Funding for VC-backed Healthcare companies in US raised $4.0B in 149 deals.

Compared to Q3’18, the number of deals closed in Q4’18 decreased by 19% from 184 to 149.

A total of $1.1B was raised this quarter through 5 mega-rounds*, making up 29% of total deal dollars raised in Q4’18, a sharp decline from previous quarter.

* deals of $100M or more in value.

Of the $3.9B raised in Q4’18, $2.8B was invested in Biotechnology related industries while $643M was invested in Medical Devices & Equipment related industries.

Compared to the prior quarter, Biotechnology related industries saw a 30% decrease in funding.

Medical Devices & Equipment related industries saw a 16% decrease in funding from Q3’18 to Q4’18.

The top five Healthcare regions in the US were New England, Silicon Valley, San Diego, Midwest, and New York Metro.

In Q4’18, New England raised $1.3B through 28 deals and is at the top of the rankings this quarter in terms of dollars raised. Out of the five mega-rounds in Q4’18, two were closed in New England.

Silicon Valley followed in second place, raising $1.0B across 29 deals.

Q4’18 had five Healthcare mega-rounds closed.

Alexandria Venture Investments and OrbiMed Advisors were the most active venture capitalist, each investing in greater than 7 deals this quarter.

There were eleven Healthcare IPOs in Q4’18 raising in excess of $1.7B. IPO activity in 2018 has exceeded the total number of 2017 IPOs.

2018 was a banner year for Healthcare IPOs out pacing 2017 by 25 deals.

Globally, dollars invested decreased from $7.9B in Q3’18 to $5.9B Q4’18. Additionally, deals decreased from 384 in Q3’18 to 324 deals in Q4’18.

In Q4’18, 172 deals closed in North America, followed by 91 deals in Asia, and 59 deals in Europe.

North America raised $4.0B this quarter, while Europe raised $933M and finally Asia raised $887M.
US Healthcare Trends: Q4 2018
Healthcare deals decreased in Q4’18

Dollars invested in US Healthcare decreased quarter to quarter at $5.4B in Q3’18 to $4.0B in Q4’18.

• Deal numbers have decreased by 19% from the prior quarter and are at their lowest number of the past 8 quarters, with 149 deals closing in Q4’18. The average deal value decreased from $29.4M in Q3’18 to $26.8M in Q4’18.

• Compared to the same quarter in FY’17, dollars invested decreased 17% and the number of deals decreased 18% in Q4’18.
**Early and expansion stage deals made up the majority of deals**

- **Early and expansion stage** deals continue to make up **more than half** of the dollars raised this quarter.
- **Seed stage activity** continues as the lowest share by stage.

### US Healthcare deal share by stage

<table>
<thead>
<tr>
<th></th>
<th>Q1’17</th>
<th>Q2’17</th>
<th>Q3’17</th>
<th>Q4’17</th>
<th>Q1’18</th>
<th>Q2’18</th>
<th>Q3’18</th>
<th>Q4’18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed</td>
<td>24%</td>
<td>18%</td>
<td>12%</td>
<td>16%</td>
<td>19%</td>
<td>20%</td>
<td>21%</td>
<td>22%</td>
</tr>
<tr>
<td>Early</td>
<td>12%</td>
<td>14%</td>
<td>12%</td>
<td>10%</td>
<td>17%</td>
<td>10%</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Expansion</td>
<td>24%</td>
<td>29%</td>
<td>26%</td>
<td>31%</td>
<td>33%</td>
<td>29%</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>Later</td>
<td>29%</td>
<td>28%</td>
<td>25%</td>
<td>27%</td>
<td>21%</td>
<td>28%</td>
<td>27%</td>
<td>28%</td>
</tr>
<tr>
<td>Other</td>
<td>12%</td>
<td>11%</td>
<td>22%</td>
<td>15%</td>
<td>11%</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
</tr>
</tbody>
</table>
Median US deal size by stage

- Median deal size for **expansion and seed stage** companies increased, hitting $22.0M and $3.2M respectively.
- **Early stage** companies median deal size saw a decrease this quarter, going to $10.1M in Q4’18 from $14.3 in Q3’18
- **Later stage** companies median deal size saw a decrease this quarter, going to $18.9M in Q4’18 from $22.0M in Q3’18. With an active IPO market, many later stage companies are opting for the IPO route vs raise private dollars.
Biotechnology related industries raised $2.8 billion

A total of $2.8B invested into Biotechnology related industries in Q4’18, which represents an 30% decrease from Q3’18, while deals decreased quarter over quarter from 120 deals in Q3’18 to 85 deals in Q4’18.

