

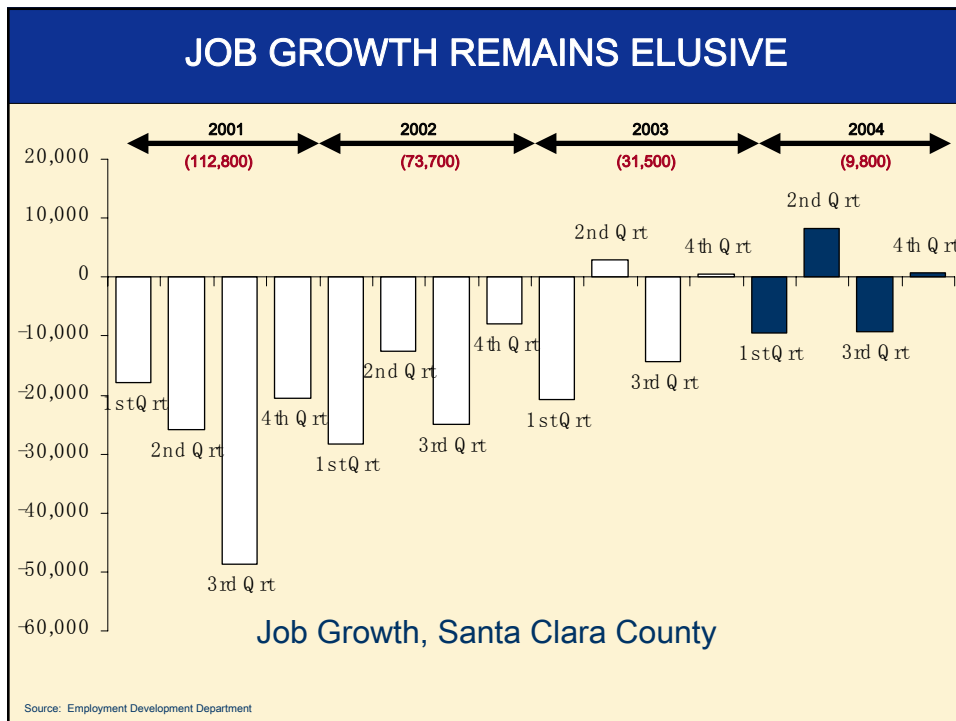
The San Jose Economy

Economic Indicators
February 2005

OVERVIEW

- I. San Jose's Job Base
- II. Regional Indicators
- III. Regional Comparisons

I. San Jose's Job Base



SAN JOSE'S INDUSTRY STRUCTURE

Industry	Employees	Companies	Average Firm Size
Computer & Communications	25,255	87	290
Software	17,398	1,013	17
Semiconductors	13,461	185	73
Innovation Services	11,766	1,470	8
Bioscience	7,765	143	54
Electronic Components	7,186	117	62
Corporate Offices	5,185	82	64
Visitor	5,006	95	53
Total	93,021	3,190	29

Driving Industries are 26% of the San Jose Job Base

Source: EDD Data, 1st and 2nd Quarter 2004

SAN JOSE'S INDUSTRY STRUCTURE

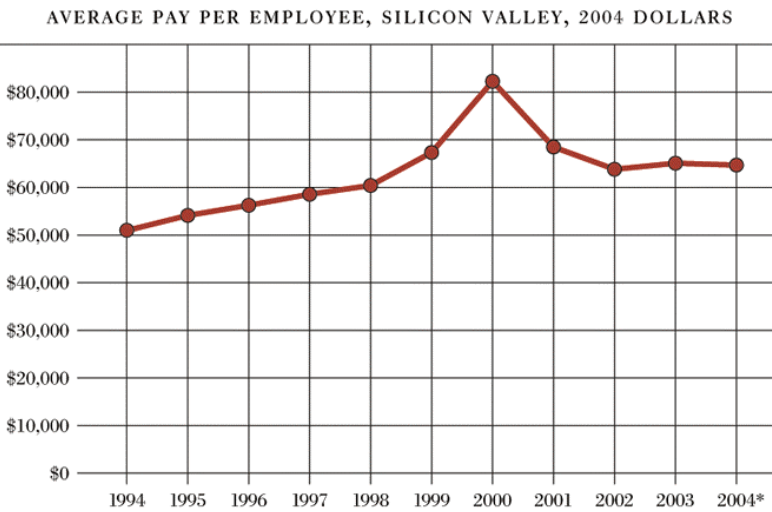
Industry	Employees	Companies	Average Firm Size
Retail/Consumer Services	72,567	5,529	13
Civic	69,975	1,415	49
Business Services	34,349	1,539	22
Building/Construction/Real Estate	23,873	2,479	10
Health Care	19,503	1,508	13
Transportation/Distribution	18,950	1,134	17
Financial Services	8,836	933	9
Industrial Supplies and Services	7,234	404	18
Miscellaneous Manufacturing	4,148	305	14
Creative Services	3,137	444	7
Other	682	74	72
Totals	263,252	15,761	17

