

GSV Capital Corp.

Initiating Coverage with BUY and \$20 Target

Stock attractive as way to invest in high growth private companies. We recommend the stock and believe upcoming Facebook IPO likely to increase its visibility and valuation.

COVERAGE INITIATION

Rating: Buy

Ticker: GSVL

Price: \$17.74

Target: \$20.00

Leading investment company: GSV Capital is a closed-end investment company that invests principally in the equity securities of privately-held high growth technology companies. GSV provides one of the few options for individual investors to invest (indirectly) in privately-held companies.

Focus on high growth industries: GSV focuses its investments on several key industries, including social-mobile (42% of investments), cloud computing (8%), internet commerce (25%), green technology (5%) and education technology (20%).

Positive market trends: Recent valuations (from IPO and M&A activities) for many high growth privately-held technology companies have been strong (+40% YTD returns for technology IPOs). GSV currently has investments in 24 leading technology companies, and its two largest investments are Twitter and Facebook (representing an estimated 17% and 15%, respectively, of its investment portfolio).

Facebook IPO may be positive catalyst: We believe the upcoming IPO of Facebook (expected in late May) could be a catalyst to drive GSV's stock higher if Facebook's valuation is above \$110 billion. GSV's cost basis has an implied value of \$70 billion, and recent transactions had an implied value of \$100 billion.

Downturn in valuations a concern: There are concerns that valuations of private companies may be inflated, but we believe that current valuation trends are positive and reflective of the overall trends in the U.S. stock markets. We also believe that certain major fundamental technological changes have the ability to temper declines in overall market valuation trends.

High NAV premium: The current share price is significantly above the net asset value (NAV) per share at a premium of 37%. We note that the premium is well above that of several of its direct competitors, however, this may also be due to lower quality of investments as well.

But NAV may be understated: We believe that GSV's investment values may be understated and not fully reflected in its NAV. Based on our calculations, we believe that a 40% increase in valuations for some of its top investments may be more reflective of current and potential values.

Current valuation attractive: Our \$20 price target is calculated by applying a target premium multiple of 40% to our 2013 (year-end) NAV per share estimate of \$13.97. This premium is in line with our estimate of the current investments market value over the company's calculated investments Fair Value, and which we believe appropriately balances out the risks with the growth prospects of its current and future investments.

Company Description

Based in Woodside, CA, GSV Capital is a closed-end investment company that invests principally in the equity securities of privately-held high growth technology companies.

United States
Internet Software and Services

May 2, 2012

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Stock Data

Exchange:	NasdaqCM
52-week Range:	\$9.75 - 20.89
Shares Outstanding (million):	12.4
Market cap (\$million):	\$220
EV (\$million):	\$103
Debt (\$million):	\$0
Cash (\$million):	\$117
Avg. Daily Trading Vol. (\$million):	\$14
Float (million shares):	12.4
Short Interest (million shares):	1.3
Incorporation:	Maryland
Public auditor:	Grant Thornton LLP

Investment Income (US\$ million)

	2011A	2012E	2013E
Q1 Mar	0A	0.1E	0.3E
Q2 Jun	0A	0.3E	0.3E
Q3 Sep	0.1A	0.3E	0.3E
Q4 Dec	0.1A	0.3E	0.3E
Total	0.2A	0.9E	1.1E
II/Assets	0.2%	0.5%	0.6%

Change In Net Assets From Operations Per Share

	2011A	2012E	2013E
Q1 Mar	N/A	(0.12)E	0.09E
Q2 Jun	(0.27)A	0.06E	0.09E
Q3 Sep	(0.34)A	0.02E	0.16E
Q4 Dec	(0.31)A	0.02E	0.16E
Total	\$(1.07)A	\$(0.02)E	\$0.50E
P/E	N/A	N/A	35.5x

Net Asset Value Per Share (NAV)

	2011A	2012E	2013E
Q1 Mar	N/A	13.38E	13.57E
Q2 Jun	13.57A	13.44E	13.65E
Q3 Sep	13.26A	13.46E	13.82E
Q4 Dec	12.95A	13.48E	13.97E
P/NAV	1.37x	1.32x	1.27x

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 23.



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Exhibit 1: GSV Capital Stock Price (since April 28, 2011 IPO)



Source: Nasdaq.com

INVESTMENT THESIS

We are initiating coverage of GSV Capital with a BUY rating and a 12-month price target of \$20.

GSV Capital is a closed-end investment company that invests principally in the equity securities of privately-held high growth technology companies. The company focuses its investments on several key industries, including social-mobile, cloud computing, internet commerce, green technology and education technology.

Recent valuations (from IPO and M&A activities) for many high growth privately-held technology companies have been strong, which bodes well for GSV. The company currently has investments in 24 leading technology companies, and its two largest investments are Twitter and Facebook (representing an estimated 17% and 15%, respectively, of its investment portfolio). We believe the upcoming IPO of Facebook (expected in late May) could be a catalyst to drive GSV's stock higher if Facebook's valuation is above \$110 billion.

While there are concerns that valuations of private companies may be inflated, we believe that current valuation trends are positive and reflective of the overall trends in the U.S. stock markets. For GSV, there is the additional concern for investors as the current share price is significantly above the net asset value (NAV) per share at a premium of 37%. However, we believe that GSV's investment values may be understated and not fully reflected in its NAV. Based on our calculations, we believe that a 40% increase in valuations for some of its top investments may be more reflective of current and potential values.

Our \$20 price target is calculated by applying a target premium multiple of 40% to our 2013 (year-end) NAV per share estimate of \$13.97. This premium is in line with our estimate of the current investments market value over the company's calculated investments Fair Value, and which we believe appropriately balances out the risks with the growth prospects of its current and future investments.

INVESTMENT HIGHLIGHTS

Leading Investment Company

GSV Capital is a closed-end investment company that invests principally in the equity securities of privately-held high growth technology companies. GSV provides one of the few options for individual investors (who are not “accredited” (wealthy or institutional) investors) to invest (indirectly) in privately-held companies, and to benefit from the historically higher returns from venture investments. GSV is lead by Michael Moe, who has over 17 years of experience in investing in technology companies. GSV has a prominent Advisory Board, including Bill Campbell (Chairman of Intuit) and Todd Bradley (EVP at Hewlett-Packard). In addition, GSV has acquired the approval to invest from key businesses such as Twitter (which can be difficult to obtain, and without which may prevent an investment in those companies). We believe GSV’s management connections to investors, venture capitalists, and companies facilitate access and expertise for investing in private company shares.

Exhibit 2: Historical Investment Returns

U.S. VENTURE CAPITAL
Fund Index Summary
End-to-End Pooled Return, Net to Limited Partners
As of September 30, 2011

<u>Index</u>	<u>1-Quarter</u>	<u>YTD</u>	<u>1-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>10-Year</u>	<u>15-Year</u>	<u>20-Year</u>	<u>25-Year</u>
Cambridge Associates LLC U.S. Venture Capital Index® ¹	(0.69)	11.47	20.93	4.93	6.72	2.59	31.73	27.26	19.38
U.S. Venture Capital - Early Stage Index ¹	(0.74)	12.27	21.88	4.36	6.26	0.89	43.08	31.46	21.18
U.S. Venture Capital - Late & Expansion Stage Index ¹	1.10	11.83	25.57	12.71	12.87	6.65	13.16	21.44	16.24
U.S. Venture Capital - Multi-Stage Index ¹	(1.34)	10.08	17.71	2.91	5.04	4.53	29.49	24.44	18.46
Barclays Capital Gov’t/Credit Bond Index	4.74	7.47	5.14	8.41	6.52	5.74	6.49	6.78	7.24
Dow Jones Industrials Average	(11.49)	(3.90)	3.83	3.15	1.37	4.66	6.53	9.16	10.39
Dow Jones U.S. Small Cap Index	(21.07)	(15.16)	(2.21)	2.69	0.87	7.72	7.19	NA	NA
Dow Jones U.S. TopCap Index	(14.44)	(9.07)	1.08	1.62	(0.75)	3.25	5.29	NA	NA
Nasdaq Composite*	(12.91)	(8.95)	1.97	4.91	1.35	4.89	4.62	7.91	8.02
Russell 1000®	(14.68)	(9.25)	0.91	1.61	(0.91)	3.28	5.43	7.85	9.05
Russell 2000®	(21.87)	(17.02)	(3.53)	(0.37)	(1.02)	6.12	5.59	8.05	8.08
S&P 500	(13.87)	(8.68)	1.14	1.23	(1.18)	2.82	5.23	7.64	9.02
Wilshire 5000 Total Market	(15.04)	(9.87)	0.57	1.49	(0.75)	3.83	5.40	7.79	8.89

