



REDUX COMMUNICATIONS RAISES \$6M FROM
PARTECH INTERNATIONAL, GENESIS PARTNERS AND
GIZA VENTURE CAPITAL FUNDS

Modi'in Israel, January 21, 2002 – Redux Communications Ltd. has closed its second institutional round of finance in the amount of \$6M. Investors include US-European venture capital fund Partech International, as well as Redux's two first-round investors, Genesis Partners and Giza Venture Capital . Redux's first round in June 2000 was \$5 million.

Redux (www.reduxcom.com), based in Modiin, Israel was established in November 1999. The company develops chip-based technology for Internet traffic processing at the user side of the access link. Redux products can be integrated into any type of broadband access device such as cable, DSL, fixed wireless, satellite modems, as well as in the new generation of broadband gateways now appearing in the market.

This is the second investment by Partech International in Israel and the fourth investment in Israel by Mr. Jean-Marc Patouillaud, Partech's general partner. "As a leading US-European VC firm, Partech's investment in Redux underscores our belief in the company's potential, and in the importance of the broadband access market", said Mr. Patouillaud. "By adding application-level intelligence at the edge of the network, Redux provides solutions that meet the needs of both the service providers and the end-users."

Redux Communications was founded by Noam Levine, Daniel Bar-Lev, Gary Golemba and Israel Ben-Shahar, and currently employs 37 people. CEO Noam Levine said that the funds will be used for the launch and expansion of marketing activities for two new products, as well as the expansion of R&D resources.

Founded in 1982, Partech (www.partechvc.com) is an international venture capital firm with offices in the U.S. and Europe. The firm currently manages approximately \$850 million in early stage venture, mid stage venture and public investments, and draws capital from a broad base of world-class institutional investors, including AT&T Investment Management/JP Morgan, IBM Pension, Lucent, Bell Atlantic Asset Management, GTE, Merrill Lynch, Liverpool Victoria (UK), Swiss Life (Switzerland), and AXA (France). Partech International differentiates itself in three important ways: 1) International Approach: a strong track record of nearly 20 years of global investing, assisting portfolio companies with cross-border expansion, and an international group of partners. 2) Industry Focus: on enterprise software and communications solutions. 3) Lifecycle Financing: supporting companies with early stage, late stage and public equity investments. Some of Partech International's investments include: Ascend, Breezecom, Business Objects, Cadence, Digital Island, Informatica, Swan and Vignette.

Genesis Partners (www.genesispartners.co.il), an Israeli based venture capital fund, manages \$350 million in two funds focusing on Communication, Data, Storage and Enterprise Software. The fund is led by Eddy Shalev, Dr. Eyal Kishon, Yair Shoham, Gary Gannot and Ron Yachini. The team combines many years of experience, a technology focus and partnerships with prominent financial institutions, including CIBC-Oppenheimer, to help its portfolio companies succeed.

To date, Genesis has led companies to numerous successful exits and public offerings, including AudioCodes (NASDAQ: AUDC), Fundtech (NASDAQ: FNDD), Butterfly (acquired by Texas Instruments), ClickSoftware (NASDAQ: CKSW), VCON (Nouveau Marche: VCON) and Compugen (NASDAQ: CGEN).

Giza Venture Capital (www.gizavc.com) is one of the five largest and most experienced funds in Israel. Giza currently has \$270 million under management with \$100 million allocated to new investments. Giza's management team includes 20 professionals with extensive experience in the areas of technology, management and finance. Giza has been operating since 1992 and invests in seed to late stage companies. Focus of investment is in the communications, software and life sciences sectors. The largest investor in Giza's funds is GE Capital. Giza facilitates the advancement of its portfolio companies with successful exits such as Precise, Libit, M-Systems, Zoran and DSPC.

Giza is managed by Zeev Holtzman (Chairman and CEO), Zvi Schechter (Co-Founder & Managing Director), Giora Bitan (Managing Director) and Ezer Soref (Executive Vice-President). Giza assists its portfolio companies to develop global markets via its offices in Silicon Valley, London and Singapore. To date, Giza funds have invested in 55 companies, which have resulted in 20 successful exits.

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