Business/People Support Industry are 74% of the San Jose Job Base

Source: EDD Data, 1st and 2nd Quarter 2004

II. Regional Indicators

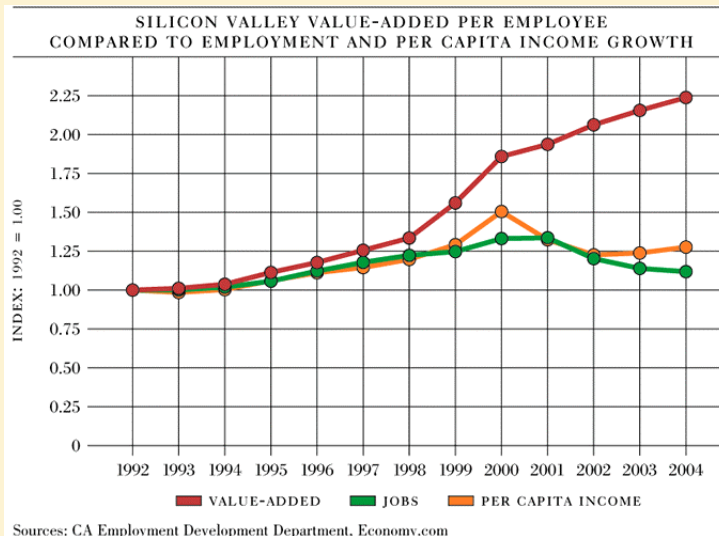
AVERAGE PAY RETURNS TO 1999 LEVELS



Source: California Employment Development Department
*Estimate based upon Q1 and Q2 data for 2004