Source: Cambridge Associates LLC

Strong Investments Portfolio

Since its IPO in April 2011, GSV has invested in 24 leading technology companies (22 privately-held and 2 publicly traded). Its two largest investments are Twitter and Facebook (representing an estimated 17% and 15%, respectively, of its investment portfolio). We believe the upcoming IPO of Facebook (expected in late May) could be a catalyst to drive GSV’s stock higher if Facebook’s valuation is above \$110 billion (GSV’s cost basis has an implied value of \$70 billion, and recent transactions had an implied value of \$100 billion). We believe that it is likely Twitter may pursue an IPO within a year if Facebook has a successful IPO (GSV’s cost basis in Twitter has an implied value of \$8 billion, and recent transactions had an implied value of \$8 billion). By focusing on high growth private companies, we believe that GSV’s investments have higher probability for large share price appreciation.

Exhibit 3: GSV Investments (as of 12/16/11)



Listed amounts are approximate investment costs

Source: Company reports

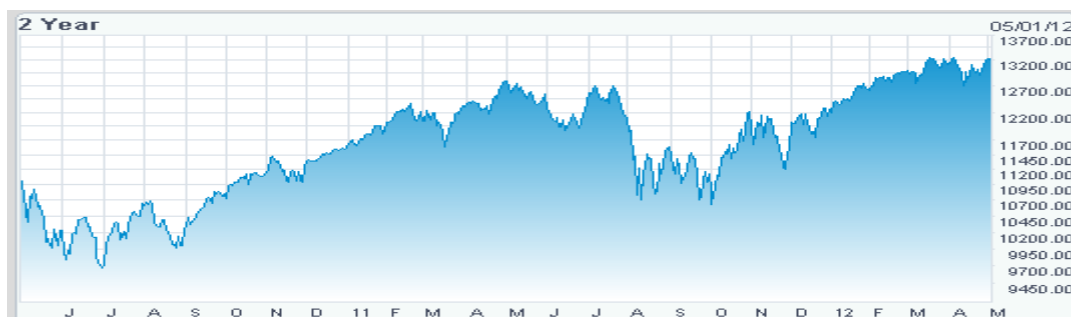
Focus On High Growth Opportunities

GSV focuses its investments on several high growth technology industries, including social-mobile, cloud computing, internet commerce, green technology and education technology. With increasing Internet usage (both in time spent and users), the shift to mobile and social computing, and cloud computing, we believe that these areas are likely to experience high growth and present major opportunities (and potential value creation) for new companies in these sectors. We believe that with Facebook at over 900 million users, Twitter with over 140 million users, and Apple selling 37 million iPhones and 15 million iPads in the December 2011 quarter alone, demonstrates the tremendous growth prospects. We believe GSV is well-positioned to capitalize on this growth by investing in many of these companies.

Strong Valuations

Recent valuations (from IPO and M&A activities) for many high growth privately-held technology companies have been strong, which bodes well for GSV and its investments. According to Renaissance Capital, U.S. technology company IPOs (YTD) average total returns is 40% (it is +25% for all U.S. IPOs). In addition, the U.S. stock markets have been generally strong in 2012 which tends to lead to higher valuations for IPO of private companies (the primary exit strategy for venture investors and for GSV). The DJIA is up 9% YTD (it was +6% in 2011), while the NASDAQ Composite is up 17% YTD (it was -2% in 2011).

Exhibit 4: U.S. Stock Market Price Charts (Two Years)



Dow Jones Industrial Average



NASDAQ Composite

Source: Nasdaq.com

INVESTMENT CONCERNS

Current Share Price Above NAV

As a closed-end investment company, GSV's share price may fluctuate above or below net asset value (NAV) per share. Shares of closed-end investment companies frequently trade at a discount to their net asset value. We note that GSV's current share price is significantly above the net asset value (NAV) per share at a premium of 37%. This premium may be due to inaccurate NAV or investors' positive valuation of GSV's future financial performance. As GSV's investments (other than Groupon and SharesPost) are valued at cost, we believe that GSV's investment values may be understated and not fully reflected in its NAV. Based on our calculations, we believe that a 40% increase in valuations for some of its top investments may be more reflective of current and potential values. However, given the illiquid nature of GSV's investments, a precise fair value for many of its investments is likely difficult to attain and our calculations may be inaccurate.

Exhibit 5: GSV Share Price As Compared To NAV

	NAV	Price Range		High Sales Price as a Premium (Discount) to NAV	Low Sales Price as a Premium (Discount) to NAV
		High	Low		
Fiscal 2012					
Second Quarter (through April 30, 2012)	N/A	\$ 20.25	\$ 16.38	N/A	N/A
First Quarter	N/A	\$ 20.89	\$ 13.03	N/A	N/A
Fiscal 2011					
Fourth Quarter	\$ 12.95	\$ 17.23	\$ 12.10	33%	-7%
Third Quarter	\$ 13.26	\$ 19.97	\$ 12.09	51%	-9%
Second Quarter (from April 28, 2011 through June 30, 2011)	\$ 13.57	\$ 15.35	\$ 9.75	13%	-28%

Source: Company reports and Yahoo! Finance

Short Operating History

GSV has a limited operating history, with its IPO in April 2011, and its first investment made in May 2011. The company has completed two additional share sales for total proceeds (including its IPO) of \$172 million, and has invested \$71 million. Two of GSV's investments have completed IPOs, Zynga and Groupon (both in Q4 2011). We note that Groupon and Zynga are both trading well below their IPO price (Groupon at \$10.87 compared with its IPO price of \$20 and GSV's cost basis of \$27, and Zynga at \$8.46 compared with its IPO price of \$10). While we believe that GSV's next investment to IPO (Facebook) should perform much better, there is the risk that it will not.

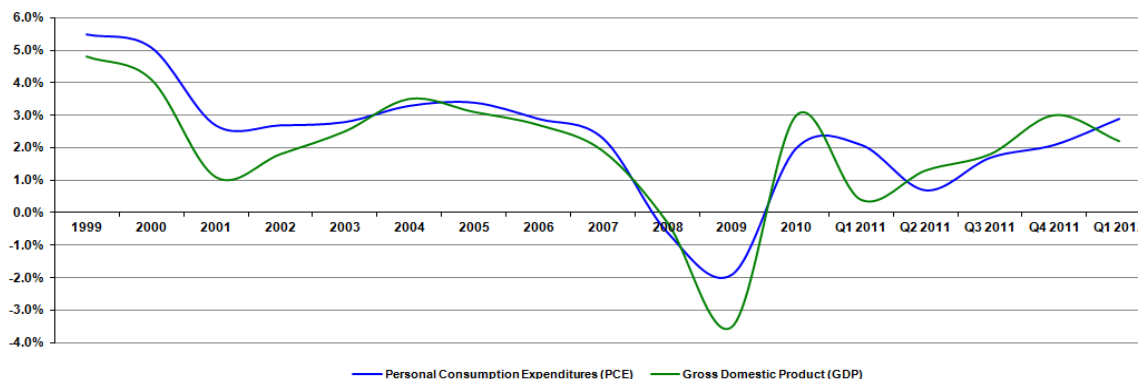
Investment Returns Dependent On Future Investments

GSV currently has ~40% of its assets invested (comprising of investments in 24 companies). The company has targeted an initial portfolio of 30 companies, and has identified additional prospective investments. The company seeks to invest in well-established, late stage companies. However, the availability of such investments constantly changes. Many of GSV's investments (including Twitter and Facebook) were from secondary sources which can be more time consuming and costly than direct investments. In addition, the early and high growth nature of these companies may make it more difficult to conduct due diligence and valuations using traditional financial metrics.

