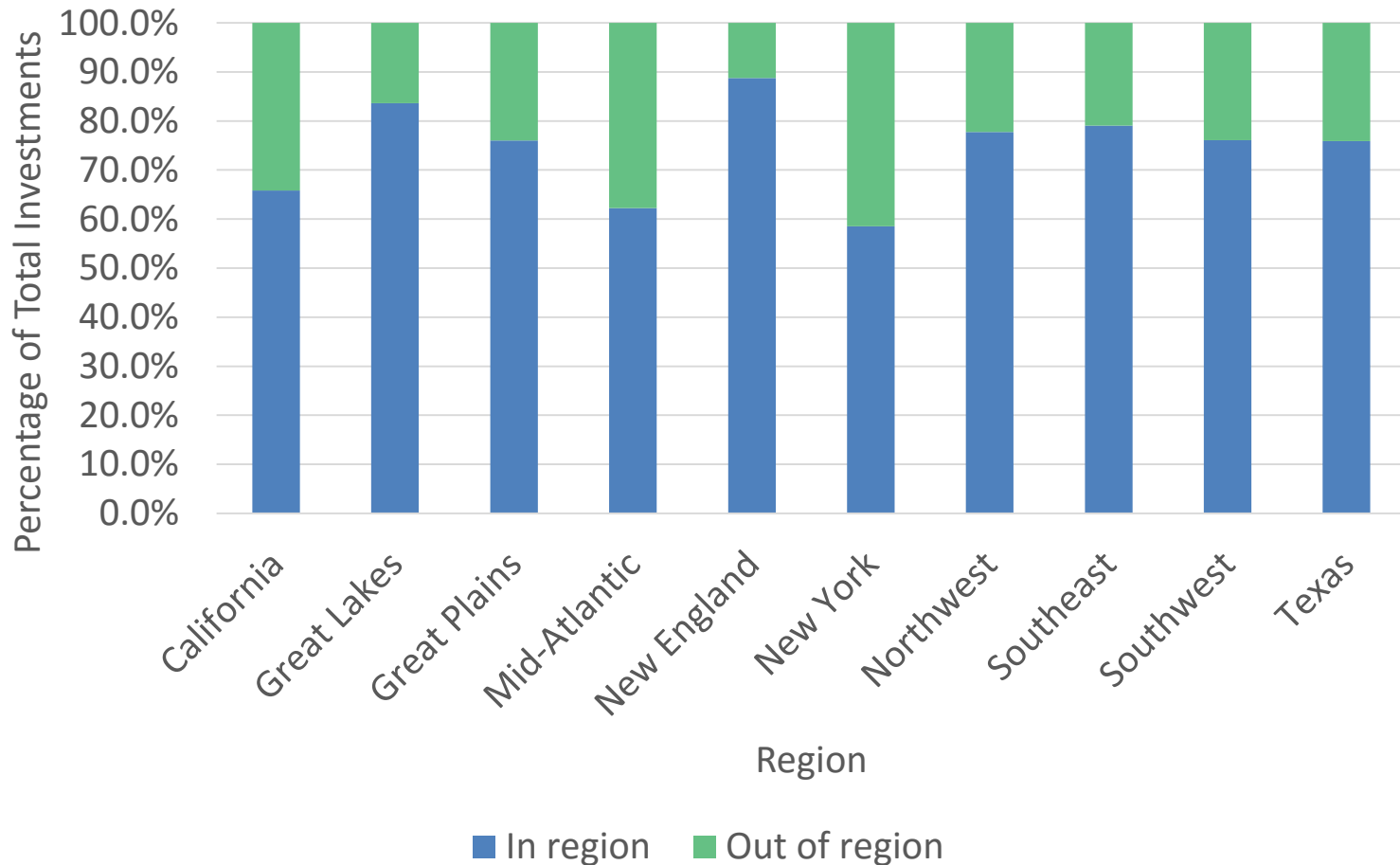


2015 Percentage of Deals in Region vs. Out of Region by Angel Group HQ Region



