

Contact:
Amy Caplan
ZettaCom, Inc.,
(408) 869-7000
amy@zettacom.com

ZettaCom Raises \$47.5 Million in Second Round **-- Second Round Funding Led by Granite Global Ventures --**

Santa Clara, Calif. – June 19, 2001 – ZettaCom, Inc., a leading supplier of high-performance and configurable optical silicon solutions, announced today that it has successfully completed the closing of its Series B equity round with a total amount of \$47.5 million. This substantial round helps position ZettaCom as a significant force in the semiconductor components arena, and brings the total amount of equity financing issued, raised and committed to \$58.5 million since the company's inception in 1999.

According to RHK, a leading telecommunications market research firm, the optical silicon market currently represents 15% of total service infrastructure spending. Optical silicon devices will result in a market that will grow to over \$12 billion in 2005. ZettaCom's unique background and product strategy will position it as a leader in this huge emerging market. Over twelve major design wins in the last seven months validate ZettaCom's claim to leadership in this space. The company's recent infusion of funds will accelerate the build-out of ZettaCom's specialized communication ICs (integrated circuits), expansion of its national operations, further development initiatives, and continued growth of the company's highly skilled, professional teams.

The Series B investors include: Granite Global Ventures, Venrock Associates, Norwest Venture Partners, J. & W. Seligman & Co., Development Bank of Singapore, JPMorgan Partners (NYSE:JPM), k1 Ventures, Vertex Management, Crimson Ventures, Infineon Ventures, U.S. Bancorp Piper Jaffray (NYSE:USB), SG Cowen Ventures Fund, Banc of America Securities LLC (NYSE:BAC), and United Investments.

"We are privileged to have such significant support from our existing investors and we welcome our new investors to the company. ZettaCom is executing on our vision of delivering high performance optical silicon solutions to tomorrow's optical and multiservice networks," said Daryn Lau, president and CEO of ZettaCom, Inc. "We are continuing to secure design commitments from customers, and we are on schedule with general availability of the ZEST-200 hybrid switch fabric and ZEN-QM-200 advanced traffic manager, which will enable us to deliver the disruptive improvements that the high-end network infrastructures need."

"In today's market, equipment vendors need to run their businesses prudently, no longer needing to vertically integrate all services. ZettaCom's team, comprised of former ASIC designers from Cisco, has the expertise in building complete systems and the industry knowledge to develop an entire communications subsystem on a chip, filling the design gap existing in this market," said Promod Haque, managing partner, Norwest Venture Partners. "ZettaCom is poised to be one of the leaders of the next generation of communication ICs by providing a huge market advantage to equipment vendors with a communications system design that creates a quicker time to market."

ZettaCom is pleased to welcome Scott Bonham, Managing Director with Granite Global Ventures, to the Board of Directors of the company. "Identifying the next generation of technology leaders is a top priority for our fund. ZettaCom fits squarely with our mission," said Bonham. "We are confident that ZettaCom's technology and customer traction puts it on track to be one of the most exciting suppliers of next-generation communication ICs. With the completion of this funding round, ZettaCom's talented management team is now poised to dominate one of the most explosive segments of the optical Internet."

About ZettaCom Inc.

ZettaCom is the leader in providing Optical Silicon™ solutions. Optical Silicon is a new breed of specialized ICs that provides the hardware intelligence within an optical network system. Founded in 1999, ZettaCom delivers a complete solution featuring the highest levels of performance, scalability, flexibility and integration in the industry to assist its partners in gaining early market entry. By partnering with network switching manufacturers and system vendors, ZettaCom will enable them to meet tomorrow's challenges and gain early market entry by delivering their Universal Switch Architecture: powerful high-speed, feature-rich solutions in the high-end telecommunication markets.

The privately-held company has completed two rounds of funding from leading venture capital firms such as Granite Global Ventures, Development Bank of Singapore, Venrock Associates, Norwest Venture Partners, and Mr. Wu-Fu Chen.

For more information about products offered by ZettaCom, please call 408.869.7000 or visit www.zettacom.com.

About Granite Global Ventures

With offices in Silicon Valley and Singapore, Granite Global Ventures LLC is an expansion phase technology-focused fund, established by Venrock Associates. By leveraging the fund's sponsors, Granite's goal is to create a solid global platform of properly aligned investment relationships to provide superior value to entrepreneurs and investors. Granite is focused on enabling technology in software, communications, and next generation services. In addition, with the Granite's strong Asian ties, it delivers the "Asian Last Mile" by sponsoring U.S.-based companies in Asia and investing in Asian companies.

