



Investment in Idaho

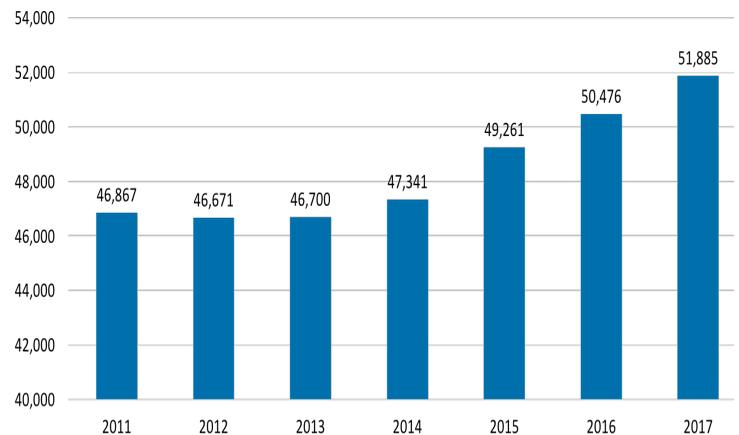
Idaho is emerging as a top state for business and economic growth. Over the past year, the state has consistently ranked among the best labor markets for strong employment growth and low unemployment. The robust labor market, relatively low cost of living, and access to outdoor recreation, has attracted economic migrants from around the country and has turned Idaho into the fastest growing state in the nation. According to the U.S. Census Bureau, from 2016 to 2017, Idaho's population grew by 2.2 percent to 1,716,943, with the majority of growth coming from in-migration. Both the Coeur d'Alene and Boise metropolitan areas ranked among the top 10 fastest growing in the nation by percentage increase, while Meridian is the 10th fastest growing large city in the US.

A major contributor to Idaho's impressive growth has been the expansion of its tech sector. According to the Computer Technology Industry Association, Idaho had the 5th fastest growing tech workforce in the nation in 2017, with the number of tech workers growing from 50,476 to 51,885. In addition to strong employment growth, the tech sector's economic impact continues to expand and now comprises 9.4 percent of the state's economy, up from 7.1 percent in 2015.

As the state's tech sector has continued to improve, so has the environment for attracting venture capital. While still not seen as a major hub for venture capital investment, Idaho has experienced an increase in both the number of venture capital deals and amount of funding since the end of the Great Recession. The vast majority of this funding has been invested into internet companies. As the tech sector in Idaho continues to grow, this trend is likely to continue.

Net Tech Employment in Idaho

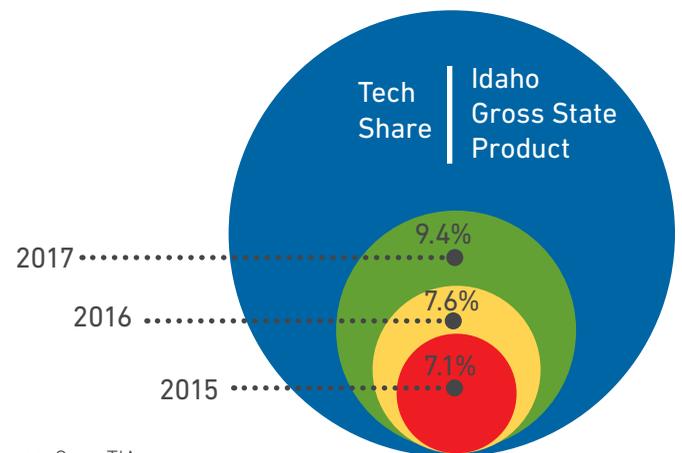
Tech employment grew by 2.8% in 2017 - 5th fastest in the nation



Source: CompTIA

Tech Industry's Impact on the Idaho Economy

Idaho's tech industry made up 9.4% of the Idaho economy in 2017



Source: CompTIA

Idaho Accolades

Idaho consistently ranks as one of the top states in the nation for business climate.



5th fastest growing tech workforce in the nation
CompTIA, "2018 Cyberstates"



Best state for entrepreneurship business environment
U.S. News, "2018 Best States"



Ranked 5th highest for startup activity among smaller states
Ewing Marion Kauffman Foundation, "2017 Index of Startup Activity"



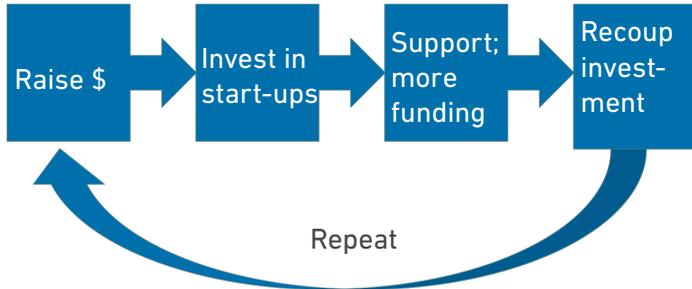
A+ for small business friendliness
2017 Thumbtack.com Small Business Friendliness Survey

Venture Capital in Idaho

Venture capital (VC) investment is typically made into start-up companies that are unable to secure financing from traditional means.

