

October 19, 2007

The MoneyTree™ Report

Overview of Venture Capital Investments Third Quarter 2007

PricewaterhouseCoopers/National Venture Capital Association
MoneyTree™ Report

based on data from Thomson Financial

Host of the Analyst Call



Emily Mendell
Vice President of Strategic Affairs and Public Outreach
National Venture Capital Association

With fifteen years of broad-based experience in the business-to-business markets, Emily Mendell is responsible for communications, media relations and public affairs for the National Venture Capital Association.

Emily began her work with the NVCA in 2000 as a managing principal of The Weiser Group, a strategic communications firm. At The Weiser Group, she specialized in designing and implementing public relations and marketing strategies, and developing editorial materials and targeted collateral pieces for clients. Her industry expertise includes financial services, private equity, transaction processing, and electronic commerce.

Prior to joining The Weiser Group, Emily served as Director of Strategic Marketing and Communications for Integrion Financial Network, a consortium of 18 banks, IBM and Visa. While at Integrion, Emily was responsible for all corporate communications, including the organization's positioning with the media and its marketing activities.

Emily has previously held various management positions at CoreStates Financial Corp including Vice President of Strategic Business Development. Emily is a cum laude graduate of The Wharton School, University of Pennsylvania, where she earned a Bachelor of Science degree in Economics with a concentration in Finance and Management.

Overview

- ❑ National Third Quarter Results
 - ❖ \$ Invested and # Deals by Quarter
 - ❖ Investments by Stage of Development
 - ❖ Investments by Industry/Sector
 - ❖ First-time Financing
- ❑ PricewaterhouseCoopers Commentary on Results
- ❑ NVCA Commentary on Results
- ❑ Mohr Davidow Ventures
- ❑ H.I.G. Ventures
- ❑ MoneyTree Report Q&A

Thomson Financial

Matthew Toole
Research Director, Private Equity
Thomson Financial

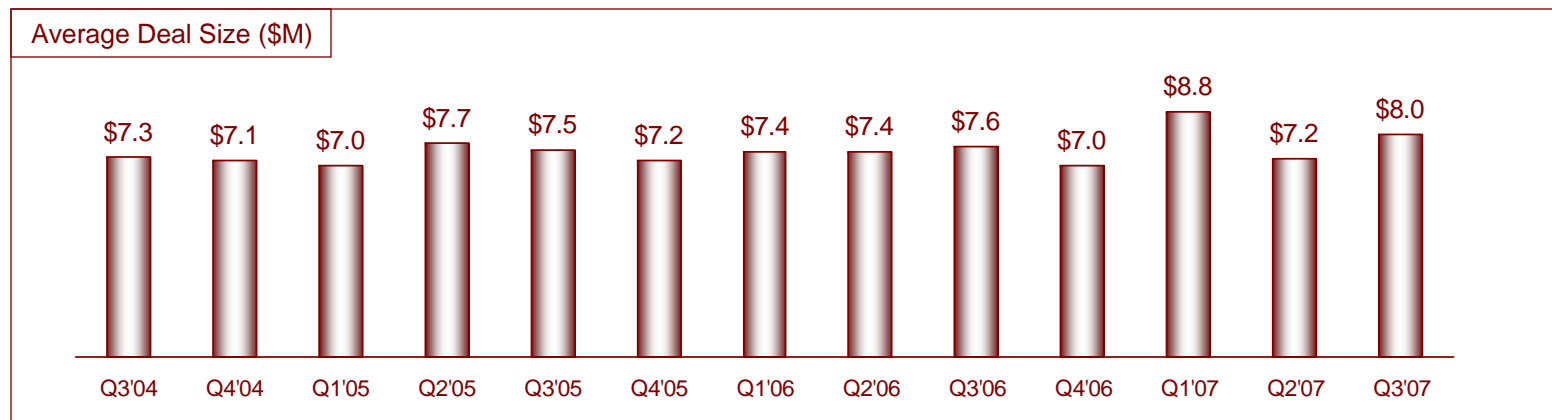
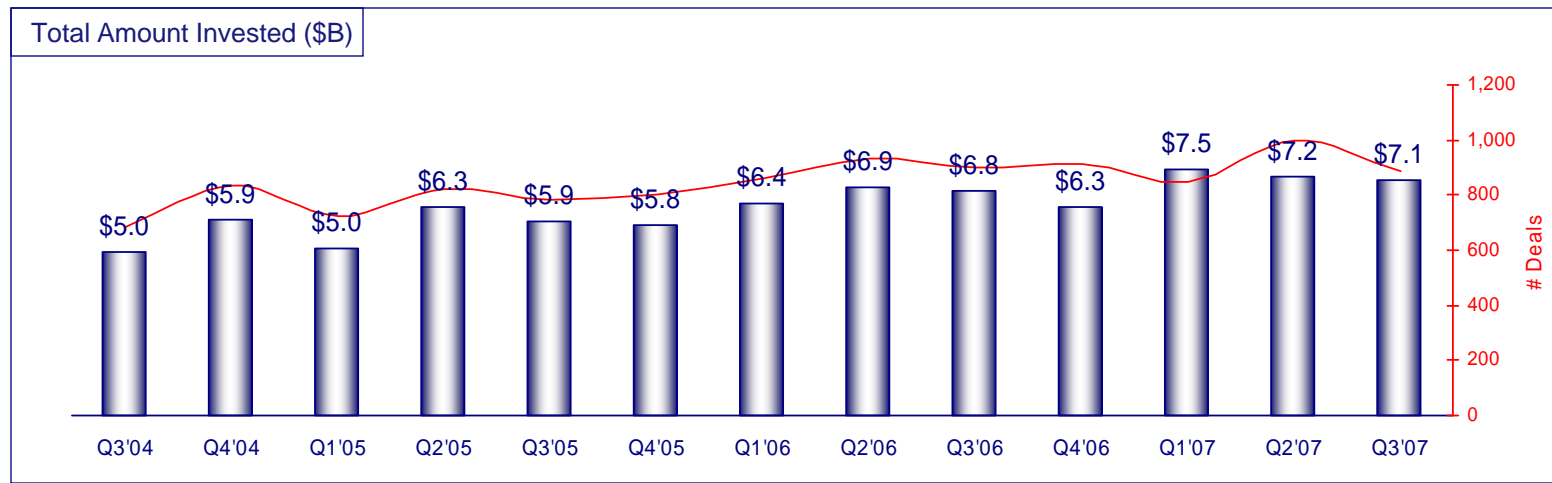
Matthew Toole is the director of research for Thomson Financial's Investment Banking content, which includes mergers & acquisitions, venture capital, private equity and capital markets.