Economic Uncertainty

Consumer spending is highly correlated with economic activity and discretionary income levels. Deterioration in economic conditions tends to result in an overall decline in consumer spending, as was demonstrated during the 2008 and 2009 Great Recession and global economic slowdown. While consumer spending levels have improved relatively in 2010, 2011, and so far in 2012, the global macroeconomic environment remains fragile (particularly in Europe). Further economic weakness may result in depressed consumer spending levels; this may have a negative impact on GSV's portfolio companies.

Exhibit 6: U.S. Consumer Spending and U.S. Economic Growth (GDP)



Source: U.S. Bureau of Economic Analysis

VALUATION

We are initiating coverage of GSV Capital with a BUY rating and a 12-month price target of \$20, which reflects a target premium multiple of 40% to our 2013 (year-end) NAV per share estimate of \$13.97. This premium is in line with our estimate of the current investments market value over the company's calculated investments Fair Value, and which we believe appropriately balances out the risks with the growth prospects of its current and future investments. This premium multiple is also in line with the recent total returns for U.S. technology IPO stocks so far in 2012 (+40%).

We note that GSV's current share price is significantly above the net asset value (NAV) per share at a premium of 37%. This premium may be due to inaccurate NAV or investors' positive valuation of GSV's future financial performance. As GSV's investments (other than Groupon and SharesPost) are valued at cost, we believe that GSV's investment values may be understated and not fully reflected in its NAV. Based on our calculations, we believe that a 40% increase in valuations for some of its top investments may be more reflective of current and potential values. However, given the illiquid nature of GSV's investments, a precise fair value for many of its investments is likely difficult to attain and our calculations may be inaccurate. Prices quoted on secondary exchanges (SharesPost or SecondMarket) may be inaccurate due to infrequency of trades, and not fully reflective of liquidity or investors premiums.

We note that GSV's investment in Twitter and Facebook represents a large portion of its total investments (32%), and changes to either company's valuations will have a large effect on GSV's valuation. Facebook's IPO is expected in late May, and we believe that it is likely Twitter may pursue an IPO within a year if Facebook has a successful IPO. If either stock's valuation fall short of our estimates, it is likely GSV's stock price will decline.

Exhibit 7: Portfolio Investments (as of 3/27/12)

Investments	Cost	Fair Value	Shares Held	FV Per Share
1 Twitter, Inc.	\$ 12,304,345	\$ 12,113,493	735,600	\$16.47
2 Facebook, Inc.	\$ 10,465,981	\$ 10,462,500	350,000	\$29.89
3 Chegg, Inc.	\$ 10,003,694	\$ 9,999,996	N/A	N/A
4 Gilt Groupe, Inc.	\$ 5,576,979	\$ 5,499,250	203,100	\$27.08
5 Dropbox, Inc.	\$ 5,015,333	\$ 4,999,998	552,486	\$9.05
6 PJB Fund LLC	\$ 4,029,259	\$ 4,000,000	N/A	N/A
7 ZocDoc Inc.	\$ 3,563,178	\$ 3,500,000	200,000	\$17.50
8 Kno, Inc.	\$ 2,476,309	\$ 2,455,000	N/A	N/A
9 SharesPost, Inc.	\$ 2,281,112	\$ 2,274,483	N/A	N/A
10 Grockit Inc.	\$ 2,005,945	\$ 2,000,000	2,728,252	\$0.73
11 StormWind, LLC	\$ 2,012,874	\$ 2,000,000	N/A	N/A
12 TrueCar, Inc.	\$ 2,014,551	\$ 1,999,997	377,358	\$5.30
13 Bloom Energy Corporation	\$ 1,815,818	\$ 1,771,335	96,389	\$18.38
14 Groupon, Inc.	\$ 2,128,585	\$ 1,188,288	80,000	\$14.85
15 Silver Spring Networks, Inc.	\$ 1,153,381	\$ 1,101,430	110,143	\$10.00
16 Control 4 Inc.	\$ 1,034,827	\$ 1,000,000	666,667	\$1.50
17 DreamBox Learning, Inc.	\$ 757,955	\$ 750,000	3,579,610	\$0.21
18 The Echo System Corp.	\$ 755,823	\$ 750,000	N/A	N/A
19 Serious Energy, Inc.	\$ 739,130	\$ 712,380	178,095	\$4.00
20 AltEgo, LLC	\$ 500,000	\$ 500,000	N/A	N/A
21 The rSmart Group, Inc.	\$ 513,311	\$ 500,000	480,769	\$1.04
22 AlwaysOn Network, LLC	\$ 250,000	\$ 250,000	N/A	N/A
23 ZoomSystems	\$ 260,476	\$ 250,000	1,250,000	\$0.20
24 Maven Research, Inc.	\$ 200,000	\$ 200,000	N/A	N/A
Total	\$ 71,858,866	\$ 70,278,150		

Fair Value as calculated by the company

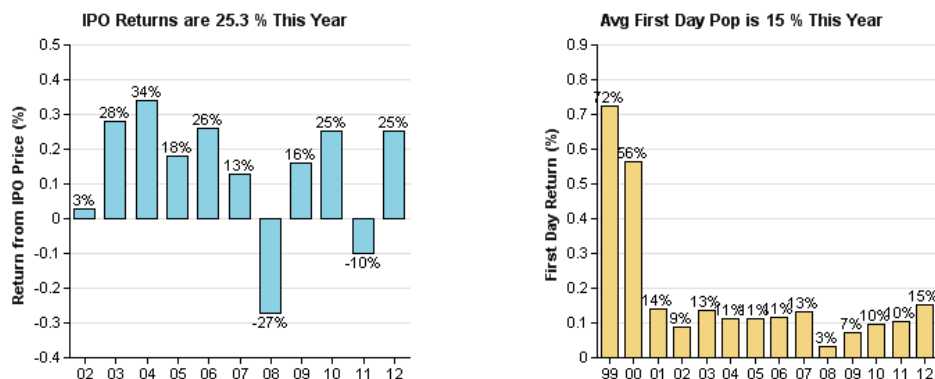
Source: Company reports and Ascendant Capital Markets estimates

Exhibit 8: Portfolio Investments Valuation (as of 5/1/12)

