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Mobius Microsystems Raises \$10.22 Million in Series B Financing

“To launch a new era in timing generation for the electronics industry”

Sunnyvale, Calif., December 10, 2007 — Mobius Microsystems, Inc. announced today that it closed its Series B round of financing in the amount of \$10.22 million. The investors for this round were Foundation Capital, Menlo Ventures and RPM Ventures. The three firms extended their seed and Series A round investment in the company.

Mobius will use the funds to expand operations to support the production release of its patented CMOS Harmonic Oscillator (CHO™). This is the world’s first highly accurate frequency reference produced entirely in standard CMOS, and targeted at high volume consumer and storage markets. The CHO device will replace quartz-based crystals and crystal oscillators that have been the existing technology for nearly 70 years. The demand for frequency references and oscillators is expected to be a \$5.7 billion market by 2011. Mobius’ CHO will enable system designers to reduce costs, offer higher frequencies, and allow for smaller, thinner, and more mechanically robust products.

“We’re on track to introduce our disruptive technology in early 2008, and move aggressively into the commercialization phase,” said Ashok Dhawan, CEO of Mobius Microsystems. “The Series B round of financing reflects the increased value that the company now represents, and assures that Mobius has all the resources in place to capitalize on the exciting opportunity to build all-CMOS timing generators”

The CHO product will launch a new era in timing generation for the electronics industry, benefiting consumer electronic appliances, storage devices, peripherals and automotive applications. By implementing the frequency reference on a single CMOS die, Mobius allows the industry to finally move beyond quartz-based crystals, or other mechanical resonators, and explore the many benefits of integration made possible only with an all-CMOS solution.

About Mobius Microsystems Inc. (www.mobiusmicro.com)

Mobius Microsystems is an innovator in precision timing ICs, and is the first company to implement highly accurate timing generators entirely in standard CMOS. This is a significant technical breakthrough in timing generation, which up to now was served by

quartz crystals and crystal oscillators. Mobius' patented CMOS Harmonic Oscillator (CHO™) is produced on a single piece of silicon and offers system designers a frequency reference with excellent phase noise and jitter performance. In addition to size and reliability advantages over quartz crystals, CHO also significantly shortens the manufacturing cycle time to best respond to fluctuating demands of the consumer electronics market

Mobius Microsystems is funded by leading venture capital firms. Its headquarters are located at 111 W. Evelyn Avenue, Suite 210, Sunnyvale CA 94086; (408) 739-5400; info@mobiusmicro.com.