- The Medical Devices & Equipment related industries decreased quarter over quarter to $643M in funding and a 2% increase in deals from Q3’18.
- Other Healthcare related industries decreased quarter over quarter to $531M in funding and a 6% decrease in deals from Q3’18.
New England leads above Silicon Valley in dollars invested in Q4’18

- **New England** is above **Silicon Valley** in dollars invested in Q4’18, with $1,348M raised this quarter through 28 deals. Of the 28 deals closed in New England, **2 were mega-rounds**, which raised a total of $700M.

- **Silicon Valley** followed behind and saw an **51% decrease in funding to $1,045M** when compared to the prior quarter. Additionally, they experienced a decrease in number of deals closed from **43 in Q3’18 to 29 in Q4’18**.

- **New England** held **33% of the US Healthcare market share** for total deal dollars invested in Q4’18, while **Silicon Valley** accounted for **26% of total deal dollars**. Together, both regions accounted for more than half of the total deal dollars in the country this quarter.

**Percentage change in dollars invested Q4’18/Q3’18**

- **Silicon Valley**: 51% decrease
- **New England**: 3% increase
Regional Healthcare trends (cont.)

Changes in other US regions:

- **San Diego** ended in third place, raising $432M through *12 deals* in Q4’18, a *43% decrease* from the prior quarter. Out of the 5 mega-rounds closed in Q4’18, 1 was from this region.

- **The Midwest** raised $288M in *fourth place* through *23 deals* in Q4’18, a *44% increase* from the prior quarter. The number of deals also increased from 12 in Q3’18 to 23 in Q4’18.
Mega-round financing saw another strong quarter, reaching a record number of deals

- US Healthcare mega-round financing raised $1.1B in Q4’18, which was a 52% decrease from the mega-round funding in the prior quarter. Mega-round activity also declined with 5 deals closing in Q4’18.
- Dollars raised from mega-round deals made up 26% of the total dollars raised in Q4’18, a decrease of 56% change from Q3’18.
- The average size of a mega-round deal was $184M in Q4’18, which is 7% less than the $200M average mega-round deal size in the past 8 quarters.
US Healthcare Industries: Q4 2018
## Trends:

- **The Biotechnology** subsector led the Healthcare industry in Q4’18 in terms of dollars invested, raising $978M, a 55% decrease from Q3’18 raising $2,168M. Out of the 44 deals closed, 1 was a mega-round deal which contributed $110M of the dollars invested in this quarter.

- **The Drug Development** subsector maintained second place this quarter with $917M dollars invested, a 4% increase from Q3’18. Out of the 21 deals closed, 1 was a mega-round deal.

- **The Drug Discovery** industry raised $714M, an increase of 101% from Q3’18, in terms of dollars invested. Out of the 9 deals closed, 1 was a mega-round deal which contributed $400M of the dollars invested in this quarter.

## Top five US Healthcare Industries over the last five quarters

<table>
<thead>
<tr>
<th></th>
<th>Q4 2018</th>
<th>Q3 2018</th>
<th>Q2 2018</th>
<th>Q1 2018</th>
<th>Q4 2017</th>
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</thead>
<tbody>
<tr>
<td>Biotechnology</td>
<td>$978M</td>
<td>$2,168M</td>
<td>$2,131M</td>
<td>$1,046M</td>
<td>$1,697M</td>
</tr>
<tr>
<td>Drug Development</td>
<td>$917M</td>
<td>$879M</td>
<td>$1,291M</td>
<td>$1,112M</td>
<td>$1,382M</td>
</tr>
<tr>
<td>Drug Discovery</td>
<td>$714M</td>
<td>$738M</td>
<td>$786M</td>
<td>$778M</td>
<td>$527M</td>
</tr>
<tr>
<td>Medical Devices &amp; Equipment</td>
<td>$641M</td>
<td>$581M</td>
<td>$378M</td>
<td>$530M</td>
<td>$520M</td>
</tr>
<tr>
<td>Medical Facilities &amp; Services</td>
<td>$469M</td>
<td>$486M</td>
<td>$373M</td>
<td>$367M</td>
<td>$326M</td>
</tr>
</tbody>
</table>