Investments	GSV Calculations				Ascendant Estimates		
	Cost	Fair Value	Shares Held	FV Per Share	FV Per Share	Fair Value	% Difference
1 Twitter, Inc.	\$ 12,304,345	\$ 12,113,493	735,600	\$16.47	\$20.00	\$ 14,712,000	21%
2 Facebook, Inc.	\$ 10,465,981	\$ 10,462,500	350,000	\$29.89	\$64.00	\$ 22,400,000	114%
3 Gilt Groupe, Inc.	\$ 5,576,979	\$ 5,499,250	203,100	\$27.08	\$26.00	\$ 5,280,600	-4%
4 TrueCar, Inc.	\$ 2,014,551	\$ 1,999,997	377,358	\$5.30	\$5.30	\$ 1,999,997	0%
5 Bloom Energy Corporation	\$ 1,815,818	\$ 1,771,335	96,389	\$18.38	\$19.00	\$ 1,831,391	3%
6 Groupon, Inc.	\$ 2,128,585	\$ 1,188,288	80,000	\$14.85	\$10.87	\$ 869,600	-27%
7 Silver Spring Networks, Inc.	\$ 1,153,381	\$ 1,101,430	110,143	\$10.00	\$9.50	\$ 1,046,359	-5%
8 Serious Energy, Inc.	\$ 739,130	\$ 712,380	178,095	\$4.00	\$4.00	\$ 712,380	0%
Total	\$ 36,198,770	\$ 34,848,673				\$ 48,852,327	40%
Total Investments	\$ 71,858,866	\$ 70,278,150					
% of Total Investments	50%	50%					

Source: Company reports and Ascendant Capital Markets estimates

Exhibit 9: U.S. IPO Performance



Source: Renaissance Capital, Greenwich, CT (www.renaissancecapital.com)

COMPANY HIGHLIGHTS

Based in Woodside, CA, GSV Capital is a closed-end investment company that invests principally in the equity securities of privately-held high growth technology companies. GSV “Global Silicon Valley” (name changed in May 2011 from NeXt Innovation Corp.) was formed in September 2010 and is organized as a business development company for the purpose of investing in private companies. GSV intends to distribute at least 90% of its ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses. GSV investment activities are managed by GSV Asset Management, and GSV Capital Service Company provides administrative services (both affiliated companies).

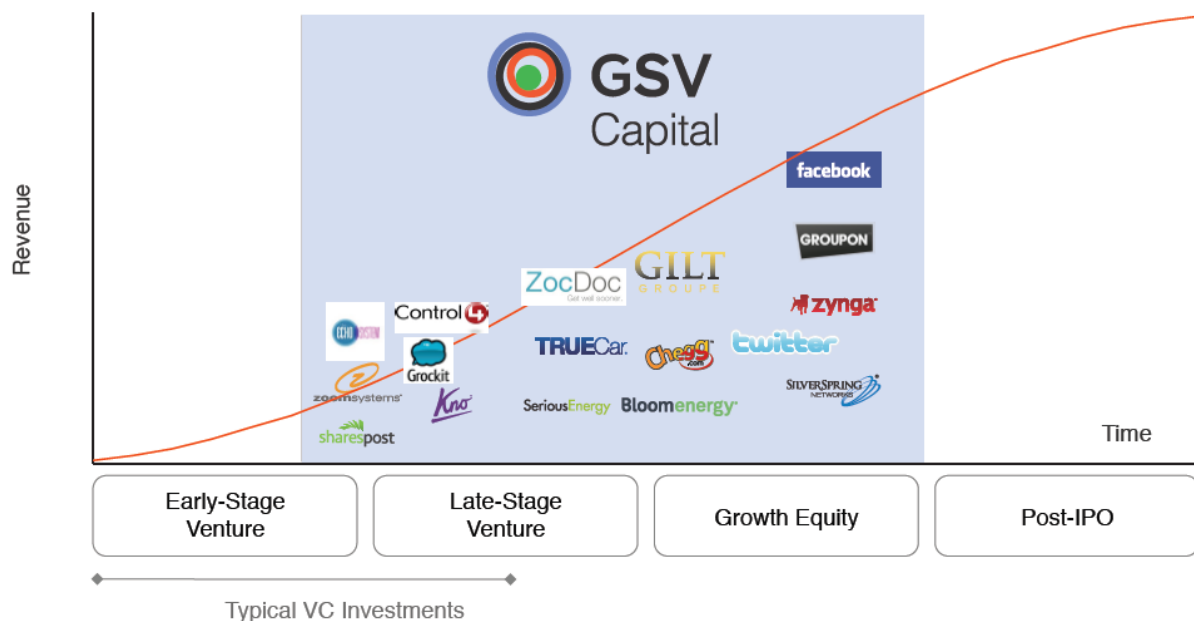
In April 2011, GSV completed its IPO of 3.3 million shares at \$15.00 per share, resulting in net proceeds of \$47 million. In September 2011, GSV completed its first follow-on public offering of 2.2 million shares at \$14.15 per share, resulting in net proceeds of \$30 million. In February 2012, GSV completed its second follow-on public offering of 6.9 million shares at \$15.00 per share, resulting in net proceeds of \$96 million. GSV currently has a shelf registration with the SEC for \$250 million (though there is no time table for its usage).

Exhibit 10: GSV Total Assets and NAV

	Q2 2011A	Q3 2011A	Q4 2011A	Q1 2012E	Q2 2012E	Q3 2012E	Q4 2012E	Q1 2013E	Q2 2013E	Q3 2013E	Q4 2013E
Total Assets (000s)	\$45,460	\$73,716	\$91,798	\$186,507	\$187,260	\$187,479	\$187,697	\$188,794	\$189,867	\$191,885	\$193,845
NAV Per Share	\$13.57	\$13.26	\$12.95	\$13.38	\$13.44	\$13.46	\$13.48	\$13.57	\$13.65	\$13.82	\$13.97

Source: Company reports and Ascendant Capital Markets estimates

Exhibit 11: GSV's Target Market



Source: Company reports

MANAGEMENT TEAM

Michael Moe, Chairman, CEO, and President, age 49. Mr. Moe has served as Chairman, CEO, and president since 2010 and is primarily responsible for overall investment strategies and portfolio management. In addition, Mr. Moe has served as co-founder, CEO and CIO of GSV Asset Management since 2010. Mr. Moe previously co-founded and served as Chairman and CEO of ThinkEquity Partners, an investment banking firm, from 2001 to 2008. Mr. Moe also served as head of Global Growth Research at Merrill Lynch from 1998 to 2001, and before that served as head of Growth Research and Strategy at Montgomery Securities from 1995 to 1998. Mr. Moe earned his BA in Political Science and Economics at the University of Minnesota and is a CFA charter holder.

Stephen Bard, Chief Financial Officer, age 52. Mr. Bard has served as CFO, chief compliance officer, treasurer and corporate secretary since 2011. In addition, Mr. Bard has served as a principal and managing member of GSV Asset Management since 2010. From 2001 to 2009, Mr. Bard served as COO of Fuller & Thaler Asset Management. From 1998 to 2001, Mr. Bard worked for Fidelity Management Trust Company (now Pyramis Global Advisors). Mr. Bard earned his BS from Duke University and his MBA from the University of California, Berkeley. Mr. Bard is a CFA charter holder.

Paul Lapping, Chief Operating Officer, age 49. Mr. Lapping has served as COO since 2011. Mr. Lapping served as CFO of New University Holdings Corp., a capital pool company listed on the TSX Venture Exchange, from its inception in 2010 through its merger with ePals, Inc., the world's largest K-12 learning network provider, in August 2011. Mr. Lapping also served as the CFO, treasurer, and secretary of 57th Street General Acquisition Corp., a special purpose acquisition company, from its inception in 2009 through its merger with Crumbs Holdings LLC, the largest U.S.-based retailer of cupcakes, in May 2011. Between 2007 and 2009, Mr. Lapping served as the CFO, treasurer and secretary of Alternative Asset Management Acquisition Corp. From 2003 to 2006, Mr. Lapping served as the president of Lapping Investments, LLC. Mr. Lapping received a Bachelor of Science from the University of Illinois and a Masters of Management Degree from the Kellogg School of Business at Northwestern University.

