Industry: Specialty Retail
Initiation Report
December 6, 2011
Buy

LADENBURG THALMANN
ESTABLISHED 1876

GSV CAPITAL CORP. (NASDAQ: GSVC)

A Unique Opportunity for Exposure to attractive Private, Emerging Growth Companies Dominating Today's Fastest Growth Economic Sectors. Target Price – $17.25

Company & Market Data (December 5, 2011)	
Price	$ 15.04
Price Target (12 Month)	$ 17.25
NAV (As of Sept 30, 2011	$ 13.26
Previous Price Target	
52 - Week Range	$9.75 - $19.97
Mkt. Capitalization (M)	$ 78.2
Diluted Shares Outstanding (M)	5.2
Avg. Daily Trading Vol (000s)	106.3
Fiscal Year End	December

Estimates	FY 2011 E
Revenues (000's)	**$ 84,408**
Q1 Decrease in Assets	$ (0.06)
Q2 Decrease in Assets	$ (0.27)
Q3 Decrease in Assets	$ (0.34)
Q4 Decrease in Assets	$ (0.18)
Total	**$ (0.85)**
P/E	NM

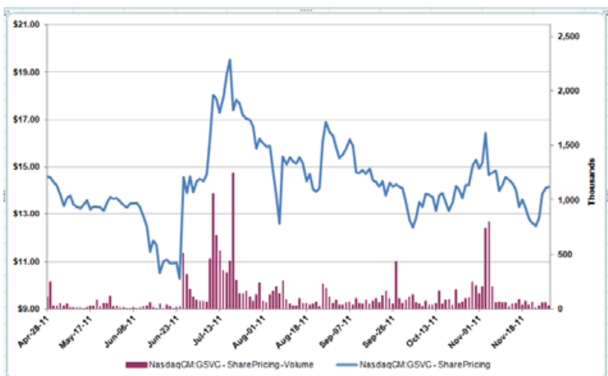

Chart Data: Capital IQ

Structured as a non-diversified closed-end management investment company, GSV Capital has elected to be treated as a business development company under the Investment Company Act of 1940. GSV will invest in emerging, high-growth private companies with the goal of providing growth oriented investors a vehicle to participate in value creation happening in the private sector. The company is focused on the high-growth sectors in the economy including Social Media, Mobile Computing, Cloud Computing, Green Technology, and Education Technology. In general, the asset management team will acquire the investment positions directly from employees and early VCs, as well as primary shares directly from the company and from the emerging private marketplaces. The company is headquarter is Woodside, California.

Investment Highlights

- **A New Paradigm – The Declining Numbers of IPOs:** According to recent data from Dealogic, the number of IPOs completed in the prior decade (2001 through 2010) dropped 64% from the decade of the 1990s. At the same time, companies that are coming public are waiting longer and generally reaching the Street with much higher market valuations than in past decades**.** This trend has continued in 2011, with companies such Groupon (GPRN, $19.04, Not Rated), Linkedin (LNKD, $69.95, Not rated) and Zilliow (Z, $23.08, Not Rated). This new paradigm has meaningfully limited the opportunity for traditional growth investors to participate in these novel, growth companies. The GSV model is offering traditional growth investors the opportunity to participate in the ongoing wealth creation happening with many of today's fastest growth, emerging companies while they are still private.
- **Focus on Growth Industries/Trends:** Key to the attractiveness of GSV as an investment is the portfolio's narrow focus on the fastest growth industries in today's economy. These sectors include social media, cloud computing, clean tech and mobile computing platforms. These sectors all represent multi-billion dollar market opportunities and include some of the today's fastest growth companies such as Facebook, Twitter and Dropbox.
- **Valuable Portfolio –** Though the company has only been operational since late April of 2011, the asset management team has successfully acquired holdings in some impressive emerging growth, private companies including Facebook, Twitter, Zynga, and Kno. Currently, Twitter is GSV's largest holding at 16% of portfolio. We point to this holding as a prime example of GSV's ability to offer participation in a private security that is extremely hard to purchase due to Twitter's strict internal policies concerning stock ownership.
- **Our Outlook –** Given the anticipated revenue growth in the GSV portfolio companies and the early signs of meaningful appreciation among a number of the current holdings, we believe that the share price is not reflective of the current and (more importantly) future value of the portfolio. We suggest that based on current "secondary auction market" (SharesPost and Second Market) valuations of several of the portfolio's larger holdings and future potential liquidity events (IPOs) that the true net asset value of the portfolio is 30% to 35% above the stated cost basis in the company's recent 10-K filing (November 10, 2011) of $13.26 per share. A 30% premium to this value provides a Net Asset Value of $17.25. As such, we are initiating coverage of GSV Capital with a Buy rating and a $17.25 price target.

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Disclosures and Analyst Certifications can be found in Appendix A.

Investment Summary

The new paradigm surrounding the financing of young, growth companies encompasses a significant change in the IPO environment from prior decades. Data from Dealogic indicates that the number of IPOs completed in recent years is well below prior periods and that young companies are waiting significantly longer to become public and generally have much higher market values at the time of their respective IPOs. This environment is evident in the recent IPOs of companies such Groupon, Linkedin, and Zilliow and is a significant limiting factor in allowing traditional growth investors the opportunity to participate in novel, high-growth emerging companies. In addition, early investors in these young companies are having to wait much longer to realize a liquidity event for their investments. The GSV model – a public vehicle invested in the private, high-growth companies of today – provides traditional growth investors the opportunity to participate in the ongoing wealth creation happening in the private sector and offers early investors a potential liquidity event ahead of a traditional IPO.

Key to the attractiveness of GSV as an investment is the portfolio's narrow focus on the most rapid growth industries in today's economy. These sectors include social media, cloud computing, clean tech and mobile computing platforms. These sectors all represent multi-billion dollar market opportunities and include some of the today's fastest growth companies such as Facebook, Twitter and Dropbox. Though the company has only been investing since late April of 2011, the asset management team has already acquired holdings in some impressive emerging growth, private companies including Facebook, Twitter, Zynga, Glit Groupe, and Kno. Currently, Twitter is GSV's largest holding at 16% of portfolio. We point to this holding as a prime example of GSV's ability to offer participation in a private security that is extremely hard purchase due to Twitter's strict internal policies concerning stock ownership.

Given the anticipated revenue growth in the GSV portfolio companies over the next year and the early signs of meaningful appreciation among a number of the current holdings, we believe current share price is not reflective of portfolio's potential and feel a more "market" oriented net asset value of the portfolio looking out six to nine months is of $17.25. As such, we are initiating coverage of GSV Capital with a Buy rating and a $17.25 price target.

Company Overview

GSV Capital Corp is a non-diversified closed-end management investment company with the goal of investing in equity securities of venture capital-backed, emerging high-growth private companies. The company went public in April 2011, with an initial public offering of 3,335,000 shares at an offering price of $15.00 per share. The company actually came public as Next Innovation Corp., but changed its name to GSV Capital shortly after the offering. The IPO resulted in net proceeds to GSV Capital Corp. of $46.5 million which became the company's initial capital base.

In general the portfolio's investments will be targeted toward private companies acquired through secondary marketplaces, negotiations with selling stockholders and/or direct investments with selected potential portfolio companies. The portfolio may also include on an opportunistic basis publicly-traded equity securities or non-U.S. based companies. GSV Capital has elected to be treated as a business development company under the 1940 Act with a primary investment objective of maximizing the portfolio's long-term total return, principally through the realization of capital gains on the equity and equity-related holdings.