**Q4 2018**
- Biotechnology: $978M, 44 deals
- Drug Development: $917M, 21 deals
- Drug Discovery: $714M, 9 deals
- Medical Devices & Equipment: $641M, 43 deals
- Medical Facilities & Services: $469M, 11 deals

**Q3 2018**
- Biotechnology: $2,168M, 59 deals
- Drug Development: $879M, 30 deals
- Drug Discovery: $738M, 43 deals
- Medical Devices & Equipment: $581M, 11 deals
- Medical Facilities & Services: $486M, 16 deals

**Q2 2018**
- Biotechnology: $2,131M, 72 deals
- Drug Development: $1,291M, 31 deals
- Drug Discovery: $786M, 53 deals
- Medical Devices & Equipment: $378M, 19 deals
- Medical Facilities & Services: $373M, 8 deals

**Q1 2018**
- Biotechnology: $1,046M, 53 deals
- Drug Development: $1,112M, 20 deals
- Drug Discovery: $778M, 49 deals
- Medical Devices & Equipment: $530M, 16 deals
- Medical Facilities & Services: $367M, 8 deals

**Q4 2017**
- Biotechnology: $1,697M, 45 deals
- Drug Development: $1,382M, 31 deals
- Drug Discovery: $527M, 55 deals
- Medical Devices & Equipment: $520M, 17 deals
- Medical Facilities & Services: $326M, 6 deals
Q4’18 Deep Dive: Biotechnology related industries

After three straight quarters of double-digit mega-rounds, the run came to an end in Q4 significantly impacting total investment dollars. However, the biotech industry remains vibrant with an active IPO market and continued investor confidence.

— Greg Vlahos, Bay Area & Northwest Region Life Science Leader at PwC

30% Decrease in funding compared to Q3’18

Largest Biotechnology and related industries deals in Q4’18:

- $400M Relay Therapeutics
- $120M Mirum Pharmaceuticals
- $110M Synthego
US Places: Q4 2018
US Healthcare: Top five regions by deal value in Q4’18

28 Deals
Avg. Deal Size: $48.1M
New England $1,348M

29 Deals
Avg. Deal Size: $36.0M
Silicon Valley $1,045M

12 Deals
Avg. Deal Size: $36.0M
San Diego $432M

23 Deals
Avg. Deal Size: $12.5M
Midwest $288M

12 Deals
Avg. Deal Size: $16.7M
New York Metro $200M
US Healthcare: All US regions in Q4’18

Northwest
- AK/HI/PR N/A
- Northwest $81M

North Central
- CO $55M
- North Central $62M

Midwest
- Midwest $288M

Southeast
- LA/Orange County $89M
- Southeast $83M

Southwest
- Silicon Valley $1,045M
- Southwest $26M

South Central
- Sacramento/N. Cal N/A
- South Central $1M

Upstate NY
- Upstate NY $35M

New York Metro
- New York Metro $181M

Philadelphia Metro
- Philadelphia Metro $79M

DC/Metroplex
- DC/Metroplex $143M

Silicon Valley
- Silicon Valley $1,045M

San Diego
- San Diego $432M

Texas
- Texas $34M

Southwest
- Southwest $26M

South Central
- South Central $1M
Dollars invested in New England consistent in Q4’18 as Q3’18, coming off a strong Q1 and Q2’18

- **New England raised $1.3B** this quarter, consistent with last quarter. Additionally, the number of deals closed decreased from 46 in Q3’18 to 28 in Q4’18. Average deal size was $48M in Q4’18.

- **Mega-rounds** accounted for 52% of the dollars invested in Q4’18 in this region, compared to 18% in Q3’18. With 1 mega deal in this region in Q3’18 compared to 2 mega deal in Q4’18.
8-quarter financing trend: Silicon Valley

Dollars and deals invested in Silicon Valley increased this quarter

- Silicon Valley in Q4’18, raising $1.0B in 29 deals. Average deal size has decreased 28%, with deals in Q4’18 closing at an average size of $36M compared to an average size of $49M in Q3’18.

