

**Table 1**  
Québec's Venture Capital Industry Resources and Liquidity  
(\$ Millions)

	<b>1993</b>	<b>1992</b>
Capital Under Management	\$2 094	\$1 486
New Funds Raised	\$458	\$175
Capital Available for Investment	\$1 017	\$301

Source: Macdonald & Associates Limited for Réseau Capital

**Table 2**  
**Québec Captures Largest Share**  
**Venture Capital Investment Activity by Investee Location\***

<b>Location</b>	<b>#</b>	<b>1993</b>			<b>1992</b>			
		<b>%</b>	<b>\$(mm)</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$(mm)</b>	<b>%</b>
British Columbia	19	6	15	4	35	11	27	9
Alberta	26	8	31	8	28	8	19	6
Saskatchewan	19	6	16	4	12	4	12	4
Manitoba	0	0	6	2	0	0	2	1
Ontario	105	31	101	26	118	35	120	39
Québec	137	40	197	50	105	32	105	34
Atlantic Canada	2	1	3	1	1	0	0	0
Foreign Countries	27	8	30	8	26	8	23	8
<b>Total</b>	<b>335</b>	<b>100%</b>	<b>399</b>	<b>100%</b>	<b>325</b>	<b>100%</b>	<b>308</b>	<b>100%</b>

\* *Investee location defined as place of principal facility.*

Source: Macdonald & Associates Limited for Réseau Capital

**Table 3**  
**Investment Activity Continues to Grow**  
**Number of Investments and Amount Invested**  
**New vs. Follow-on Investments**

	1993				1992			
	#	%	\$(mm)	%	#	%	\$(mm)	%
New	48	35	52	26	48	46	27	26
Follow-on	89	65	145	74	57	54	78	74
<b>Total</b>	<b>137</b>	<b>100%</b>	<b>197</b>	<b>100%</b>	<b>105</b>	<b>100%</b>	<b>105</b>	<b>100%</b>

Source: Macdonald & Associates Limited for Réseau Capital

**Table 4**  
**Majority of Companies Are Private**  
**Number of Investments and Amount Invested in Québec**  
**by Investor Type (\$ Millions)**

	<b>1993</b>		<b>1992</b>	
	<b>#Investments</b> %	<b>\$ Invested</b> %	<b>#Investments</b> %	<b>\$ Invested</b> %
PI	39%	11%	48%	56%
HY	31%	59%	30%	30%
G	11%	8%	9%	7%
CF	12%	17%	8%	3%
OT	5%	3%	6%	4%
FI	1%	1%	0%	0%
<b>Total</b>	<b>137</b>	<b>\$197</b>	<b>105</b>	<b>\$105</b>

Source: Macdonald & Associates Limited for Réseau Capital

**Table 5**  
**Total Investments and Dollars Invested**  
**by Stage in Québec ( \$ Millions )**

Stage	1993				1992			
	Investment		Amount		Investment		Amount	
	#	%	\$(mm)	%	#	%	\$(mm)	%
Early Stage	45	33	71	36	33	31	45	43
Expansion	45	33	64	32	19	18	13	12
Acquisition/Buyout	6	4	14	7	14	13	11	10
Turnaround	19	14	31	16	25	24	11	10
Other	22	16	17	9	14	13	25	24
<b>Total</b>	<b>137</b>	<b>100%</b>	<b>\$197</b>	<b>100%</b>	<b>105</b>	<b>100%</b>	<b>\$105</b>	<b>100%</b>

Source: Macdonald & Associates Limited for Réseau Capital

**Table 6**  
Investment Activity in Québec by Revenue of Investees

\$ (mm)	1993						1992					
	Investment		Cos		Amount		Investment		Cos		Amount	
	#	%	#	%	\$(mm)	%	#	%	#	%	\$(mm)	%
\$0-\$1	34	25	26	23	22	11	31	30	26	37	23	22
\$1-\$4	25	18	25	22	7	4	23	22	13	19	11	10
\$4-\$9	11	8	7	6	8	4	8	8	5	7	2	2
Over \$9	44	32	34	30	112	57	43	41	26	37	69	66
Did not report	23	17	21	19	49	25	0	0	0	0	0	0
<b>Total*</b>	<b>137</b>	<b>100%</b>	<b>113</b>	<b>100%</b>	<b>\$198</b>	<b>100%</b>	<b>105</b>	<b>100%</b>	<b>70</b>	<b>100%</b>	<b>\$105</b>	<b>100%</b>