Exhibit 12: GSV's Management Team



Michael Moe



Steve Bard



Paul Lapping

Source: Company reports

INVESTMENTS GOALS

GSV's objective is to maximize its portfolio's total return, principally by seeking capital gains on its investments. Its business strategy is to identify high quality privately-held growth companies (primarily in the technology sectors of social-mobile, cloud computing, internet commerce, green technology and education technology) through a combination of relationships throughout Silicon Valley, independent research, and its "the four Ps" evaluation process. GSV acquires its positions from private secondary marketplaces (such as SharesPost and SecondMarket), direct purchases from stockholders, or direct investments in companies. Sales of shares in private companies are typically restricted by contractual transfer restrictions and company employment policies, which may impose strict limits on transfer (including GSV's ability to purchase and sell investments).

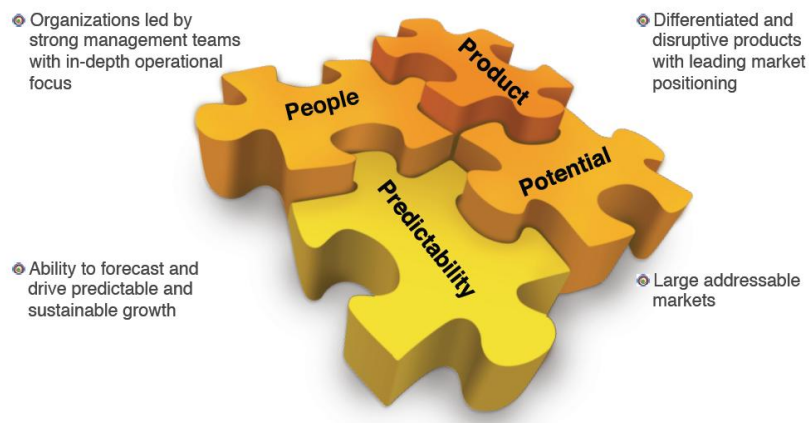
The company's goal is to invest primarily in private companies, and for those companies who later turn into public companies, GSV will liquidate its investments as appropriate (subject to lock-up agreements, market conditions, and investment potential). GSV's current investment allocations consist of social-mobile (42%), education technology (20%), green technology (5%), internet commerce (25%) and cloud computing (8%).

Exhibit 13: Industry Focus



Source: Company reports

Exhibit 14: GSV's "The Four Ps"



Source: Company reports

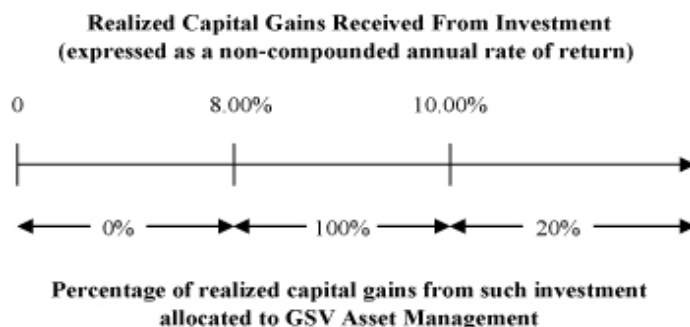
GSV investment activities are managed by GSV Asset Management (whose principals are the same for GSV), and are paid a fee for its services (a base management fee and an incentive fee). The base fee is calculated at an annual rate of 2.0% of GSV's gross assets (calculated on the average value of gross assets at the end of the two most recently completed calendar quarters, adjusted for any equity or debt capital raises, repurchases or redemptions during the current calendar quarter).

The incentive fee (determined at the end of each calendar year) will equal the lesser of:

- 20% of realized capital gains during such calendar year, if any, calculated on an investment-by-investment basis, subject to a non-compounded preferred return, or "hurdle," and a "catch-up" feature, and
- 20% of realized capital gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees.

GSV only pays an incentive fee on any realized capital gains from an investment that exceeds the hurdle rate of 8.0% per year.

Exhibit 15: GSV's Asset Management Incentive Fees



Source: Company reports

INDUSTRY HIGHLIGHTS

With increasing Internet usage (both in time spent and users), the shift to mobile and social computing, and cloud computing, we believe that these areas are likely to experience high growth and present major opportunities (and potential value creation) for new companies in these sectors. We believe that with Facebook at over 900 million users, Twitter with over 140 million users, and Apple selling 37 million iPhones and 15 million iPads in the December 2011 quarter alone, these demonstrate the tremendous growth prospects.

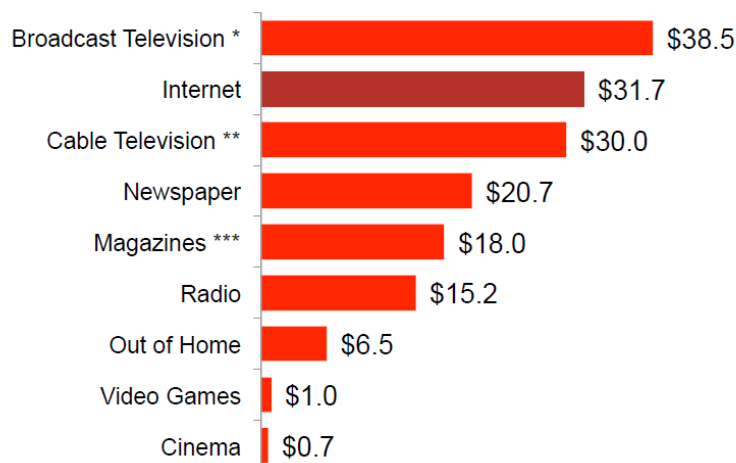
Figure 16: World Internet Usage and Population Statistics

World Regions	Population (2011 Est.)	Internet Users	Penetration (as % Population)	% of Total
Africa	1,037,524,058	139,875,242	14%	6%
Asia	3,879,740,877	1,016,799,076	26%	45%
Europe	816,426,346	500,723,686	61%	22%
Middle East	216,258,843	77,020,995	36%	3%
North America	347,394,870	273,067,546	79%	12%
Latin America / Carib.	597,283,165	235,819,740	40%	10%
Oceania / Australia	35,426,995	23,927,457	68%	1%
WORLD TOTAL	6,930,055,154	2,267,233,742	33%	100%

Source: www.internetworldstats.com

With Internet usage increasing globally, we believe that online advertising and e-commerce will continue to grow (it was +22%, and +12%, respectively, in the U.S. in 2011). In addition, the increased usage of the Internet is driving consumers to go online for content and research (which is increasing at a fast rate due to social media, blogs, and mobile computing), further driving more advertising spending towards online media, and to e-commerce.