Prior to this appointment, Matthew managed Thomson Financial's capital markets content strategy and development including debt and equity research and banking contributor relations. Matthew started his career as a research analyst in the fixed income group at Thomson Financial Securities Data.

Matthew received his Bachelor of Science in Biology from Providence College

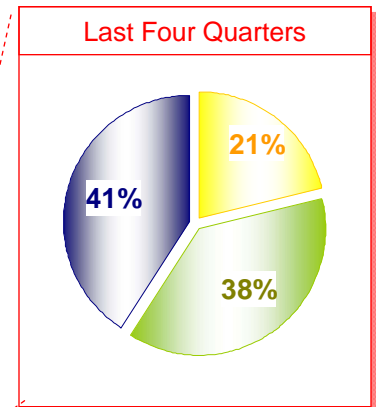
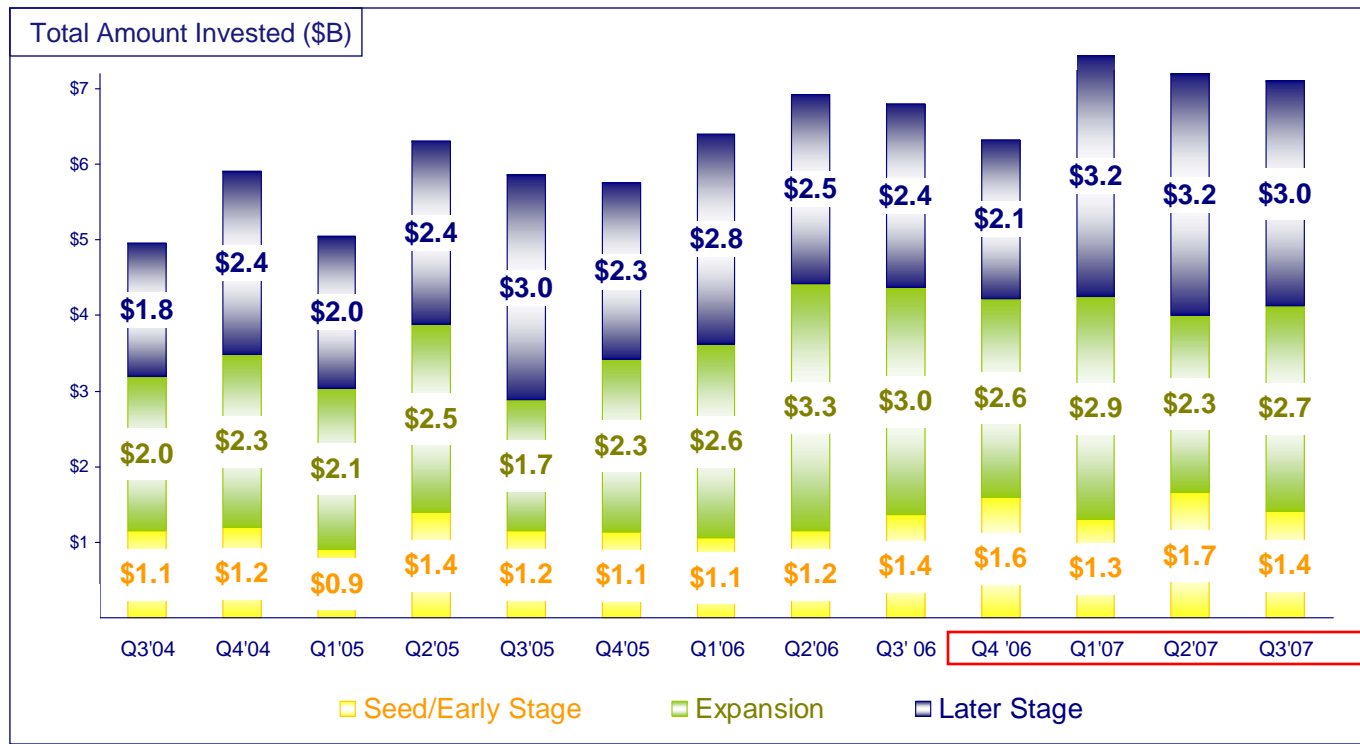
Investments Maintain Steady Pace in Q3'07

