

Q3 2015 Venture Deal Quarterly Venture Capital Report

Telecom - Mobile - Wireless - Communications

Telecommunications, Wireless, Mobile and Communications technology startups raised \$787 million during Q3 2015, representing a decrease of 13% vs. the previous quarter. 110 companies received funding, representing no change from the previous quarter.

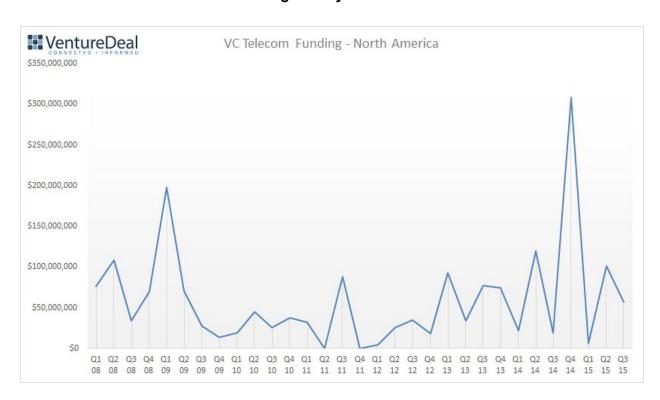
Telecom

The Telecom sector reversed its previous quarterly increase in funding, with 4 companies receiving \$57 million, a decrease in aggregate funding levels.

<u>Everstream Solutions</u> of Cleveland, Ohio received \$50 million of the total funding for the entire telecom sector in Q3. The company brings fiber-based Ethernet, Internet and data center solutions to businesses in Northeast Ohio. Venture capital and bank investors made the investment. The company did not specifically say how the funding proceeds would be used.

Lindon, Utah-based <u>Alianza Global Communications</u> landed \$3.2 million in funding during the quarter, according to an SEC regulatory filing. The company offers Voice over Internet Protocol (VoIP) telephony services as a lower-cost alternative to traditional telephone services to businesses throughout the country of Mexico.

Telecom Funding History - to 3rd Quarter 2015



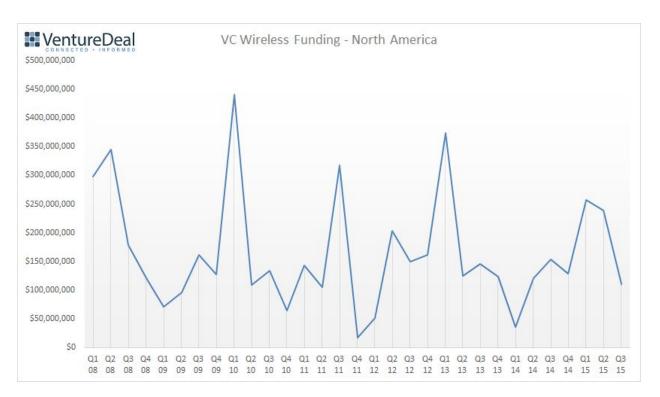
Wireless

13 Wireless technology companies raised \$110 million during the quarter, a decrease of 50% in dollar volume over the previous quarter and a slight decrease in the number of companies receiving funding.

San Francisco, California-based <u>Skyroam</u> secured the largest round of the quarter, receiving \$23.5 million in Series B investment. The company Is launching a mobile data platform that it says allows individuals who travel to avoid running up large data charges overseas. Investors included strategic investor <u>Lenovo</u>.

Aquto raised \$8 million in its second round of equity capital from a syndicate of venture capital firms. The company says it wants to change the mobile industry when it comes to how mobile Internet services are bought and packaged.

Wireless Funding History - to 3rd Quarter 2015



Mobile

The Mobile sector reversed its previous quarterly funding decrease result, with 89 companies securing \$577 million in new funding, representing a 6% increase in funding amounts versus the previous quarter. The number of companies funded decreased by 12%.

Canada-based mobile communications developer <u>Kik Interactive</u> landed \$50 million from corporate investor <u>Tencent</u>. Kik said it plans to use the fourth-round funding to hire additional staff at its Waterloo headquarters and invest in other chat-based services.

At the seed stage, <u>Chalk Digital</u> raised an undisclosed amount in capital for its application that enables users to create a mobile advertising campaign in just a few minutes. The investment syndicate included strategic, venture capital and individual investors.

Mobile Funding History - to 3rd Quarter 2015

Communications

The Communications sector raised \$43 million between 4 companies during the quarter, representing a 95% increase in amounts raised and a 20% decrease in the number of companies funded versus the previous quarter.

<u>WSO2</u> secured \$20 million in equity capital from undisclosed investors, according to an SEC regulatory filing. The company has developed open source technologies focused on building Web services, middleware and related support services. As of the filing date in August, the company was still seeking \$40.6 million in additional financing.

Boston, Massachusetts-based RapidSOS garnered \$5 million in new capital in a round led by <u>Highland Capital Partners</u>. The company says that its products enrich and improves the existing 911 responder system. RapidSOS sells its technologies to end user consumers, enterprises and the University market.

Communications Funding History - to 3rd Quarter 2015

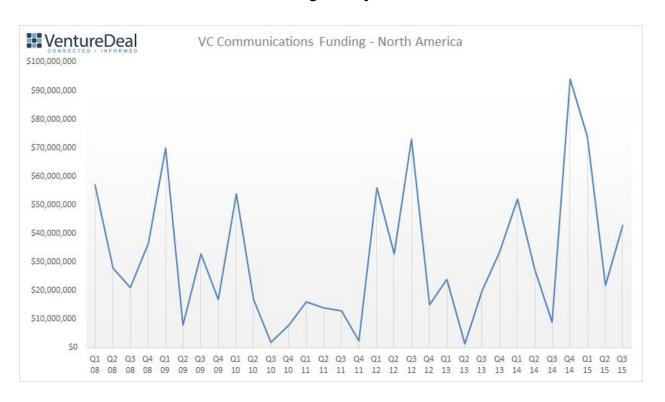


Table 1
Venture Capital Funding - 3rd Quarter 2015

Industry	Total Disclosed Funding	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Telecom	\$57 million	- 44 %	4	- 43 %
Wireless	\$110 million	- 50 %	13	- 7 %
Mobile	\$577 million	+ 6 %	89	- 12 %
Communications	\$43 million	+ 95 %	4	- 20 %
Total	\$787 million	- 13 %	110	- 13 %

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