



VENTURE CAPITAL

ACTION PLAN

PROGRAM SUMMARY

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GOAL: Help innovative companies grow by creating a more sustainable and effective innovation financing system in Canada.

STRATEGY: Partner with institutional and corporate strategic investors to close the annual investment gap in Canadian innovation.

PROGRAM SUMMARY

APPROACH: Leverage government investment through a matching fund-of-funds program to attract new (and returning) private capital investors to the Canadian venture capital ecosystem.

Government of Canada seeded \$400M primarily through a matching fund-of-funds program with four private sector partners.

Every \$1 in government capital is matched by over \$2 in private capital.

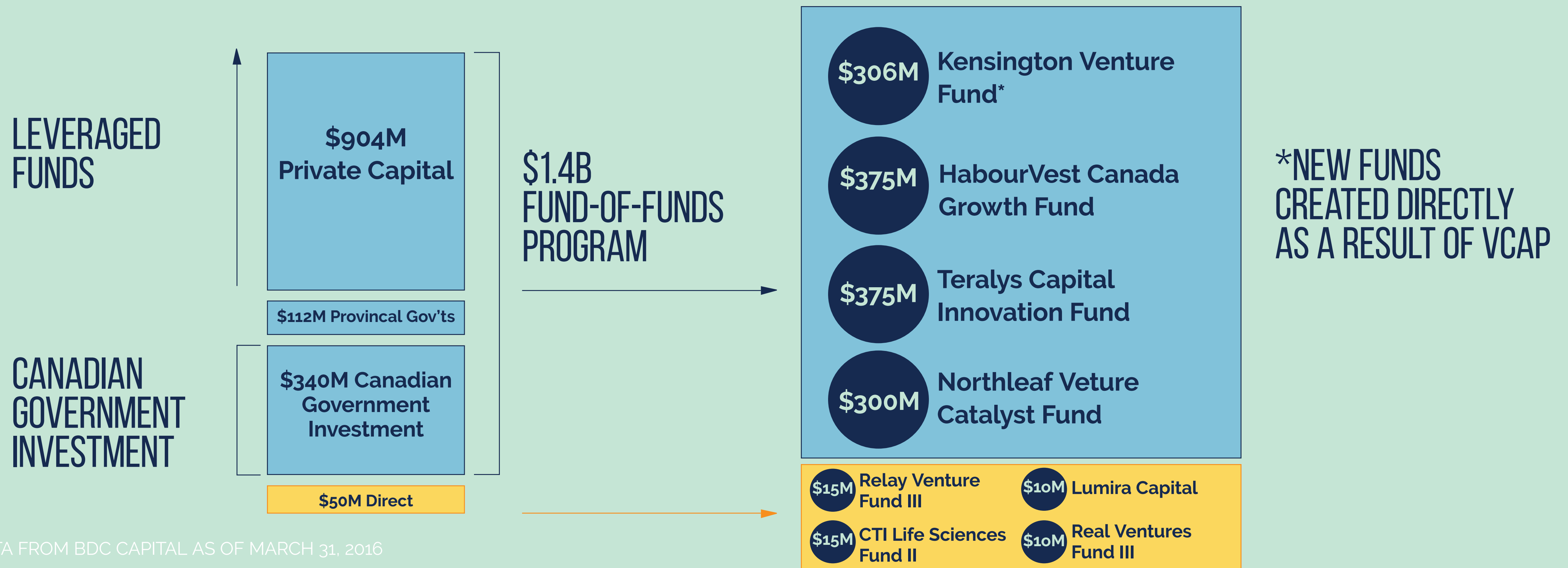
PROGRAM SUMMARY

RECEPTION: The industry fully supports the current VCAP program and believes the next stage is vital to Canada's future innovation and growth ecosystem.

NEXT STEPS: VCAP was designed as the first step in filling a gap in the Canadian innovation financing ecosystem. This first step is to be completed in 2018. It is too soon to stop this funding. The next stage is necessary to build on the positive results thus far and ensure the ecosystem does not take a substantial step backward after 2018.

It is important to note the current – and any subsequent – VCAP type of program will likely have no negative fiscal impact and instead generate positive returns of government funds.