VC Investments

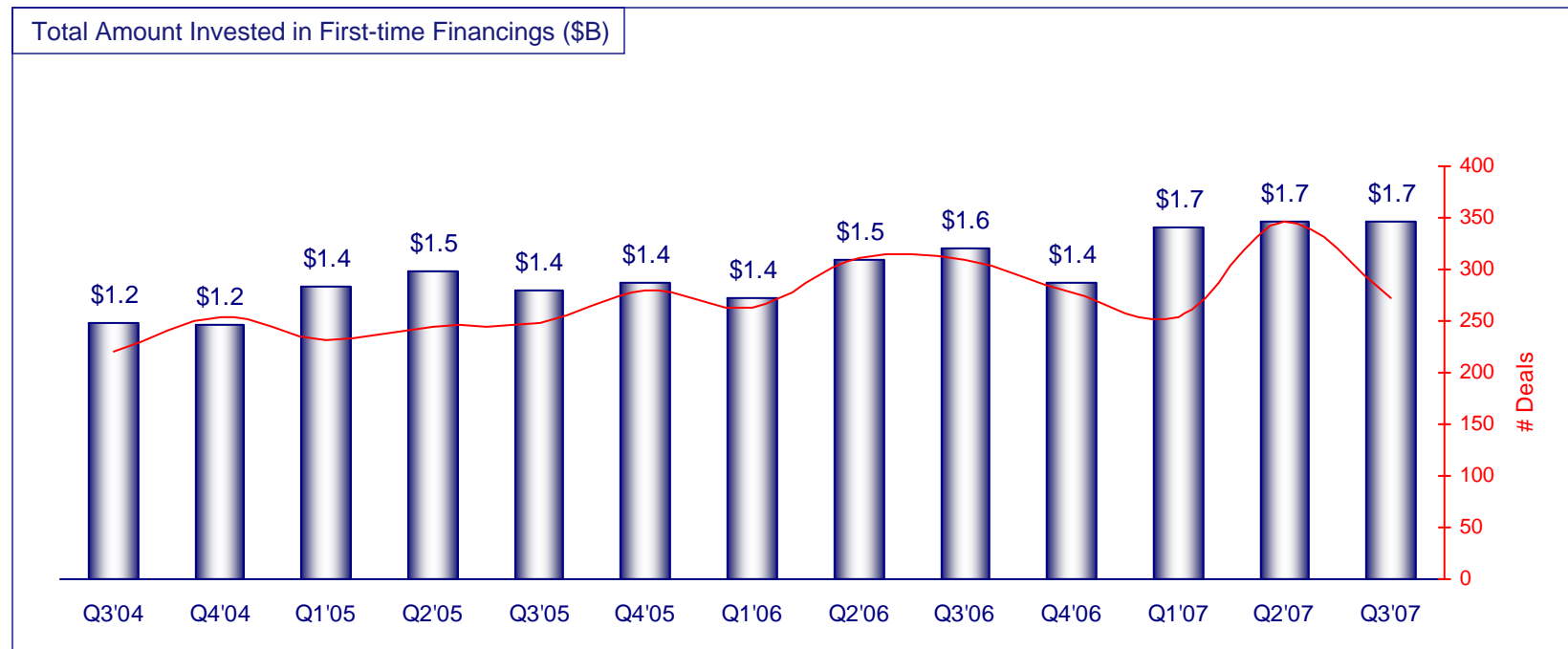


Bulk of the \$\$ Going to Expansion & Later Stage Deals

VC Investments

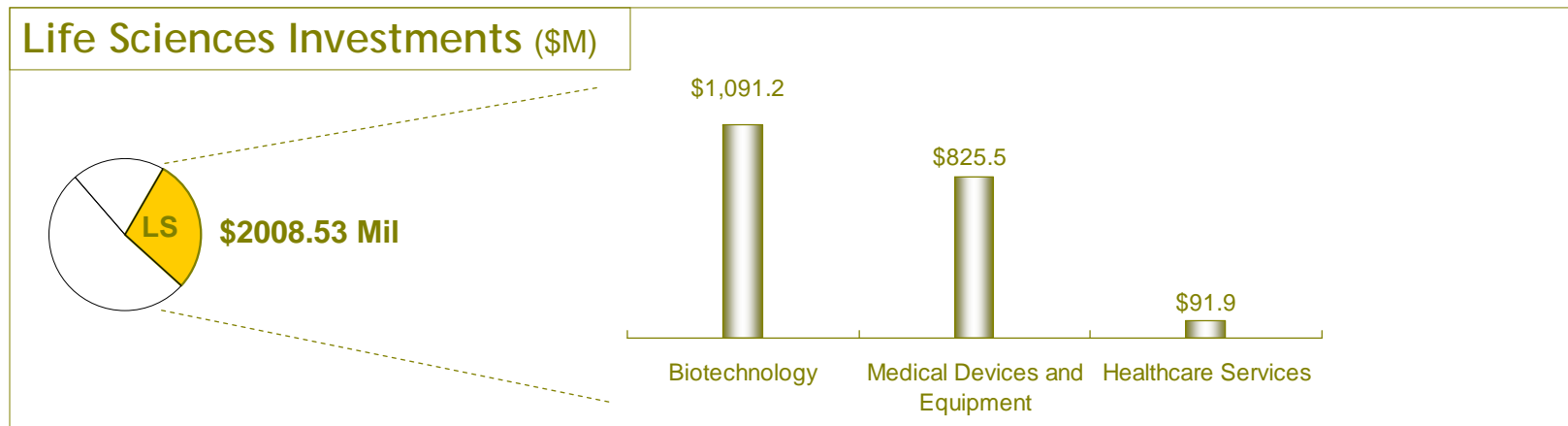
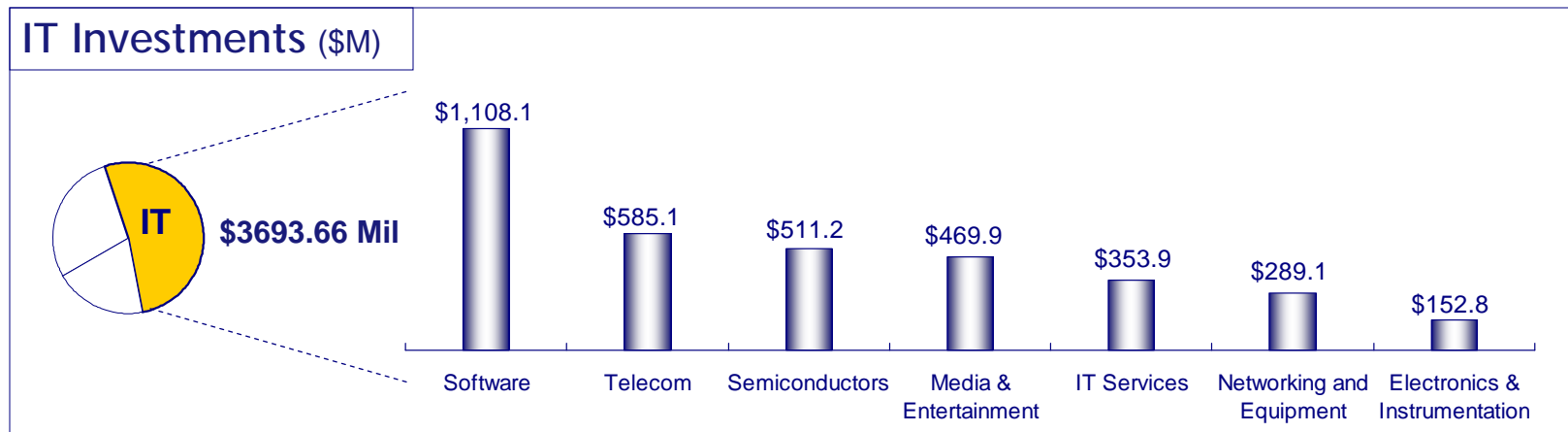


24% of dollars in Q3'07 going toward First Sequence Financing



