



secondmarket™

PRIVATE COMPANY REPORT

March 2010

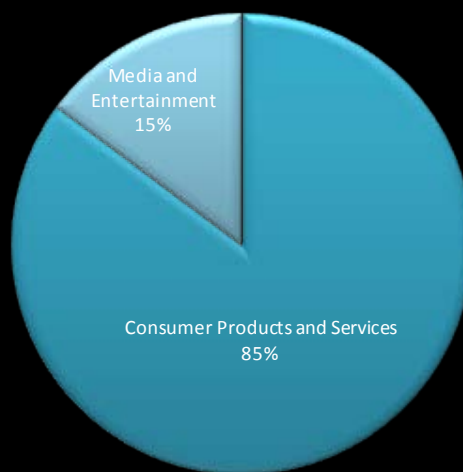
MARKET COLOR

Trading activity in private company stock rose significantly on SecondMarket this month. After 2010 began with over \$13 million in transactions in January, we had more than a three-fold increase in completed transactions in February.

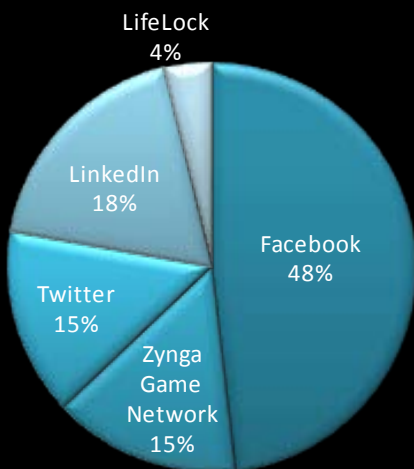
The transactions were concentrated in two industries: consumer products & services (85%) and media & entertainment (15%). The biggest names in social media – Facebook, LinkedIn and Twitter – continued to attract considerable attention from investors on SecondMarket, and that trend could persist throughout the year.

The total dollar amount of completed private company stock transactions on SecondMarket in February 2010 was \$43,815,337.50.