The investment philosophy is based on a disciplined strategy, identifying high-growth emerging companies with exposure to several key global themes including (but not limited to), social media, mobility, cloud computing, green technologies and novel educational technologies. The investment manager will generally deploy the portfolio's capital in non-controlling equity and equity-related investments, including common stock, warrants, preferred stock and other similar forms of senior equity including convertible debt securities that include significant equity participation.

By mid-September 2011, the asset management team had invested approximately $41.4 million in 13 separate companies. Also in September 2011, the company completed a follow on offering of an additional 1.9 MM shares at a price of $14.15, providing net proceeds of roughly $26 million. This transaction has allowed the company to continue to expand the number of holdings in the portfolio.

GSV Capital Corp is headquartered in Woodside, CA and the shares are currently listed on the NASDAQ Capital Market under the symbol "GSVC". The company operates as a business development corporation. The investment management activities are managed by GSV Asset Management and the required administrative services are provided by GSV Capital Service Company.

Emerging Growth Investing – The Current Paradigm

Since the end of the 1990s the statics on the number and size of companies coming public through an initial public offering (IPO) clearly indicate that the use of this financing vehicle has changed dramatically. According to data from Dealogic (see the chart below) the number of IPOs in the prior decade was 64% lower than in the decade of the 1990s. At the same time, companies that are able to come public are waiting longer and generally have higher market valuations. This change in IPO activity is related to a number of factors including the increased volatility in the equity markets, investor demand for longer operating and profit histories, and increased regulatory oversight associated with legislation such as Sarbanes-Oxley.

Fewer IPOs at Higher Market Valuations

($ in mm)	'91–'00	'01–'10	Δ
Average Annual # of IPOs	330	119	(64%)
Median Market Cap	$208	$398	91%
Median Proceeds Raised	$60	$124	106%

Source: Dealogic

In past decades, emerging growth companies routinely came public as means to create liquidity for existing shareholders and to gain access to growth capital. As a result growth oriented investors (even small individual investors) had easy access to ownership in these companies. The chart below details some of these more recognizable emerging growth companies that introduced themselves to public

Company Name	Year of IPO	Mkt. Cap at IPO	Mkt. Cap Increase to Today		Company Name	Recent Valuation
Intel	1971	$53mm	2,302x		Facebook	$80.0bn[(1)]
Mricosoft	1986	$519mm	434x		Zynga	$15-20bn[(2)]
Oracle	1986	$228mm	750x		Twitter	$8.4bn[(3)]
Dell	1988	$212mm	151x		Bloom Energy	$1.9bn[(4)]
Qualcomm	1991	$314mm	312x		Silversprings Networks	$1.6bn[(5)]
Strabucks	1992	$220mm	125x		Gilt Groupe	$1.3bn[(6)]

(1) SharesPost trade on 8/30/2011
(2) Per The Wall Street Journal, 6/29/2011
(3) Per AllThingsD, 8/1/2011
(4) SharesPost trade on 7/5/2011
(5) SharesPost trade on 7/20/2011
(6) SharesPost trade on 7/27/2011

investors when they were still relatively small entities. Now, in more recent years the general trend is for young, emerging high-growth companies to remain private for much longer, use private funding vehicles for growth capital and acquire relatively large valuations well prior to a public financing. For example Groupon recently went public (November 4, 2011) issuing more than 30 million shares at a price of $20.00 per share with a market value in excess of $12 billion. Other companies such as Linkedin, Pandora (P, $11.00, Not Rated) and Zillow have also completed IPOs this year with valuations above $500 million and it is likely that other well known, emerging high-growth companies such as Twitter, Zynga, DropBox, and Facebook will have market cap values in the tens of billions at the time of their expected future IPOs.

Though waiting to go public has distinct financial advantages for young companies, the typical retail growth investor and growth oriented fund is now shut out from the opportunity to invest in these companies and the emerging technologies they are creating. In the past, companies such as Intel (INTC, $52.01, Not Rated), Microsoft (MSFT, $25.70, Not Rated), Cisco (CSCO, $18.79, Not Rated) and Starbucks (SBUX, $44.20, Not Rated) created vast amounts of wealth for growth investors as these investors were able to participate in the long-term market cap appreciation that occurred as these companies consistently delivered impressive revenues and earnings growth over a period of years. In today's financial market a significant portion of the market value appreciation occurring in hot, emerging growth companies (the "Intels" of today) is be created while these companies remain private.

Even though secondary markets for private company shares such as Second Market and SharesPost have emerged, many of the attractive emerging, high-growth private companies have strict policies about the transfer of even small amounts of equity ownership, making it nearly impossible for even very wealthy and experienced individuals or publicly traded funds to participate in the growth in these companies are generating.

The GSV Capital Investment Strategy

The GSV Capital portfolio is managed by Michael Moe and his small team and the investment philosophy is driven by two key strategies. First, the portfolio is to be invested in equity and equity related securities primarily in private companies and second the investments will be focused on high-growth companies that are emerging as leaders in their respective industries and are generating revenues. These are not start-up or early stage companies as GSV is not trying to be another venture capital participant. The goal is to provide growth oriented investors with the opportunity of ownership in some of today's leading edge technology companies, an opportunity that in today's environment is generally otherwise unavailable to the typical growth stock investor. In just a few months since inception, the asset management team has been able to acquire positions in many of the most well-known private companies including Twitter, Facebook, Zynga, and Silver Springs Networks.

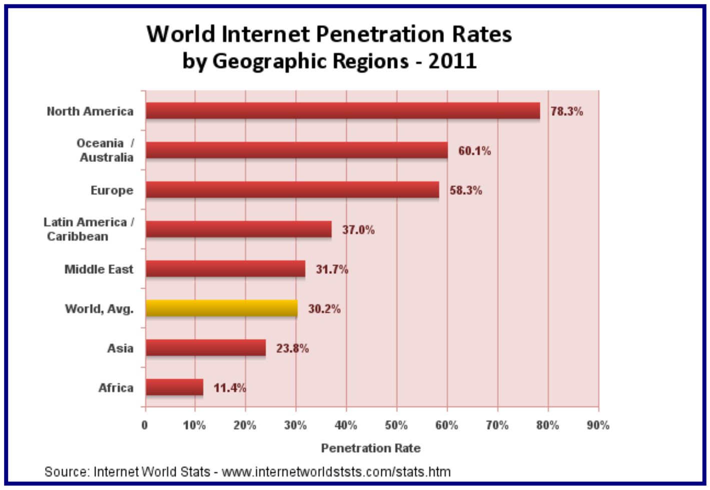
Source: GSV Capital Investor Presentation, July 2011

Management's actual asset selection process begins with the identification and focus on a selected group of high growth economic sectors or themes. The image below (taken from the GSV Capital investor presentation materials) details the primary technology sectors and growth industries that management believes offer the most potential of nurturing/incubating high growth companies. Excluding the healthcare industry, the GSV Capital team believes that these sectors/themes generally encompass the fastest growth areas worldwide. Except for "Green/Clean Tech", these investment themes are largely related to the ongoing growth of the internet and the continual innovation in deploying and utilizing this technology. Today the internet is literally everywhere. We work online, we shop online, we socialize online (Facebook.com has more than 800 million registered users) and the web has become the primary source of information. Internet usage continues to expand with the availability of smart devices and high-speed mobile data connections.