Source: Macdonald & Associates Limited for Réseau Capital

**Table 7**  
**Total Investments and Dollars Invested**  
**Investments in Québec by Sector**

	Investments		1993 Companies		Amount		Investments		1992 Companies		Amount	
	#	%	#	%	\$(mm)	%	#	%	#	%	\$(mm)	%
Technology	196	57%	157	55%	183	46%	171	51%	129	54%	175	57%
Traditional	145	43%	129	45%	216	54%	162	49%	110	46%	132	43%
<b>Total</b>	<b>341</b>	<b>100%</b>	<b>286</b>	<b>100%</b>	<b>\$399</b>	<b>100%</b>	<b>333</b>	<b>100%</b>	<b>239</b>	<b>100%</b>	<b>\$307</b>	<b>100%</b>

Source: Macdonald & Associates Limited for Réseau Capital

**Table 7a**  
**Annual Disbursements by Industry Sector**  
**( \$ Millions )**

<b>Sector</b>	<b>Canada</b>			<b>Québec</b>		
	<b>1993</b>	<b>1992</b>	<b>1991</b>	<b>1993</b>	<b>1992</b>	<b>1991</b>
Biotechnology	\$14	\$14	\$10	\$3	\$7	\$2
Communications	\$24	\$46	\$7	\$12	\$31	\$4
Computer-Related	\$65	\$47	\$19	\$20	\$0	\$0
Electronic Components & Instrumentation	\$21	\$5	\$8	\$6	\$0	\$1
Energy/Environmental Technology	\$14	\$33	\$13	\$2	\$2	\$4
Industrial Automation & Equipment	\$7	\$9	\$15	\$1	\$1	\$3
Medical/Health Related	\$38	\$28	\$30	\$8	\$16	\$0
Consumer Related	\$30	\$27	\$63	\$17	\$8	\$15
Manufacturing	\$108	\$60	\$71	\$65	\$24	\$18
Miscellaneous	\$78	\$39	\$54	\$63	\$15	\$32
<b>Total</b>	<b>\$399</b>	<b>\$308</b>	<b>\$290</b>	<b>\$197</b>	<b>\$104</b>	<b>\$79</b>

Source: Macdonald & Associates Limited for Réseau Capital

**Table 8**  
**Venture Capital Investment Activity in Québec**  
**by Number of Employees in Investee Companies**

# Employees	1993						1992					
	Investments		Cos		Amount		Investments		Cos		Amount	
	#	%	#	%	\$(mm)	%	#	%	#	%	\$(mm)	%
0-24	56	41	45	40	25	13	44	42	32	46	28	27
25-49	6	4	6	5	1	1	11	10	7	10	5	5
50-99	16	12	10	9	19	10	10	10	7	10	5	5
100-199	16	12	11	10	20	10	19	18	9	13	30	29
200-499	16	12	14	12	46	23	18	17	12	17	34	33
500-999	2	1	2	2	19	10	1	1	1	1	1	1
>1000	3	2	3	3	15	8	2	2	2	3	1	1
Did not report	22	16	22	19	53	27	0	0	0	0	0	0
<b>Total</b>	<b>137</b>	<b>100%</b>	<b>113</b>	<b>100%</b>	<b>198</b>	<b>100%</b>	<b>105</b>	<b>100%</b>	<b>70</b>	<b>100%</b>	<b>104</b>	<b>100%</b>

Source: Macdonald & Associates Limited for Réseau Capital

**Table 9****Dispositions of Venture Capital Investments in Québec by Exit Mechanism**

<b>Exit Mechanism</b>	<b>#</b>	<b>1993 Cost (\$ mm)</b>	<b>Exit Value (\$ mm)</b>	<b>#</b>	<b>1992 Cost (\$ mm)</b>	<b>Exit Value (\$ mm)</b>
Acquisition	3	9	21	0	0	0
Company Buyback	8	9	8	8	6	6
IPO & Subsequent Sales	3	3	6	0	0	0
Write Off	10	12	0	4	2	0
Other	10	54	102	0	0	0
<b>Total</b>	<b>34</b>	<b>\$86</b>	<b>\$137</b>	<b>12</b>	<b>\$8</b>	<b>\$6</b>

Source: Macdonald & Associates Limited for Réseau Capital