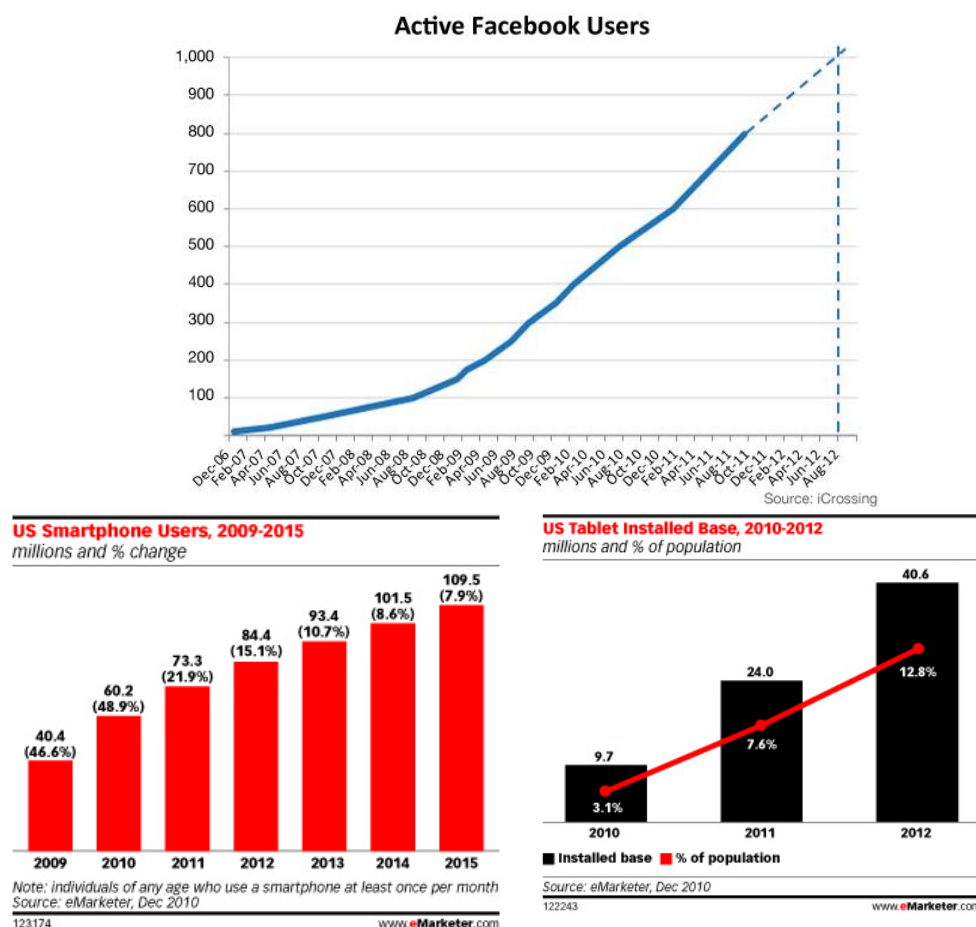
Exhibit 17: U.S. Advertising Market By Media Revenue – 2011 (in billions)



Source: IAB Internet Advertising Revenue Report, PwC

Over the past several years, there has been a rapid rise in smartphones, tablets, and users of social media (dominated by Facebook). Consumers are increasingly accessing the Internet through mobile devices, and also for connecting socially with their network of friends and contacts.

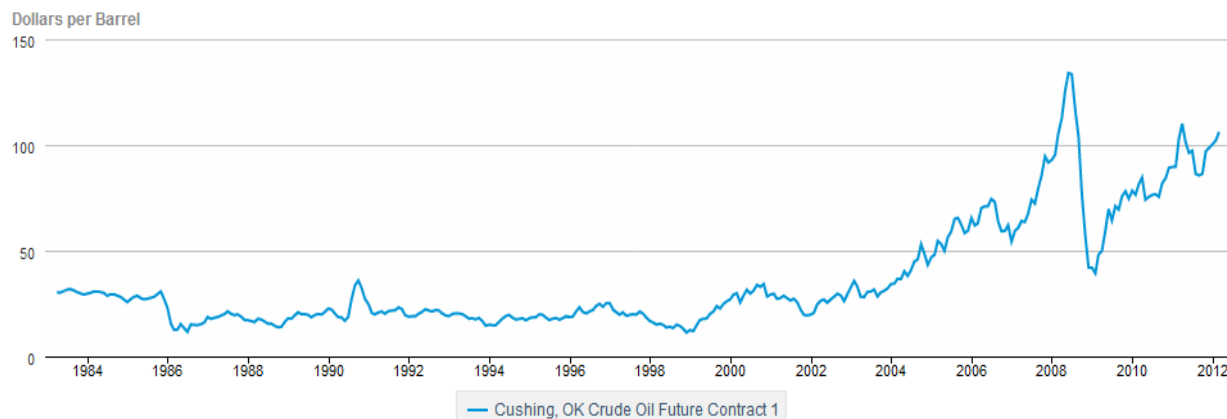
Exhibit 18: Rise of Smartphone, Tablets, and Facebook



Source: www.emarketer.com, iCrossing

As the cost of energy (particularly oil) and the global awareness of the negative byproducts of fossil fuels usage increases, there has been an increased focus on development of alternative energy (including wind, solar, bio fuel, geothermal) and energy technologies (fuel cells, hybrids, alternative fuels).

Exhibit 19: Rising Cost of Oil



Source: U.S. Energy Information Administration

COMPETITION

On a broad level, GSV competes in the investment industry against a wide variety of investments alternatives. In private company investments, GSV primarily competes against specialty finance companies including other crossover funds, public funds investing in private companies, and business development companies. GSV provides one of the few options for individual investors (who are not “accredited” (wealthy or institutional) investors) to invest (indirectly) in privately-held companies. This is more important as there are significantly fewer IPOs today than there were a decade ago, with companies taking longer to go public, and when they do, are at higher valuations (implying larger value creation while these companies are still private).

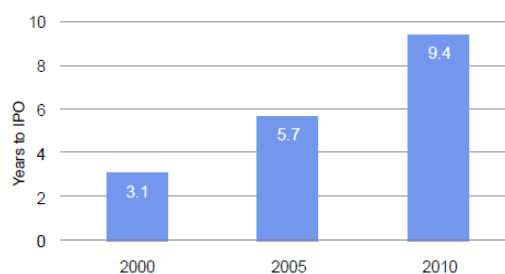
Exhibit 20: State of IPOs

Fewer IPOs at Higher Valuations

(\$ in mm)	'91-'00	'01-'10	Δ
Average Annual # of IPOs	447	102	(77%)
Median Market Cap	\$130	\$1,094	742%
Median Proceeds Raised	\$60	\$124	106%

Source: Dealogic, J.R.Ritter (University of Florida, GSV Media)

Longer Time To Liquidity



Source: Thomson Reuters

The following are several of GSV's larger public competitors:

Firsthand Technology Value Fund [NASDAQ: SVVC – Not Rated]

Based in San Jose, CA, Firsthand Technology Value Fund is a publicly-traded closed-end venture capital fund that invests in technology and cleantech companies. In April 2012, Firsthand completed a follow-on public offering of 4.4 million shares at \$27 per share resulting in gross proceeds of \$119 million. Firsthand Capital Management (formerly SiVest Group) is the investment adviser to Firsthand Funds. As of December 2011, Firsthand's total assets were \$84 million and its NAV per share was \$23.92 (implying a 10% current share price premium).

Harris and Harris Group [NASDAQ: TINY – Not Rated]

Based in New York, NY, Harris and Harris Group is an internally managed publicly-traded closed-end venture capital company specializing in nanotechnology and microsystems. As of December 2011, Harris and Harris total assets were \$150 million and its NAV per share was \$4.70 (implying a 19% current share price discount).

Safeguard Scientifics [NYSE: SFE – Not Rated]

Based in Wayne, PA, Safeguard Scientifics is a private equity and venture capital firm specializing in expansion financings, growth capital, management buyouts, recapitalizations, industry consolidations, corporate spinouts, growth stage, and early stage financings. As of December 2011, Safeguard's total assets were \$407 million. As Safeguard is not a closed-end fund, it does not report a NAV.

FINANCIALS

GSV's fiscal year ends on December 31. Its business is investing in privately-held companies, and its "income" (a.k.a. increase in net assets from operations) are based on investment income or increases in the value (either realized or unrealized) of its investments. The company generally values its assets on a quarterly basis. Securities for which market quotations are readily available on exchanges are valued based on the closing price on the valuation date; however, securities for which reliable market quotations are not readily available, the company uses its best estimate based on various valuations methodologies. We note that almost all of its investments to date are currently valued at cost (as of December 31, 2011) due to the relative recentness of most of its investments (except for its investments in Groupon and SharesPost).

Recent Results (fiscal Q4 ending December 2011)

In mid-March, GSV reported Q4 results about in line with management expectations though, we note that GSV does not provide financial guidance and there is no consensus estimates.

