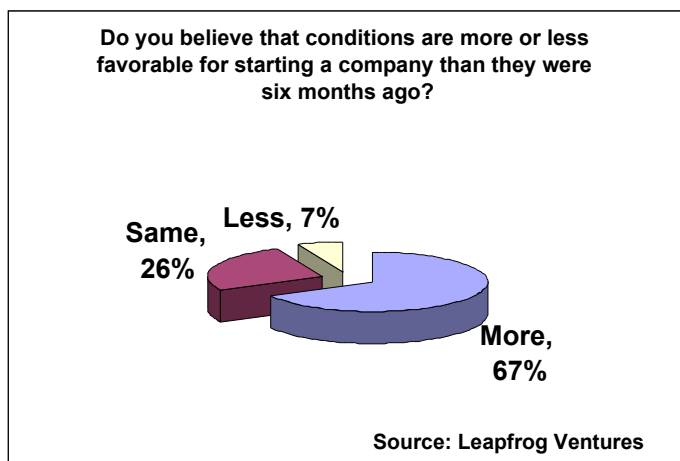




SURVEY OF SILICON VALLEY ENTREPRENEURS REVEALS INCREASED CONFIDENCE IN STARTUP VENTURE LANDSCAPE

Leapfrog Ventures' Survey of Current Entrepreneurs Shows Startup Conditions, Valuations and Liquidity Opportunities Have Improved in Last Six Months

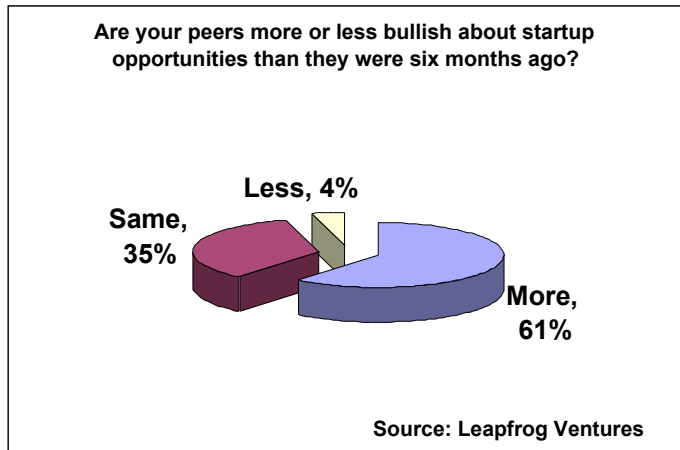
MENLO PARK, Calif., March 21, 2006 – According to a survey of Silicon Valley entrepreneurs – individuals who are seeking or have sought venture capital funding over the past year – over two-thirds of respondents indicated they believe conditions for starting a company today are more favorable than they were six months ago, outnumbering those who felt conditions were less favorable by more than a 10-1 ratio.



Conducted by Leapfrog Ventures, experts in early-stage venture capital for information technology companies, the Survey of Silicon Valley Entrepreneurial Confidence was designed to identify emerging trends in venture activity from the perspective of the entrepreneurs themselves.

“Amidst a changing economy that has proven difficult for many ambitious entrepreneurs to navigate through, our goal in conducting the survey was to help underscore how key players within the Silicon Valley see the landscape taking shape,” said Pete Sinclair, managing director, Leapfrog Ventures. “The results provide a ‘pulse’ of entrepreneurial confidence, looking at key issues impacting startup momentum today.”