Software and Biotech Have Investor's Interest

Investments By Industry – Q3 2007



PricewaterhouseCoopers



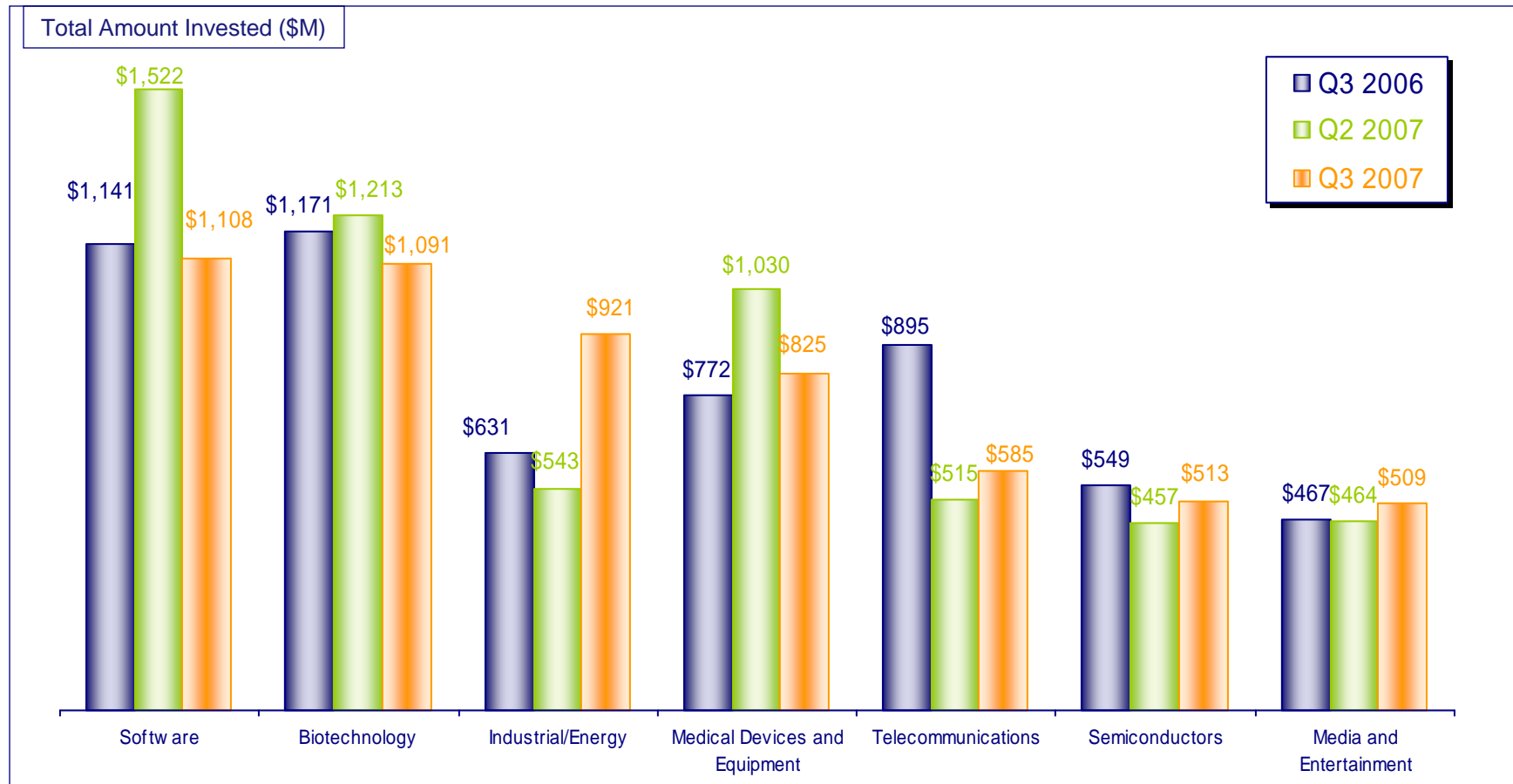
Tracy T. Lefteroff
Global Managing Partner
Venture Capital and Life Sciences Industries Services