Net investment loss was \$0.12 per share, while net change in unrealized depreciation was \$0.19 per share, resulting in a decrease in net assets from operations of \$0.31 per share. The company's NAV per share decreased to \$12.95 from Q3's \$13.26.

During Q4, GSV invested \$24 million in eight new and three existing portfolio companies. As of December 2011, GSV had investments of \$66 million (including transaction costs), which it calculated to have a Fair Value of \$64 million.

In Q1 2012 (through March 27, 2012), GSV closed on investments of \$6 million to increase holdings in Chegg, StormWind, and The Echo System, as well as new investments in AltEgo, AlwaysOn Network, and Maven Research.

In February 2012, GSV completed a secondary offering selling 6.9 million shares at \$15.00 per share, resulted in net proceeds of \$96 million. After this capital raise, the company's balance sheet is solid with an estimated \$111 million in cash and no debt as of the end of Q1.



We believe that the biggest potential variable in our financial valuation is whether GSV's current investments can increase significantly in value (particularly for its largest investments Facebook and Twitter). If it can, then earnings (a.k.a. net assets) will likely grow significantly. However, if investment valuations stay flat or decrease, then earnings will likely be tempered. Given our expectations for a strong IPO for Facebook, we believe that the former scenario is more likely than the latter.

FINANCIAL MODEL

GSV Capital Corp.

Income Statement (\$000s)	Mar-11	Jun-11	Sep-11	Dec-11	2011	Mar-12	Jun-12	Sep-12	Dec-12	2012	Mar-13	Jun-13	Sep-13	Dec-13	2013
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Interest income			52.2	106.2	158.4	70.2	288.1	288.1	288.1	934.4	288.1	269.9	269.9	262.1	1,089.9
Dividend income			<u>1.2</u>	<u>2.8</u>	<u>3.9</u>					<u>0.0</u>					<u>0.0</u>
Investment Income	0.0	0.0	53.4	108.9	162.3	70.2	288.1	288.1	288.1	934.4	288.1	269.9	269.9	262.1	1,089.9
Investment management fees		150.9	234.0	234.0	618.9	459.0	932.5	936.3	937.4	3,265.2	938.5	944.0	949.3	959.4	3,791.2
General and administrative	110.8	414.4	499.5	552.6	1,577.3	602.6	602.6	632.6	632.6	2,470.5	752.6	752.6	802.6	842.6	3,150.5
Restructuring and other					<u>0.0</u>					<u>0.0</u>					<u>0.0</u>
Total operating expenses	110.8	565.3	733.5	786.6	2,196.2	1,061.6	1,535.2	1,568.9	1,570.0	5,735.7	1,691.1	1,696.6	1,752.0	1,802.0	6,941.7
Net investment income (loss)	(110.8)	(565.3)	(680.1)	(677.7)	(2,033.9)	(991.4)	(1,247.1)	(1,280.8)	(1,281.9)	(4,801.3)	(1,403.0)	(1,426.7)	(1,482.1)	(1,540.0)	(5,851.8)
Net Change In Unrealized Depreciation		(59.6)	(494.2)	(1,026.0)	(1,579.8)	(500.0)	2,000.0	1,500.0	1,500.0	4,500.0	2,500.0	2,500.0	3,500.0	3,500.0	12,000.0
Net income (loss)	(110.8)	(624.9)	(1,174.3)	(1,703.7)	(3,613.7)	(1,491.4)	752.9	219.2	218.1	(301.3)	1,097.0	1,073.3	2,017.9	1,960.0	6,148.2
Shares, Basic	0.1	2,345.6	3,430.1	5,520.1	3,377.4	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1
Shares, Diluted	0.1	2,345.6	3,430.1	5,520.1	3,377.4	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1	12,420.1
EPS Basic (GAAP)	(\$1,108.08)	(\$0.27)	(\$0.34)	(\$0.31)	(\$1.07)	(\$0.12)	\$0.06	\$0.02	\$0.02	(\$0.02)	\$0.09	\$0.09	\$0.16	\$0.16	\$0.50
EPS Diluted (GAAP)	(\$1,108.08)	(\$0.27)	(\$0.34)	(\$0.31)	(\$1.07)	(\$0.12)	\$0.06	\$0.02	\$0.02	(\$0.02)	\$0.09	\$0.09	\$0.16	\$0.16	\$0.50
Income Statement Ratios (as % of Investments)															
Investment Income	N/A	0.0%	0.1%	0.1%	0.2%	0.0%	0.2%	0.2%	0.2%	0.5%	0.2%	0.1%	0.1%	0.1%	0.6%
Unrealized depreciation	N/A	-0.3%	-1.2%	-1.1%	-1.7%	-0.3%	1.1%	0.8%	0.8%	2.4%	1.4%	1.4%	1.9%	1.8%	6.2%
Income Statement Ratios (as % of Total Assets)															
Investment Income	0.0%	0.0%	0.1%	0.1%	0.2%	0.0%	0.2%	0.2%	0.2%	0.5%	0.2%	0.1%	0.1%	0.1%	0.6%
Investment management fees	0.0%	0.3%	0.3%	0.3%	0.7%	0.2%	0.5%	0.5%	0.5%	1.7%	0.5%	0.5%	0.5%	0.5%	2.0%
General and administrative	36.1%	0.9%	0.7%	0.6%	1.7%	0.3%	0.3%	0.3%	0.3%	1.3%	0.4%	0.4%	0.4%	0.4%	1.6%

Source: Company reports and Ascendant Capital Markets estimates.

GSV Capital Corp.

Balance Sheet (\$000s)	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	Q1E	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets												
Investments in securities		16,244.7	41,389.6	64,078.2	69,778.2	71,778.2	73,278.2	74,778.2	77,278.2	79,778.2	83,278.2	86,778.2
Investments in U.S. securities				20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0
Investments in money market		4,500.0		7,000.0	90,800.0	90,800.0	90,800.0	90,800.0	83,800.0	83,800.0	83,800.0	83,800.0
Total investments at fair value	0.0	20,744.7	41,389.6	91,078.2	180,578.2	182,578.2	184,078.2	185,578.2	181,078.2	183,578.2	187,078.2	190,578.2
Cash	1.4	24,214.8	32,098.2	386.0	5,594.6	4,347.5	3,066.7	1,784.7	7,381.7	5,955.0	4,472.9	2,933.0
Due from GSV		46.2	0.8	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5
Due from portfolio company		26.2	30.0	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2
Accrued interest			52.2	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4
Prepaid expenses		228.4	138.7	92.8	92.8	92.8	92.8	92.8	92.8	92.8	92.8	92.8
Deferred offering costs	306.0			56.4	56.4	56.4	56.4	56.4	56.4	56.4	56.4	56.4
Dividend receivable				1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Escrow deposits		173.0			0.0	-	-	-	-	-	-	-
Other		26.1	6.5	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Total assets	\$307.4	\$45,459.5	\$73,716.0	\$91,798.2	\$186,506.8	\$187,259.8	\$187,478.9	\$187,697.0	\$188,793.9	\$189,867.2	\$191,885.2	\$193,845.2
Liabilities and net assets												
Accounts payable	129.5	7.1	388.8	206.4	206.4	206.4	206.4	206.4	206.4	206.4	206.4	206.4
Due to affiliates	95.8	85.5	34.7	89.2	89.2	89.2	89.2	89.2	89.2	89.2	89.2	89.2
Accrued offering costs	122.1		98.6		-	-	-	-	-	-	-	-
Accrued expenses	69.3	101.5	5.8	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Unsettled securities transaction				19,999.1	19,999.1	19,999.1	19,999.1	19,999.1	19,999.1	19,999.1	19,999.1	19,999.1
Other												
Short term debt												
Total liabilities	416.7	194.0	527.9	20,295.0	20,295.0	20,295.0	20,295.0	20,295.0	20,295.0	20,295.0	20,295.0	20,295.0
Common stock	0.0	33.4	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2
Additional paid-in capital	1.5	45,967.8	75,042.8	75,061.7	171,261.7	171,261.7	171,261.7	171,261.7	171,261.7	171,261.7	171,261.7	171,261.7
Retained earnings	(110.8)	(676.1)	(1,356.2)	(2,033.9)	(3,025.3)	(4,272.4)	(5,553.2)	(6,835.1)	(8,238.2)	(9,664.9)	(11,146.9)	(12,686.9)
Unrealized depreciation on investments		(59.6)	(553.8)	(1,579.8)	(2,079.8)	(79.8)	1,420.2	2,920.2	5,420.2	7,920.2	11,420.2	14,920.2
Accumulated other comprehensive income												
Other												
Net Assets	(109.3)	45,265.4	73,188.0	71,503.2	166,211.8	166,964.8	167,183.9	167,402.0	168,499.0	169,572.2	171,590.2	173,550.2
Total net assets and liabilities	\$307.4	\$45,459.5	\$73,716.0	\$91,798.2	\$186,506.8	\$187,259.8	\$187,478.9	\$187,697.0	\$188,793.9	\$189,867.2	\$191,885.2	\$193,845.2
Net Asset Value Per Share	(\$1,093.08)	\$13.57	\$13.26	\$12.95	\$13.38	\$13.44	\$13.46	\$13.48	\$13.57	\$13.65	\$13.82	\$13.97