- The region raised $330M through two mega-rounds. The dollars invested in mega-round deals made up more than 31% of the total dollars raised in the region this quarter.
### US: Top 10 states by deal value in Q4’18

<table>
<thead>
<tr>
<th></th>
<th>State</th>
<th>Deal Value</th>
<th>Deals</th>
<th>Avg. Deal Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>CA</td>
<td>$1,577M</td>
<td>46</td>
<td>$34M</td>
</tr>
<tr>
<td>2.</td>
<td>MA</td>
<td>$1,309M</td>
<td>25</td>
<td>$52M</td>
</tr>
<tr>
<td>3.</td>
<td>NY</td>
<td>$1,196M</td>
<td>8</td>
<td>$25M</td>
</tr>
<tr>
<td>4.</td>
<td>ML</td>
<td>$1,143M</td>
<td>4</td>
<td>$36M</td>
</tr>
<tr>
<td>5.</td>
<td>IL</td>
<td>$1,117M</td>
<td>4</td>
<td>$29M</td>
</tr>
<tr>
<td>6.</td>
<td>PA</td>
<td>$89M</td>
<td>6</td>
<td>$15M</td>
</tr>
<tr>
<td>7.</td>
<td>WA</td>
<td>$78M</td>
<td>4</td>
<td>$19M</td>
</tr>
<tr>
<td>8.</td>
<td>CO</td>
<td>$55M</td>
<td>3</td>
<td>$18M</td>
</tr>
<tr>
<td>9.</td>
<td>IN</td>
<td>$54M</td>
<td>6</td>
<td>$9M</td>
</tr>
<tr>
<td>10.</td>
<td>MI</td>
<td>$54M</td>
<td>7</td>
<td>$8M</td>
</tr>
</tbody>
</table>
04

US Healthcare Movers and Shakers: Q4 2018
## Largest Healthcare Deals in Q4’18

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Industry</th>
<th>Stage of Funding</th>
<th>$ Value of Deal</th>
<th>Select Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relay Therapeutics</td>
<td>Cambridge, MA</td>
<td>Drug Discovery</td>
<td></td>
<td>$400M</td>
<td>Alexandria Venture Investments; BVF Partners; Casdin Capital; D.E. Shaw Research; EcoR1 Capital; Foresite Capital; Google Ventures; Perceptive Advisors; SoftBank Group; Tavistock Group</td>
</tr>
<tr>
<td>Devoted Health</td>
<td>Waltham, MA</td>
<td>Medical Facilities &amp; Services</td>
<td></td>
<td>$300M</td>
<td>Andreessen Horowitz; F-Prime Capital; Premji Invest; Uprising; Venrock</td>
</tr>
<tr>
<td>Auris Health</td>
<td>Redwood City, CA</td>
<td>Medical Devices &amp; Equipment</td>
<td></td>
<td>$220M</td>
<td>D1 Capital Partners; Lux Capital; Mithril Capital Management; Partner Fund Management; Senator Investment Group; Viking Global Investors</td>
</tr>
<tr>
<td>Mirum Pharmaceuticals</td>
<td>San Diego, CA</td>
<td>Drug Development</td>
<td></td>
<td>$120M</td>
<td>Deerfield Management; Frazier Healthcare Partners; New Enterprise Associates; Novo Holdings; Pappas Ventures; RiverVest Venture Partners</td>
</tr>
<tr>
<td>Synthego</td>
<td>Redwood City, CA</td>
<td>Biotechnology</td>
<td></td>
<td>$110M</td>
<td>8VC; Founders Fund; Menlo Ventures</td>
</tr>
<tr>
<td>NextCure</td>
<td>Beltsville, MD</td>
<td>Drug Development</td>
<td></td>
<td>$93M</td>
<td>Alexandria Venture Investments; ArrowMark Partners; Canaan Partners; Citadel; Eli Lilly &amp; Co.; Hillhouse Capital Management; OrbiMed Advisors; Pfizer Venture Investments; Sofinnova Ventures; Alexandria Venture Investments; Apple Tree Partners; Cormorant Asset Management; Janus Henderson Global Investors; Perceptive Advisors; RA Capital Management; Redmile Group</td>
</tr>
<tr>
<td>Stoke Therapeutics</td>
<td>Bedford, MA</td>
<td>Drug Development</td>
<td></td>
<td>$90M</td>
<td></td>
</tr>
</tbody>
</table>
Most active venture capital firms in Healthcare in Q4’18