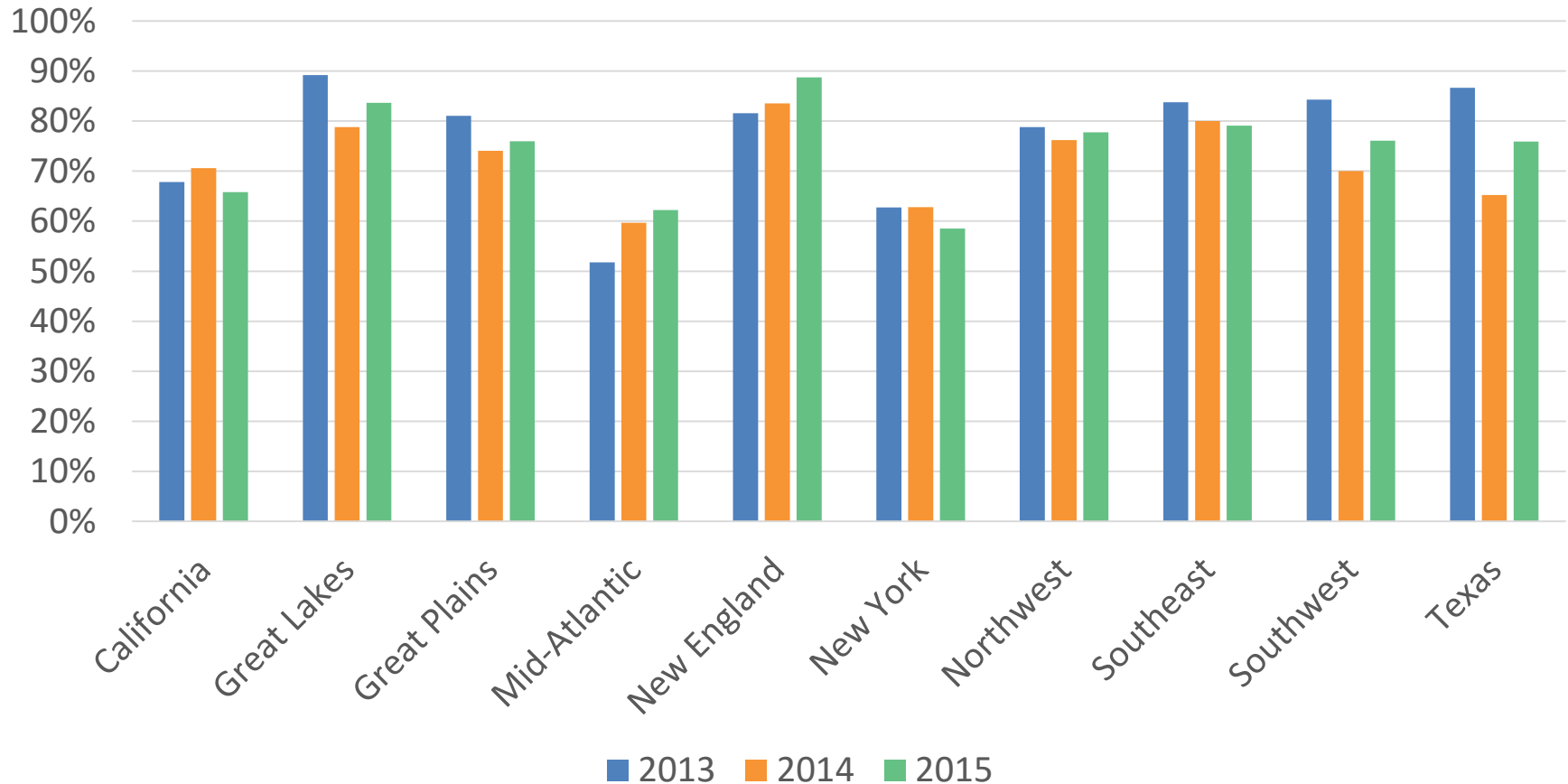
2015 Percentage of Investments in Region vs. Out of Region by Angel Group Region