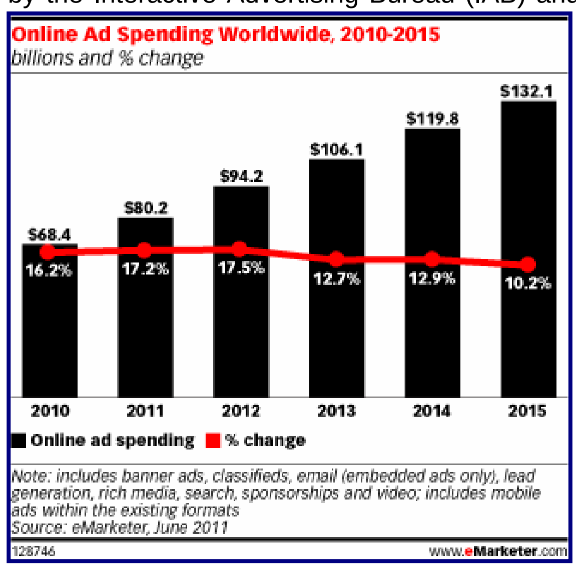
The investment process concludes with a valuation of the company, resulting in a price that the team is willing to pay for that specific investment. This team believes that their valuations are fair yet conservative, with the goal of generating significant long-term returns for shareholders. The goal is not to invest for a quick flip on an expected IPO, but to hold the asset until the expected value is realized. To this point, some investors might be somewhat disappointed in the early (still unrealized) returns from the Groupon investment. GSV's cost basis in Groupon is roughly $25 per share and currently Groupon's shares are trading just above $19.00. The team at GSV believes that a significant yet unrealized value in Groupon lies in its ability to deliver mobile offers to customers through its partnership with Foursquare. This product offering is the Groupon Now platform and is still in the early stages of a rollout.

Below are a few statistics highlighting the increasing use of the internet around the world and the ongoing growth in the industry themes GSV has chosen to focus on:

- In a recent Pew Internet Project sample 79% of American adults said they used the internet regularly.
- comScore reported in January 2011 that the average American (ages 12 to 65+) is now spending 32 hours per month on line.
- Data from Internet World Stats (see the chart at the above) details the most recent internet penetration rates around the world. This data suggest that there are now more than two billion internet users in the world with the North American penetration above 78%.

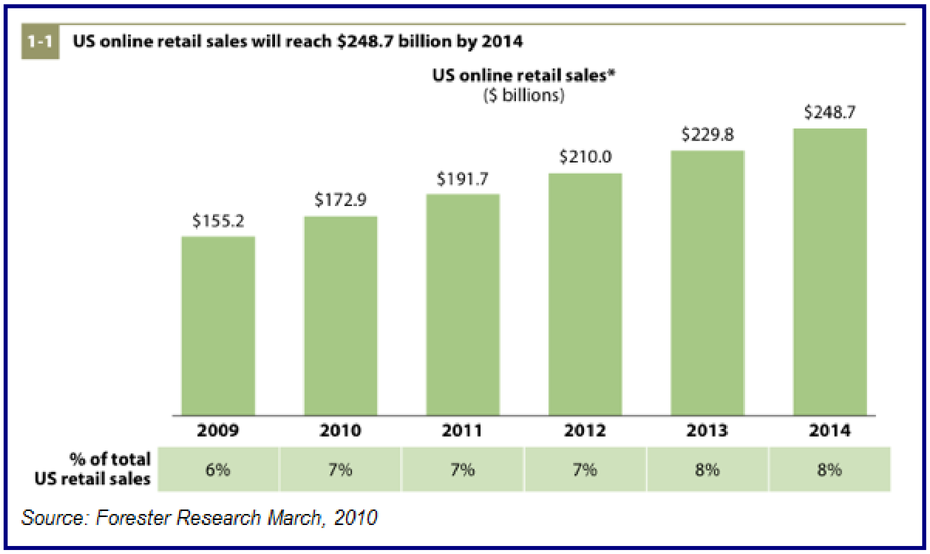


- A recent Goldman Sachs report anticipates that global online retail sales are likely to reach $963 billion by 2013, with an annual growth rate of near 20%. Additionally, data from comScore suggests that total U.S. e-commerce spending reached $227.6 billion in 2010, up 9 percent versus the previous year.
- According to data released in April of 2011 by the Interactive Advertising Bureau (IAB) and PricewaterhouseCoopers (PwC), internet advertising revenues in the U.S. climbed to $7.3 billion for the first quarter of 2011, representing a 23 percent increase above the same period a year ago. Recent projections from eMarketer suggests that this trend is likely to continue on into the future as total online ad spend is targeted to exceed $80 billion in 2011 and continue to grow at a rate above 10% annually through 2015 (see chart at the right).



- Additionally, data from Forester indicates that online retail sales continue to grow at a much faster pace than retail sales in general. Forester estimates that e-commerce sales in the U.S. will continue to increase at a 10% compound annual growth rate through 2014, reaching nearly $250 billion in that year up from $155 billion in 2009 (see the chart below).
- The time spent online by consumers as well as the dollar volume of e-commerce transaction is being effected by the rising popularity of "smart" mobile devices. Research from Gartner indicates that in 2010 Smartphones were in use by 1 in 4 mobile subscribers and approximately 47% of mobile subscribers are now internet media users. Earlier this year

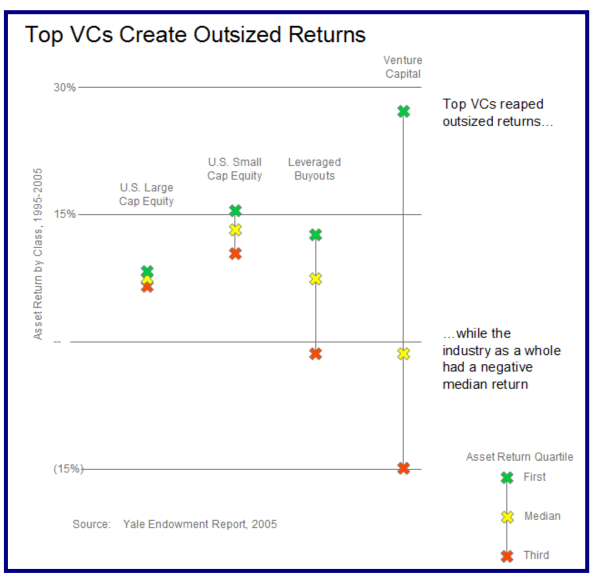
Juniper released a study estimating that the transaction value of global mobile payments for digital and physical goods, money transfers and NFC transactions would reach $670 billion by 2015 and in July Gartner released data showing that mobile payment volumes are likely to



reach $86.1 billion, up 75.9 percent from the 2010.

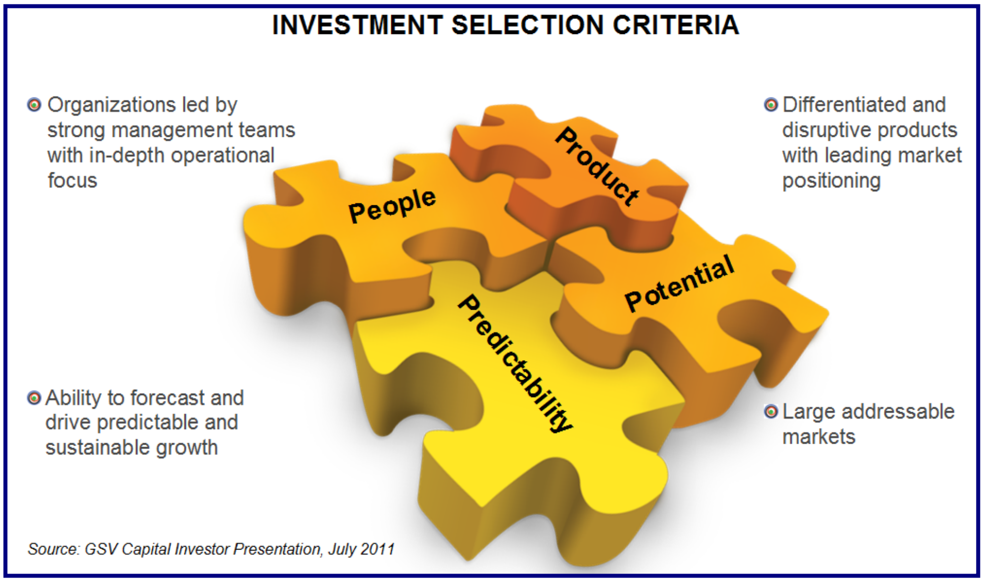
- Gartner, in their report Forecast: Public Cloud Services, Worldwide and Regions, Industry Sectors, 2009-2014 published this month states that worldwide cloud services revenue will reach $68.3B in 2010 (includes public and private cloud services) reaching $148.8B in 2014. The report also states that 60% of cloud services revenue over the last twelve months is from North America alone. In addition, a recent study of Market Research Media forecasts that U.S. Government spending on cloud computing alone is likely to reach $7 billion by 2015.