PROGRAM ALLOCATION

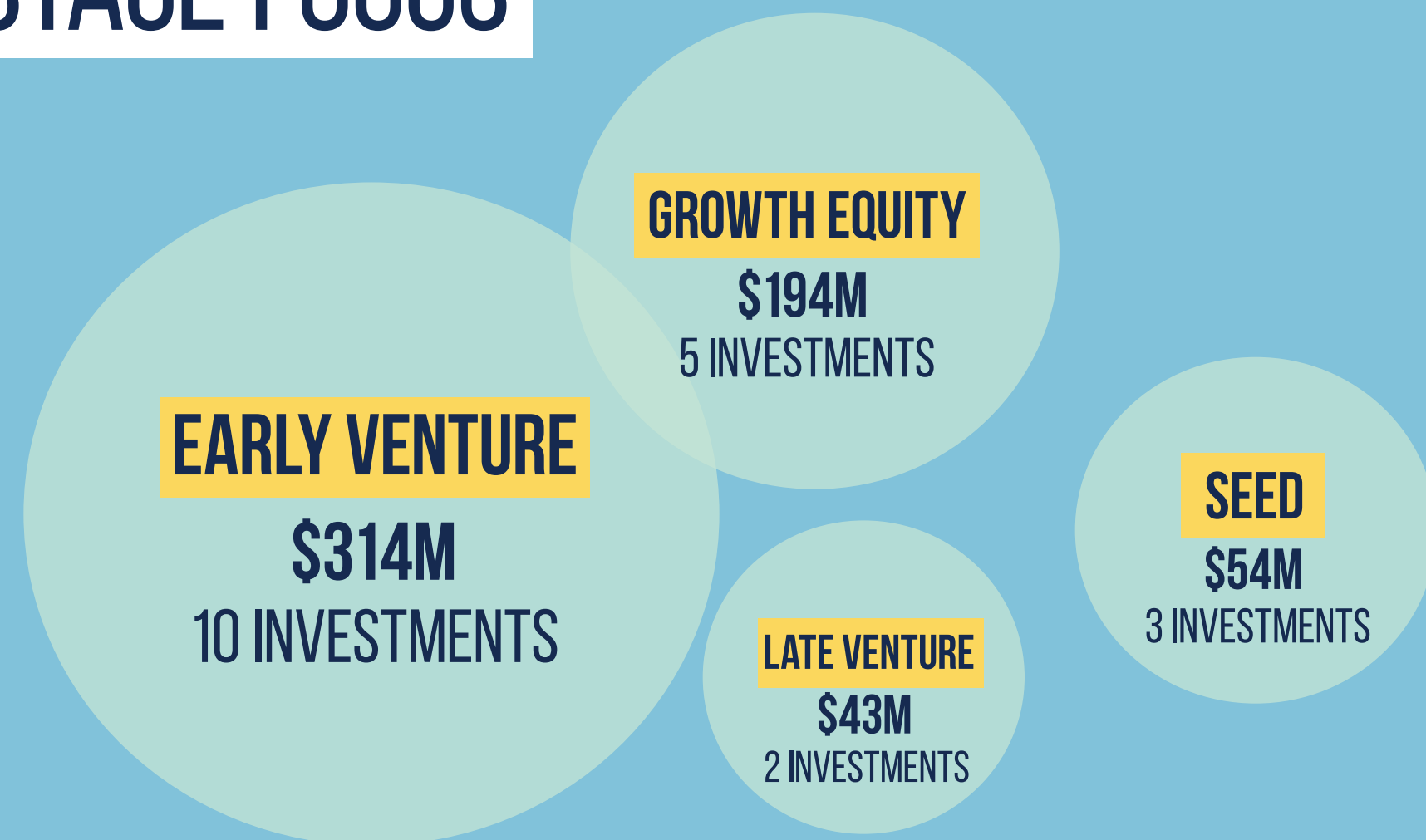


*DATA FROM BDC CAPITAL AS OF MARCH 31, 2016

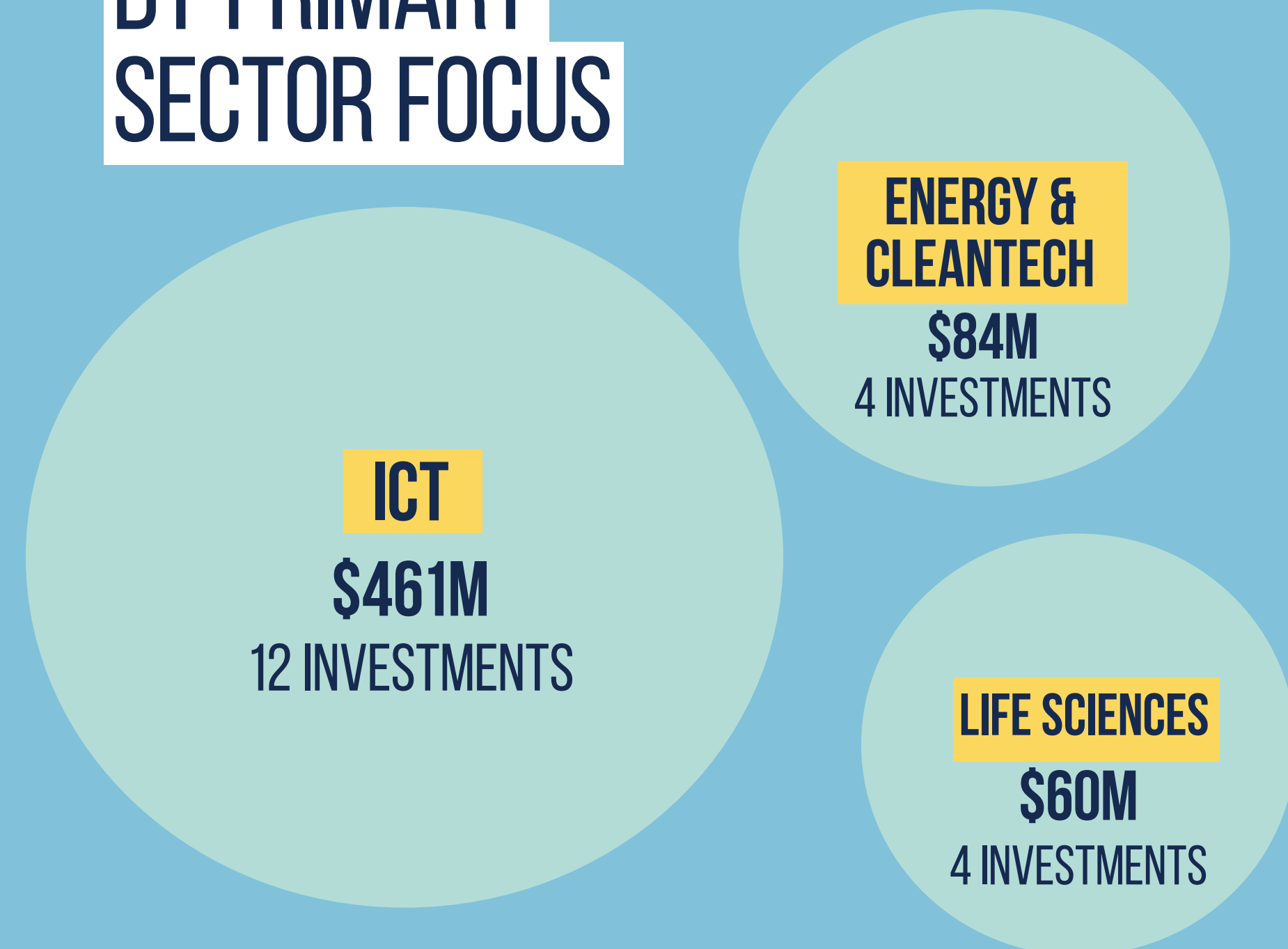