Approximately 3 out of every 4 investments by angels are within their region



Percentage of Investments Made In-Region by Angel Group Region, 2013-2015

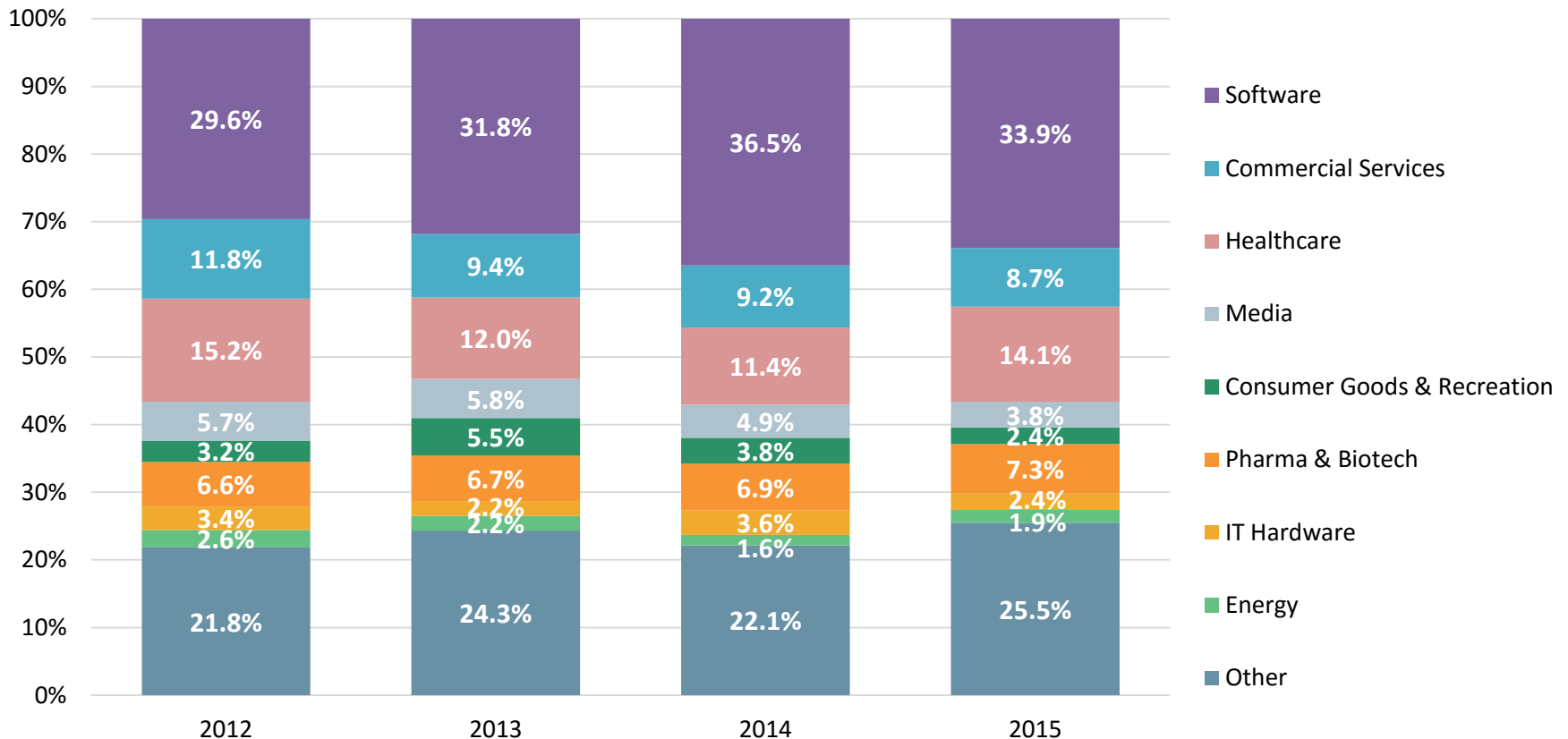
California, Mid-Atlantic, and New York angels invest most frequently outside of region