In addition to a concentration on high growth investment themes, idea generation and asset selection is heavily influenced by GSV Capital's asset management team's association with some of the most successful venture capitalists (VCs) in the country. The chart below details the fact that those venture capitalists that fall in the top quartile of returns generate returns far above the competition. The management at GSV believes that tracking the activities of this top quartile of VCs is an excellent method of indentifying high growth, emerging companies. Building on this belief, the asset management team keeps a running list of approximately 150 of the fastest growth private companies around the country. Most of these companies are already associated



with highly regarded VCs the team at GSV knows well including entities such as Greylock Partners, Benchmark Capital, SV Angels, Andreessen Horowiz, and Accel.

Working off of its list of potential candidates, the management team executes a rigorous research analysis of the target companies using the criteria detailed in the image at the left. The keys to the portfolio selection process include management, differentiated/disruptive technologies, large addressable markets and lastly the ability to predictably forecast a path of sustainable growth. To



highlight the importance of revenue grow in the selecting the portfolio's holdings, currently the team at GSV Capital is estimating that the companies in the portfolio collectively generated revenues of roughly $3.8 billion in 2010. This number is estimated to reach $9.7 billion in 2011 and nearly $20 billion in the year 2012. This is an estimated compound annual growth rate of 154% - very impressive expected performance.

The GSV Capital Portfolio[1]

Through September 30th 2011, (the end of Q3 2011) the management of the GSV Capital portfolio had invested $41.2 million dollars in 13 private companies. The current portfolio holdings are detailed below.

- **Kno, Inc.** – May 16, 2011 an investment of $2,250,000 was completed in the shares of Kno, Inc., an education software company. Kno is an educational software company and has developed an industry leading digital learning environment for reading textbooks, taking notes, and sharing materials with friends. Kno has the potential to become a major participant in the digital textbook and social learning market which is expected to make up nearly half of total textbook market by 2017. The company has received funding from Andreessen Horowitz, Intel Capital, Goldman Sachs, SV Angels and TriplePoint Capital and is based in Santa Clara, California. Kno currently makes up 3.1% of the investment portfolio.
- **Serious Energy, Inc** – June 6, 2011 an investment of $712,380, plus transaction costs, was completed in the shares of Serious Energy, a green technology company. The company produces EcoRock, an organic, green substitute for sheetrock, a retrofit energy efficient

[1] See Schedule of Investments Chart on Page 14 for further information. Portfolio holding information is accurate as of September 30, 2011. The current holdings of the portfolio could vary from the information provided in this report.

window system and has a cloud-based software system for the management and analysis of energy use inside commercial buildings. The potential in the construction industry alone is huge as sheetrock and energy efficient windows are both very large markets. According to Ibis World the drywall market is estimated to reach $33 billion in 2011.

- **Gilt Groupe** – June 17, 2011 an investment of $280,000, plus transaction costs, was completed in the shares of the Gilt Groupe, a high-end, members only ecommerce platform. In July 2011, the portfolio made an additional investment of $1,968,000, plus transaction costs, in Gilt Groupe, Inc. Again in August 2011, the portfolio completed a $3,251,250, plus transaction costs, follow-on investment in Gilt Groupe, Inc. Gilt has already experienced explosive growth and engagement by providing a compelling/exclusive online shopping experience. The company is leveraging the growing popularity of ecommerce with attractive pricing on high-end merchandise and travel. The investment in Gilt makes up 7.5% of the GSV portfolio.

- **Facebook, Inc** – June 23, 2011 an investment of $6,587,500, plus transaction costs, was completed in the shares of Facebook. Facebook is the de facto leader in the social networking space with more than 800 million members. The company is believed to be planning an IPO in the early part of 2012 with an estimated target valuation of $100 billion.

- **Chegg, Inc.** – June 29, 2011 an investment of $5,999,996, plus transaction costs, was completed in the shares of Chegg, Inc., an online textbook rental company. Chegg, Inc. operates as a classified directory for students offering the online rental of higher-education textbooks. The textbook market is roughly $10 billion and growing at 3% per year (GSV Insight estimate). In addition, the Chegg has the opportunity to provide other services to its student population. The company was founded in 2003 and is based in Santa Clara, California with a warehouse in Louisville, Kentucky. Chegg currently comprises 8.2% of the GSV portfolio.

- **Bloom Energy Corporation** – June 30, 2011 an investment of $414,827, plus transaction costs, was completed in the shares Bloom Energy, a green technology company. This investment was followed by additional investments of $166,500, plus transaction costs, in July 2011 and $190,000 and $1,000,008, plus transaction costs, in August 2011. Bloom has developed an unique on-site power generation system through the utilization of innovative fuel cell technology with roots in NASA's Mars program. Leveraging breakthrough advances in materials science the Bloom fuel cell is able to produce clean, reliable, and affordable power on site from a wide range of renewable or traditional fuels. The company's Energy Servers™ have been shown to significantly reduced electricity costs and dramatically lower greenhouse gas emissions. By generating power on-site, where it is consumed, Bloom Energy offers increased electrical reliability and improved energy security, providing a clear path to energy independence.

- **Silver Spring Networks** – July 11, 2011 an investment of $200,000, plus transaction costs, was completed in the shares of Sliver Springs Networks, a green technology company. This investment was followed by an additional $901,430, plus transaction costs, investment in August 2011. Silver Spring connects utilities with their customers and transforms the delivery of smart grid, providing the hardware, software and services that connect every device on the smart grid. Up to 90% of SSN's revenues come from electric metering this market alone is expected to reach $20 billion in the U.S. according to a November 2011 report from NRG Expert.

- **SharesPost, Inc**. – July 19, 2011 an investment of $2,250,000, plus transaction costs, was completed in the shares of SharesPost, a secondary marketplace for private equity investments. SharesPost connects leading, venture-backed private companies and their shareholders with the investment community and provides the information, tools and assistance needed to complete buy and sell transactions in private companies. The investment in SharesPost currently comprises 3.1% of the GSV portfolio. Mr. Michael is currently a board member of SharePost.

