

Serious Materials Receives \$50 Million in Funding to Reduce the Impact of Building Materials on Climate Change

Funding round led by New Enterprise Associates, Foundation Capital, Rustic Canyon

SUNNYVALE, CA —November 1, 2007 — Serious Materials today announced that it has closed \$50 million in additional investment, led by New Enterprise Associates (NEA) and Foundation Capital, along with Rustic Canyon Partners. Serious Materials develops and manufactures sustainable green building materials that considerably reduce the impact of the 'built environment' on the climate.

The investment will be used to build state-of-the-art manufacturing facilities for EcoRock™, which will go into production in 2008, ThermaProof™ high-insulating windows (2008), and to expand the company's successful Quiet® product line. EcoRock looks, feels, performs and is used the same way as standard drywall. However, it uses virtually zero energy in its core production resulting in zero CO₂ emissions, giving it the lowest carbon footprint of any drywall product by an order of magnitude. Using EcoRock instead of gypsum drywall could reduce U.S. CO₂ emissions by 25 billion pounds per year.

The negative consequences of climate change demand a new approach to building materials that are ultra-sustainable, cost-effective and energy-efficient throughout their lifecycle. Manufacturing common building materials including cement, steel, glass and drywall contributes more carbon dioxide to the atmosphere than all the cars on U.S. roads today.

“Those who successfully re-engineer the products and processes that are the most harmful to the climate will be among the leaders of the next industrial revolution,” said Forest Baskett, General Partner at NEA. “We believe Serious Materials is well positioned to be such a leader, building on their significant and fast-growing revenue base and their extensive distribution channels.”

“EcoRock is on the right side of the energy curve and Serious Materials has laid out an ambitious vision to address an immensely important problem,” said Paul Holland, General Partner at Foundation Capital. “We believe that there is a huge opportunity to address climate change with advanced materials and have made several investments in the space. We are extremely proud of our investment in Serious and believe it will pay dividends for us and the world at large.”

“We are in a climate emergency. Global warming is one of the greatest problems facing humanity today, and we all have a responsibility to take action now to help reduce greenhouse gases and stabilize the climate,” said Kevin Surace, president and CEO of Serious Materials. “Traditional building materials were invented during a time when energy was cheap and the effect of greenhouse gases on the environment was not understood. The impact of these materials on climate change is more than we can afford as a society.”

This year Serious Materials was voted #1 at Cleantech Venture Forum XII and was named to AlwaysOn's Going Green Top 100 and Greentech Media's Top 10.

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. With approximately \$8.5 billion in committed capital, NEA's experienced management team has invested in more than 550 companies, of which more than 160 have gone public and more than 230 have been acquired. NEA has U.S.-based offices in Baltimore, Maryland; Chevy Chase, Maryland; and Menlo Park, California. In addition, New Enterprise Associates (India) Pvt. Ltd. has an office in Bangalore, India and New Enterprise Associates (Beijing) Ltd. has offices in Beijing and Shanghai, China.

About Foundation Capital

Founded in 1995, Foundation Capital is a venture capital firm committed to supporting entrepreneurs and their companies, targeting innovative opportunities in cleantech, consumer Internet and infrastructure; telecommunications and networking; and enterprise software and on demand services. Foundation Capital funds total more than \$1.7 billion.

About Rustic Canyon

With over \$800 million under management, Rustic Canyon Partners invests in venture capital stage and middle-market companies positioned for strong growth. Typical investments include private, growth stage companies that capitalize on opportunities created by technology change, market evolution, regulatory shifts or other factors. To date, they have invested in a broad array of technology-driven and middle-market companies in sectors such as communications, software, IT infrastructure, digital media, business and information services, materials science and efficient energy.

About Serious Materials

Serious Materials develops and manufactures sustainable green building materials that considerably reduce the impact of the 'built environment' on the climate. EcoRock™, coming in 2008, is an eco-friendly drywall that uses virtually zero energy in its core production, resulting in zero CO₂ emissions. This gives it the lowest carbon footprint of any drywall product by an order of magnitude, making it especially well-suited for sustainable development and LEED projects. Quiet Solution, a division of Serious Materials, makes 25 Quiet®-brand soundproofing products that enhance livability and encourage sustainable land use such as urban infill and quality of life. Serious Materials has 22 patents pending. The company's environmentally friendly products are manufactured in multiple plants in the United States and widely available through building products dealers in the U.S. and Canada. For more information, visit www.SeriousMaterials.com or www.QuietSolution.com.

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