

Xtreme Power Named One of Fastest-Growing Companies *Ranked 15th on Inc. Magazine's 500/5000 List for 2012*

Xtreme Power is a SAIL I & SAIL II portfolio company

Xtreme Power, a world leader in real-time power management and energy storage solutions, earned the 15th spot on *Inc. Magazine's* 500|5000 list of the fastest-growing private companies in the United States in 2012 - the company's second year in a row making the prestigious list.

Xtreme Power secured a Top 20 showing with a three-year growth rate of 8423 percent

and 2011 revenues of \$22.2 million. Last year, Xtreme Power ranked 704th with a three-year growth rate of 450 percent.

"Our strong growth is a testament to our unmatched team of professionals and our commitment to providing our customers with energy storage solutions that deliver real value. Customers are choosing Xtreme Power to leverage the strength of our XAct™ system control platform and its unique ability to digitally manipulate power in real time. This



proprietary technology allows renewable energy developers to more cost effectively integrate onto the grid and access additional revenue streams, while providing commercial customers significant savings in peak rates as well as improved power quality," said Alan Gotcher, Chief Executive Officer of Xtreme Power.

Inside this Issue:

- Xtreme Power Named One of Fastest-Growing Companies 1
- Bloomberg: Brain Scans Match Drugs to Depression 1
- Louisiana City Looks to M2 Renewables for Potential Upgrade 2
- Spotlight: MaRS Investment Acceleration Fund 2
- Cleantech OC Conference 2012 3

Bloomberg: Brain Scans Match Drugs to Depression

CNS Response is a SAIL I portfolio company

In a Bloomberg Businessweek article, CNS Response Inc. (CNSO) was highlighted as a technology that will predict the best treatment for individual patients. In doing so, they are also creating a new testing market that CNS CEO George Carpenter said may reach \$2.7 billion a year in the U.S.

Because there is no one cause for depression, no single medicine works the same for each patient. That can mean months of experimenting before treatment takes hold, an added burden for people

already maintaining work and personal relationships.

Prescribing the right drug is "something we've struggled with for a long time," said Philip Muskin, a professor of clinical psychiatry at Columbia University in New York in a telephone interview. "There are no hard criteria to say, use Prozac or Zoloft or any of the other famous antidepressants."

About 15.5 million people reported struggling with bouts of depression in a 2010 U.S. survey, and 11 percent of Americans 12 and older are treated for the disorder, according to the Centers for Disease Control and Prevention. Depression costs

U.S. employers more than \$34 billion a year in lost productivity and, in the worst cases, often leads to suicide, according to the National Alliance on Mental Illness.

Mark Schiller, a San Francisco-based psychiatrist, said he has seen patients who tried dozens of medicines for their depression without any relief. Now, he uses the CNS test, on the market since May 2011, to help eliminate the guessing game.

CNS charges a fee of \$400 to \$800 depending on the type of buyer, and more than 100 psychiatrists are using its data, Carpenter said. It is registered with U.S. FDA as a medical device data system.



Quick Updates:

- ❖ More than 5 million people now have access to safe drinking water thanks to WaterHealth International, a SAIL portfolio company
- ❖ Peter Polydor joins the Investment Committee of the MaRS Investment Accelerator Fund for cleantech investments (See Page 2)



M2 RENEWABLES

Louisiana City Looks to M2 Renewables for Potential Upgrade

M2 Renewables is a SAIL II portfolio company

The City of Bastrop Sewer Plant is making attempts to improve their facility with the help of new equipment offered by M2 Renewables which is performing tests at the plant this month.

“We’re testing equipment that could potentially replace some of the ageing equipment in the yard,” said Sewer Department Project Manager Joseph Fontienot. “This equipment could replace four big tanks in the yard and improve the odor drastically.”

M2R specializes in the treatment of domestic wastewater and conversion of captured organic solids

into usable forms of energy. “These machines remove 95 percent of solids,” said M2R senior project manager Wayne Shems. “Our machines are easier to maintain and use less energy and less manpower.”

Fontienot said the mobile machine currently testing at the plant has water running through it to “see how much sludge the machine would be removing from the water during normal operation.”

Fontienot said that when the old machines are working properly, the plant can handle the average daily intake of 750,000 gallons of sewage. “You have to keep your fingers crossed that nothing breaks,” he said. “If

something does break down, it could take up to six months to get it fixed.” Consequently, the city has been considering buying the new equipment to replace the older machines.