Support from venture capital firms is not only monetary in nature, but often includes long-term managerial and business development support of a company.

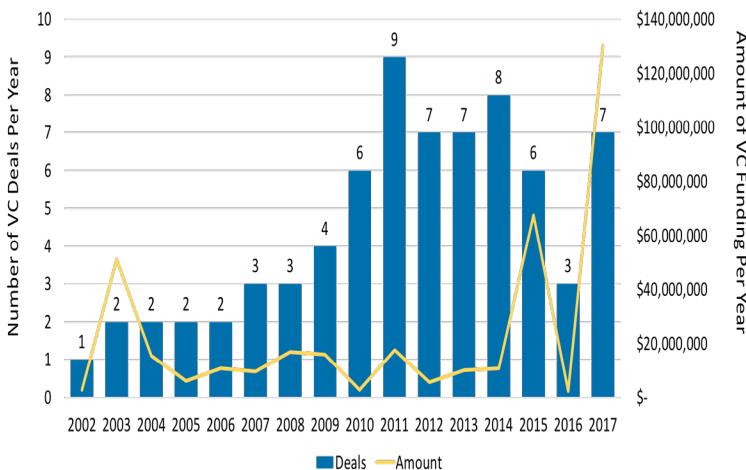
Venture capital model:



Since the end of the Great Recession in 2009, Idaho has seen an increase in both the number of venture capital deals and the amount of funding received. In 2009, there were four venture capital deals worth \$16 million; in 2017, there were seven venture capital deals worth \$130 million. In the past five years alone, there have been 31 venture capital deals, with roughly \$220 million invested into Idaho-based companies. The vast majority of this funding flowed into internet companies, which received \$177 million, or 80% of all venture capital investment. Similar to nationwide trends, the majority of investment is made at the expansion stage, while funding at the seed stage remains the lowest.

VC Deals and Investment into Idaho Companies

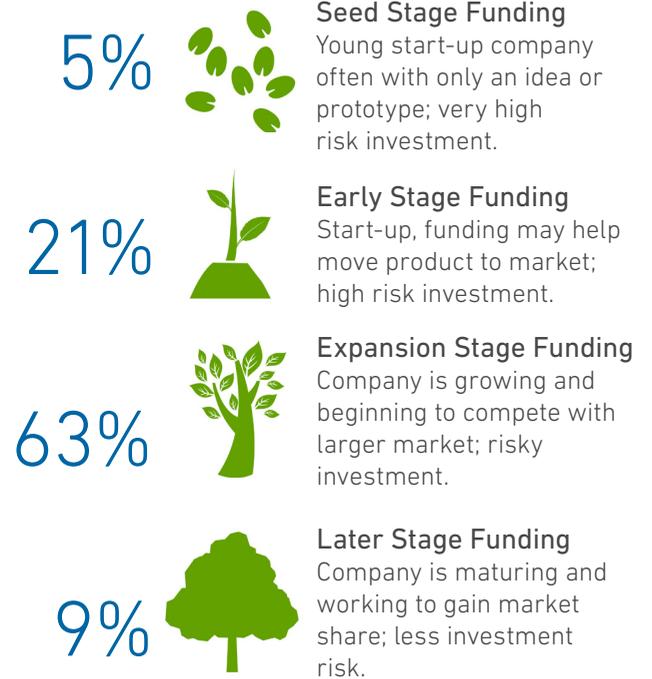
VC total investment hit highest-level ever in 2017



Source: PWC, CB Insights Money Tree Report Q12018

When are Idaho Companies Receiving VC Funding?

Idaho companies received roughly \$220 million in venture capital investment over the past five years. The majority of funding came at the expansion stage (63%).

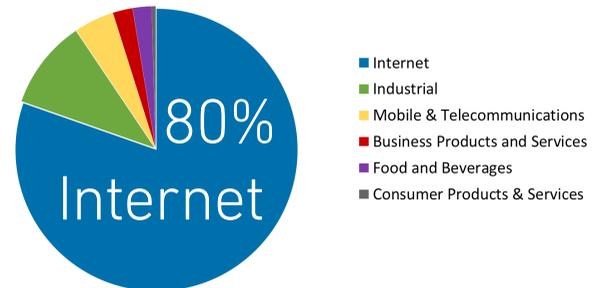


Source: PWC, CB Insights Money Tree Report Q12018

Note: "Other" category (2%) not included.

What Types of Companies Receive VC Funding in Idaho?

Idaho companies received roughly \$220 million in venture capital investment over the past five years. The majority of funding went to internet companies (80%), followed by industrial (10%) and mobile and telecommunications (5%).



Source: PWC, CB Insights Money Tree Report Q12018



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