Sector Trends

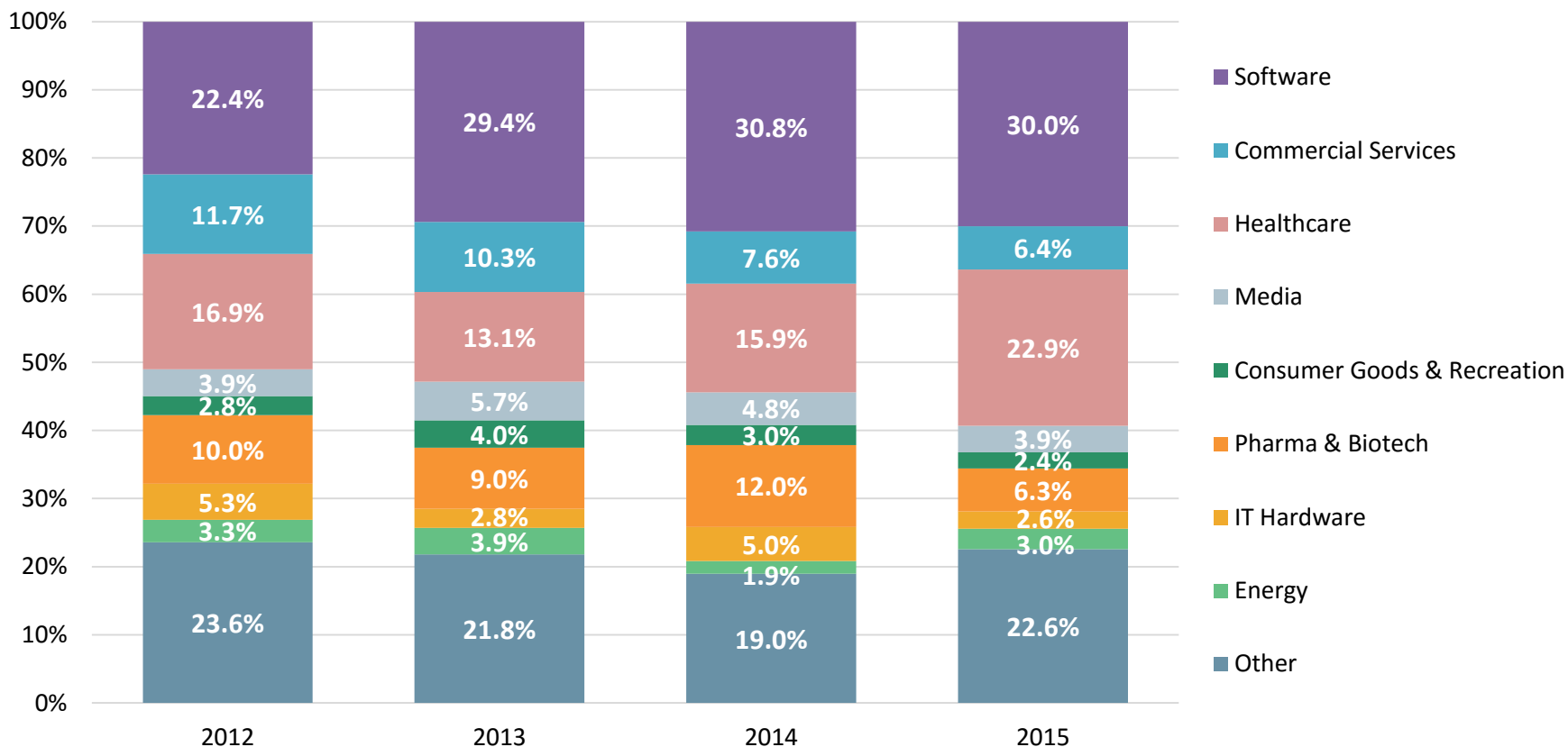
Yearly Share of Angel Group Deals by Sector

Software and Healthcare comprise 48% of investments in 2015



Yearly Share of Angel Group Dollars by Sector

Healthcare investment continues to rise, Pharma & Biotech declines



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.

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

Unless otherwise noted, values of less than 1% in the industry sectors are included, but are not labeled directly.

HALO Report™ Industry Sectors

Commercial Services
Consumer Goods &
Recreation
Energy

Healthcare
IT Hardware
Media

Pharma & Biotech
Software
Other

HALO Report™ Contact

Angel Resource Institute at Willamette University

Katie Hamburg, khamburg@angelresource.org

The Angel Resource Institute (ARI) is a 501(c)(3) charitable organization devoted to education, mentoring and research in the field of angel investing, housed at Willamette University. ARI was founded by the Ewing Marion Kauffman Foundation, and is a sister organization of the Angel Capital Association, the professional association of angel groups in North America.

The programs of ARI include educational workshops and seminars, research projects and reports, and information about angel investing for the general public. More information is available at: www.angelresourceinstitute.org

PitchBook

PitchBook is an impartial private equity and venture capital research firm that provides premium data, news and analysis. Through a combination of publicly available sources and rigorous firsthand research with industry professionals, PitchBook has developed an extensive database with in-depth information and statistics on hundreds of thousands of companies, deals, investors, service providers and limited partners.

Willamette University MBA

Willamette University MBA is a leader in early stage investment research and entrepreneurship. In addition to being the home of the Angel Resource Institute, Willamette launched the world's first student run angel investment fund in 2008. Willamette faculty and researchers published the world's largest and most cited study on angel investor returns, Returns to Angel Investors in Groups (2007), and one of the most widely used textbooks on entrepreneurship, Effectual Entrepreneurship (2011). They also perform data analysis for the HALO Report.