About Venrock Associates

Venrock Associates was founded as the venture capital arm of the Rockefeller Family and continues a tradition of funding entrepreneurs that now spans over seven decades. Laurance S. Rockefeller pioneered early stage venture financing in the 1930s. With over 300 investments over a span of more than 70 years, the firm has established a track record of identifying and supporting promising early stage, technology-based enterprises. As one of the most experienced venture firms in the United States, Venrock maintains a tradition of collaboration with talented entrepreneurs to establish successful, enduring companies.

Venrock's continuing goal is to create long-term value by assisting entrepreneurs in building companies from the formative stages. Their consistent focus on Information Technology and Life Sciences-related opportunities provides a reservoir of knowledge and a network of contacts that have proven to be a catalyst for the growth of developing organizations. Venrock's investments have included CheckPoint Software, USInternetworking, Caliper Technologies, Illumina, Niku, DoubleClick, Media Metrix, 3COM, Intel, and Apple Computer. With offices in New York City, Cambridge, MA, and Menlo Park, CA, Venrock is well positioned to respond to opportunities in any locale. For more information, visit Venrock's website at www.venrock.com.

About Norwest Venture Partners

Norwest Venture Partners, founded in 1961, is the premier venture capital business partner for emerging growth IT companies. The firm actively manages \$1.1 billion in investments and has raised more than \$1.4 billion since inception. Norwest Venture Partners has a broad information technology investment focus, including software and the Internet, data communications, telecommunications, semiconductors and subscriber-based services. The firm prides itself on supporting companies beyond the call of duty with the reputation, financial resources, seasoned business experience and network of relationships required for success. The firm has invested in such market leaders as Brocade Communications (Nasdaq:BRCD), Cerent Corporation (acquired by Cisco Systems [Nasdaq:CSCO]), Siara Systems (acquired by Redback Networks [Nasdaq:RBAK]), PeopleSoft (Nasdaq:PSFT), Documentum (Nasdaq:DCTM), MobileSys,

Resonext Communications, Extreme Networks (Nasdaq:EXTR), Netro Corporation (Nasdaq:NTRO), OnDisplay (acquired by Vignette [Nasdaq:VIGN]), Octane (acquired by E.piphany [Nasdaq:EPNY]), Docent (Nasdaq:DCNT), Covigo, Inc., P-Com, Verio (acquired by NTT Communications [NYSE:NTT]) and Yipes Communications. Information on Norwest Venture Partners is available on the Internet at www.norwestvp.com or by calling 650-321-8000.

About J. & W. Seligman & Co.

J. & W. Seligman & Co. Incorporated was founded in 1864. Based in New York City, Seligman is an investment manager and advisor with more than \$32 billion in assets under management as of March 30, 2001. As well as providing management and advisory services to institutional clients, the firm provides a broad array of investments to individuals, including the Luxembourg-based Horizon portfolios, available exclusively for non-U.S. investors. Seligman Technology Group, a division of Seligman, managed approximately \$10.6 billion in technology assets as of March 30, 2001. Total assets managed by the venture capital team accounted for more than \$1 billion including investments in over 135 private technology companies. With respect to its venture capital investments, the Group currently focuses on four areas: business-to-business e-commerce, broadband and fiber optics, digital enabling technologies, and wireless communications and computing. The Group has offices in New York and Palo Alto. Affiliates of J. & W. Seligman & Co. Incorporated have marketing offices in London, Hong Kong, and Buenos Aires.

About Development Bank of Singapore

DBS Bank is the flagship bank of DBS Group Holdings in Singapore. It is ranked among the top banks in Asia, and is the 70th largest in the world. A recognized leader in Internet banking and e-commerce, DBS is the market leader in Singapore-dollar loans and deposits, and equity fund raising. Beyond Singapore, DBS Group serves corporate, institutional and retail customers through subsidiaries in Hong Kong, The Philippines, Indonesia and Thailand, and international banking services through a network of overseas branches and offices.

About JPMorgan Partners

JPMorgan Partners (JPMP), formerly Chase Capital Partners, is a global partnership with over \$24 billion under management. It is a leading provider of private equity and has closed over 1,800 individual transactions since its inception in 1984. JPMP has more than 160 investment professionals in eight offices throughout the world. JPMorgan Partners' primary limited partner is JPMorgan Chase & Co., one of the largest financial institutions in the United States. For additional information, please visit www.jpmpartners.com.

