SVB Financial Group

Silicon Valley Bank Syndicates Equipment Financing for Alfalight

Chicago, IL -- April 25, 2001 -- Silicon Valley Bank, a wholly owned subsidiary of Silicon Valley Bancshares, announced the successful syndication of a $10 million equipment loan for Madison, Wis.-based Alfalight, LLC. Other co-lenders include GATX Ventures, Transamerica Technology Finance and Third Coast Capital.

Alfalight, which provides aluminum-free high power diode laser products for the telecommunications industry, has previously received funding from venture capital investors, including Arch Venture Partners, Advanced Technology Ventures, Venture Investors of Wisconsin, Enterprise Development Fund of Ann Arbor, Mich., InterWest Partners, The Infrastructure Fund and Centerpoint Ventures. This financing will be used for the purchase of capital equipment to be located in Alfalight's Madison and Montreal facilities.

"We are happy to close on this debt financing with such a strong banking group," said Eric Apfelbach, president and CEO of Alfalight. "Given the environment, it reinforces the confidence that our investor group has in us."

"Alfalight is swiftly gaining recognition as a leading developer and manufacturer of high power diode lasers and related optical subsystems for the telecommunications industry," said Brent Donnell, manager of Silicon Valley Bank's Midwest Region. "Alfalight is addressing a major point of pain in the large and rapidly growing optical networking industry with a unique and proprietary high power technology platform. We have a high level of confidence in management's ability to execute its growth strategy and the ability of the venture investors to support that growth."

About Alfalight

Alfalight's products are based on intellectual property that is exclusively licensed from the Wisconsin Alumni Research Foundation (WARF). They are targeting EDFA applications that benefit from their high-power, single-mode 980 nm technology, and the metro amplifier market with their 980 nm aluminum-free, multi-mode technology.

Alfalight is an early stage, venture funded diode laser company based in Madison, Wisconsin. Founded in November of 1998 by a technical team from the University of Wisconsin, Alfalight designs, develops, manufactures and packages high power diode lasers for the optical fiber communications market.

About Silicon Valley Bank

Silicon Valley Bank serves emerging growth and middle market companies in targeted niches, focusing on technology and life sciences, while also addressing other specific industries in which it can provide a higher level of service and better manage credit through specialization and focus.

The Bank operates throughout the Silicon Valley: Santa Clara, Palo Alto and Sand Hill, the center of the venture capital community in California. Other regional offices within California include: Irvine, Los Angeles, Napa Valley, San Diego, San Francisco, Santa Barbara, and Sonoma. Office locations outside of California include: Phoenix, Arizona; Boulder, Colorado; West Palm Beach, Florida; Atlanta, Georgia; Chicago, Illinois; Boston, Massachusetts; Minneapolis, Minnesota; Durham, North Carolina; Portland, Oregon; Philadelphia, Pennsylvania; Austin, Texas; Dallas, Texas; Northern Virginia; and Seattle, Washington.

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