Source: Company reports and Ascendant Capital Markets estimates

GSV Capital Corp.

Changes in Net Assets (\$000s)	Mar-11	Jun-11	Sep-11	Dec-11	2011	Mar-12	Jun-12	Sep-12	Dec-12	2012	Mar-13	Jun-13	Sep-13	Dec-13	2013
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Change in Net Assets from Operations															
Net Investment Gain (Loss)	(110.8)	(565)	(680)	(678)	(2,034)	(991)	(1,247)	(1,281)	(1,282)	(4,801)	(1,403)	(1,427)	(1,482)	(1,540)	(5,852)
Change in unrealized depreciation	(60)	(494)	(1,026)	(1,580)	(500)	2,000	1,500	1,500	4,500	2,500	2,500	3,500	3,500	12,000	12,000
Change in Net Assets from Operations	(110.8)	(625)	(1,174)	(1,704)	(3,614)	(1,491)	753	219	218	(301)	1,097	1,073	2,018	1,960	6,148
Capital Share Transactions															
Net proceeds from shares sold	1.5	46,000	29,097	19	75,117	96,200				96,200					0
Change in Net Assets	(109.3)	45,375	27,923	(1,685)	71,503	94,709	753	219	218	95,899	1,097	1,073	2,018	1,960	6,148
Net Assets at Beginning of Period	0.0	(109)	45,265	73,188	0	71,503	166,212	166,965	167,184	71,503	167,402	168,499	169,572	171,590	167,402
Net Assets at End of Period	(109.3)	45,265	73,188	71,503	71,503	166,212	166,965	167,184	167,402	167,402	168,499	169,572	171,590	173,550	173,550
Capital Share Activity															
Shares sold	0.1	3,335	2,185	0	5,520	6,900				6,900					0
Shares Outstanding at End of Period	0.1	3,335	5,520	5,520	5,520	12,420	12,420	12,420	12,420	12,420	12,420	12,420	12,420	12,420	12,420

Source: Company reports and Ascendant Capital Markets estimates.

GSV Capital Corp.

Cash Flow Statement (\$000s)	Mar-11	Jun-11	Sep-11	Dec-11	2011	Mar-12	Jun-12	Sep-12	Dec-12	2012	Mar-13	Jun-13	Sep-13	Dec-13	2013
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flows from operating activities															
Change in net assets from operations	(110.8)	(624.9)	(1,174.3)	(1,703.7)	(3,613.7)	(1,491.4)	752.9	219.2	218.1	(301.3)	1,097.0	1,073.3	2,017.9	1,960.0	6,148.2
Investments unrealized depreciation		59.6	494.2	1,026.0	1,579.8	500.0	(2,000.0)	(1,500.0)	(1,500.0)	(4,500.0)	(2,500.0)	(2,500.0)	(3,500.0)	(3,500.0)	(12,000.0)
Purchase of investments		(16,304.3)	(25,639.1)	(23,715.5)	(65,658.9)	(6,200.0)	0.0	0.0	0.0	(6,200.0)	0.0	0.0	0.0	0.0	0.0
Purchase of money market		(4,500.0)	4,500.0	(7,000.0)	(7,000.0)	(83,800.0)	0.0	0.0	0.0	(83,800.0)	7,000.0	0.0	0.0	0.0	7,000.0
Due from GSV Asset Management		(46.2)	45.4	(12.7)	(13.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Due from portfolio company		(26.2)	(3.8)	20.8	(9.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase in escrow deposits		(173.0)	173.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accrued interest			(52.2)	(107.2)	(159.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid & other current assets		(228.4)	89.7	45.9	(92.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other		(26.1)	19.7	3.8	(2.7)					0.0					0.0
Accounts payable	9.4	(34.5)	413.9	(238.9)	149.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Due to affiliates		60.5	(25.8)	54.5	89.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts expenses	69.3	32.2	2.9	(104.1)	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income tax payable and other					0.0					0.0					0.0
Net cash provided by operating activities	(32.1)	(21,811.5)	(21,156.3)	(31,731.1)	(74,730.9)	(90,991.4)	(1,247.1)	(1,280.8)	(1,281.9)	(94,801.3)	5,597.0	(1,426.7)	(1,482.1)	(1,540.0)	1,148.2
Cash flow from financing activities															
Due to affiliates	95.8	(95.8)	0.0		0.0					0.0					0.0
Offering Costs	(63.8)	63.8	(1,077.2)	18.9	(1,058.3)					0.0					0.0
Issuance of stock	1.5	46,056.8	30,116.9	0.0	76,175.2	96,200.0	0.0	0.0	0.0	96,200.0	0.0	0.0	0.0	0.0	0.0
Other					0.0					0.0					0.0
Dividends and distributions					0.0					0.0					0.0
Net cash provided by financing activities	33.5	46,024.9	29,039.7	18.9	75,116.9	96,200.0	0.0	0.0	0.0	96,200.0	0.0	0.0	0.0	0.0	0.0
Effect of exchange rate on cash					0.0					0.0					0.0
Net Increase (Decrease) in Cash	1.4	24,213.4	7,883.4	(31,712.2)	386.0	5,208.6	(1,247.1)	(1,280.8)	(1,281.9)	1,398.7	5,597.0	(1,426.7)	(1,482.1)	(1,540.0)	1,148.2
Cash at beginning of period	0.0	1.4	24,214.8	32,098.2	0.0	386.0	5,594.6	4,347.5	3,066.7	386.0	1,784.7	7,381.7	5,955.0	4,472.9	1,784.7
Cash at end of period	\$1.4	\$24,214.8	\$32,098.2	\$386.0	\$386.0	\$5,594.6	\$4,347.5	\$3,066.7	\$1,784.7	\$1,784.7	\$7,381.7	\$5,955.0	\$4,472.9	\$2,933.0	\$2,933.0

Source: Company reports and Ascendant Capital Markets estimates

Public Companies Under Coverage Mentioned in this Report (priced as of close 5/1/12)

COMPANY	TICKER	RATING	PRICE	PRICE TARGET
GROUPON	GRPN	SELL	\$10.87	\$11

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Neutral:	We expect the stock to provide a total return of between minus 10% and plus 10% within a 12-month period.
Sell:	We expect the stock to provide a total return of minus 10% or worse within a 12-month period.
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