

The ILGIF Stakeholders



Michael W. Frerichs
ILLINOIS STATE TREASURER

Illinois State Treasurer's Office: The treasurer's office exercises authority and control over the management of ILGIF, by setting policy and procedures which staff executes either internally or through the use of contractors.



ILGIF Program Administrator: 50 South Capital Advisors, LLC is an alternatives asset management firm designed to meet the core strategic needs of investors seeking access to venture capital, private equity and hedge funds. It is a wholly-owned subsidiary of Northern Trust Corporation.

ILGIF Advisory Council: The Advisory Council also serves as a general resource to the entrepreneurial, venture capital and technology business community, actively collaborating with the Treasurer's Office and 50 South Capital to provide stakeholders and members of the public with information on the purpose, operation and impact of ILGIF.

www.ILGIF.com

www.illinoistreasurer.gov

ILLINOIS

Growth and Innovation Fund

Mission:

Through the Technology Development Account II, also known as the Illinois Growth and Innovation Fund (ILGIF), the State of Illinois makes targeted investments in technology funds that invest in businesses based in Illinois or with a significant workforce.

Vision:

ILGIF aims to invest more than \$222 million during the next three years creating an estimated 18,000 jobs.

Values:

Supporting Inclusion - ILGIF gives clear direction to ensure that fund managers and technology businesses owned by minorities, women, military Veterans, or persons with disability are recommended for receipt of ILGIF assets.

Goals:

1. Deliver strong investment performance for Illinois.
2. Drive economic development for Illinois.
3. Foster a more connected, inclusive and engaged entrepreneurial community in Illinois.



ILLINOIS

Growth and Innovation Fund

GREATPOINT
make no little plans

MDP[®]
MADISON DEARBORN PARTNERS, LLC

HydePark
Venture Partners

CHICAGO
VENTURES

CORAZON
CAPITAL

MODERNE
VENTURES

BULLPEN
CAPITAL

BUILDERS

PPC | PUBLIC
PENSION
CAPITAL

WIND POINT PARTNERS

NEA

methodcap

LISTEN

PATRIOT
CAPITAL

BRIGHTWOOD

VISTRIA

ILGIF Portfolio Companies

PATTERSON
MEDICAL

UPTAKE

ShipBob

shiftgig

TEMPUS

MODERN
TACKLE
BOX

ITEMMASTER

AVANT
Invenergy

truss

|Here|

tock

Evans

FARMERS
PRIDE

LOGICGATE

THIS IS
STOLEN

0
♥

Pak'd
SINCERELY GOOD FOOD

VEE-PAK

gunslinger

PARTYSLATE

UB
URBANBOUND

project44

pearachute

SHOPRUNNER
love it. get it.

1/D

pangea

ALPHA
OUTPOST

Hologram

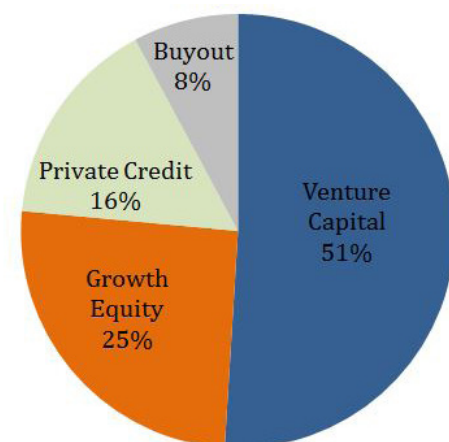
Minority, Woman, Veteran, and Disabled-owned (MWVD) Inclusion

\$45 million invested in minority and women-owned funds.

Invested in 27 businesses owned by minorities, women, Veteran, or disabled persons.

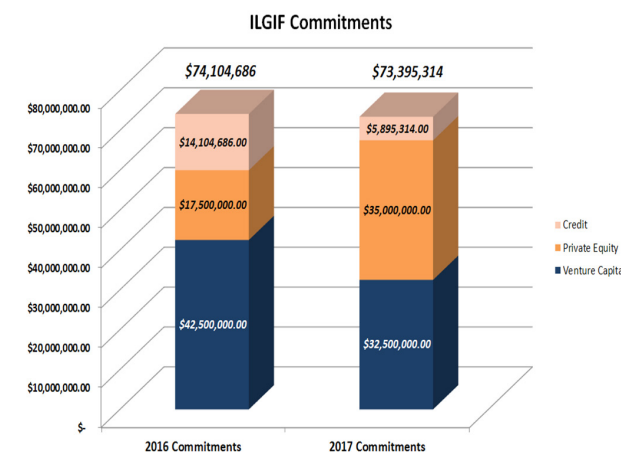
Continue to identify, recruit and recommend MWVD fund managers/businesses.