As Global Managing Partner of Private Equity and Venture Capital as well as Life Sciences Industry Services, Mr. Lefteroff is in charge of services provided to the venture capital community, venture-funded technology companies and publicly-held, privately-owned and venture-funded life sciences companies worldwide. Mr. Lefteroff has been key to the development of strategic collaborative agreements with many of the major international pharmaceutical companies and has recently assisted in several high profile industry mergers. He also co-authored the Firm's Practice Standards and Aids for the Life Sciences Industry.

Mr. Lefteroff currently serves on the Board of Directors of the Stanford Venture Laboratory and the California Healthcare Institute. He has served as Treasurer of the Washington State Biotechnology Association, Chairman of the MIT Enterprise Forum of the Northwest and as a Committee Member of the Washington Society of CPA's High Technology Committee. He is also a member of the American Institute of Certified Public Accountants and the California, Washington and Idaho Societies of CPA's. Mr. Lefteroff has been with PricewaterhouseCoopers for approximately 16 years, including three years in the Seattle, Washington office, where he was extensively involved with the Firm's venture capital and life sciences clients. Today he resides in the San Jose, California office.

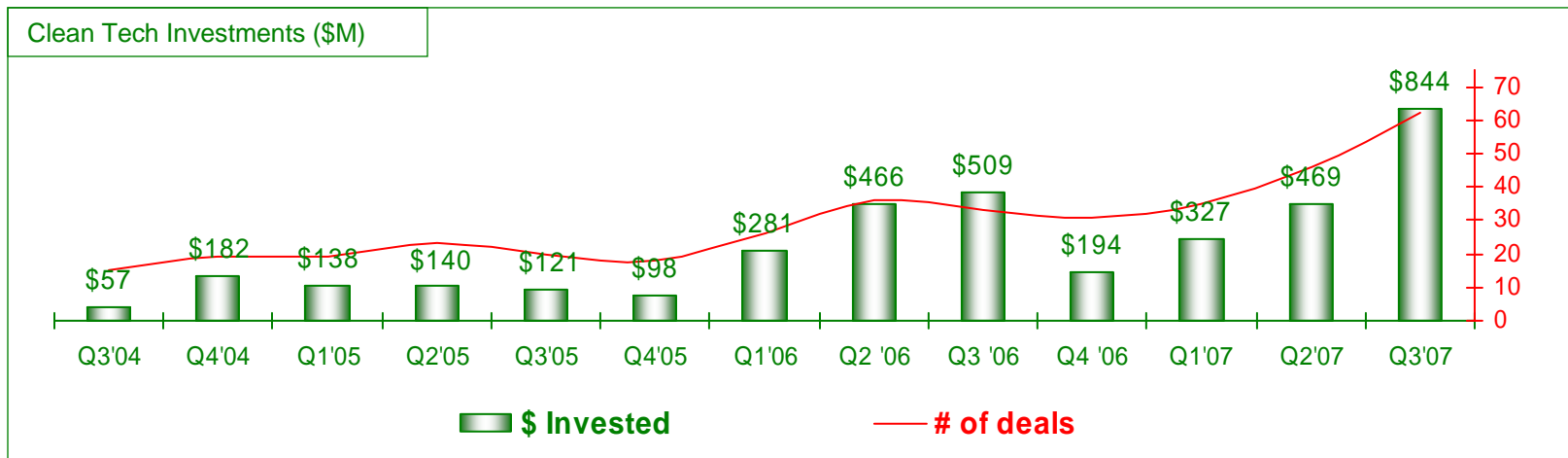
Investment Activity – Top Industries

Q3 2006, Q2 2007, Q3 2007



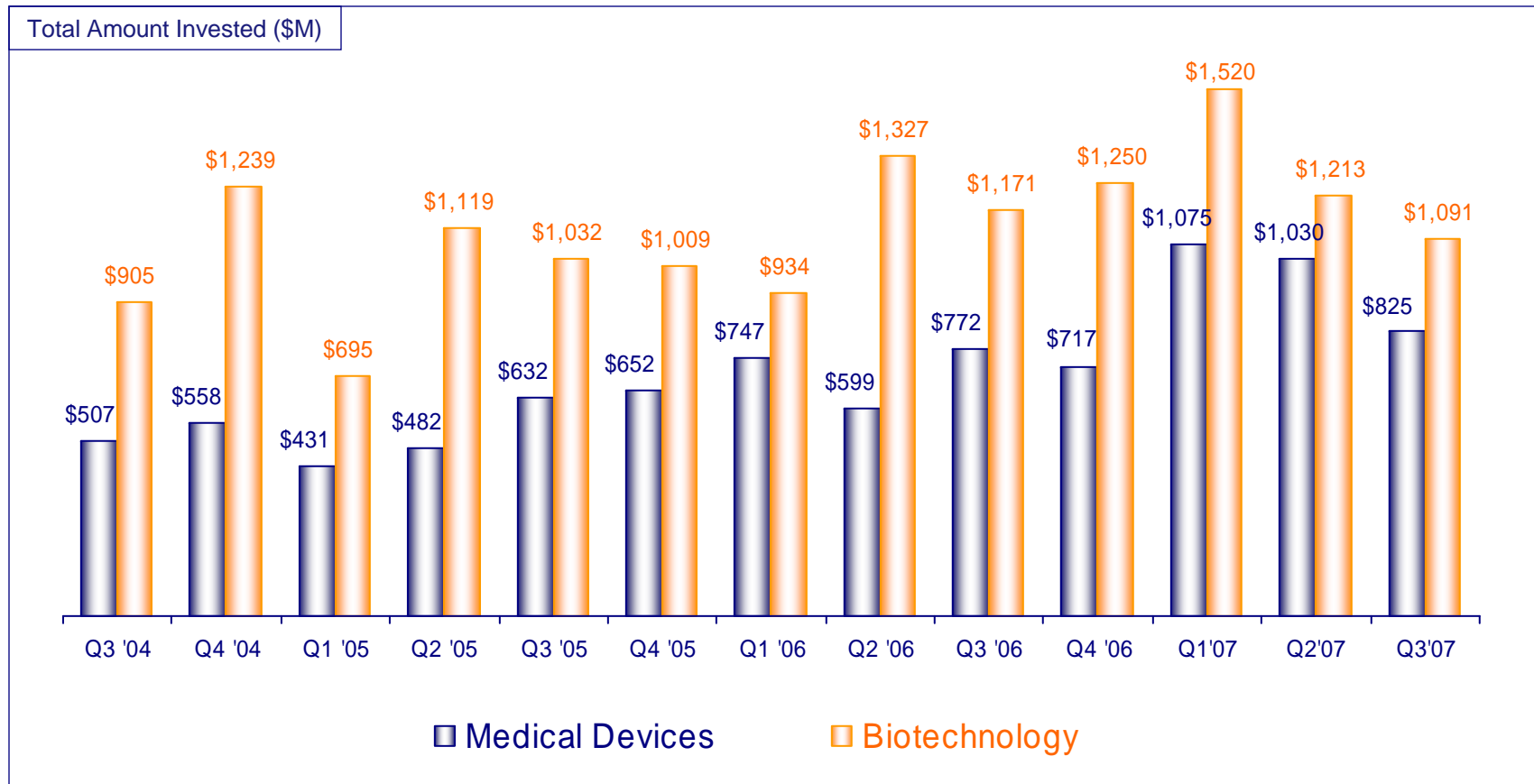
Internet-Specific & Clean Tech Investments

Q3 2004 – Q3 2007



Life Sciences Investments

Q3 2004 – Q3 2007



National Venture Capital Association



John S. Taylor
Vice President of Research
National Venture Capital Association

John S. Taylor is Vice President of Research at the National Venture Capital Association (NVCA) which is based in the Washington, DC area. He is responsible for developing and overseeing association data and research efforts. The key element in this effort is the creation of a research consortium which was announced in 1998 involving the NVCA, Thomson Venture Economics, and the Ewing Marion Kauffman Foundation. In December 2001, PricewaterhouseCoopers joined the team and the tri-branded MoneyTree™ survey became the definitive source for venture capital investment information. This team was created to ensure accurate, impartial, durable, and practical data on the venture capital and private equity industries. He joined the NVCA in 1996.

Mr. Taylor is frequently quoted by major newspapers and magazines on the subject of venture capital and private equity and has recently provided live commentary on CNBC, CNNfn, Bloomberg radio, and NPR Morning Edition.

