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Premier Social Loyalty Solution 500friends Secures \$4.5Million Series A Financing from Crosslink Capital and Intel Capital

March 15, 2012 (San Francisco) - 500friends, Inc., the market-leading social loyalty solution for e-commerce retailers, today announced it has completed a \$4.5M Series A financing led by Crosslink Capital, with participation from Intel Capital and several members of the company's executive team. The funds will be used to further establish the company's dominance in social loyalty by solidifying platform functionality, growing sales and marketing, and building out a world-class client success organization. Eric Chin, General Partner with Crosslink Capital, has joined 500friends' Board of Directors in conjunction with this financing.

500friends was founded in 2010 by high school drop-out-turned serial entrepreneur Justin Yoshimura to solve a problem he faced at his previous e-commerce companies. While analytics, email marketing, user-generated content and shopping cart solutions were all readily available for emerging commerce plays, for retailers wanting to increase customer loyalty, there were very few options in the marketplace. This void, combined with the explosion in social networking was the driving force behind the founding of 500friends. Justin, along with veteran e-commerce experts recruited from Buy.com, eBillme, RichRelevance, StrongMail, PopularMedia, Digitas, IAC/InterActive Corp, Accertify, and Webloyalty, developed 500friends' white-label social loyalty platform, LoyaltyPlus™, which provides leading retailers with the tools and analytics to recognize and reward the customer behaviors that matter most to their brand, including writing reviews, referring friends, sharing products on Facebook or Twitter, and frequent purchasing.

"Social loyalty has disrupted how retailers have traditionally conducted business. Historically, loyalty programs were only within reach for retailers with the financial resources to bring in specialized agencies or the ability to allocate significant internal resources to build and maintain complex systems," said 500friends CEO Justin Yoshimura. "We are helping to level the playing field and give retailers, regardless of size, the ability to deploy rich and responsive programs that extend their relationships beyond the purchase and make customers into advocates. In as little as 2 to 4 week's time, retailers can deploy LoyaltyPlus and tap the powers of social media, loyalty marketing and robust analytics as key components to their overall customer acquisition and retention strategies."

Since the platform launched in July 2011, 500friends has seen adoption from leading digital retailers such as Hotels.com, US AutoParts, and Shoebuy.com, e-commerce sites for megabrands such as L'Oreal and Armani, to fast growing e-commerce brands like Scentiments.com and PetfoodDirect.com. Loyalty programs powered by 500friends have proven to significantly increase customer engagement, as current clients are seeing up to 40 percent enrollment rates.

"Crosslink Capital's proven track record of success with SaaS companies providing solutions to the retail category combined with Intel Capital's long standing history of supporting innovation, made the selection of our new investors a simple decision" added Yoshimura.

500friends is the latest addition to Crosslink Capital's portfolio of SaaS companies for retail, which includes Omniture and Marin Software. "500friends is delivering what retailers need to leverage social channels to convert shoppers into loyal customers and loyal customers into advocates," explains Eric Chin. "Their innovative solution is already in deployment and their domain expertise and capital efficient approach is allowing them to keep the lead. The company has a great growth curve ahead of them and we are always seeking opportunities to invest in the next billion dollar companies."

"500friend's approach to loyalty marketing is truly innovative," said Marc Yi, Managing Director, Intel Capital. "We believe the next generation of e-commerce will be defined by solutions at the intersection of social networking, e-commerce and data analytics. We look forward to

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collaborating with the company and working with its team in building the next generation social loyalty solution.”

About 500friends

500friends is pioneering the next generation of loyalty marketing with its award winning white label social loyalty software-as-a-service platform, LoyaltyPlus™. Flexible, scalable, and lightweight, LoyaltyPlus helps retailers large and small to kickstart either new loyalty programs or provide social wraps around existing programs and help retailers and brands move customers up the loyalty curve to advocates. A 2010 Y-Combinator graduate, the company brings together more than 60 years of e-commerce expertise and the team has supported such brands such as Nike, American Express, Sears, Shutterfly, TicketMaster, Orbitz, Williams-Sonoma and Continental Airlines. Based in San Francisco, the company is funded by Crosslink Capital, Intel Capital, Y-Combinator, and well-known individual investors such as Jeff Fluhr, Steve Newcomb, Naval Ravikant, and Chris Yeh. For more information, please visit <http://www.500friends.com> or follow us on twitter @500friends.

About Crosslink Capital

Crosslink Capital is a leading stage-independent venture capital and growth equity firm with over \$2 billion in assets. Crosslink, which traces its roots back to 1989, was among the first and largest investment firms in the U.S. to integrate public and private growth technology investing in three families of funds: venture capital funds, long/short hedge funds and a unique hybrid crossover fund. This strategy allows Crosslink to partner with its portfolio companies on a long-term basis. With more than 20 years behind it, Crosslink Capital has invested in over 100 private equity portfolio companies, at the early, mid, and late stages including Pandora (NYSE: P), [Ancestry.com](http://www.ancestry.com) (NASDAQ: ACOM), Omniture (acquired by Adobe Systems), Equinix (NASDAQ: EQIX), Carbonite (NASDAQ: CARB), Intematix, SeaMicro, Synapsense, Bleacher Report, Marin Software and DataStax. For more information on Crosslink, visit <http://www.crosslinkcapital.com>.

About Intel Capital

Intel Capital, Intel's global investment and M&A organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital invests in a broad range of companies offering hardware, software, and services targeting enterprise, mobility, health, consumer Internet, digital media, semiconductor manufacturing and cleantech. Since 1991, Intel Capital has invested more than US\$10.5 billion in over 1,218 companies in 51 countries. In that timeframe, 196 portfolio companies have gone public on various exchanges around the world and 291 were acquired or participated in a merger. In 2011, Intel Capital invested US\$526 million in 158 investments with approximately 51 percent of funds invested outside the U.S. and Canada. For more information on Intel Capital and its differentiated advantages, visit www.intelcapital.com or follow @intelcapital.