- **Zynga, Inc.** – August 15, 2011, the portfolio acquired a $4 million unsecured promissory note issued by PJB Fund LLC. The Note is subject to being repaid, at Borrower's election, either by transfer of a certain number of shares of common stock of Zynga Inc. or with a cash amount of equivalent value. The amount payable under the Note will be equal to the face amount, plus the greater of accrued interest (at a rate of 10%) or a return based on the relative value of Zynga. At values of Zynga ranging from $6 billion to $14.4 billion (assuming the Note is settled within one year), the Repayment Amount will provide a return of 10% to 20%. At values of Zynga in excess of $14.4 billion, the Repayment Amount return includes 50% of such incremental share price appreciation. Zynga is a leading developer of online social games including CityVille, FarmVille, and Words with Friends. The company has 260 million monthly active users and is currently involved in the IPO process with an expected capital raise of $1 billion and a post offering valuation in the range of $10 to $14 billion. The Zynga position comprises 5.0% of the GSV portfolio and the current anticipated valuation range would provide a return to GSV of at least 20%.

- **Groupon, Inc** – August 22, 2011 an investment of $2,035,200, plus transaction costs, was completed in the shares of Groupon, Inc., an online provider of daily coupons for various consumer products. Groupon recently completed an IPO and is now publicly traded company under the symbol GRPN. According to the Groupon S1 filing, GSV Capital was an owner of 40,000 shares of Groupon prior to the IPO. Additionally, Groupon affected a 2 for 1 split of the pre IPO shares, bringing GSV Capital's ownership to 80,000 common shares.

- **Twitter, Inc** – August 22, 2011 an investment of $6,932,493, plus transaction costs, was completed in the shares of Twitter, Inc. Twitter is the leader in the social media use of online short messaging. Twitter is the largest holding in the portfolio at roughly 16%.

- **TrueCar** – August 30, 2011 an investment of $1,999,997, plus transaction costs, was completed in the shares of TrueCar, Inc., an online automotive research destination. TrueCar Inc. is an automotive solutions provider focused on changing how cars are sold by providing a significantly better customer experience while helping qualified dealer partners to gain incremental market share and reduce costs. TrueCar.com is a transparent, visual publisher of new car pricing and other transaction data. TrueCar.com price reports help both dealers and consumers to agree on the parameters of a fair deal by providing an accurate, comprehensive and simple understanding of what other consumers actually paid for an identically equipped vehicle during a previous 30 day period both locally and nationally

- **ZoomSystems** – August 31, 2011 an investment of $250,000, plus transaction costs, in the shares of ZoomSystems, a leading producer and operator of automated retail vending machines in airports, malls and other high traffic venues. The ZoomShop™ network offers the convenience of online shopping combined with the immediate gratification of traditional retail. This concept of a branded "store in a box" with its relatively low cost and high impact offers the potential of thousands of locations, equating to an extremely large market opportunity

Since the end of the September 2011, through November 28, 2011 the company has invested approximately $20 million of additional capital adding to its positions in Twitter and Facebook. GSV added 125,000 shares of Facebook, Inc. bringing the total of 350,000 shares or 14.3% of the Net Asset Value of the fund. The company also added 330,000 shares of Twitter, Inc., bringing the total to 735,600 shares or 16.6% of the Net Asset Value of the fund. Additionally, GSV has added four new investments to the portfolio consisting of the following emerging private companies.

- **ZocDoc, Inc.**, a free online service for patients to find and schedule doctor and dentist appointments. This service provides a unique platform to increase office utilization and improve revenues. ZocDoc's investors include Khosla Ventures, Bezos Expeditions, DST Global, and Marc Benioff, Chairman and CEO of Salesforce.com.

- **Grockit, Inc.**, a leading social learning game provider offering leading edge test prep for tests such as the SAT, ACT, and GMAT. Of the 2.6M students preparing for SAT/ACT each year, only 1% currently participates in an online course, offering a significant opportunity for additional market penetration. Grockit's current product offering covers 11.7 million annual tests. Grockit's investors include Benchmark Capital, Atlas Venture and Integral Capital Partners.

- **The Echo Systems Corp.,** a social analytics and engagement platform that enables brands to extract insights from website visitors, reward their most influential customers and drive more revenue per user.

- **Control 4, Inc.**, a leading provider of the operating system for the smart home. The home automation market is expected to grow rapidly. According to estimates from ABI Research, 12 million global home automation system shipments will be shipped in 2016, up from just 1.8 million in 2011. Control4 investors include Foundation Capital and Cisco

Competitive Advantage

GSV Capital competes with other publicly traded enterprises that invest in private companies and offer investors the opportunity to participate (to a degree) in the venture capital/private equity arenas. Included in this group are Harris and Harris (TINY, $3.62, Buy Rated), Safeguard Scientific (SFE, $16.43, Not Rated), and Firsthand Technology Value Fund (SVVC, $14.37, Not Rated). However, these companies generally invest in early stage companies alongside other VC's. In fact, the company believes that its major competition for capital and growth investors includes the traditional private equity and venture capital funds, other equity and non-equity based investment funds and investment banks.

GSV has a different investment strategy in that its strategy focuses on investing in companies that are well past the start-up phase and into meaningful revenue growth. In this regard GSV Capital is a unique investment option. We believe that in the field of emerging growth investing involving private entities, GSV's primary competitive advantages lie in its:

- **Extensive experience:** The senior investment professionals, the Advisory Board and the board of directors have significant experience researching and investing in the types of venture capital-backed, rapidly growing emerging non-public companies targeted for the portfolio.

- **Extensive proprietary research developed by NeXtUp:** The investment adviser has access to NeXtUp, a proprietary research process developed by members of the management team. The asset management team believes this tool provides a potential competitive advantage over similar equity investors in both locating and acquiring attractive equity investments.

- **A sound and repeatable investment process:** Developed across two decades of investing in rapidly-growing emerging non-public companies, the investment process is centered on "the four Ps"; ***people*** (a critical component to successful investing is evaluating the people running the company), ***product*** (great growth companies are leaders in what they do), ***potential*** (it is essential to invest in companies that seize a huge market potential) and ***predictability*** (a challenge for young, fast-growing companies is delivering operating results that are predictable).

- **Established proprietary deal sourcing network:** The asset management team Messrs. Moe, Bard and Pampoulov are strategically located in the heart of Silicon Valley and over the course of two decades of investing in rapidly growing emerging non-public companies have developed strong reputations and relationships within the investing community, particularly within technology-related sectors. These relationships provide include private equity and venture capital funds, public and private companies, investment bankers, attorneys, accountants and commercial bankers and provide an excellent source of investment intelligence and deal sourcing.

Financial Discussion

Incorporated as closed-end, investment Management Company, GSV Capital Corp's operating history began with the company's successful IPO in April 2011. The initial public offering of 3,335,000 shares at an offering price of $15.00 per share resulted in net proceeds $46.5 million. Shortly after the IPO the GSV asset management team completed its first asset purchase, a $2,250,000 investment in Kno, Inc., in May 2011.

Through the end of the 3rd quarter of 2011, GSV had invested $41.4 million in 13 separate companies and had a net asset value (at cost) of $73.2 million or $13.26 per share. Since the end of the quarter, the team has completed several additional transactions, adding four new investments and also adding to the positions in both Facebook and Twitter. These transactions bring the total invested capital to roughly $61 million. The company's current operating expenses are running at about $220,000 per month. The majority of these expenses are fixed and as the capital base grows the expense structure will remain relative constant.

Besides the Groupon IPO, Zynga is now preparing for a public offering in mid-December and both Twitter and Facebook have initiated steps to become public entities. We anticipate that these events will likely provide exit opportunities and liquidity for GSV to realize increased value from its portfolio at the appropriate time and price.

As of the end of the 3rd quarter of 2011, the company had a cash balance of $32.1 million. Much of this cash has now been invested based on the company's most recent press release (November 28, 2011) describing the four new investments.

