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Paladin Capital Group Leads Modius Series B Financing of \$7 Million

Modius to Expand Product, Marketing, and Sales Resources to Meet Increased Customer Demand

SAN FRANCISCO, CA--(May 23, 2009) – Modius, Inc., a leading provider of availability and performance monitoring software for data center management, today announced a \$7 million Series B financing led by Paladin Capital Group. The investor funds will allow Modius to continue to expand product, marketing, and sales resources in order to meet increased customer demand of Modius' advanced monitoring and measurement solutions for mission critical infrastructure in data centers, call centers, and other facilities.

"Data centers are facing a diverse set of competing priorities such as pressures to avoid any loss in business continuity while driving cost savings, increased capacity, and lower energy usage. We believe that Modius' approach to delivering an integrated data center management solution that bridges the gaps between IT & Facilities is greatly needed in today's complex data center environment," said Philip Eliot, Principal, Paladin Capital Group. "Given that nearly 25% of the IT budget is now being allocated to data centers, we are especially pleased to include Modius in our portfolio."

Modius® provides an end-to-end monitoring and measurement solution for the physical layer of data centers, call centers, and server rooms. Modius captures and stores health and energy-consumption data from a broad range of site infrastructure devices (including power & cooling devices and environmental sensors) and combines it with energy-demand data from all critical IT equipment.

Through this single, comprehensive measurement system, Modius data centers to:

- * Extend the useful life of data centers or distributed-computing sites
- * Lower overall energy consumption costs
- * Prevent downtime due to device or system failure

"Paladin Capital Group has a proven track record of investing in leading technology providers, and we are pleased to welcome Philip Eliot with his diverse background and experience to our board of directors," said Craig Compiano, CEO, Modius. "This funding round enables a new growth phase for our

company, and provides the resources for Modius to expand the reach of our availability and performance management software for mission critical infrastructure.”

About Modius

Modius® Inc. develops intelligent measurement systems for mission-critical facilities that improves business continuity, energy performance, and carbon management. Modius provides a next-generation monitoring and measurement suite that captures in real-time the current status of Availability, Capacity and Efficiency (ACE) across an entire enterprise, including all data centers, call centers, and server rooms.

About Paladin Capital Group

Paladin is an established, multi-stage private equity firm that invests in growing companies through acquisitions and expansion capital. Headquartered in Washington D.C., with offices in New York City, NY and Atlanta, GA, Paladin has more than \$950 million of committed capital across several distinct funds.