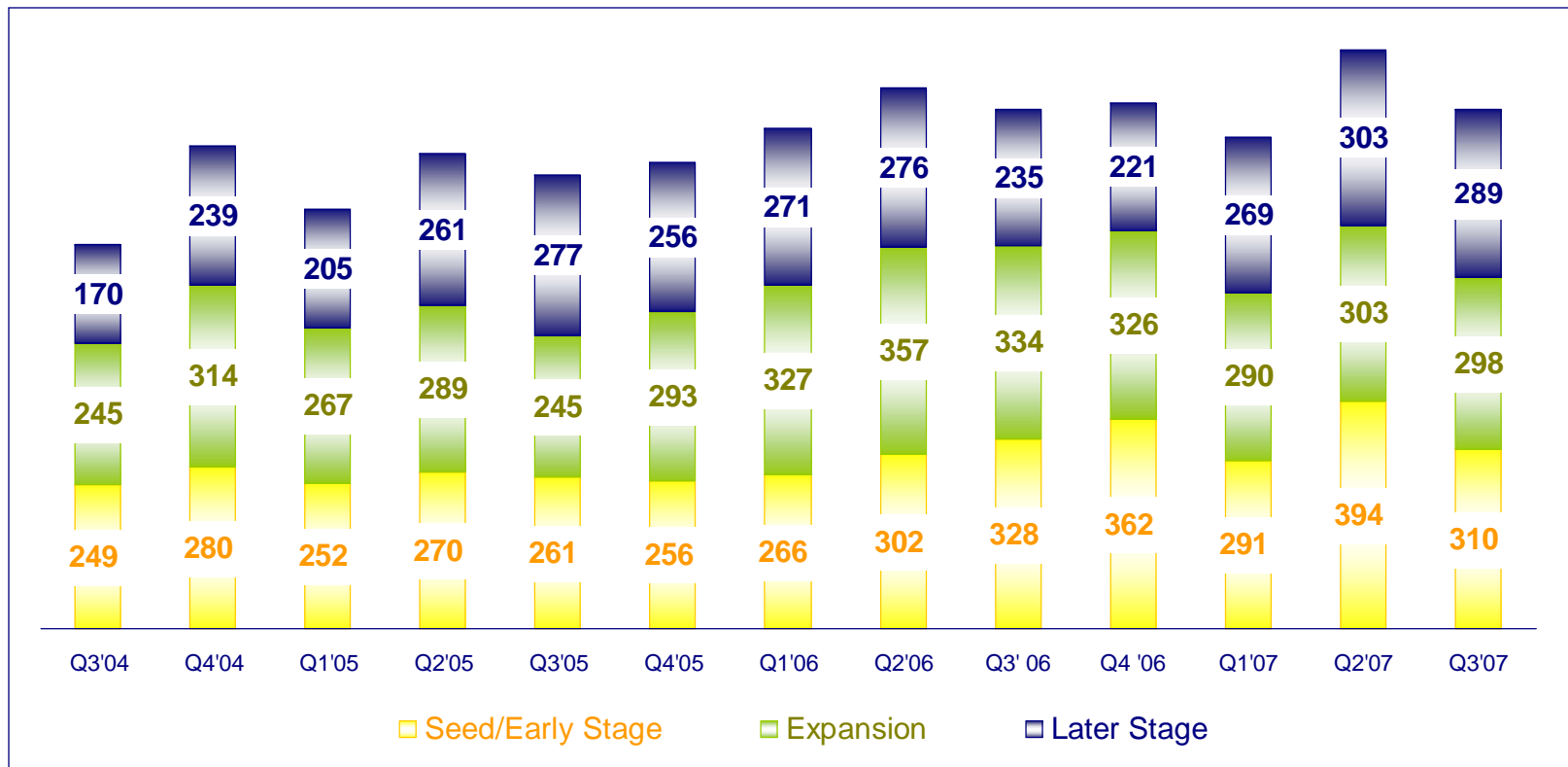
Mr. Taylor's career began with the company now known as Accenture where he was a senior consultant advising small business clients. He has since held senior product manager and IT positions in both large and small organizations. At a national computer services provider, he helped develop a new generation of minicomputer and microcomputer products for the residential real estate industry.

He has served as a board member of both for-profit businesses and non-profit organizations. In 1998, he was awarded the Maryland Governors Citation for outstanding volunteer service. He recently joined the Advisory Board of the Center for Private Equity and Entrepreneurship at the Amos Tuck School.

He received an MBA degree from the Amos Tuck School at Dartmouth College, and a BS degree in chemistry from Dickinson College.