Valuation

Currently the share price of GSV Capital is trading in the $15 range, somewhat about the stated net asset value of the portfolio as of September 30, 2011. We believe this modest valuation is due in part to the company's relatively short operating history, the extreme volatility of the equity markets in recent months, and the fact that the asset management team has yet to show its investor base a profitable completed (buy and sell) investment transaction. However, we believe that even given the very short investment period several of the positions in the GSV portfolio are already poised to deliver significant value above the portfolio's cost basis. Though it is difficult to obtain "market" valuations on these private companies, many of the issues do trade on secondary markets (SharesPost and Second Market) and values may be estimated from other recent transactions. To this point, below are valuation estimates on several of the current holdings.

- **Bloom Energy:** GSV was able to purchase its position in Bloom at roughly a $1.8 billion valuation in June 2011. Kleiner Perkins recently invested in this company at a $2.6 billion valuation. Though unrealized the return on this investment using the Kleiner Perkins valuation is 44.4%
- **Facebook:** The 350,000 shares of Facebook make it the company's second largest holding. The cost basis of the Facebook shares is $29.90. On SharesPost the shares are currently trading at $32.00, equating to an approximate valuation of $75 billion. Recent comments in the Wall Street Journal suggest that Facebook is working toward an IPO in early 2012 with a suggested $100 billion valuation.
- **Twitter:** Twitter is GSV's largest holding (a stock that is virtually unattainable by the public), with a cost basis of $16.52 per share. Twitter is expected to complete an IPO in 2012. Recently on SharesPost the stock has been listed as high as $30.00
- **Zynga:** This company recently announced an IPO expected to be completed in mid-December 2011. The estimated post deal valuation is in the range of $10 to $14 billion. At these valuation levels, GSV's investment in Zynga shares will likely provide investment returns above 20% in a one year time frame.

Apart from these names, other positions such as the Glit Group, Kno, TrueCar, and Serious Energy all have very attractive growth prospects amid large market opportunities. For example, Kno (which trades on SharesPost) is being quoted on this secondary market at $5.20 roughly 27% above GSV's cost basis.

We believe that GSV investment strategies are sound and to date the investment selections appear to meet the stated criteria. Given the GSV's early investment activities and the value that appears to be accruing after just a few months along with anticipated future liquidation events (IPOs), we are inclined to believe that the more accurate value of the portfolio is conservatively 30% to 35% higher than the stated valued as of September 30th, 2011. Using a 30% premium to the September 30th net asset value, a more fair value for the shares would be $17.25.

Investment Risks

In light of the fact that GSV Capital's operating history is just more than six months and the portfolio holdings are all less than six months old, there are numerous risks associated with this young investment management company. Though the asset management team is experienced and has been successful in past endeavors, their track record with this current vehicle with a focus on private companies remains unproven and as such we believe the company faces a number of risks, both operating and non-operating in nature. These potential risks to our investment thesis include, but are not limited to, the following:

- A disruption in the capital markets and the credit markets could negatively GSV's ability to affect the types of private equity transactions it is seeking. A significant downturn in the general economy would likely negatively impact market valuations for the portfolio holding and negatively impact potential shareholder returns.
- The company is currently generating operating expenses of roughly $230,000 per month. A portion of these expenses are related to the company's structure as publicly traded company.
- GSV's business model depends heavily upon the development and maintenance of strong referral relationships with private equity and venture capital funds and investment banking firms. If these relationships were to be interrupted the company's deal sourcing activities could be negatively impacted.
- There are significant potential investment risks relating to investing in securities traded on private secondary markets. The liquidity in these types of issues is generally very low and this could affect valuations.
- Because the investments in the GSV portfolio will generally not be in publicly traded securities, there will be a large degree of uncertainty regarding the value of the investments, which could adversely the perceived value of the portfolio.
- Additionally, there is no assurance that in the future the private companies in the GSV portfolio will be able to create a liquidation opportunity for the GSV shares such as an IPOs or outright sale for cash or shares of a public entity.
- The company's inability to raise additional investment capital and grow the portfolio will negatively impact the relative size of the investment management and operating fees.
- As a newly listed company on the NASDAQ, it is possible that in the future the company may fail to meet listing requirements of the NASDAQ Stock Market.

Management Team

Michael T. Moe – Chief Investment Officer and Portfolio Manager

Michael Moe is co-founder of GSV Capital and the GSV family of companies. In addition to his responsibilities as GSVC's Chief Investment Officer and Portfolio Manager, he serves as

Chairman of the Board of Directors, CEO, and President. He has also been a principal and managing member of GSV Asset Management since the company's inception in 2010.

Mr. Moe has written extensively about investing in the emerging growth equity markets. His acclaimed 2006 book *Finding the Next Starbucks* details Mr. Moe’s investment process and philosophy which he's refined over more than two decades in the investment community.

Prior to starting GSV, Mr. Moe co-founded and served as chairman and CEO of ThinkEquity Partners, an asset management and investment banking firm focusing on venture capital, entrepreneurial and emerging growth companies. Before ThinkEquity, he held positions as Head of Global Growth Research at Merrill Lynch and Head of Growth Research and Strategy at Montgomery Securities. An enthusiastic and accomplished entrepreneur, Mr. Moe shares his expertise with a wide range of worthy organizations ranging from the Center for Education Reform to the National Football Foundation/College Football Hall of Fame.

Steven D. Bard – Chief Financial Officer

Steve Bard is co-founder of GSV Capital, as well as GSV Asset Management. Mr. Bard fills a variety of critical roles at GSV Capital: Chief Financial Officer, Chief Compliance Officer, Treasurer, and Secretary. He has also been Chief Operating Officer and a managing member of GSV Asset Management since the company's inception in 2010.

The relationship between Mr. Bard and GSV co-founder Michael Moe dates back to 1995. In addition to deep experience as investment professionals, the two share a passion for investing and innovation-pursuits that form the heart of GSV's identity and mission.

Mr. Bard’s resume includes nearly a decade as Chief Operating Officer of Fuller & Thaler Asset Management, where he was also a member of the board of directors. His accomplishments there include the building and management of the firm's non-investment team and infrastructure. Prior to that, he managed the west coast for Fidelity Management Trust Company (now Pyramis Global Advisors) and held senior consultant and business development roles at Hewitt Associates and New York Life Investment Management.

His academic credentials include a BS from Duke University and an MBA from the University of California, Berkeley.

Paul Lapping – Chief Operating Officer

Paul Lapping joined the GSV Capital team as Chief Operating Officer in 2011.

Paul founded and previously served as a General Partner of Minotaur Partners II, L.P. and Merchant Partners L.P. Most recently, he served as Director and Chief Financial Officer of New University Holdings Corp. Mr. Lapping was Chief Financial Officer, Treasurer, Secretary, and Director of 57th Street General Acquisition Corp. and Alternative Asset Management Acquisition Corp. His professional experience also includes corporate development and investment banking roles with Farley Inc., Montgomery Ward, Salomon Brothers, and Golder, Thoma & Cressey.

Paul earned his BS from the University of Illinois and his Masters of Management (MM) from the Kellogg Graduate School of Business.

Luben Pampoulov – Vice President and Co-Portfolio Manager

Luben Pampoulov is Vice President of GSV Capital, along with a leader of several other companies in the GSV family.

Born in Bulgaria and raised there and in Austria, Mr. Pampoulov offers unique perspectives on some of the world's most promising emerging and frontier economies. His professional credentials are complemented by his experience as an elite tennis player: competing on the professional ATP Tour, as national champion in Austria and Bulgaria, and leading UCLA as its captain and number one player to the NCAA Championship in 2005.