Portfolio Construction



ILGIF's fund investment portfolio will be diversified across vintage, stage, sector and strategy (i.e., venture capital, growth capital, buyout, turnaround, private credit, etc.).

Commitment Amount Breakdown



Targeted 3-year investment period (2016-2018) within an overall six-year commitment window.



Technology Development Account I

In 2005, the first Technology Development Account (TDA I) was established, authorizing the Treasurer's Office to allocate up to 1% of the State Investment Portfolio to venture capital firms located in Illinois with a goal of investing in technology businesses seeking to locate, expand, or remain in Illinois.

While TDA I investments will continue to wind down between 2016 and 2023 (approximately), the following takeaways help underscore the performance of the program:

Realized Gains Since inception through June 30, 2017 the Treasurer's Office has received distributions of \$38,853,487 in capital gains and dividends.

Internal Rate of Return (IRR) As of June 30, 2017, the total IRR of TDA I, an indicator of performance on a time-weighted basis, was 6.0% annualized, net of investment management fees compared to a 1.20% yield from the State Investment Portfolio.

Technology Development Account I Performance

Measure	As of June 30, 2017
Commitment	\$73,430,444
Capital Calls	\$68,571,508
Distribution Received to Date	\$38,853,487
Remaining Callable Amount	\$5,432,956
Ending Residual Value	\$52,030,120



While ILGIF is still in the early stages of the investment cycle, current funds within the portfolio are investing in technology businesses at a rapid pace. The following takeaways help underscore the performance of the program:

Internal Rate of Return (IRR) As of June 30, 2017, the total IRR of ILGIF, an indicator of performance on a time-weighted basis, was 18.2% annualized, net of investment management fees compared to a 1.20% yield from the State Investment Portfolio.

Total Value to Paid in Capital As of June 30, 2017, the fund's investment multiple, measuring the total value created by the fund was approximately 1.07x.

Illinois Growth and Innovation Fund Performance

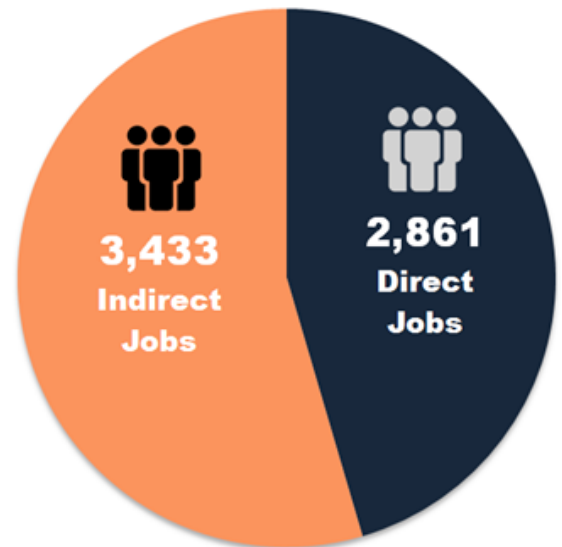
Commitment	\$127,500,000
Capital Calls	\$26,536,756
Remaining Callable Capital	\$100,963,244
Ending Residual Value	\$28,400,752
Internal Rate of Return	18.2%

Technology Development Account I

At its core, the TDA I carries a dual purpose: (1) to generate positive investment returns for the State of Illinois and (2) support the growth of Illinois technology businesses, which in turn bolsters job creation and expands the state's economy.

In regard to the impact on job creation and economic growth in Illinois, TDA I has enabled venture capital firms to invest \$115 million in thirty-seven Illinois companies (as of June 2015). That in turn has attracted more than \$450 million in additional private investment. Companies that received TDA I investments have created approximately 2,800 direct jobs and 3,400 indirect jobs in Illinois.

Job Creation Attributed to TDA I



6,294 Jobs Created Total*

ECONOMIC DEVELOPMENT

ILLINOIS

Growth and Innovation Fund

ILGIF Projected Economic Impact



Invest
\$222M+
State Funds



Attract
\$400M+
Private Investment



Create
18,800+
Direct Jobs

Similar to Technology Development Account I program, the goal of ILGIF is two-fold: earn investment returns for the state and support technology and related jobs here in Illinois. The investment is expected to create approximately 18,800 jobs in Illinois (8,500 direct and 10,300 indirect) and attract more than \$400 million in additional private-sector money, which will further spur interest in the Midwest tech scene that Illinois anchors.

Impact Since Inception (2016)

4,000 full-time Illinois employees

\$582.5 million invested in IL companies

\$1.9 billion in aggregate GAAP revenue