“Some of this equipment in the yard is nearly 50 years old,” he said. “The cost to replace and repair it is getting out of hand.” and because the equipment is so old, finding available parts to repair it is a big problem. “Sometimes a factory has to be reopened to make the part for our equipment,” he said. “It’s not just lying on a shelf somewhere.”

The testing will be taking place through August 29.

Spotlight: MaRS Investment Accelerator Fund

Backed by the Province of Ontario, the Investment Accelerator Fund (“IAF”) is a seed fund that assists emerging Ontario technology companies to bring their products and services to market.

IAF helps accelerate the growth of new technology companies being established in Ontario and positions them for further investment by angels and venture capitalists. The fund invests up to \$500,000 in a round and up to a total of \$1,000,000 for companies that have the potential to be global leaders in the life science, IT and cleantech sectors and provide sustainable economic benefits to Ontario.

IAF provides a platform of resources, including people,

connections and funding that entrepreneurs and innovators can access to launch their new ventures.

The IAF program is managed by MaRS and delivered through the Ontario Network of Excellence (“one”), a collaborative network of organizations across Ontario, designed to help commercialize ideas.

The IAF invests in early stage, privately-held companies with no significant revenue or institutional investment. These companies must demonstrate their potential to achieve high growth and be enabled by truly

innovative technologies that can provide the new venture with sustainable competitive advantage. By assisting these companies to succeed, the IAF is helping to create the high-value jobs that contribute to Ontario’s Innovation Agenda.

Selection for IAF investments is highly competitive and successful companies are subject to rigorous due diligence and a prescribed approval process. Not all eligible applicants are successful. Currently, Peter Polydor, Vice President at SAIL, serves on the Investment Committee for cleantech investments at IAF.





SAIL Capital Partners (www.sailcapital.com) is a leading cleantech investment firm with a global vision of technologies, markets and opportunities. We invest in cleantech companies with proven technologies, visionary leadership, measurable impact and exciting growth potential. We have invested in a number of today's leading cleantech companies including Xtreme Power, Ice Energy, The Cleantech Group, Dow Kokam, Enerpulse, SNTech, FlexEnergy, Paragon Airheater Technologies, M2 Renewables, Clean Technology Solutions, CNS Response and WaterHealth International. SAIL has offices in California, Toronto, New Orleans and Washington D.C. as well as a global network of investors and advisors.



SAIL Capital Partners
3161 Michelson Dr
Suite 750
Irvine, CA 92612

Inquiries and Sources:
Peter Polydor
ppolydor@sailcapital.com
www.sailcapital.com

Sources:

- Inc. Magazine
- MaRS Discovery District
- Greentech Media
- ZD Net
- Bloomberg BusinessWeek
- Bastrop Enterprise
- GreenTech Media

CleanTech OC 2012 Conference & Expo

Tuesday, September 18 | Irvine Hyatt Regency

CleanTech OC 2012 is the third annual conference and expo promoting economic growth and job creation in the Orange County clean technology industry. Our Conference is the premier event in Orange County that brings together entrepreneurs, investors, thought leaders, policy makers, academics, and many others for the purpose of making connections and learning the latest developments in the cleantech industry.



Keynote Speaker: Richard Kauffman
Senior Advisor to the United States Secretary of Energy

Prior to joining the Energy Department, Kauffman served as Chief Executive Officer of Good Energies, Inc., a leading investor in renewable energy and energy efficiency technologies. Richard was also a partner of Goldman Sachs where he chaired the Global Financing Group. Before joining Goldman Sachs, he served as vice chairman of Morgan Stanley's Institutional Securities Business and co-head of its Banking Department. Richard has also served as the chairman of the board of Levi Strauss & Co., as well as on the boards of several nonprofit organizations, including the Brookings Institution and the Foreign Policy Association. Richard is also a member of the Council on Foreign Relations.



Keynote Speaker: Tom Steyer
Senior Managing Partner, Farallon Capital Management

Mr. Steyer is a Senior Managing Member and Co-Managing Partner of the General Partner and the Investment Manager. Mr. Steyer and Mr. Spokes oversee Farallon's investment activities. Since founding the Investment Manager's predecessor in 1986, Mr. Steyer has served as its managing partner. Mr. Steyer is also a managing director of Hellman & Friedman, a San Francisco-based private equity firm. Prior to Farallon's inception, Mr. Steyer was an associate in the risk arbitrage department of Goldman Sachs.



cleantechoc.org | 949.585.2988

Register for CleanTech OC 2012

Tickets are still available!

cleantechoc.org/conference2012

This is an informal newsletter about SAIL and its portfolio companies. It is not an official report and may not be relied upon for any investment purpose. SAIL is not responsible for the accuracy of external source information.