In the business world, Mr. Pampoulov has served as principal and co-portfolio manager of GSV Asset Management alongside GSV co-founders Michael Moe and Steve Bard since the company's inception in 2010. And since 2009, he has been sharing research and investment ideas through GSV Media, a research firm focused on rapidly-growing, non-public companies, of which he is a principal and co-founder.

He joined Michael at GSV after their years together at ThinkEquity Partners, where they managed money and delivered compelling investment results. Prior to his roles as analyst and co-portfolio manager at ThinkEquity, he earned his BA in International Economics and Management from UCLA.

Table 1: GSV – Schedule of Investments[2]

GSV Capital Corp.
Schedule of Investments / 10-Q - Data is as of September 30, 2011

Portfolio Investments	Headquarters/ Industry	Shares / Par Amount	Cost	% Ownership	% of Net Assets
Bloom Energy Corporation	**Fuel Cell Energy**				
Common shares					
(97,400,000 total common shares outstanding)		96,389	$ 1,815,818	0.10%	2.42%
Chegg, Inc.	**Textbook Rental**				
Common shares					
(76,149,000 total common shares outstanding)		774,193	$ 6,003,694	1.02%	8.20%
Facebook, Inc.[1]	**Social Networking**				
Common shares, Class B					
(2,353,000,000 total common shares outstanding)		350,000	$ 10,467,600	0.01%	14.30%
GILT Groupe, Inc.	**e-Commerce Flash Sales**				
Common shares					
(36,154,000 total common shares outstanding)		203,100	$ 5,576,979	0.56%	7.51%
Groupon	**Online Deals**				
Common shares, Class B**					
(594,600,000 total common shares outstanding)		80,000	$ 2,127,577	0.01%	2.78%
Kno, Inc.	**Digital Textbooks**				
Preferred shares, Series C					
(39,154,000 total preferred shares outstanding)		440,313	$ 2,257,959	1.12%	3.08%
PJB Fund LLC (Zynga)	**Social Gaming**				
Structured note, 10%, due 8/15/2012		$ 4,000,000	4,028,914	N/A	5.47%
Serious Energy, Inc.	**Green Materials**				
Common shares					
(57,628,472 total common shares outstanding)		178,095	$ 738,674	0.31%	0.97%
SharesPost, Inc.	**Online Marketplace**				
Preferred shares, Series B					
(14,600,000 total preferred shares outstanding)		1,776,970	$ 2,257,792	12.17%	3.04%
Common warrants, $0.13 strike price, expire 6/15/2018		770,934	$ 23,128		0.03%
Silver Spring Networks, Inc.	**Smart Grid**				
Common shares					
(161,000,000 total common shares outstanding)		110,143	$ 1,153,381	0.07%	1.51%
TrueCar, Inc.	**Online Auto Services**				
Common shares					
(81,100,000 total common shares outstanding)		377,358	$ 2,001,782	0.47%	2.73%
Twitter, Inc.[1]	**Social Communication**				
Common shares					
(484,700,000 total common shares outstanding)		735,600	$ 12,151,200	0.15%	16.60%
ZoomSystems	**Smart e-tail (Retail)**				
Preferred shares, Series A					
(420,000,000 total preferred shares outstanding)		1,250,000	$ 260,317	0.30%	0.34%
Recently Added Postions (November 28, 2011)					
ZocDoc Inc.	**Online Medical Services**		Share and Cost Data Not Available		
Grockit Inc.	**Social Learning/Games**		Share and Cost Data Not Available		
The Echo Systems Corp.	**Online Social Analystics**		Share and Cost Data Not Available		
Control 4, Inc.	**Smart Home Services**		Share and Cost Data Not Available		

[1] Shares were added post 9/30/2011 -- Cost Data is Approximate

[2] The current investments in the portfolio may differ from the information herein.

Table 2: GSV – Quarterly Income Statement

QUARTERLY INCOME STATEMENT (All amounts are acutal numbers)	3/31/2011	6/30/2011	9/31/2011	12/30/2011E
Interest income	*$ -*	*$ -*	*$ 52,222*	*$ 30,000*
Dividend income	*$ -*	*$ -*	*$ 1,186*	*$ 1,000*
Total Revenues	**$ -**	**$ -**	**$ 53,408**	**$ 31,000**
Operating expenses:				
Investment management fees	*-*	*150,943*	*233,961*	*240,000*
Costs associated with Administrative Agreement	*-*	*113,035*	*192,031*	*195,000*
Insurance, Directors and other Professional expenses	*16,050*	*193,191*	*242,608*	*243,000*
Investor Relations expenses	*-*	*750*	*52,000*	*25,000*
Organizational expenses	*94,640*	*97,855*	*6,336*	*6,500*
Other expenses	*118*	*9,531*	*6,310*	*6,500*
Total Operating Expenses	**$ 110,808**	**$ 565,305**	**$ 733,246**	**$ 716,000**
Net Investment loss	**$ (110,808)**	**$ (565,305)**	**$ (679,838)**	**$ (685,000)**
Net Change in Depreciation on Non-Control/ Affiliated Securities	*-*	*$ 59,634*	*$ 494,170*	*$ 250,000*
Net Decrease in Assets from Operations	**$ (110,808)**	**$ (624,939)**	**$ (1,174,008)**	**$ (935,000)**
Weighted Average Shares	**1,735,385**	**2,345,595**	**3,430,100**	**5,200,000**
Net Decrease in Assets -- Per Share	**$ (0.06)**	**$ (0.27)**	**$ (0.34)**	**$ (0.18)**
% of TOTAL REVENUE				
Operating expenses:	**N/A**	**N/A**	**1372.9%**	**2309.7%**
Investment management fees	N/A	N/A	438.1%	774.2%
Costs associated with Administrative Agreement	N/A	N/A	359.6%	629.0%
Insurance, Directors and other Professional expenses	N/A	N/A	454.3%	783.9%
Net Investment loss	**N/A**	**N/A**	**1372.9%**	**2309.7%**
Net Decrease in Assets from Operations	**N/A**	**N/A**	**-2198.2%**	**-3016.1%**
% YEAR OVER YEAR INCREASE				
Total Revenues	**N/A**	**N/A**	**N/A**	**N/A**
Total Operating Expenses	**N/A**	**N/A**	**N/A**	**N/A**
Net Investment loss	**N/A**	**N/A**	**N/A**	**N/A**
% SEQUENTIAL INCREASE				
Total Revenues	**N/A**	**N/A**	**N/A**	**N/A**
Total Operating Expenses	**N/A**	**N/A**	**29.7%**	**-42.0%**
Net Investment loss	**N/A**	**N/A**	**N/A**	**N/A**

Source: Company Filings, and Ladenburg Estimates

Table 3: GSV – Annual Income Statement

ANNUAL INCOME STATEMENT (All amounts are actual numbers)	
	2011E
Interest income	*82,222*
Dividend income	*2,186*
Total Revenues	**$ 84,408**
Operating expenses:	
Investment management fees	*624,904*
Costs associated with Administrative Agreement	*500,066*
Insurance, Directors and other Professional expenses	*694,849*
Investor Relations expenses	*77,750*
Organizational expenses	*205,331*
Other expenses	*22,459*
Total Operating Expenses	**$ 2,125,359**
Net Investment loss	**$ (2,040,951)**
Net Change in Depreciation on Non-Control/ Affiliated Securities	*803,804*
	-
Net Decrease in Assets from Operations	**$ (2,844,755)**
Weighted Average Shares	**3,350,000**
Net Decrease in Assets -- Per Share	$ (0.85)
% of TOTAL REVENUE	
Operating expenses:	2518.0%
Investment management fees	592.4%
Costs associated with Administrative Agreement	823.2%
Insurance, Directors and other Professional expenses	**2518.0%**
Net Investment loss	**-2418.0%**
Net Decrease in Assets from Operations	**-3370.2%**
% YEAR OVER YEAR INCREASE	
Total Revenues	**N/A**
Total Operating Expenses	**N/A**
Net Investment loss	**N/A**

