

FOR IMMEDIATE RELEASE

CARBONITE ANNOUNCES C ROUND FINANCING

BOSTON – October 7, 2008 - Carbonite, Inc., a leading provider of online backup services for consumers and small businesses, both direct to consumer and through its partnerships with broadband ISPs around the globe, announced that it has closed its C round financing. The round was led by Performance Equity of Stamford, Conn., with participation of all of Carbonite's existing institutional investors, including Menlo Ventures, 3i, and Common Angels Fund. The round provides Carbonite with approximately \$20 million of new capital, bringing the total raised by the Boston-based company to approximately \$47 million. While the company does not disclose specific terms, the valuation of the C round is a significant step up from prior rounds.

David Friend, Carbonite CEO, said the new cash would be used to expand the company's marketing and broadband partnership programs. Carbonite has been advertising aggressively on national radio talk shows such as Howard Stern, Rush Limbaugh, Bill O'Reilly, and many others. In addition, Carbonite has recently begun shipping Carbonite Online Backup as a pre-installed application on all Packard Bell computers in Europe and on Lenovo's IdeaPad computers around the world. Carbonite reports it has had 28 consecutive months of double-digit month-over-month revenue growth and is now looking to expand and grow more targeted in its cooperative marketing efforts with broadband partners.

Friend said: "Simple, affordable online backup is hot. We continue to stress simplicity, reliability, and value. Our advertising helps us get the word out, and hundreds of thousands of people now pay \$50 a year to subscribe. According to third-party analysts, we are No. 1 in market share. Our C round, led by Performance Equity, will allow us to continue to ramp up our marketing efforts around the world. This should be our last financing before an IPO."

Charles Froland, CEO of Performance Equity, said: "Carbonite is one of those rare companies that has an easy-to-understand product, early leadership in a potentially huge market, a business model that is proven and already working nicely, excellent technology, and a seasoned management team. We buy their vision that most PCs will eventually be backed up online. So we are delighted to have an opportunity to invest. The investment that we and their other institutional investors have made should give the company the fire power to stay ahead of competitors as the market evolves."

About Carbonite

Carbonite launched its Online Backup service in May 2006. Carbonite's industry-first offer of unlimited backup space for a flat low price revolutionized the market for consumer and small business backup services. So far, the company has backed up more than 4 billion files, has restored

more than 300 million lost files for its customers and has a large data center where capacity is measured in petabytes. There are Carbonite users in more than 110 countries.

Represented by OLBEX Solutions in the U.S. broadband market, Carbonite has launched cooperative marketing agreements with broadband ISPs in North America, Europe, and Asia.

Carbonite believes that computer users should not have to think about backup. The company's mission is to provide an affordable, reliable, secure and easy-to-use solution for the mainstream computer user. Carbonite is available to consumers and small businesses through numerous channels, including its corporate Web site, major US retailers and international distributors. For more information, please visit www.carbonite.com.

About Performance Equity

Performance Equity Management is a large and experienced private equity investor with a longstanding history of managing institutional funds.

Performance Equity's dedication to the private equity asset class has enabled the organization to develop a strong track record and a reputation as an industry leader focused on investing in top performing companies over a broad scope of sectors, including a wide variety of later stage venture backed companies.

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