



**Investing in Management
to Build Long Term,
Sustainable Value**

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RIGEL ASSOCIATES COMPLETES INITIAL FUNDING

EXIT FROM INVESTMENT IN GOOGLE PRE-IPO SHARES A SUCCESS

SAN MATEO, California – (July 8, 2005) – Rigel Associates, LLC, a private equity group focused on investing in technology, manufacturing and business services companies, today announced the close of its initial funding.

Rigel co-founders Michael Mitgang and Harold Robinson are also pleased to announce the highly successful exit from their firm's first direct investment, an equity position in Google, Inc. Rigel California Investments, LLC, a predecessor to Rigel, acquired this position from a selling shareholder in August 2003, a year before Google's initial public offering, and has recently distributed the net proceeds to investors.

Building on the successful Google investment and its initial funding, Rigel will now focus all of its efforts on its core strategy of investing in an overlooked asset class comprised of businesses with \$10 - \$50 million in revenue, consistent histories of cash flow, demonstrated market differentiation and well-defined opportunities for growth.

"We believe businesses that fit this profile are underserved by the investment community," said Rigel co-founder Harold Robinson. "They are often too late in their development cycle to interest venture capital firms and too small to attract larger private equity firms, strategic investors and Wall Street."

The shortage of capital and limited number of professionals with the expertise to help companies in this size range presents a large and exciting investment opportunity. As a firm, Rigel is positioned squarely between the venture capital and large private equity investor communities and has been formed specifically to address the special challenges associated with making private equity investments in small-cap businesses. Rigel seeks to create value by relying less on financial engineering and corporate restructuring and more on pursuing a "build" strategy of working with its management partners to grow portfolio companies into leaders in their industry segments.

Michael Mitgang, a Rigel co-founder, explains, "Our firm invests in businesses and collaborates with strong management teams to accelerate growth, often by initiating complementary mergers and acquisitions. We target companies that have reached a point where the timely infusion of investment capital and the application of the corporate

development and management capabilities of our team can launch a business on a new trajectory that significantly increases value."

Founding partners Mitgang and Robinson bring proven track records to Rigel, having completed more than 10 private equity and 100 corporate finance transactions with an aggregate value in excess of \$10 billion. They have raised capital, made private investments and provided advisory services to a broad range of companies from early stage technology clients to mature industrial entities utilizing a full spectrum of financial instruments.

The founders have also recruited a very impressive team of advisors and investment partners that represent over \$300 million of capital with a broad range of expertise in areas such as corporate finance, operations, principal investing, strategic planning, human resources, international business, corporate integrations and executive recruiting. Rigel intends to distinguish itself by delivering significantly more than just capital to its portfolio companies.

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