



ABS Ventures Leads \$34 Million Investment To Improve High-Speed Data Service Delivery

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BETHLEHEM, Pa. -- Synchronoss Technologies, Inc., a premier business service provider of hosted operations support systems (OSS) environments for major telecom carriers, today announced that they have completed a first round of \$34 million in funding from six leading institutional investment firms. Synchronoss' comprehensive OSS solution enables top tier telecom carriers to streamline service activation and order management, and accelerate delivery of high-speed data services.

The funding is led by venture capital firm ABS Ventures, along with Rosewood Venture Group and Ascent Venture Partners. C.E. Unterberg, Towbin, Adams Street Partners and Liberty Ventures, L.L.C. also participated in the round. The capital is being used to expand key market and product development efforts of Synchronoss' ActivationNow OSS platform. Synchronoss has already secured customer agreements with AT&T, Qwest, and WorldCom.

"No matter what the economic backdrop, we look for a few critical things when we invest: a seasoned management team, early traction with key prospects, a sustainable business plan, and a jump start on the competition in a huge market opportunity," said Phil Black, ABS Ventures. "Synchronoss has all of those things."

"OSS itself has been around for quite a while, but we haven't seen such a unique approach to solving what has traditionally been the bane of the carriers existence," said Anne Martin, Rosewood Venture Group. "The market continues to shake out while Synchronoss continues to focus on their goals, line up customers and gain momentum. We're more confident than ever that our investment in Synchronoss is an investment in the future of high-speed data delivery."

Synchronoss' Series A funding began with an investment of \$25 million when the company was founded in November 2000. The recently finalized infusion of an additional \$9 million completes the first round.

Synchronoss was created to address a critical problem in the telecommunications industry - despite billions invested in high capacity networks, carriers relying on legacy OSS systems are still challenged to connect subscribers. According to Dataquest, the OSS expenditure in the United States alone is expected to reach \$24 billion by 2003.

"Service delivery issues are keeping the major telecom carriers from realizing the full potential of their high-speed data networks," said Karl Whitelock, director of Stratecast Partners OSS competitive strategies program. "Their OSS environments do not easily support end-to-end business processes, especially regarding customer demand for 'instant' service activation. What the industry really needs is a reliable alternative to service providers owning all aspects of the customer service management experience that may be achieved in-part, by capitalizing on the strengths hosted OSS solutions bring to bear."

Industry-Proven Management Team Assembled

Synchronoss' senior management team is composed of experienced industry executives with successful track records at established telecom carriers and high-growth telecom start-ups.

Stephen Waldis, president & CEO. Twelve years of leadership and professional service experience in the telecommunications industry. Waldis was named as the Ernst & Young New Jersey Telecom Entrepreneur of the Year in 2000. Waldis served as vice president and chief operating officer of Vertek Corporation for six years, during which time the company doubled revenues every year.

David Berry, chief technology officer. Fifteen years of experience in systems development for the telecommunications, pharmaceutical and financial industries. In addition to serving as the leading architect at Vertek Corporation, Berry was a project leader at AT&T, where he managed the design, architecture and implementation client/server platforms for AT&T's toll free billing.

Chip Wright, vice president of product delivery. Twenty years of telecom management and development experience. Wright's background includes senior program management and product development positions at MCI WorldCom and Sprint.

Michael Lanke, vice president of sales. Over twenty years of experience in domestic and international network services sales. As director of global accounts at MCI, Lanke oversaw the sales and account management teams for MCI's largest international

enterprise customers. Also at MCI, Lanke built joint venture partnerships and established sales and distribution operations in Europe.

Charles Kelleher, vice president of strategic marketing. Twenty-three years of R&D, product management and strategic marketing experience. At Vertek Corporation, Kelleher established their successful telecom consulting practice and led numerous large-scale business process improvement projects and OSS application development teams.

Thomas Miller, vice president of business development. Ten years experience in international business development and investment banking in the telecom sector. He also brings to Synchronoss a demonstrated track record of securing multi-million dollar customer partnerships.

"Today's investors are extremely cautious about where they put their money," said Stephen Waldis, president and CEO of Synchronoss. "It is gratifying to see that our fast emerging space is attracting such major interest. This backing by partners of such high stature, the top-level management team we've attracted, and a customer base that includes some of the best known names in telecom, is a strong validation of our business model."

About Synchronoss Technologies Synchronoss Technologies, Inc. is one of the first players in the emerging business service provider market. Synchronoss offers a hosted and secure operations support systems (OSS) back-office platform for communications service providers worldwide. The company was launched in November 2000 and has secured \$34 million in funding led by venture capital firm ABS Ventures. The company's customers include leading telecommunications carriers such as AT&T, WorldCom and Qwest. Synchronoss is headquartered in Bethlehem, Pa. For more information about Synchronoss Technologies, Inc., please visit the company's website at www.synchronoss.com.

About ABS Ventures ABS Ventures is a leading independent, institutional venture capital firm with offices in Baltimore, San Francisco, New York City and Vienna, VA. ABS is dedicated to helping its portfolio companies become successful, and works very closely with management teams in the areas of senior management recruiting, new customer contacts, strategic decision making and additional financing. For additional information, please visit their web site at www.absventures.com.

About Rosewood Venture Group Founded in 1985, Rosewood Venture Group manages \$300 million in venture capital. The firm primarily focuses on building companies in the business-to-business, infrastructure and services sectors. For additional information, please visit their web site at www.rosewoodvc.com.

About Ascent Venture Partners Ascent Venture Partners is a Boston-based venture capital firm offering start-up financing and strategic support to outstanding entrepreneurs. Ascent focuses on early-stage Internet infrastructure businesses located in the northeastern United States. For additional information, please visit their web site at www.ascentvp.com.

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