VCAP STATS

20 CANADIAN FUND COMMITMENTS TOTALING OVER \$600M

BY PRIMARY STAGE FOCUS



BY PRIMARY SECTOR FOCUS



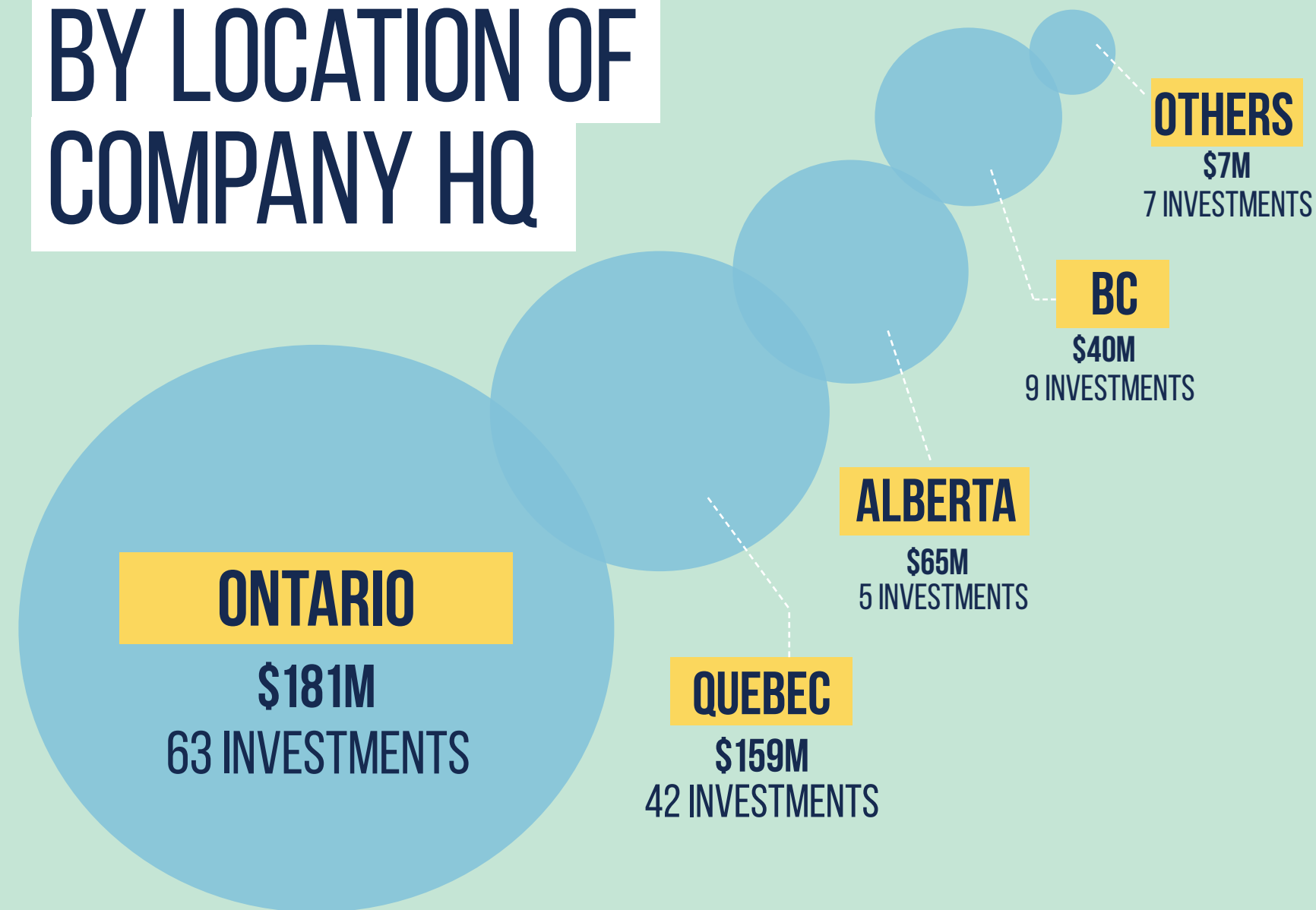
