

## **Hillcrest Labs Secures Additional \$25 Million in Funding**

*Series D Round includes AllianceBernstein, New Enterprise Associates, Columbia Capital and Grotech Capital Group*

January 7, 2008 – Rockville, MD – Hillcrest Labs announced today that it has closed an additional \$25 million round of funding, led by new investor AllianceBernstein. Existing investors including New Enterprise Associates (NEA), Columbia Capital and Grotech Capital Group also participated in this latest round of funding. Hillcrest Labs will use the funds to further extend its pointer-based application creation platform and pointing technology to a wide range of devices that control and display digital media.

“Hillcrest Labs has created an entirely new and potentially game-changing platform for television and other forms of home entertainment,” said Jamie Kiggen, Senior Vice President of AllianceBernstein. “By combining pointing with a graphical, ‘zoomable’ interface, their technology holds the promise to fundamentally alter how consumers interact with their TV and digital media. We’re pleased to have made this investment and look forward to working with their management team in the months and years ahead.”

“Competition is intensifying, not just between traditional television service providers – like cable operators, telcos and satellite companies – but also with consumer electronics manufacturers planning to make ‘over-the-top’ plays in home entertainment,” said Peter Barris, Managing General Partner of NEA Associates. “All of these companies face the same issue – how to enable consumers to easily navigate the thousands of content options that are packaged with their service offerings. Hillcrest solves this problem uniquely and will create significant value for its customers.”

“We now have multiple deals with major companies that plan to bring our technology to market in the near future,” said Dan Simpkins, Founder and CEO of Hillcrest Labs. “We aim to bring a new ‘point-and-click’ paradigm to the television and beyond. This investment is further validation of our business and technology. In the end, we’re committed to helping our partners differentiate their offerings by creating new ways to browse, discover, and interact with digital media throughout the home.”

In addition, Hillcrest Labs announced that it will demonstrate the company's products and technology at the upcoming Consumer Electronics Show (CES) in booth location South 1 - 21531. They will also participate at PepCom's "Digital Experience" press and analyst event (<http://www.pepcom.com/de-kit-web.pdf>) on Sunday, January 6 from 7:00pm-10:00pm. Dan Simpkins, CEO, will speak on Digital Hollywood's CES panel titled "The Connected TV and Set-top as the Consumer Gateway to Entertainment & Information - Set-Top, Broadband, Guides & PVRs" on Tuesday, January 8 from 3:00-4:00pm.

Founded in 2001, Hillcrest Labs' software has been honored numerous times including the CES Innovations Award 2006, Gartner's Cool Vendors for 2006, and Popular Mechanics Editor's Choice Award 2007. The first commercially available product to utilize Hillcrest's patented Freespace™ technology is the Logitech® MX Air™ Rechargeable Cordless Air Mouse. Hillcrest's Freespace Reference Kit (FSRK) is now available to companies that want to manufacture Freespace-enabled devices. For more information about Hillcrest Labs, visit [www.hillcrestlabs.com](http://www.hillcrestlabs.com).

#### **About Hillcrest Labs**

Hillcrest Laboratories (a.k.a. Hillcrest Labs) sells an application creation platform called H\_ME, which enables consumer electronics manufacturers and service providers to create unique interactive digital media products for TV and other digital media devices. Applications made with H\_ME are controlled by pointing and provide consumers an intuitive way to browse, discover, and interact with large volumes of digital media. Hillcrest Labs' pointing technology, called Freespace™, can be used in a wide range of consumer devices including remote controls, PC mice, and game controllers. The company's iconic reference device is the Loop™ – a pointer-based TV remote that uses just two buttons and a scroll wheel. H\_ME and Freespace have received numerous awards including the CES Innovations Award and Popular Mechanics' Editors Choice. Based in Rockville, Maryland, Hillcrest Labs was founded in 2001 by Dan Simpkins. The company is funded by NEA, Columbia Capital and Grotech Capital. For additional information, visit [www.hillcrestlabs.com](http://www.hillcrestlabs.com).

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