<table>
<thead>
<tr>
<th>Investor</th>
<th>Location</th>
<th>No. of Companies</th>
<th>Select Q’18 Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Alexandria Venture Investments</td>
<td>Pasadena, CA</td>
<td>10</td>
<td>Rgenix; Kallyope; NextCure; Relay Therapeutics; Ribometrix; Applied Therapeutics; Gotham Therapeutics; Rodeo Therapeutics; Stoke Therapeutics; Rheostat Therapeutics</td>
</tr>
<tr>
<td>2. OrbiMed Advisors</td>
<td>New York, NY</td>
<td>7</td>
<td>Sonendo; TELA Bio; NextCure; Harpoon Therapeutics; Terns Pharmaceuticals; Modis Therapeutics; 89bio</td>
</tr>
<tr>
<td>3. New Enterprise Associates</td>
<td>Menlo Park, CA</td>
<td>5</td>
<td>Vascular Therapies; Annexon Bioscience; Ancora Heart; Qpex Biopharma; Mirum Pharmaceuticals</td>
</tr>
<tr>
<td>4. Sofinnova Ventures</td>
<td>Menlo Park, CA</td>
<td>5</td>
<td>InCarda Therapeutics; Checkmate Pharmaceuticals; NextCure; XyloCor Therapeutics; VelosBio</td>
</tr>
<tr>
<td>5. SV Health Investors</td>
<td>Boston, MA</td>
<td>5</td>
<td>CSA Medical; Urgent Team; Ribometrix; Qpex Biopharma; Rheostat Therapeutics</td>
</tr>
</tbody>
</table>
## Healthcare IPOs in Q4’18

The year ended strong with 11 healthcare IPOs bringing the 2018 total to 52. Additionally, there is a robust pipeline of companies planning IPOs in early 2019. — Greg Vlahos, Bay Area & Northwest Region Life Science Leader at PwC

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Industry</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moderna Therapeutics</td>
<td>Cambridge, MA</td>
<td>Drug Development</td>
<td>$604M</td>
</tr>
<tr>
<td>Allogene Therapeutics</td>
<td>South San Francisco, CA</td>
<td>Biotechnology</td>
<td>$288M</td>
</tr>
<tr>
<td>Guardant Health</td>
<td>Redwood City, CA</td>
<td>Biotechnology</td>
<td>$238M</td>
</tr>
<tr>
<td>Synthorx</td>
<td>La Jolla, CA</td>
<td>Biotechnology</td>
<td>$131M</td>
</tr>
<tr>
<td>Axonics Modulation Technologies</td>
<td>Irvine, CA</td>
<td>Medical Devices &amp; Equipment</td>
<td>$120M</td>
</tr>
<tr>
<td>SI-BONE</td>
<td>Santa Clara, CA</td>
<td>Medical Devices &amp; Equipment</td>
<td>$108M</td>
</tr>
<tr>
<td>LogicBio Therapeutics</td>
<td>Cambridge, MA</td>
<td>Biotechnology</td>
<td>$70M</td>
</tr>
<tr>
<td>Twist Bioscience</td>
<td>San Francisco, CA</td>
<td>Biotechnology</td>
<td>$70M</td>
</tr>
<tr>
<td>Vapotherm</td>
<td>Exeter, NH</td>
<td>Medical Devices &amp; Equipment</td>
<td>$56M</td>
</tr>
<tr>
<td>Gamida Cell</td>
<td>Boston, MA</td>
<td>Pharmaceuticals / Drugs</td>
<td>$50M</td>
</tr>
<tr>
<td>PhaseBio Pharmaceuticals</td>
<td>Malvern, PA</td>
<td>Drug Development</td>
<td>$46M</td>
</tr>
</tbody>
</table>
Global Healthcare Trends: Q4 2018
Global Healthcare comparisons for Q4’18

- Global Total:
  - $5,930M
  - 322 Deals

- $4,091M
  - 172 Deals

- $953M
  - 59 Deals

- $887M
  - 91 Deals
8-quarter financing trend: Europe

Deals and dollars remained constant in Europe

- Despite seeing a 13% decline in deals, Europe was the only region that saw a slight increase of 9% in funding activity.
- Bolstered by just one mega round at $200M, Roivant Sciences, a Biotechnology company located in Switzerland, led the trend for European companies.
8-quarter financing trend: Asia

Asia received decline in funding in Q4’18, with $5.2 billion in total funding in 2018

- Asia maintained over the $1B mark in Q3’18 and saw more than $1.5B invested across 90 healthcare deals in Q3’18. This represents a 5% decrease in dollars and a 15% decrease in deals compared to Q2’18.