VCAP PROGRAM IS 59% COMMITTED

*DATA FROM BDC CAPITAL AS OF MARCH 31, 2016

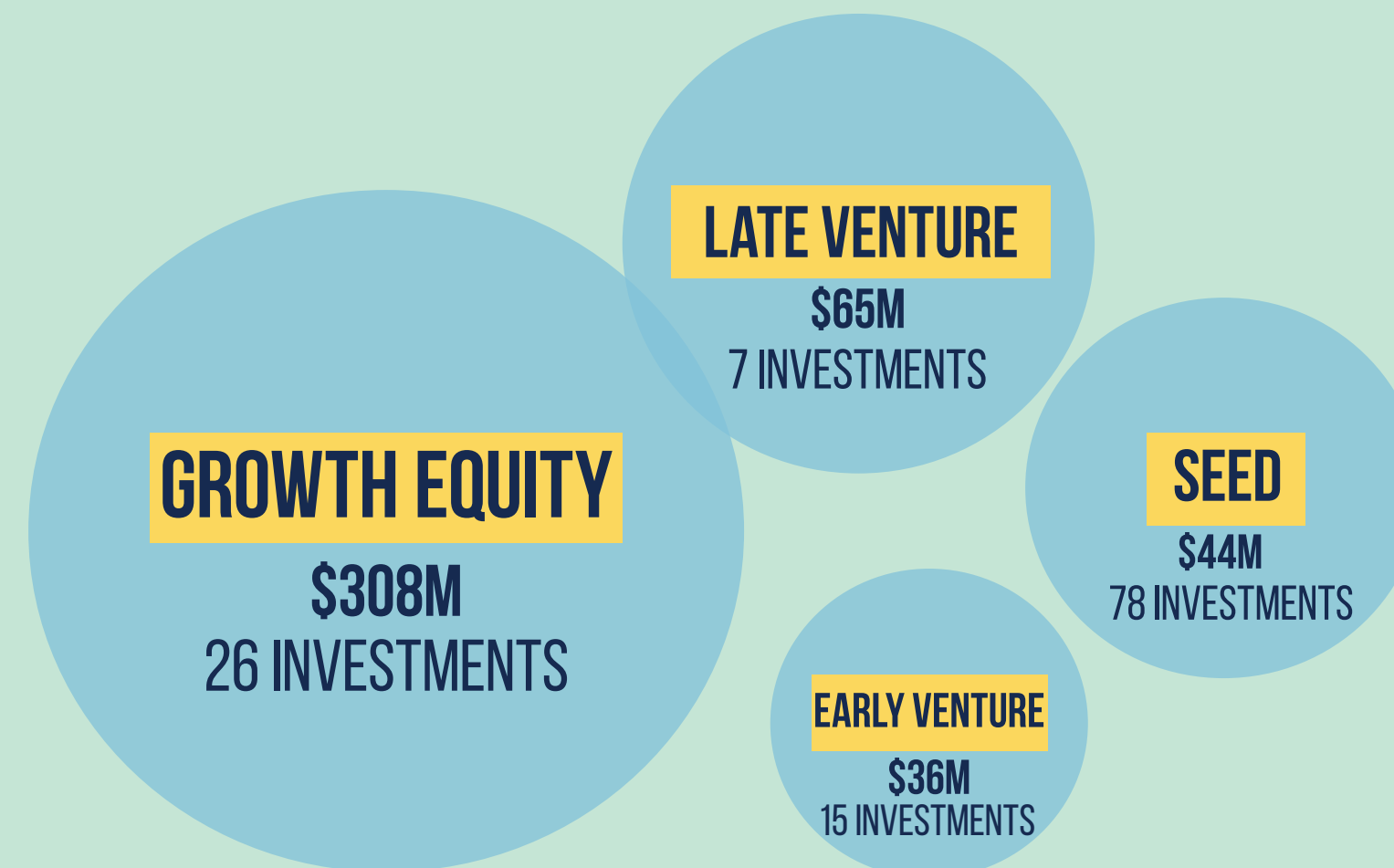
VCAP STATS

