



News Release

LiveU Secures \$9 million in Second Round of Financing from Canaan Partners and Carmel Ventures

Fair Lawn, New Jersey, June 3, 2008-- LiveU Inc. (www.liveu.tv), developers of unique technologies and products for the transmission of live video over wireless networks, today announced that it has raised \$9 million in a second round of financing. Canaan Partners and Carmel Ventures led this round. LiveU has raised more than \$12 million to date.

LiveU's expertise is in developing cutting-edge technology for transmission of live video directly from the field to the Internet and TV, by using wireless networks such as 3G cellular data, Wi-Fi, and WiMAX, without any need for dedicated infrastructure. These video transmissions boast high quality and low costs, which allows any Internet portal to provide live coverage to its users. LiveU's business model is based on providing its customers with a remote video transmission service based on pay-by-use pricing. The service is already being used by a premier Israeli sports portal, "ONE.CO.IL" and leading community portals, sport sites and news blogs in the US, and is also being piloted by a number of prominent national and international TV broadcasters.

LiveU's CEO, Shmuel Wasserman, said that finalizing this round of investment will allow the company to rapidly expand its marketing, sales and customer service departments both in the US and worldwide, while continuing to develop more advanced versions of the product and further uses of the technology. "We are proud to have been validated by such prominent funds," said Wasserman. "Investors such as Canaan Partners and Carmel Ventures are a strategic advantage for us, and I am confident that their professional assistance will contribute greatly to LiveU's success and global expansion".

"We are delighted to continue our involvement in LiveU and to be part of the current investment round," said Izhar Shay, venture partner at Canaan Partners. "We believe that the enthusiastic interest that LiveU's products have generated in international TV broadcasters and leading Internet portals creates an excellent opportunity for cooperation and forming partnerships, which will help LiveU expand its operations in the worldwide markets."

"LiveU is revolutionizing the world of video broadcasting by leveraging a distinct technological advantage that enables live content to be broadcast anywhere and at anytime," said Mr. Ori Bendori, General Partner of Carmel Ventures. "We found LiveU to have a unique combination of an outstanding team; exceptional business model and a disruptive technology that will not only change the market of video broadcasting but will also enable the market of online TV."

About LiveU

Founded in 2006 by industry leaders in wireless networking, LiveU develops and markets video transmission technologies and services that enable Internet portals and video broadcasters to uplink and transmit live instantly, anywhere, and at anytime. Live U is headquartered Fair Lawn, New Jersey, with R&D operations based in Kfar Saba, Israel.

LiveU is a privately held company, backed by Canaan Partners, Carmel Ventures and a private investors group led by Mr. Yigal Yaacobi.

About Canaan Partners

Canaan Partners invests in visionary entrepreneurs and provides them the networks, insights and operational guidance required to build high-performance technology and healthcare companies. For over 20 years, Canaan has taken an active and committed role in the companies in which it invests, and has seen its portfolio companies complete more than 70 mergers and acquisitions and 53 IPO's. With \$3 billion under management and a worldwide footprint, the firm is committed to catalyzing the growth of innovative companies in the digital media, communications & mobility, enterprise and clean tech industries. Among its successes are DoubleClick, the leading online advertising solution, Match.com, the most popular online dating site in the world, CommerceOne, the company that pioneered B2B ecommerce; Capstone Turbine, first to market and world's leading producer of commercially viable microturbine energy products; and VOIP equipment supplier Acme Packet, which was one of the top ten performing tech IPOs of 2006. Canaan has offices in California, Connecticut, India and Israel. For more information visit : www.canaan.com.

About Carmel Ventures

With over \$600 million currently under management, several successful exits, and a growing portfolio of promising start-ups, Carmel is among Israel's top-tier venture capital funds. Carmel's investments are focused primarily on early stage companies in the fields of Software, Communications, Internet, Media, Semiconductors, and Consumer Electronics. Founded in 2000 by pioneers and leaders of the Israeli high tech industry, Carmel provides significant capital and active, hands-on support through the growth cycle of its portfolio companies and is recognized as a true company building fund in Israel. Carmel, headquartered in Herzliya, Israel enjoys a worldwide network of industry, strategic and investment resources. Carmel is an affiliate of the Viola Partners Group, a leading innovative private equity investment group with over \$1.5B under management focused on technology-based investment opportunities in Israel. For more information, please visit www.carmelventures.com.

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