Emily Mendell, NVCA, 610-565-3904, emendell@nvca.org
Joshua Radler, Thomson Venture Economics, 646-822-7323, Joshua.radler@thomson.com

PRIVATE EQUITY FUNDRAISING MAINTAINED STRONG MOMENTUM IN FIRST QUARTER OF 2006

Venture Fundraising Activity Expected to Level Off While Buyout Funds Show No Signs of Slowing

New York, NY- April 17, 2006 – Private equity fundraising had another very strong showing in the first quarter of the year with ninety-three funds raising a combined $31.4 billion, according to Thomson Venture Economics and the National Venture Capital Association (NVCA). Fifty-one venture funds accounted for $6.5 billion of the total while forty-two buyout vehicles raised $24.9 billion. While these figures show a decline from the fourth quarter, they are a significant increase over the first quarter of 2005.

"For the venture capital community, this year will be the last in the typical three year fundraising cycle," said Mark Heesen, president of the NVCA. "If venture firms continue along the current path of reason, we would expect to see a gradual leveling off of commitments in early 2007. First quarter fundraising was again robust but still within a prudent range. We have exhibited tremendous discipline in this cycle and that will serve our limited partners well."

Venture dollars raised in the first quarter declined by 13.1% over the fourth quarter when sixty-three funds attracted $7.5 billion, but gained by 21.2% over the first quarter of last year when fifty-nine funds took in $5.4 billion. On the buyout side the respective differences were more pronounced. This quarter's $24.9 billion represents a 22.1% fall off from last quarter's $31.9 billion, the largest amount of money ever raised by buyout funds in a quarter. However, this quarter outpaced by 76.8% the first quarter of 2005 when forty-nine funds raised $14 billion.

Fundraising by Venture and Buyout/Mezzanine Funds, 2002-2006*

	Venture Capital*		Buyout & Mezzanine**	
Year/Quarter	**Number of Funds**	**Venture Capital ($M)**	**Number of Funds**	**Buyout & Mezzanine ($M)**
2002	173	3,931.9	88	26,153.5
2003	144	10,771.4	91	29,506.7
2004	195	17,900.6	135	51,784.6
2005	194	26,061.3	169	94,191.7
2006 YTD	**51**	**6,531.9**	**42**	**24,875.1**
1Q'05	59	5,387.9	49	14,064.8
2Q'05	57	7,684.2	60	26,369.5
3Q'05	58	5,454.0	59	21,824.2
4Q'05	63	7,535.2	46	31,933.2
1Q'06	**51**	**6,531.9**	**42**	**24,875.1**

Source: Thomson Venture Economics & National Venture Capital Association
*These are net figures and take into account the subtractive effect of downsized funds.
**This category includes LBO, Mezzanine, Turnaround and Recapitalization-focused funds.

On the venture side, Early Stage funds continued to attract the majority of commitments with twenty-three funds raising $3.4 billion or 52.8% of the total venture figure. Balanced funds ranked second in dollars, raising twenty-one funds and $2.6 billion or 39.8%. All other fund types raised $478.8 million among 7 vehicles, accounting for the remaining 7.3%.

The largest venture funds raised in the quarter were Polaris Venture Partners V which was capped at $1 billion, and Highland Capital Partners VII which closed on $800 million. Kleiner Perkins also raised $800 million in the quarter, but its commitments were split between the $600 million KPCB XII and the $200 million KPCB Pandemic and Bio Defense Fund.

On the buyout side four mega funds accounted for $14.8 billion of the quarter's total including Bain Capital IX at $8 billion. TA Associates also raised just over $4 billion in two funds – TA X, L.P. raised $3.5 billion while TA Subordinated Debt Fund II raised $775 million. Other mega funds raised were ArcLight II with $2.1 billion and GS Mezzanine Partners 2006 with $1.25 billion.

Daniel Benkert, senior analyst at Thomson Financial said, "Buyout firms continue to raise funds at a remarkable pace, absorbing what appears to be a very strong investor demand for alternative asset classes. Buyout funds have historically raised 2-3 times more the dollars than venture funds raise. However, we are now seeing that number creep up to 4 times as much. And with several other mega buyout funds in the process of raising commitments with a combined target of well over $40 billion, the year ahead looks to be a repeat of last year. Time will tell as to whether there are enough opportunities to put that money to work in a manner that generates the returns that investors are expecting."

VC Funds: New vs. Follow-On

Year/Quarter	No. of New	No. of Follow-on	Total
2002	56	117	173
2003	49	95	144
2004	53	142	195
2005	47	147	194
2006 YTD	**9**	**42**	**51**
1Q'05	11	48	59
2Q'05	13	44	57
3Q'05	14	44	58
4Q'05	18	45	63
1Q'06	**9**	**42**	**51**

Source: Thomson Venture Economics & National Venture Capital Association

New venture funds were even less prevalent last quarter, accounting for only nine of the fifty-one funds raised, as established firms drove the activity raising forty-two follow-on vehicles. This is a longstanding trend in venture capital that was tempered only during the highpoint of the 1999-2001 fundraising explosion.

Thomson Venture Economics, a Thomson Financial company, is the foremost information provider for equity professionals worldwide. Venture Economics offers an unparalleled range of products from directories to conferences, journals, newsletters, research reports, and the VentureXpert™ database. For over 40 years, Venture Economics has been tracking the venture capital and buyouts industry. Since 1961, it has been a recognized source for comprehensive analysis of investment activity and performance of the private equity industry. Venture Economics maintains a long-standing relationship within the private equity investment community, in-depth industry knowledge, and proprietary research techniques. Private equity managers and institutional investors alike consider Venture Economics information to be the industry standard. For more information about Venture Economics, please visit www.ventureeconomics.com.

About Thomson Financial

Thomson Financial, with 2005 revenues of US$1.9 billion, is a provider of information and technology solutions to the worldwide financial community. Through the widest range of products and services in the industry, Thomson Financial helps clients in more than 70 countries make better decisions, be more productive and achieve superior results. Thomson Financial is part of The Thomson Corporation (www.thomson.com), a global leader in providing integrated information solutions to more than 20 million business and professional customers in the fields of law, tax, accounting, financial services, higher education, reference information, corporate e-learning and assessment, scientific research and healthcare. With revenues of US$8.70 billion, The Thomson Corporation lists its common shares on the New York and Toronto stock exchanges (NYSE: TOC; TSX: TOC).

The National Venture Capital Association (NVCA) represents approximately 480 venture capital and private equity firms. NVCA's mission is to foster greater understanding of the importance of venture capital to the U.S. economy, and support entrepreneurial activity and innovation. According to a 2004 Global Insight study, venture-backed companies accounted for 10.1 million jobs and $1.8 trillion in revenue in the United States in 2003. The NVCA represents the public policy interests of the venture capital community, strives to maintain high professional standards, provides reliable industry data, sponsors professional development, and facilitates interaction among its members. For more information about the NVCA, please visit www.nvca.org.