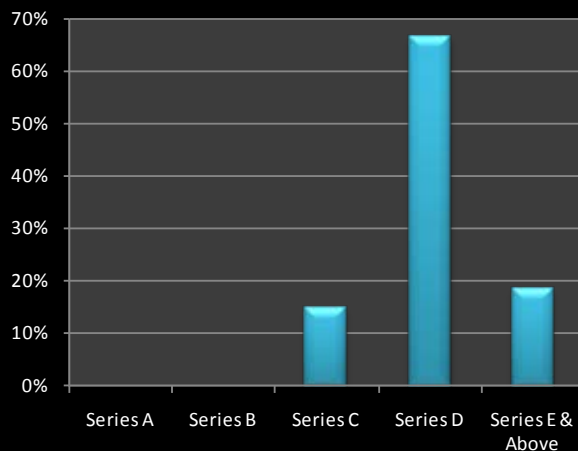
COMPLETED TRANSACTIONS (by industry) ¹



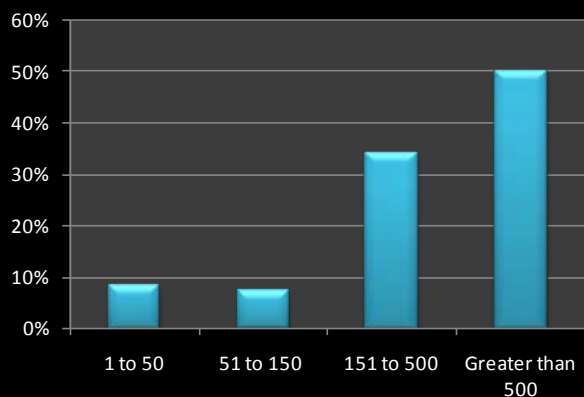
COMPLETED TRANSACTIONS (by company) ¹



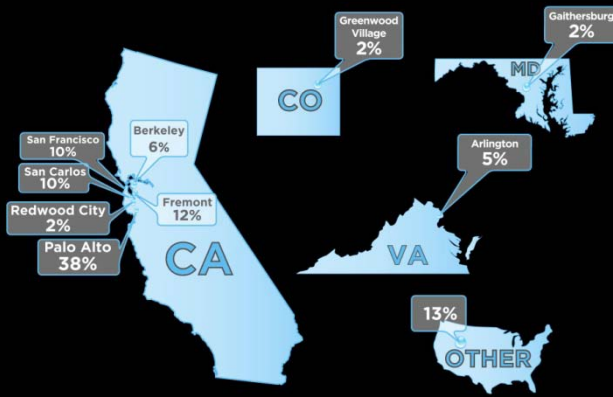
FUNDING STAGE OF COMPANIES TRADED ¹



SHARES SOLD (by employee base) ²



SHARES SOLD (by company location) ²



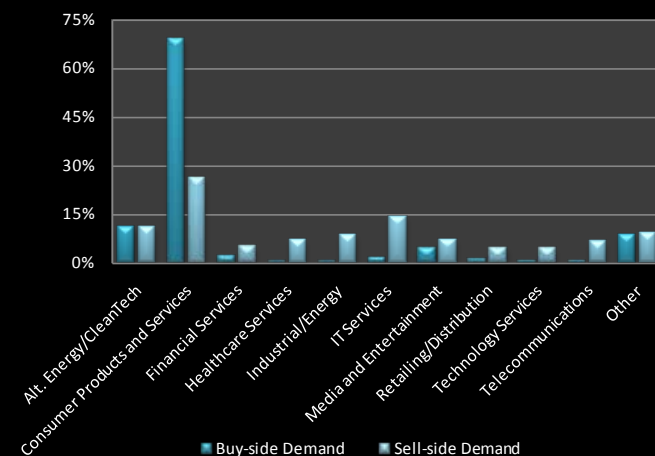
BUYER / SELLER OVERVIEW

Not surprisingly, given the composition of completed transactions in February, there continued to be significant buy-side indications of interest in the most recognizable venture-backed private companies. Facebook (32%) led the way with one-third of all buy-side demand followed by Twitter (7%) and LinkedIn (5%). Interest in Zynga (3%) also rose in February.

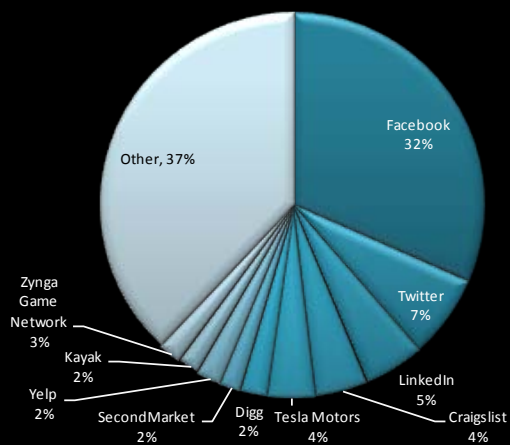
Asset managers (70%) continued their increased involvement as buyers. Moreover, venture capital firms, traditionally investors in primary capital raises, have become more involved in the secondary market.

Ex-employees of start-ups stepped up their selling activity in February, comprising over 80% of sales (highest in nine months).

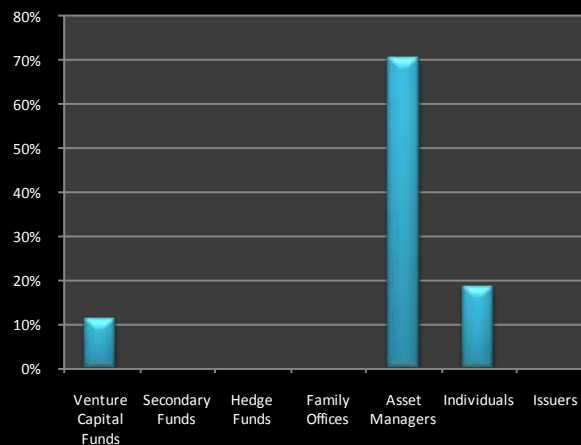
BUY / SELL DEMAND (by industry) ³



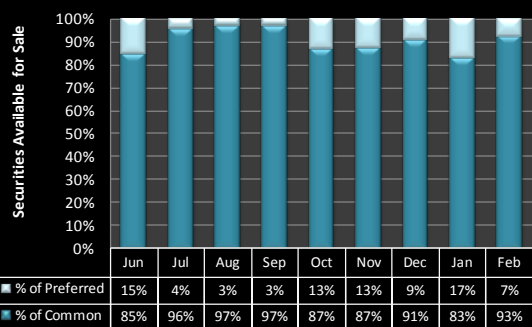
BUYSIDE DEMAND (by company) ³



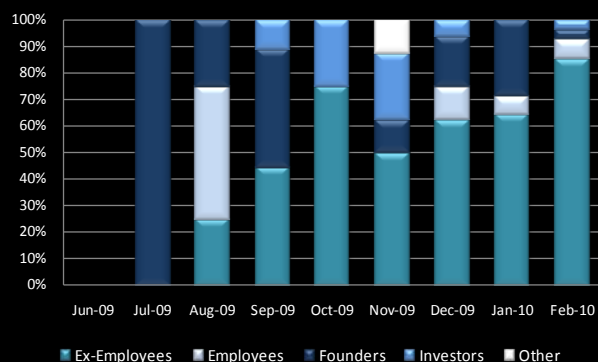
BUYER TYPES (% of total buyers) ¹



SELLSIDE DEMAND (by security type) ³



SELLER COMPOSITION ¹





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Notes for Graphs

- 1) Based on total number of completed transactions for the month.
- 2) Based on total number of completed transactions since the private company market launch in April 2009.
- 3) "Buyer" refers to a party who has indicated interest in purchasing a company's stock. "Seller" refers to a party who has shares for sale. If buyer demand is met, or a seller does not wish to sell any more stock, the party is removed from the data.

**A "completed transaction" refers to a transaction where the buyer and seller have executed and exchanged purchase and sale agreements.

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