OVER \$450M INVESTED IN 126 CANADIAN COMPANIES

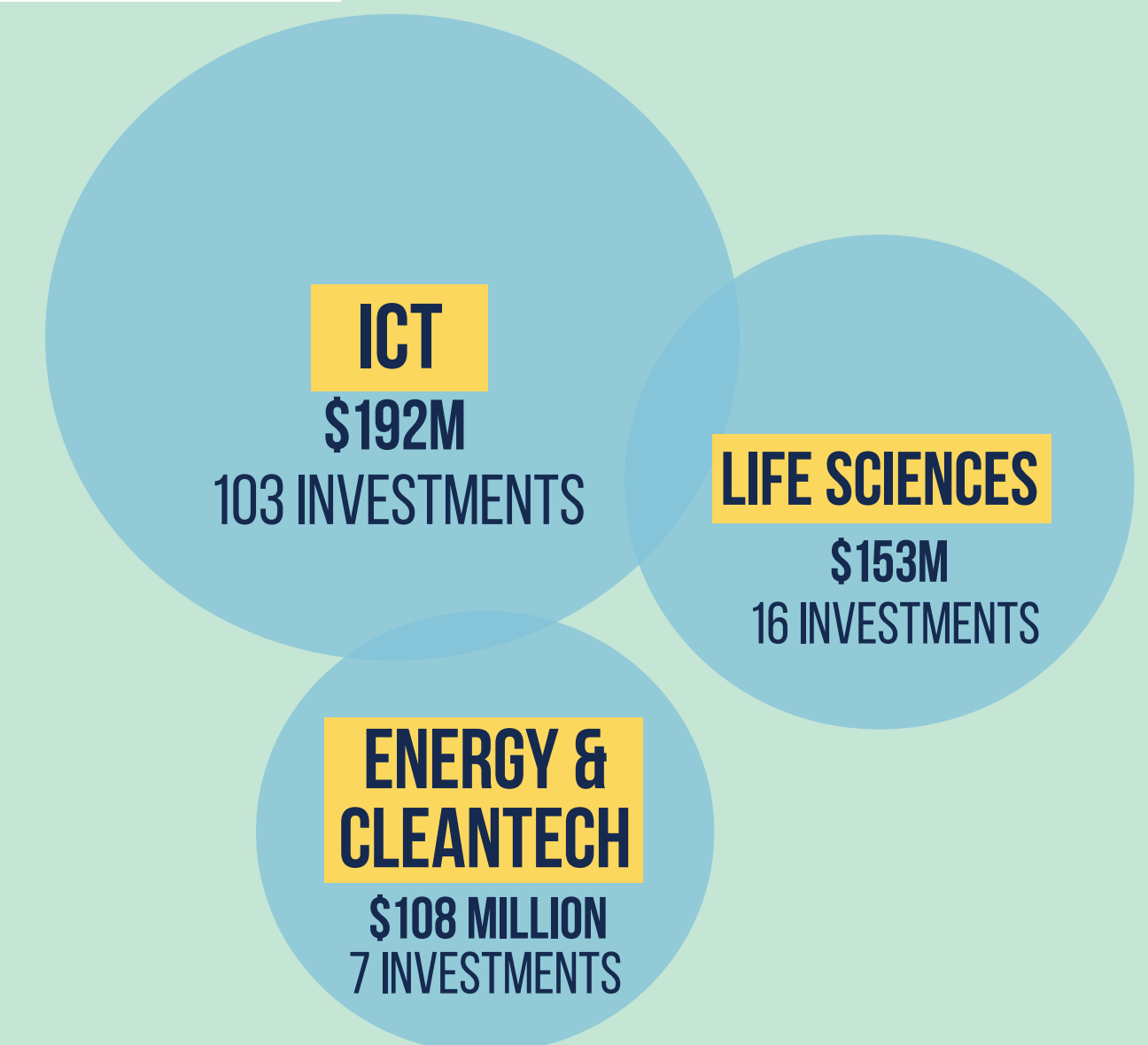
BY LOCATION OF COMPANY HQ



BY STAGE AT INITIAL INVESTMENT



BY PRIMARY SECTOR



