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**OPSOURCE RAISES \$12.5 MILLION IN SERIES “B” UP ROUND  
LED BY KEY VENTURE PARTNERS**

**Funds Will Be Used for Business Expansion and M&A**

**SANTA CLARA, Calif., -- February 19, 2004 --** OpSource, Inc., a next-generation IT infrastructure services company, announced it has completed its series “B” funding round, raising a total of \$12.5 million. The funds will be used for business expansion and mergers and acquisitions. Key Venture Partners led this up round, joined by existing investors ComVentures and Artiman Ventures. Approaching its two year anniversary, OpSource now delivers outsourced managed IT infrastructure services to more than 80 customers from operations centers in five US metropolitan areas and London, England. In addition to direct sales, the successful acquisition and integration of six managed service providers has made an important contribution to OpSource growth over this period.

“OpSource is emerging as a leader in an industry where laser focus is required to efficiently and consistently deliver quality managed services,” said Andrew Schroepfer, President, Tier1 Research. “From a standing start, in 20 months it has grown rapidly without sacrificing service quality. Since this growth has involved large direct client wins, increasingly meaningful channel partnerships, and six acquisitions (a smart combination), keeping the culture consistent and growing is even more impressive. Equally as important, the company is proving that its business model is scalable since margins are improving with its growth.”

“OpSource’s ability to successfully combine M&A with direct sales to deliver rapid growth makes the company an attractive investment in the mission-critical area of IT services,” said Ted Mocarski, managing director, Key Venture Partners. “With an experienced management team,

customer traction that includes well-known Fortune 500 companies, and innovative technology and services, we believe OpSource is well positioned for profitable growth."

Mocarski will join OpSource's Board of Directors. Other members of the Board include: chairman Mark Spagnolo, CEO of Broadwing Communications; Treb Ryan, OpSource CEO and co-founder; Jim McLean, partner at ComVentures; Artiman's general partner Farrokh Billimoria; and advisor to the Board Marvin Tseu, CEO of Active Reasoning.

"We are very pleased that Key Ventures has joined with ComVentures and Artiman Ventures to fund OpSource as we take our company to the next level," said Ryan. "This up round is particularly important to us as it provides the resources necessary to fuel the M&A engine that has contributed so importantly to our growth over the past 20 months and will do so again in 2004."

### **OpSource M&A Leverages Proprietary SPX Technology for Accelerated Growth**

Underlying all of OpSource's business processes, products and services is the Sigma Operations Platform (SPX). The SPX is a generalized infrastructure platform that is optimized to manage and interface with disparate technologies as well as serving as a centralized repository and distribution mechanism for everything from employee benefits to real-time customer infrastructure monitoring and ticketing. Through its use OpSource is able to quickly and efficiently integrate personnel and technology from acquisitions as well as seamlessly assume responsibility for and management of acquired customers. Over the past 16 months OpSource has successfully acquired and integrated: Accelica in November 2002; EYT's Managed Services Group in February 2003; Space4Rent, LLC in May 2003; Quadrix Solutions in May 2003; the UK managed services business of a US network infrastructure services provider in November 2003; and Global Network Solutions in February 2004. OpSource anticipates closing three to five more acquisitions in 2004.

### **About Key Venture Partners**

Key Venture Partners invests \$3-10 million in proven information technology and communications companies and is the venture capital group of Key Principal Partners (KPP). Investment capital for Key Venture Partners is provided by KeyCorp, an \$85 billion financial services firm, headquartered in Cleveland. Key Venture Partners is located in Waltham, MA. For more information about Key Venture Partners, visit their web site at <http://www.key.com/keyprincipalpartners/venturecapital.html>.

## **About OpSource**

OpSource is a provider of direct and private-label IT infrastructure services to Global 2000 companies. It combines innovative technology, best practices and experienced personnel to deliver services of higher quality and at lower cost than enterprises, government agencies and infrastructure providers can do themselves. OpSource SigmaCenter services range from complete technical staffing solutions to complex managed hosting solutions for independent and corporate data centers. For enterprise customers, the company’s SigmaSystem provides the IT infrastructure technology and services necessary for operating and managing every layer of their application infrastructure - from provisioning and deploying the physical networks and servers up to, and including, security, maintenance and performance optimization of customized applications.

The company is funded by Artiman Ventures, ComVentures and Key Venture Partners. It is headquartered in Santa Clara, CA, with additional operations in Irvine, CA, Chicago, New York City, Piscataway, NJ, Chantilly, VA, and London, England. For more information about OpSource, visit the company’s web site at <http://www.opsource.net/>.

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