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## The Leading Investor in Expanding Mid-Atlantic Information Technology Companies

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### Edison Venture Completes Follow-on Investment in M5 Networks Supports Growth of NYC-based VOIP Communications Leader

**LAWRENCEVILLE, NJ, April 17, 2008** -- Edison Venture Fund announces completion of a \$2 million follow-on investment for M5 Networks headquartered in New York, NY. Edison's cumulative investment reached \$7 million. Edison led the growth financing round totaling \$3 million for this expanding business. The use of proceeds will expand sales, marketing and product development.

M5 provides small and medium sized businesses with Voice as a Service--a high-end Voice over IP hosted phone system, without the expense, maintenance and obsolescence of an on-premise phone system. Multiple offices, remote office workers, telecommuters and road warriors can be brought together seamlessly.

"Edison's experience and network have been critical to our growth," observed Dan Hoffman, CEO of M5. Joe Allegra, General Partner, and Bill Wagner, Edison Director Network member, serve on the board of directors. Wagner is the Chief Marketing Officer of Vocus (NASDAQ: VOCS) and former Chief Marketing Officer of Fiberlink, both successful Edison investments. "M5's management team proves their domain expertise by outpacing competition," commented Joe Allegra. "The company is well-positioned for accelerating growth," noted Tom Vander Schaaff, Vice President of Analysis who led the diligence process.

Edison has financed and guided over 31 companies specializing in communications. Active investments include Exclaim, Fiberlink, Innovectra, Fishbowl, Logic Tree, Tangoe and Telarix. Successful communication exits include DSET, Eastern Telelogic, EIS, Insoft, Netegrity, Tylink, Visual Networks and VSpan. Edison has invested in thirteen New York-based companies including Correctnet, eChalk, Edgetrade, FinePoint, Giant Realm, Operative, Pinnacle Taxx and SmartAnalyst.

### **About Edison Venture Fund**

Established in 1986, Edison partners with entrepreneurs, service providers and other financing sources to build successful companies. Edison provides capital and value-added services to expansion stage (\$5 to 20 million revenue), information technology businesses. Initial investments range from \$5 to 8 million. Edison typically serves as a sole or lead investor in financings up to \$10 million. In addition to providing expansion capital, Edison funds management buyouts, recapitalizations, spinouts and secondary stock purchases.

Edison's investment professionals are based in Lawrenceville, NJ, McLean, VA, New York, NY, Needham, MA and West Chester, PA. Industry specialties include application software, communications, financial technology, interactive marketing, healthcare & pharmaceutical IT. Edison's successes include Axent, Best Software, Dendrite, E-Transport, Gain Capital, MathSoft, Princeton Financial, VirtualEdge, and many other information technology leaders, which have a combined market value exceeding \$5 billion. Edison currently has \$550 million under management and is actively making new investments. [www.edisonventure.com](http://www.edisonventure.com)

### **About M5 Networks**

M5 Networks is the pioneer of "Voice as a Service," a breakthrough solution for business phone communications. Industry experts predict that in ten years no business will have a phone system. Instead, they will require phone system capabilities as an on-demand, managed service over an IP network optimized for voice – in other words, Voice as a Service. Today M5 serves a rapidly growing base of mid-sized businesses. Its solution is distinguished by the rich capabilities and unmatched service that one would expect from an industry leader.

M5 Networks has received considerable recognition and was named to the 2006 Inc. 500 (#272) and the 2007 Deloitte's Technology Fast 50. M5 was recognized by CRN as one of the top 15 Key VoIP Players in 2007. Internet Telephony magazine named M5 Networks an Excellence Award Winner of 2007 for their Call Center solution and awarded 2007 Product of the Year recognition to M5's Sales Engine. M5 has also been included on the Pulver 100 list for six consecutive years in addition to receiving numerous other accolades. To learn more about M5, please visit <http://www.m5net.com>.

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