



PRESS RELEASE

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VEROS SYSTEMS RAISES \$5 MILLION IN SERIES A FINANCING AND APPOINTS A NEW CEO

COLLEGE STATION, TEXAS, July 16, 2013 — Veros Systems Incorporated (“Veros”), announced today that it has raised \$5 million in capital from Austin Ventures and LiveOak Venture Partners. Veros has developed an industrial monitoring solution that combines predictive analytics with big data management in a cost-efficient solution to provide dramatic improvement in managing mission critical industrial assets.

Jim Dechman will join Veros as President and CEO. Most recently, Mr. Dechman worked for Procter & Gamble, the Boston Consulting Group, and Monitoring Technology, a successful venture-backed startup in the industrial monitoring sector. Mr. Dechman received a degree in Mechanical Engineering from the University of Texas and a MBA from Harvard.

“Veros has created the most compelling solution for managing and maintaining critical industrial assets that I have seen in my career,” said Tommy Knight, Co-Founder and Chairman of Veros. Before his involvement with Veros, Mr. Knight worked for Brown & Root, Inc., a Halliburton Company, for 32 years, progressing from a design engineer to President and CEO.

Veros has exclusive, worldwide rights to technology developed at Texas A&M University. The technology continually monitors electric motors and driven assets, with minimal intrusion, using a cloud-based software solution to detect developing faults. With the innovative predictive analytics incorporated in the Veros solution, customers can optimize maintenance procedures, reducing cost while dramatically reducing the risk of catastrophic failures. Over the past seven years, Veros has successfully tested its products with a wide variety of customers in different industrial applications.

“Current solutions to monitor mission critical industrial assets are expensive and unscalable, limiting them to the very high end of the market. By leveraging the unique technology developed at Texas A&M and the latest software platforms, Veros beats the performance of these high-end solutions and makes it available to a broader set of applications” said Venu Shamapant, General Partner at LiveOak Venture Partners, who will be joining the Veros Board of Directors. “As the first investment for our new venture capital firm, Veros is representative of the type of companies we are seeking - a strong team using cutting-edge technology to create disruptive solutions in large markets.”

Veros' monitoring system provides new optics to managers working in industrial settings. Specifically, Veros utilizes information obtained from motor current and voltage signals to detect developing mechanical and electrical faults in motors and motor-driven assets, non-intrusively. In addition, Veros provides torque, efficiency and power consumption data to users. The software as a service platform shows engineers how well their machines are running and alerts them to any issues that could cause sudden, unplanned shutdowns.

"We are excited about having the capital and team to launch our product. Our technology will change the way that facilities monitor their operating machinery," says Dr. Alex Parlos, Co-Founder and CTO of Veros. Dr. Parlos is serving on the mechanical engineering faculty at Texas A&M after obtaining his PhD from the Massachusetts Institute of Technology.

"Veros is well positioned to bring its innovative technology to the industrial market and we are excited to partner with the management team and look forward to being an on-going part of Veros' growth and success," says Chris Pacitti, General Partner at Austin Ventures.

About Veros Systems Incorporated

Veros provides customers with continuous, non-intrusive, scalable, predictive monitoring of industrial asset reliability and energy use across an entire enterprise. At the core of the Veros product is the *Predictive Intelligence Platform (PIP)*, which analyzes 300+ discrete reliability and energy efficiency metrics from voltage and current waveform data and then transforms that data into actionable intelligence for engineers, plant supervisors, and corporate executives. End-users can receive alerts via email or SMS, warning them of an electrical or mechanical fault that may lead to a catastrophic failure sometime in the future. To dig deeper, end-users can turn to PIP's web-based interface, or integrate with leading Enterprise Asset Management suites.

About Austin Ventures

Austin Ventures ("AV") has worked with talented entrepreneurs to build valuable companies for over 30 years. With \$3.9 billion of capital raised, AV is the most active venture capital firm in Texas and one of the most established in the nation. AV invests in early stage and middle market companies, and its strategy is to partner with talented executives and entrepreneurs to build industry-leading companies predominantly in Texas. Visit austinventures.com for more information.

About LiveOak Venture Partners

LiveOak Venture Partners is an Austin-based, early-stage venture capital firm that partners with visionary entrepreneurs who use disruptive technologies and business models to challenge the status quo. While many of their investments begin at the seed stage, LiveOak is a full lifecycle investor focused on technology and technology-driven service companies primary based in Texas and the Southwest. For over a decade, the Founders of LiveOak have helped entrepreneurs create industry-leading companies, such as Spatial Wireless (acquired by Alcatel-Lucent), Navini Networks (acquired by Cisco Systems), LifeSize Technologies (acquired by Logitech) and Augmentix (acquired by Entorian Technologies). Visit liveoakvp.com for more information.