



PRESS RELEASE

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TENEROS SECURES \$7 MILLION IN SERIES A FUNDING FROM NEW ENTERPRISE ASSOCIATES AND SEVIN ROSEN FUNDS

General Partners Join Board to Counsel Development and Growth

MOUNTAIN VIEW, Calif. – July 12, 2004 – Teneros, Inc., developers of the first application continuity appliance addressing the need for zero-downtime of mission critical applications, announced today that it has closed Series A funding of \$7 million from New Enterprise Associates (NEA) and Sevin Rosen Funds.

"We are very pleased to have NEA and Sevin Rosin as investors and advisors in the development of our vision for application continuity solutions," said Steve Lewis, CEO of Teneros. "This funding is an important step in the timely delivery of products addressing a huge market need."

In addition, the company announced that partners from NEA and Sevin Rosin have taken board of director seats. Scott D. Sandell joined the Teneros board from NEA. He is currently a general partner at NEA and sits on the boards of Actional, Agami Systems, CenterBeam, Data Domain, Ensim, FineGround Networks, Foveon, and Spreadtrum Communications. Sandell formerly served on the boards of Amplitude Software (acquired by Critical Path), Neoteris (acquired by Juniper Networks, (NASDAQ: JNPR), NetIQ (NASDAQ: NTIQ) and WebEx (NASDAQ: WEBX).

Nick Sturiale comes to the Teneros board from Sevin Rosen Funds where he serves as a general partner and sits on the boards of Chutney, NeoScale, RouteScience, SolidCore and Westbridge. Prior to Sevin Rosen, Sturiale spent many years as an entrepreneur in the enterprise software, flat panel display, and semiconductor industries.



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About NEA

New Enterprise Associates (NEA) is a leading venture capital firm focused on helping entrepreneurs create and build major new enterprises that use technology to improve the way we live, work and play. Since its founding in 1978, the firm has followed the same basic principles: support their entrepreneurs, provide an excellent return to their limited partners and practice their profession with high standards and respect. Practicing classic venture capital for over 25 years, NEA focuses on early stage investments, playing an active role in assisting management to build companies of lasting value. With \$6 billion under management, NEA's experienced management team has invested in over 500 companies, of which more than 145 have gone public and more than 185 have been acquired. NEA has offices in Reston, Virginia, Menlo Park, California and Baltimore, Maryland. For more information, visit www.nea.com.

About Sevin Rosen Funds

Founded in 1981, Sevin Rosen Funds is a top-tier venture capital firm with a successful track record with early-stage ventures. Over the past 21 years, SRF has employed a unique blend of technical vision and operational expertise to identify, at a very early stage, the potential of such companies as Compaq, Lotus Development, Cypress Semiconductor, Citrix, CIENA, and Capstone Turbine. For more information, visit www.srfunds.com.

About Teneros

Founded in 2003, Teneros has pioneered a new product category that assures continuity of operations for mission critical Microsoft™ applications fueling corporations worldwide – the Teneros Application Continuity Appliance. Funded by New Enterprise Associates and Sevin Rosen Funds, the company is developing a family of extensible continuity appliances to serve the needs of the small and medium-sized enterprise (SME) market and branch offices of large enterprises. Teneros is headquartered in Mountain View, California, with offices in Seattle, Washington and Gurgaon (Delhi), India. For more information, visit www.teneros.com or call 650-641-7400. Teneros is located at 215 Castro Street, 3rd Floor, Mountain View, CA 94041.

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