About k1 Ventures

k1 Ventures is a venture capital firm with US\$300m under management. k1 seeks to invest in high tech firms looking for the financing to expand their operations and move into new markets including Asia. k1's shareholders include Development Bank of Singapore, the largest bank in Southeast Asia, Keppel Corporation, a major conglomerate in Singapore with assets in telecommunications, financial services and logistics and Singapore Telecoms, Southeast Asia's largest telecom provider.

About Vertex Management

Vertex Management, started in 1988 as the venture capital arm of Singapore Technologies Group, is today a global venture capital firm with over US\$1 billion under management. It is headquartered in Singapore and has offices in the United States, London, Denmark, Taiwan, Beijing, Hong Kong and Israel.

About Crimson Ventures

Crimson Ventures is a venture capital firm headquartered in Silicon Valley with \$500 million under management. Crimson invests in the ebusiness infrastructure, software, outsourced services and communications sectors.

Crimson has an active presence in Silicon Valley and throughout the Pacific Rim. The firm leverages its entrepreneurial and operational experience in technology to help build its partner companies in the U.S. and Asia. Crimson helps companies to strengthen business models, build management teams, and access customers and strategic partners. Its capabilities enable it to help grow successful companies and accelerate their time to market.

Crimson has invested in over 30 companies in its target sectors. Although most of its investments have been in early stage companies, Crimson also invests in later stage companies.

About Infineon Ventures

Infineon Ventures is the venture capital subsidiary of Munich-based top-tier semiconductor company, Infineon Technologies AG. Since its inception in 1998, Infineon Ventures has become a prime venture partner for early-stage companies in microelectronics and communications. Leveraging the vast resources of Infineon Technologies, Infineon Ventures is uniquely positioned to deliver high financial returns on its investments as well as to add significant strategic value both to portfolio companies and Infineon.

Infineon Ventures currently employs 9 investment professionals located in Munich (Germany), San Jose (California) and Boston (Massachusetts). Infineon Ventures has invested more than \$90 million in 32 companies. For more information please visit www.infineonventures.com.

About U.S. Bancorp Piper Jaffray

U.S. Bancorp Piper Jaffray, a leading investment bank for growth companies and a subsidiary of Minneapolis-based U.S. Bancorp, provides a full range of investment products and services to institutions and businesses. The firm is comprised of five departments that work closely together to meet the financing and M&A advisory needs of growth companies and the investment and trading needs of institutional investors. The five departments include Equity Research, Investment Banking, Institutional Equity Sales, Institutional Equity Trading and Capital Markets. The company's Equity Research Analysts cover more than 450 companies in five core industries: consumer, financial institutions, health care, communications and technology. The firm's headquarters are in Minneapolis, and offices are strategically located in Los Angeles, San Francisco and Menlo Park, Calif., Seattle, New York, Chicago and London. Strategic alliances have also been formed in Geneva and Tel Aviv.

Piper Jaffray Venture Partners' ECM Fund I is a late-stage diversified venture capital fund focusing on growth companies in the communications, healthcare, internet and software industries. Piper Jaffray Venture Partners has close ties to U.S. Bancorp Piper Jaffray's leading technology investment banking practice and award winning research analysts.

About SG Cowen Ventures Fund

SG Cowen Ventures Fund I is the employee investment fund sponsored by SG Cowen Securities Corporation. SG Cowen is a full-service investment banking firm and securities brokerage with a global commitment to the technology, health care and related high-growth sectors. SG Cowen provides innovative financing solutions to clients and investors worldwide and is part of SG and the Société Générale Group, a diversified, global financial services institution.

About Banc of America Securities

Banc of America Securities LLC is a major investment bank that offers its clients a full range of equity and debt capital raising, market making, and strategic advisory capabilities. The Firm's corporate finance and equity research focuses on industries including Technology, Consumer, Entertainment, Media & Communications, Health Care, Natural Resources and Real Estate & Lodging. Banc of America Securities is a wholly owned subsidiary of Bank of America Corporation and has offices in New York, Boston, San Francisco, Charlotte, Chicago, Dallas, Los Angeles and Palo Alto.

About United Investments

United Investments is an Asia based venture funds with principal office in Taiwan. The major investors of United Investments include United Microelectronics Corp (UMC), Quanta Computer, Advanced Semiconductor Engineering and other major financial institutions such as Cathay Life, Tai Hsin Bank, Chiao Tung Bank. The funds focus on investing in companies providing leading communication, networking and wireless technologies. The funds' board includes senior members of leading Asian technology companies such as Mr. Robert Tsao, chairman of UMC group and Mr. Barry Lam, chairman of Quanta Computer.

###

Optical Silicon is a trademark of ZettaCom, Inc.