Source: Company Filings, Ladenburg Estimates

Table 4: GSV – Balance Sheet

BALANCE SHEET (All Amounts are actual numbers)		
	FY 2011	
	9/30/2010	12/31/2010
ASSETS		
Investments in non-control securities	$ 20,744,703	$ 41,389,584
Cash and cash equivalents	24,214,777	32,098,207
Due from GSV Asset Management	46,236	809
Portfolio Company	26,217	30,000
Escrow Deposits	172,995	-
Prepaid expenses	228,384	138,692
Accrued Interest	-	52,222
Other Assets	26,148	6,456
Total current assets	**$ 45,459,460**	**$ 73,715,970**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Due to GSV Asset Management	78,461	74
Due to other Affiliates	7,012	34,635
Accounts Payable	7,055	388,812
Accrued Offering Costs	-	98,627
Accrued Expenses	101,510	5,793
Total Liabilities	**$ 194,038**	**$ 527,941**
Stockholders' Equity:		
Common stock	33,351	55,201
Additional paid-in capital	45,967,818	75,042,833
Accumulated Investment Loss	(676,113)	(1,356,201)
Accumulated depreciation on investments	(59,634)	(553,804)
Total stockholders' equity	**$ 45,265,422**	**$ 73,188,029**
Total Liabilities and Stockholders' Equity	**$ 45,459,460**	**$ 73,715,970**

Source: Company Filings, Ladenburg Estimates

APPENDIX A: IMPORTANT RESEARCH DISCLOSURES

ANALYST CERTIFICATION

I, Jon R. Hickman, attest that the views expressed in this research report accurately reflect my personal views about the subject security and issuer. Furthermore, no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report.

The research analyst(s) primarily responsible for the preparation of this research report have received compensation based upon various factors, including the firm's total revenues, a portion of which is generated by investment banking activities.

COMPANY BACKGROUND

Structured as a non-diversified closed-end management investment company, GSV Capital has elected to be treated as a business development company under the Investment Company Act of 1940. GSV will investment in emerging, high-growth private companies with the goal of providing growth oriented investors a vehicle to participate in value creation happening in the private sector. The company is focused on the high-growth sectors in the economy including Social Media, Mobile Computing, Cloud Computing, Green Technology, and Education Technology. In general, the asset management team will acquire the investment positions directly from employees and early VCs, as well as primary shares directly from the company and from the emerging private marketplaces. The company is headquarter is Woodside, California

VALUATION METHODOLOGY

Our price target is based on the belief that the company's investments are already demonstrating notable appreciation from cost and the expectation of future liquidity events (IPOs and corporate transactions) that will provide GSV with the opportunity to exit its investments at higher valuations. We estimate that the portfolio today is worth 30% to 35% more than the stated $13.26 NAV as of September 30, 2011.

RISKS

In light of the fact that GSV Capital's operating history is just more than six months and the portfolio holdings are all less than six months old, there are numerous risks associated with this young investment management company. Though the asset management team is experienced and has been successful in past endeavors, their track record with this current vehicle with a focus on private companies remains unproven. We believe that GSV investment strategies are sound and to date the investment selections appear to meet the stated criteria, but we also believe the company faces a number of risks, both operating and non-operating in nature. These potential risks to our investment thesis include, but are not limited to, the following:

- A disruption in the capital markets and the credit markets could negatively GSV's ability to affect the types of private equity transactions it is seeking. A significant downturn in the general economy would likely negatively impact market valuations for the portfolio holding and negatively impact potential shareholder returns.
- The company is currently generating operating expenses of roughly $230,000 per month. A portion of these expenses are related to the company's structure as publicly traded company.
- GSV's business model depends heavily upon the development and maintenance of strong referral relationships with private equity and venture capital funds and investment banking firms. If these relationships were to be interrupted the company's deal sourcing activities could be negatively impacted.
- There are significant potential investment risks relating to investing in securities traded on private secondary markets. The liquidity in these types of issues is generally very low and this could affect valuations.
- Because the investments in the GSV portfolio will generally not be in publicly traded securities, there will be a large degree of uncertainty regarding the value of the investments, which could adversely the perceived value of the portfolio.
- Additionally, there is no assurance that in the future the private companies in the GSV portfolio will be able to create a liquidation opportunity for the GSV shares such as an IPOs or outright sale for cash or shares of a public entity.
- The company's inability to raise additional investment capital and grow the portfolio will negatively impact the relative size of the investment management and operating fees.
- As a newly listed company on the NASDAQ, it is possible that in the future the company may fail to meet listing requirements of the NASDAQ Stock Market.

OTHER COMPANIES MENTIONED (Prices are as of December 5, 2011)

Groupon (NASDAQ: GRPN – $19.04, Not Rated)
Linkedin (NYSE: LNKD – $69.95, Not Rated)
Zilliow (NASDAQ: Z – $23.08, Not Rated)
Pandora (NYSE: P – $11.00, Not Rated)
Microsoft (NASDAQ: MSFT – $25.70, Not Rated)
Cisco Systems (NASDAQ: CSCO – $18.79, Not Rated)
Intel Corp. (NASDAQ: INTC -- $25.01, Not Rated)
Starbucks Corp (NASDAQ: SBUX – $44.20, Not Rated)
Dell (NYSE: DELL – $15.93, Not Rated)
QUALCOMM (NASDAQ: QCOM – $54.49, Not Rated)
Harris and Harris (NASDAQ: TINY – $3.62, Buy Rated)
Safeguard Scientific (NYSE: SFE – $16.42, Not Rated)
Firsthand Technology Value Fund (NASDAQ: SVVC – $14.37, Not Rated)

STOCK RATING DEFINITIONS

Buy: The stock's return is expected to exceed 12.5% over the next twelve months.
Neutral: The stock's return is expected to be plus or minus 12.5% over the next twelve months.
Sell: The stock's return is expected to be negative 12.5% or more over the next twelve months.

Investment Ratings are determined by the ranges described above at the time of initiation of coverage, a change in risk, or a change in target price. At other times, the expected returns may fall outside of these ranges because of price movement and/or volatility. Such interim deviations from specified ranges will be permitted but will become subject to review.

RATINGS DISPERSION AND BANKING RELATIONSHIPS (AS OF 11/30/2011)

Buy:	76%	(30% are banking clients)
Neutral:	24%	(11% are banking clients)
Sell:	0%	(0% are banking clients)

COMPANY SPECIFIC DISCLOSURES

Ladenburg Thalmann & Co. Inc. makes a market in the subject company. Ladenburg Thalmann & Co. Inc. had an investment banking relationship with the subject company in the last 12 months. Ladenburg Thalmann & Co. Inc. acted as Lead Manager in the Initial public offering of the subject company and acted as Co-Manager in a secondary offering for the subject company in the last 12 months. Ladenburg Thalmann & Co Inc. received investment banking related compensation related to those offerings in the last 12 months. Ladenburg Thalmann & Co. Inc. expects to receive investment banking related compensation from GSVC in the next 3 months. An employee of Ladenburg Thalmann & Co. Inc. is on the Board of Directors of the subject company and also serves in an advisory capacity to GSV Asset Management LLC. Ladenburg Thalmann & Co. Inc. has a non-investment banking securities related relationship with members of the Board of Directors. Neither the Analyst, or members of the Analyst's household, own any securities issued by GSV Capital Corp

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