

FOR IMMEDIATE RELEASE

## **Gemfire Obtains Oversubscribed Expansion Round to Meet Intensifying Demand**

*High Market Growth for Advanced Planar Optical Components Attracts  
Leading Late-Stage Investor Group*

**FREMONT, Calif.**, (September 13, 2007) -- Gemfire Corporation, a leading supplier of integrated photonics sub-systems and planar lightwave circuits for telecom and defense related applications, has announced the closing of a private placement growth equity round of over \$37 Million (USD) to provide the expansion capital required to meet Gemfire's rapidly expanding product demand.

The growth round was expanded to more than double the face value of the offering to accommodate the interest level of several new investors. In addition to the participation of previous investors, the new investor group, led by Loudwater Partners, included Centaurus Capital, Uberior Equity Ltd., and Palo Alto Investors. ThinkEquity Partners, acted as the exclusive placement agent for the offering.

"We are very pleased to be supported by a visionary group who recognize that the recent shift to video over the Internet and brisk demand for bandwidth in optical telecom are again creating a unique growth opportunity," said Richard Tompane, president and CEO of Gemfire. "While the industry restructured, Gemfire expanded operations through acquisitions of key planar technologies that provided the opportunity to leapfrog to the leading edge of optical networking products. Our integration technology for planar lightwave circuits creates higher performance and more scalable solutions for global network system providers which has resulted in ever increasing revenue growth."

### **About Gemfire**

Gemfire is an integrated photonics company headquartered in Fremont, California with high volume manufacturing in Scotland. The Gemfire PhotonIC™ planar technology platform enables wafer-scale processing to produce optical components, such as VMUXs, Athermal and standard AWGs, TODCs, and VOAs, with industry leading performance, and the ability to scale production in a similar way as the semiconductor industry. Gemfire has been shipping its Telcordia qualified products to dozens of top tier optical system companies all over the world since 2003.

For more information about Gemfire (and product acronym details), visit booth 17002 at ECOC in Berlin, September 17-19, 2007 or the website: <http://www.gemfire.com>

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