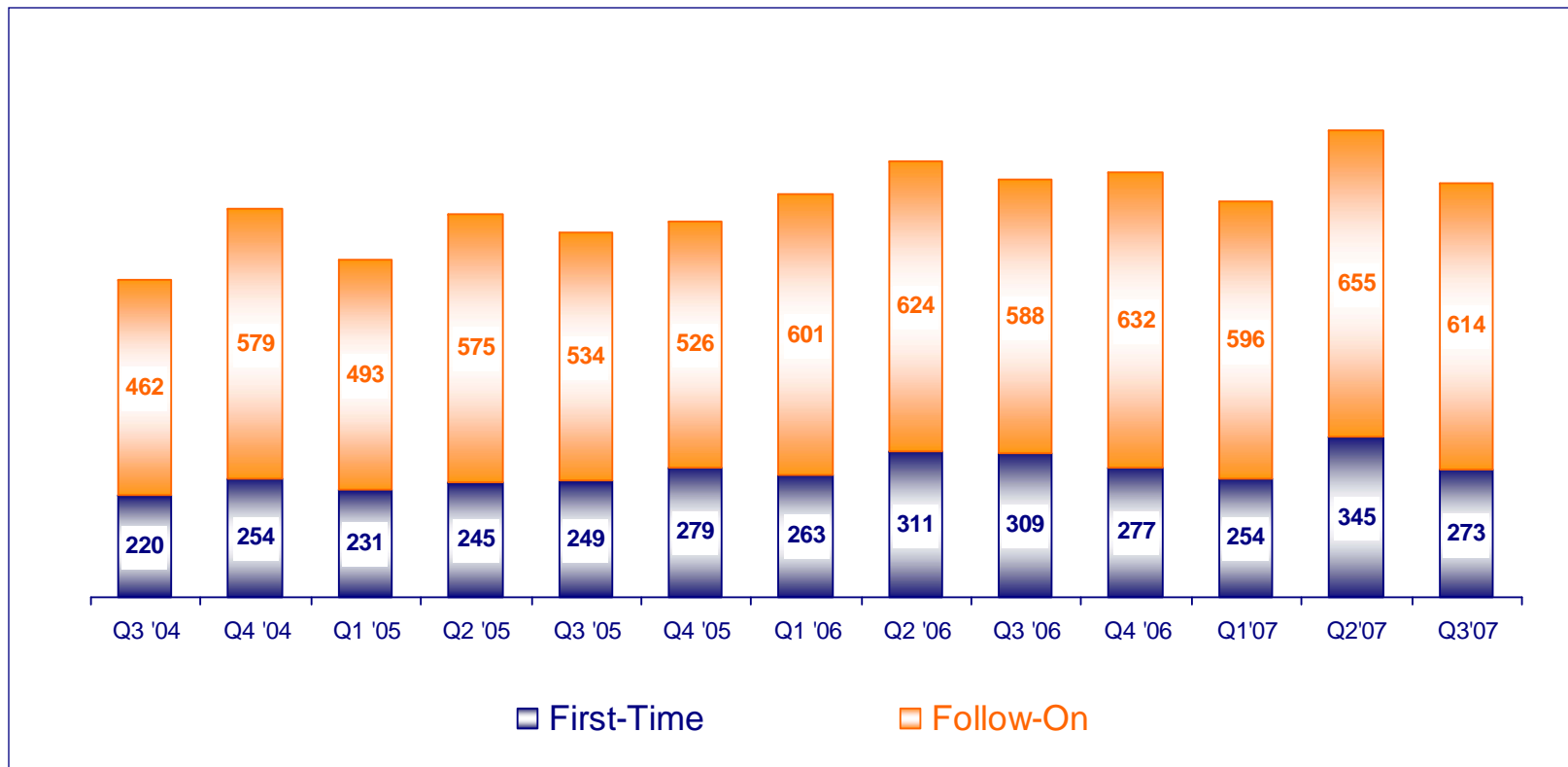
Number of Deals by Stage

Q3 2004 – Q3 2007



Number of First-Time vs. Follow-On Deals

Q3 2004 – Q3 2007



Mohr Davidow Ventures



Bryan Stolle
General Partner
Mohr Davidow Ventures

Bryan Stolle, a former entrepreneur, founder and chief executive officer, brings significant company building expertise to MDV. He focuses on and invests in people, ideas, and companies that are trying to solve big important business problems using new technologies, business models, and /or processes.

Stolle co-founded MDV-backed Agile Software in March 1995. He then served as a member of the Agile board of directors and as Agile CEO through April 2006, and remains Chairman of the Board. Prior to founding Agile, Stolle served in various executive marketing roles at Sherpa Corporation, a developer of enterprise product data management software and Rexcom Systems, a software company he co-founded. He started his career at EDS.

Stolle holds a B.A. in Business Administration and an M.B.A. from the University of Texas at Austin. Stolle is a visionary and pioneer in the PLM (Product Lifecycle Management) industry, and is a popular speaker on the topics of PLM, enterprise product strategy, and outsourcing. He also serves on the advisory boards of the Santa Clara University Leavey School of Business and the University of Texas McCombs School of Business, as well as the board of the San Jose Children's Discovery Museum.

H.I.G. Ventures



Bruce Robertson
Managing Director
H.I.G. Ventures

As a Managing Director at H.I.G. Ventures, Bruce Robertson focuses on investment opportunities in the life sciences sector, including biopharmaceuticals and medical devices. Bruce currently serves on the boards of Apollo Endosurgery, Inc. and CardioFocus. He also serves as Chairman of the Board for Metastatix. Bruce has been active in the life sciences sector for 20 years. Prior to joining H.I.G., Bruce served most recently as Managing Director at Toucan Capital, an early-stage venture capital fund focusing on life science investments. While at Toucan, Bruce invested in leading drug and device companies throughout the U.S. Prior to Toucan, Bruce was a General Partner at GIV Venture Partners, a venture capital firm focused on early stage investments in the US, India, and China. Prior to his venture capital career, Bruce was Director of Business Development at IGEN International, where he was responsible for formulating and implementing IGEN's partnering and M&A strategies. Bruce started his career as a Research Manager at W.R. Grace & Co., focusing on medical devices.

Bruce is on the boards of the Mid-Atlantic Venture Association, the Georgia Biomedical Partnership, Shady Grove Hospital, the BioLife Fund of Virginia's Center for Innovative Technology, and the University of Delaware Research Foundation. Bruce holds a BSE in Chemical Engineering and BA in Mathematics from the University of Pennsylvania, a PhD in Chemical/Biomedical Engineering from the University of Delaware, and an MBA with High Distinction from Harvard Business School.

MoneyTree™ Report

Q&A