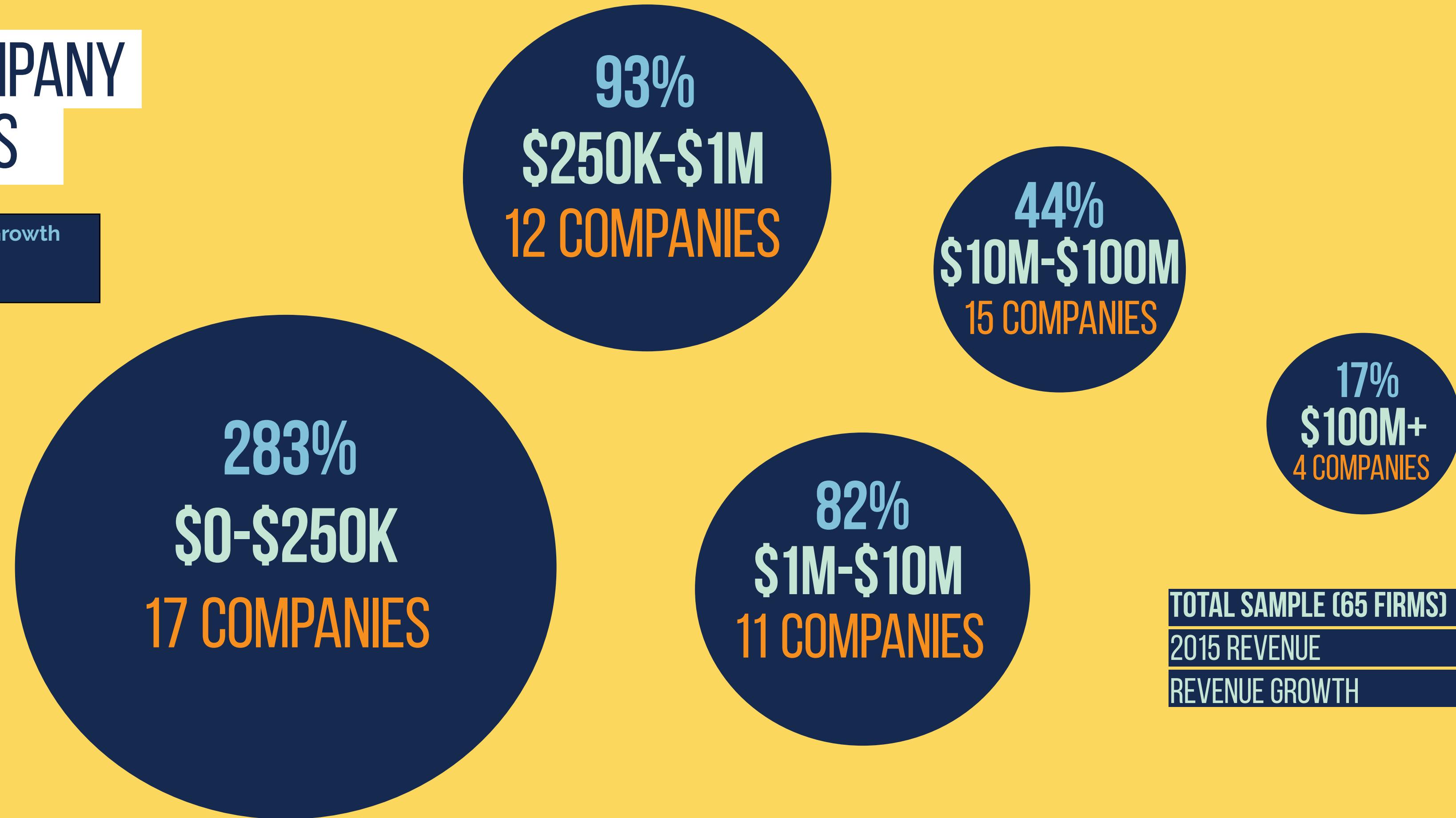
80% OF FUNDING HAS GONE TO CANADIAN COMPANIES, REPRESENTING MORE THAN THE ENTIRE CANADIAN GOVERNMENT INVESTMENT.

