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Talari Networks Secures $10 Million in Financing Led by Silver Creek Venture Partners

Investment Will Enable WAN Virtualization Pioneer to Expand Product Development and Market Reach as More Enterprises Look to Significantly Reduce WAN Costs Between Data Centers and Remote Offices

Cupertino, Calif., Aug 11, 2010 – Talari Networks, Inc. — the company bringing WAN virtualization and cloud economics to Enterprise networking — today announced that it has raised $10 million in a second round of institutional funding led by Silver Creek Ventures with existing backers Menlo Ventures and private investors also participating. Mark Masur, Silver Creek Ventures General Partner, will join Talari's board of directors.

"With their straightforward and proven value proposition, Talari is well positioned to take advantage of the growing trend to centralize and simplify IT services," said Mark Masur of Silver Creek. "By allowing IT managers to add significant amounts of WAN bandwidth at low cost with business-class reliability, the company has already attracted an impressive list of customers."

"We will use this new funding round to add resources in all areas of the business and position ourselves for the next phase of growth driven by the broad adoption of our Adaptive Private Networking technology," said Andy Gottlieb, CEO of Talari Networks. "In particular we will grow our sales force significantly to extend our reach in North America and develop the European market."

Customer Adoption

John Wiley & Sons Inc., Lextron Inc., M. Arthur Gensler Jr. & Associates, Inc. and Petroleum Pipe, Ltd. are just a few examples of companies in different industries that are using WAN Virtualization to reduce the cost of their WAN infrastructure, and at the same time adding bandwidth to remote locations while making their network more resilient and reliable.

"With our private cloud IT infrastructure we have simplified the management of our remote sites but it means we have had to rely on expensive private WAN connections between locations", says Tim Hays, Director of IT at Lextron, Inc. "With Talari I can reduce my dependence on private bandwidth at existing sites by using more Internet connectivity and immediately bring up new locations at much lower cost."

About APN Technology

Talari Networks' Adaptive Private Networking (APN) technology offers a revolutionary new approach to building enterprise WANs. By combining network bandwidth from the public Internet with RAID-like methods, this technology allow enterprises to take advantage of inexpensive Internet bandwidth without sacrificing business quality, reliability or availability. It accomplishes this by combining diverse sources of bandwidth and end-to-end algorithms to apply dynamic, real-time, per-packet traffic engineering. By continually

measuring loss, latency and jitter, APN adapts to variations in network conditions virtually instantly to ensure reliable, predictable application performance using all of the available bandwidth.

About Talari Networks

Adaptive Private Networking does for the Enterprise WAN what RAID did for storage. Talari's Mercury line of Adaptive Private Networking appliances delivers a network with 30 to 100 times the bits per dollar, ongoing WAN costs reduced by 40% to 90%, and greater reliability than existing corporate WANs, transforming virtualized-WANs to bring Moore's Law and Internet economics to Enterprise WAN buyers, outsourcers and MSPs. For more information, please visit Talari Networks' website at www.talari.com.

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