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Convey Computer™ Secures \$24 Million Series B Financing for Greener, High Performance Computers

Significant Venture Capital Investment will Increase Global Presence and Drive Product Production; New Members Join Convey Board

RICHARDSON, Texas (July 29, 2009) – Convey Computer Corporation, the pioneer of hybrid-core computing – a technology designed to help high-performance computers run faster while significantly reducing the energy they use – announced today it has closed \$24.15 million in Series B financing. Additionally, the company announced two new board members with extensive technology experience: Jiong Ma, Ph.D., of Braemar Energy Ventures (www.braemarenergy.com) and Joshua Ruch of Rho Ventures (www.rho.com).

The round of funding was led by new investor, Braemar Energy Ventures. Series A investors CenterPoint Ventures, Intel Capital, InterWest Partners, Rho Ventures, and Xilinx® also participated.

Convey was founded in 2006 and introduced its product, the Convey HC-1™, in November 2008. To date, Convey has received \$39.25 million in venture funding.

“This latest investment is a significant achievement during challenging financial times,” said Philip “Flip” Gianos, Convey board chairman and InterWest general partner. “Convey is one of the most interesting computer companies started in decades. The money raised speaks to the size of the market, the relevance and innovation of the solution and, most importantly, to the caliber and effectiveness of the Convey team.”

Convey products help customers reduce energy costs associated with high-performance computers, while boosting performance by as much as 25x. They also reduce programming challenges, allowing customers to more effectively adapt to current and emerging applications. Convey’s system, the Convey HC-1™, tightly integrates advanced, patent-pending computer architecture and compiler technology

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with commercial, off-the-shelf hardware – namely an Intel® Xeon® processor and Xilinx® Field Programmable Gate Arrays.

“A modern data center can cost hundreds of millions of dollars, with power and cooling costs making up half of the annual operating costs. Every watt required to power a server requires another watt to cool it and cooling equipment can take as much space as the servers,” said new Convey board member, Jiong Ma, principal with Braemar Energy Ventures. “On key HPC workloads, Convey’s HC-1 reduces the number of servers required dramatically. One rack of Convey servers can replace multiple racks of traditional application servers, which means that customers can realize dramatically lower power and cooling costs. For example, one Convey customer expects the HC-1 to reduce their power and cooling costs by 92 percent.”

Braemar Energy Ventures brings more than 55 years of combined experience in operating and financing energy technology companies to the Convey investor pool. They are known for making early and growth-stage investments in companies and management teams with superior technologies and marketplace experience.

“With our history in high-performance computing, we understand the critical role technology plays in advancing science, uncovering new energy reserves, or discovering new ways to analyze data,” said Bruce Toal, CEO and president of Convey Computer Corp. “Our goal – one that investors and customers support – is to build easy-to-use computer systems that increase application performance, decrease energy use, and efficiently augment the Intel Architecture platforms, which are the servers of choice in the HPC market. We strongly believe customers will benefit from our development strategy that emphasizes the system easiest to program is the most effective in reducing programming challenges and costs.”

Convey is managed by a seasoned team of technology executives including Toal; CTO Tony Brewer; and chief scientist Steve Wallach. The co-founders first worked together at Convex Computer Corporation, which was purchased by Hewlett-Packard in 1995. The trio assembled the Convey team, including many former colleagues from Convex Computer Corporation. The Convey name is derived from the concept of “Convex next” – next generation, next letter in the alphabet, and next technological breakthrough in the field of high performance computing.

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Toal stated that the Series B investors were impressed that the Convey team met its milestones, including recently shipping beta units to customers who are using the systems in diverse applications like bioinformatics, data mining, government, defense, and oil and gas. Production units will be available this quarter and, with the new capital, Convey plans to increase product production as well as expand its global presence.

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About Jiong Ma, Ph.D.

Dr. Ma has more than 10 years of research, operating and venture capital experience in the technology industry. Prior to joining Braemar, she was with 3i where she was a Kauffman Fellow, and before that held several senior positions at Lucent Technologies and Bell Labs. Dr. Ma was also a founding team member of Onetta, a fiber networks start-up company. In addition to Convey, she serves on the board of two other companies dedicated to energy efficiency: Fulham and Laser Light Engines. She has published or co-authored 15 technical papers, and holds one U.S. patent. More information is available at: <http://www.braemarenergy.com/team/>.

About Joshua Ruch

Joshua Ruch is Managing Partner and Founder of Rho Capital Partners. Previously he was an investment banker at Salomon Brothers in New York. His current and former board seats include: Enerkem, GenVec, Verenium, Sionex, Yantra, Inotek, Vidyo, Fractal, Ciris Energy and WiNetworks. Mr. Ruch received an MBA from the Harvard Business School. More information is available at: www.rho.com.

About Convey Computer Corporation

Based in Richardson, Texas, Convey Computer breaks power, performance and programmability barriers with the world's first hybrid-core computer—a system that marries the low cost and simple programming model of a commodity system with the performance of a customized hardware architecture. Convey brings decades of experience and intellectual assets to performance problem-solving. Its executive and design teams all come from successful backgrounds of building computer companies, most notably Convex Computer Corporation and Hewlett-Packard. Convey Computer investors include Braemar Energy Ventures, CenterPoint Ventures, Intel Capital, InterWest Partners, Rho Ventures, and Xilinx. More information can be found at: www.conveycomputer.com.

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