

Optical Networking Start-up Innovance Networks Secures \$US 95 Million in Financing

*Next-Generation Photonic Networking Solution Provider
Gets Vote of Confidence from Kalkhoven and other Leading Investors*

PISCATAWAY, New Jersey– December 5, 2000. Innovance Networks, a privately-held optical networking company founded in May 2000, has closed its latest round of financing, raising over \$US 75 million in venture capital, bringing its total financing to date to \$US 95 million. Innovance Networks is a photonic networking solutions provider for global backbone and regional networking service providers, with locations in both the U.S. and Canada.

“We’re delighted by the overwhelming support we have received from the investment community,” said Peter Allen, Chief Executive Officer, Innovance Networks. “Having the support of a group of industry-leading investors, who share our vision for the next-generation photonic network, is a strong validation of our value proposition and an invaluable asset as we bring our network solution to market.”

The latest round of financing was lead by Morgenthaler Ventures (www.morgenthaler.com) and Thomas Weisel Partners (www.tweisel.com). Gary Little, General Partner, Morgenthaler Ventures stated: “Innovance Networks has assembled a world-class team of optical networking talent, and are led by a proven management team. We are impressed by the clarity of their vision and are excited to be a part of this opportunity.”

Other key investors in this latest round included Azure Capital (lead investors in the seed round), Advanced Technology Ventures (www.atv-ventures.com), Banc of America (www.bankofamerica.com), and KPL Ventures.

Kevin Kalkhoven, former CEO of JDS Uniphase, and an investor in Innovance Networks through KPL Ventures said: “Innovance Networks is one of a few new players capable of tackling backbone optical networking, and for good reason ... it’s a challenge. They know their customer base, the technology, and are connected in the industry. They’ve done it before, and they’ve got a vision and strategy in place to do it again.”

About Innovance Networks

Combining the energy and drive of a start-up, with the experience and know-how of a proven team of optical networking professionals, Innovance Networks is building a new-breed company, focused on delivering next-generation photonic transport solutions for global backbone and regional network Service Providers. Our unique focus and our optical networking expertise give us the ability to shape and direct technology to

respond quickly to customer needs with best-of-breed, real-world solutions. To date, Innovance Networks has over 100 employees located in Ottawa, Ontario (Canada) and Piscataway, New Jersey (U.S.). www.innovance.com.

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