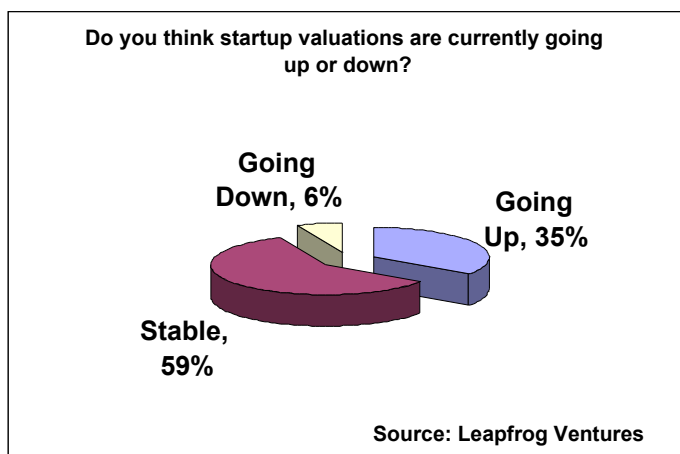
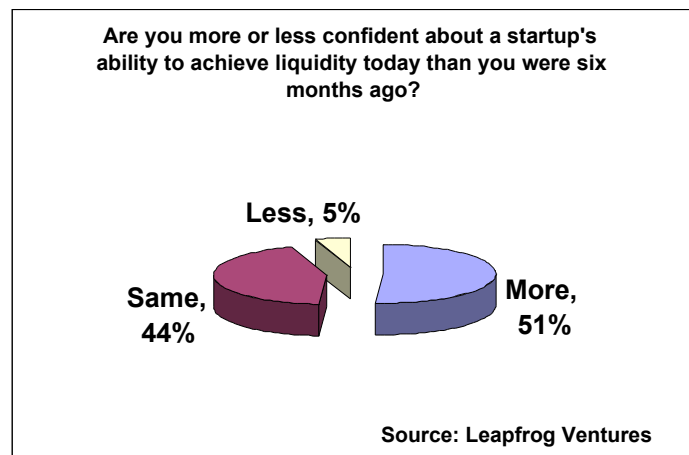
In addition to finding that the entrepreneurs polled were far more optimistic about current market conditions, the respondents also overwhelmingly felt their peers were likewise more confident than they were six months ago. Three out of five respondents (61 percent) indicated their peers felt bullish, outnumbering their bearish peers by 14-to-1.



“Not only are venture capitalists and other investors more willing to talk and provide significant insight, but they are willing to provide capital at more attractive valuations,” said Rafael Bracho, an entrepreneur currently seeking funding in the enterprise software space. “In addition, the increasing globalization of development, manufacturing and support resources

means that a new idea can be developed and brought to market much more quickly and at a fraction of the cost.”

The survey showed a higher level of confidence by entrepreneurs in their ability to achieve liquidity. The majority of respondents (51 percent) felt liquidity opportunities had improved in the past six months and the bulls outnumbered the bears by 10-to-1 in this category.



As a final indication of entrepreneurial confidence, nearly all survey respondents (94 percent) indicated they felt valuations were either stable or rising. The ratio of entrepreneurs who felt valuations were rising (35 percent) compared to those who felt they were declining was more than 5-to-1.

The survey was conducted in March 2006. The survey sample consisted of individuals from over 100 companies in the Silicon Valley known to be seeking funding or to have sought venture capital funding within the past year, all of whom were personally contacted by email. Nearly 50 percent of those contacted responded to the survey.

About Leapfrog Ventures

Leapfrog Ventures provides early-stage lead funding for visionary entrepreneurs in undiscovered, high-potential IT industry segments seeking a financial partner with diversified operational experience to help maximize corporate value. Headquartered in Menlo Park, Calif., Leapfrog Ventures (www.leapfrogventures.com) was founded by three preeminent Silicon Valley venture capital industry veterans, managing directors Mark Dubovoy, Peter Rip and Pete Sinclair. Their collective 35 years of successful venture investment experience and 40 years of operating experience brings together a unique combination of technical acumen, marketing prowess and financial management wherewithal. Leapfrog provides entrepreneurs with diversified operational expertise required to reinforce and further develop existing management strengths. This expertise includes access to additional investors that may be necessary to fund subsequent corporate development, the ability to assist in corporate structuring, including the acquisition of complementary technologies, the acumen required to vet innovative technology development, business development and marketing strategies, and industry contacts to help drive management team recruitment and sales.

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