- Asia dollars were down by 45%, one of the lowest reported in the past 6 quarters.

- Almost half (48%) of Q4 Asia based healthcare deals went to early stage rounds, indicating a fresh influx of new healthcare companies entering the region.
## US States: Full listing

<table>
<thead>
<tr>
<th>State</th>
<th>$M</th>
<th>No. of Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>$3</td>
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<tr>
<td>Arizona</td>
<td>$11</td>
<td>2</td>
</tr>
<tr>
<td>California</td>
<td>$1,577</td>
<td>46</td>
</tr>
<tr>
<td>Colorado</td>
<td>$55</td>
<td>3</td>
</tr>
<tr>
<td>Connecticut</td>
<td>$28</td>
<td>3</td>
</tr>
<tr>
<td>Florida</td>
<td>$7</td>
<td>1</td>
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<td>Georgia</td>
<td>$33</td>
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<td>Illinois</td>
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<td>Indiana</td>
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<td>6</td>
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<td>Maryland</td>
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<td>Massachusetts</td>
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<td>3</td>
</tr>
<tr>
<td>Virginia</td>
<td>$0</td>
<td>1</td>
</tr>
<tr>
<td>Washington</td>
<td>$78</td>
<td>4</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>$9</td>
<td>3</td>
</tr>
</tbody>
</table>

No disclosed quarterly activity: AK, AR, HI, ID, IA, KS, KY, LA, ME, MS, MT, NE, NV, NM, ND, RI, SC, SD, VT, WV, and WY.
Notes on methodology

PwC (pwcmoneytree.com) and CB Insights (cbinsights.com) encourage you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been underrepresented, please send an email to info@cbinsights.com and we can work together to ensure your firm’s investment data is up-to-date.

Rankings, e.g., top states and top sectors, are done by quarterly deal value (that is, dollars invested for the given quarter).

For full analysis of Q4’18 activity across all sectors, refer to the PwC / CB Insights MoneyTree™ Report.

What is included:
- Equity financings into emerging companies. Fundings must be to VC-backed companies, which are defined as companies who have received funding at any point from either: venture capital firms, corporate venture arms, or super angel investors.
- Fundings of private companies only. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment by a venture firm(s).
- Only includes the investment made in the quarter for tranched investments. If a company does a second closing of its Series B round for $5M and previously had closed $2M in a prior quarter, only the $5M is reflected in our results.
- Round numbers reflect what has closed — not what is intended. If a company indicates the closing of $5M out of a desired raise of $15M, our numbers reflect only the amount which has closed.
- Only verifiable fundings are included. Fundings are verified via (1) various federal and state regulatory filings; (2) direct confirmation with firm or investor; (3) press release; or (4) credible media sources.
- Equity fundings to joint ventures and spinoffs/spinouts are included, given that they meet the VC-backed criteria.
- Geography note: Israel funding figures are classified in Asia.

What is excluded:
- No contingent funding. If a company receives a commitment for $20M subject to hitting certain milestones but first gets $8M, only the $8M is included in our data.
- No business development / R&D arrangements whether transferable into equity now, later or never. If a company signs a $300M R&D partnership with a larger corporation, this is not equity financing nor is it from venture capital firms. As a result, it is not included.
- No buyouts, consolidations or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.
- No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are not included even if made by a venture capital firm(s).
- No debt / loans of any kind (except convertible notes). Venture debt or any kind of debt / loan issued to emerging, startup companies, even if included as an additional part of an equity financing, is not included. If a company receives $3M with $2M from venture investors and $1M in debt, only the $2M is included in these statistics.
- No non-equity government funding. Grants or loans by the federal government, state agencies, or public-private partnerships to emerging, startup companies are not included.
- No fundings to subsidiaries of a larger parent corporation.