*DATA FROM BDC CAPITAL AS OF MARCH 31, 2016

ECONOMIC IMPACT

2015 COMPANY REVENUES

% Median Revenue Growth
\$ Company Revenue
Companies

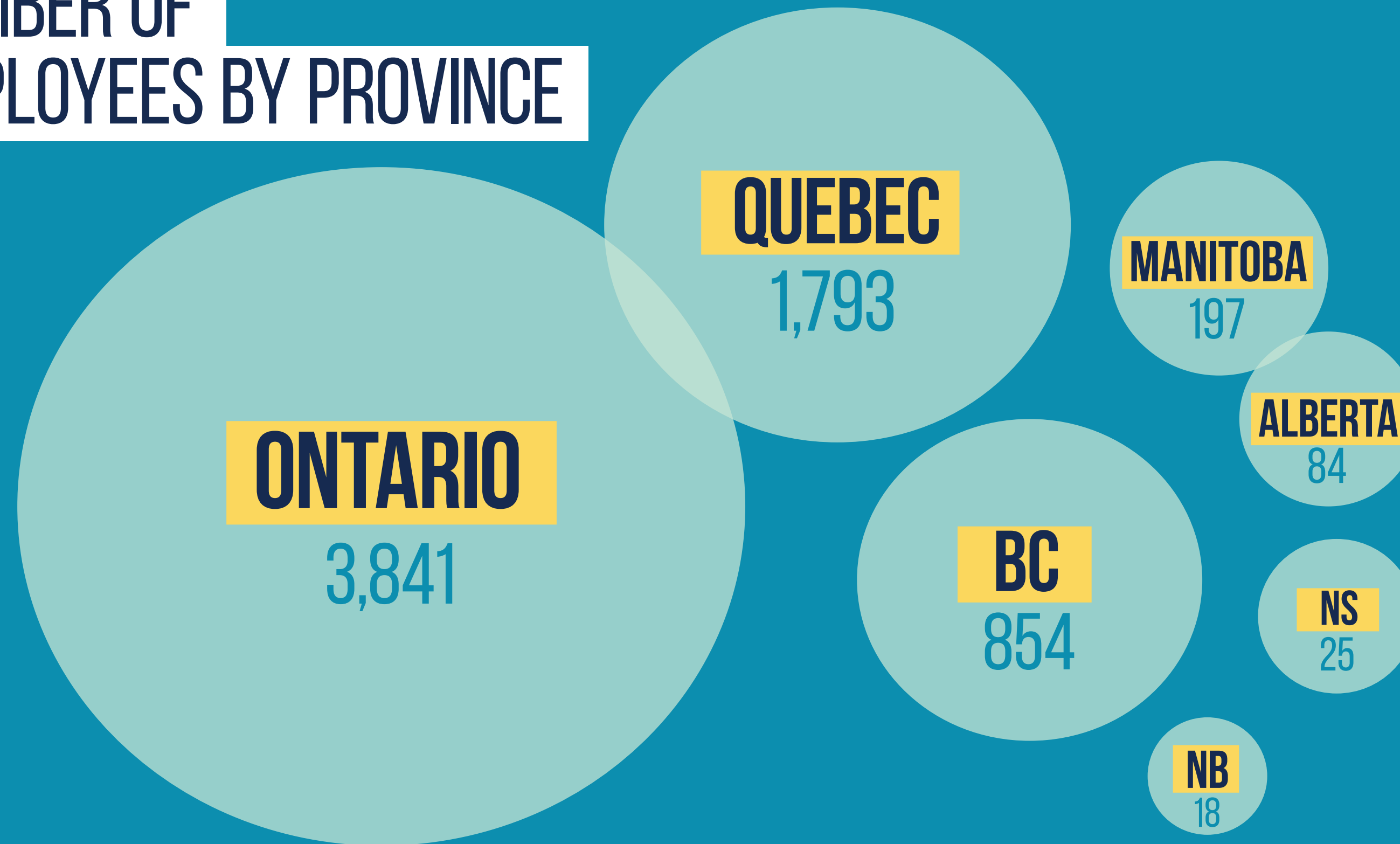


TOTAL SAMPLE (65 FIRMS)	AGGREGATE	MEDIAN
2015 REVENUE	\$1.1B	\$0.9B
REVENUE GROWTH	37%	68%

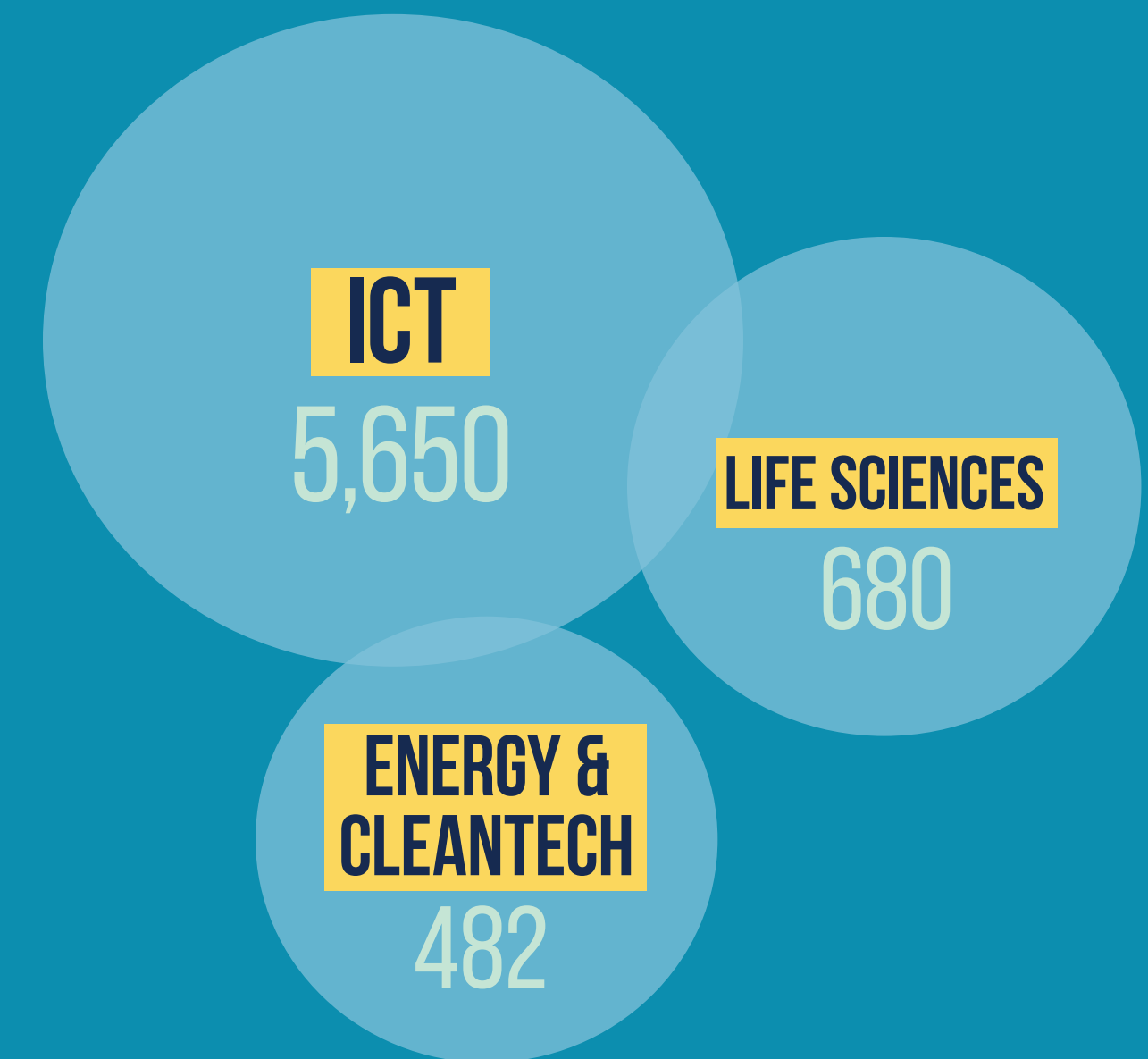
*DATA FROM BDC CAPITAL AS OF DECEMBER 31, 2015

ECONOMIC IMPACT

NUMBER OF EMPLOYEES BY PROVINCE



NUMBER OF EMPLOYEES BY SECTOR



BASED ON SAMPLE OF 65 FIRMS

*DATA FROM BDC CAPITAL AS OF DECEMBER 31, 2015