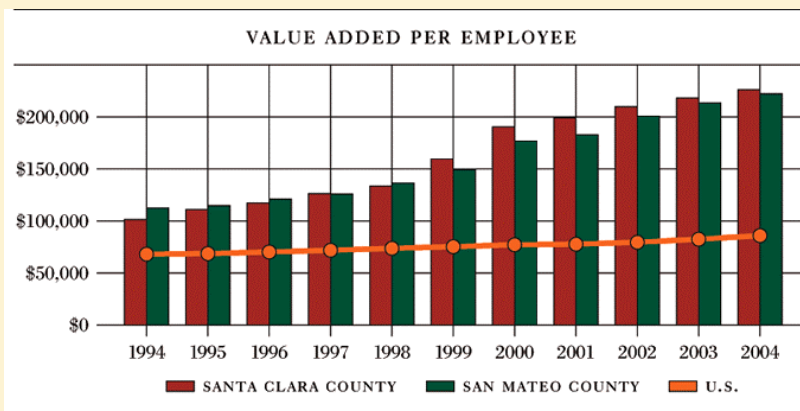
Source: Joint Venture Index 2005

PRODUCTIVITY RISES, WHILE JOB GROWTH SLOWS



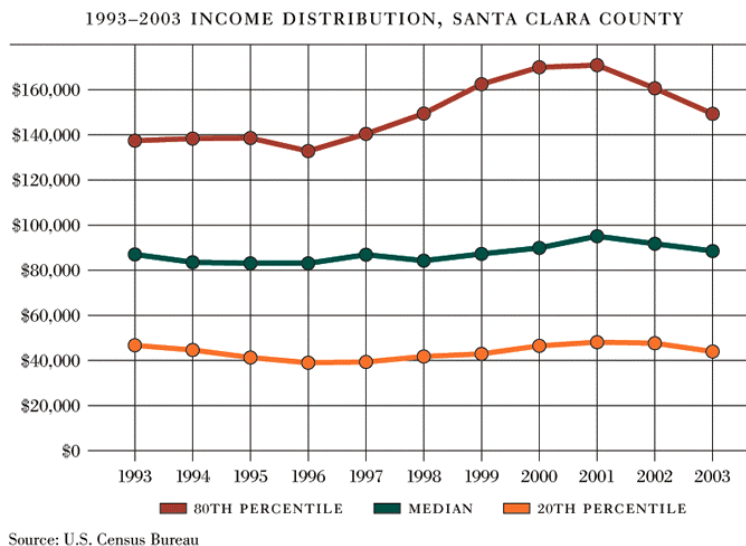
Source: Joint Venture Index 2005

PRODUCTIVITY RISES TO 2.5 TIMES THE NATIONAL AVERAGE



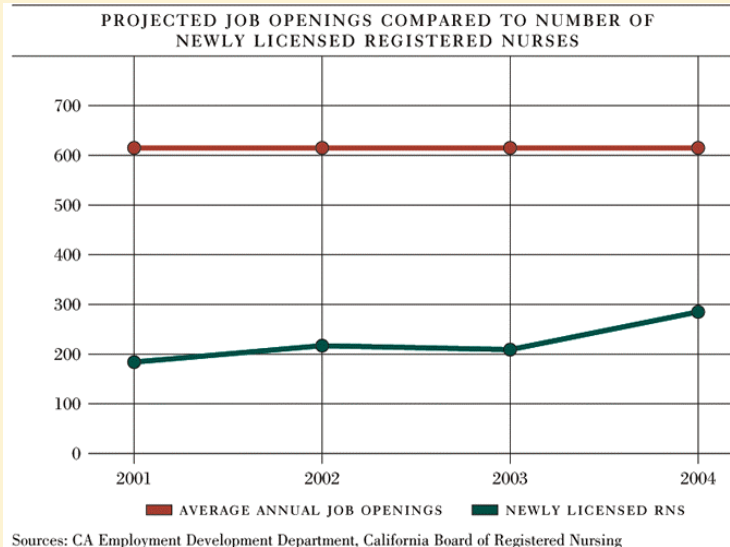
Source: Joint Venture Index 2005

HOUSEHOLDS INCOME FALLS FOR ALL GROUPS, LOWEST INCOME FALLS FASTEST



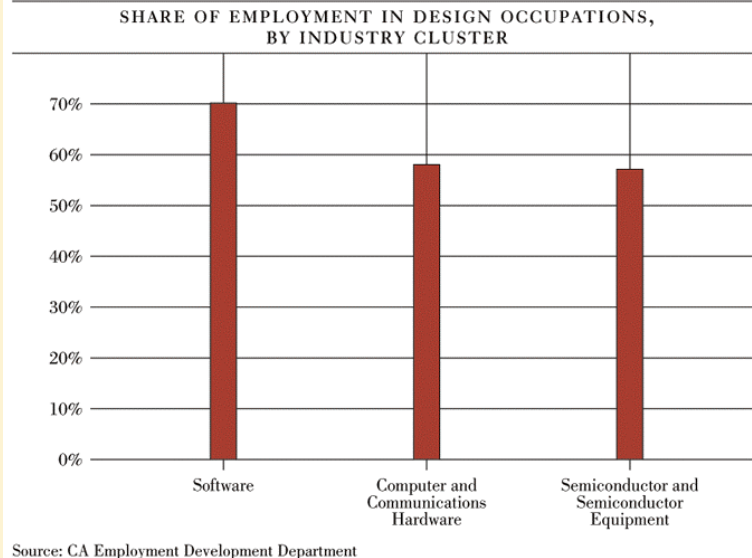
Source: Joint Venture Index 2005

REGISTERED NURSES IN DEMAND...



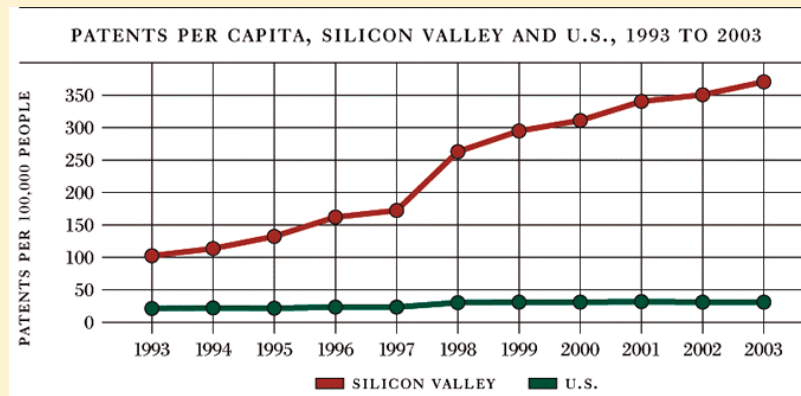
Source: Joint Venture Index 2005

ALSO, DESIGN OCCUPATIONS ARE IN DEMAND



Source: Joint Venture Index 2005

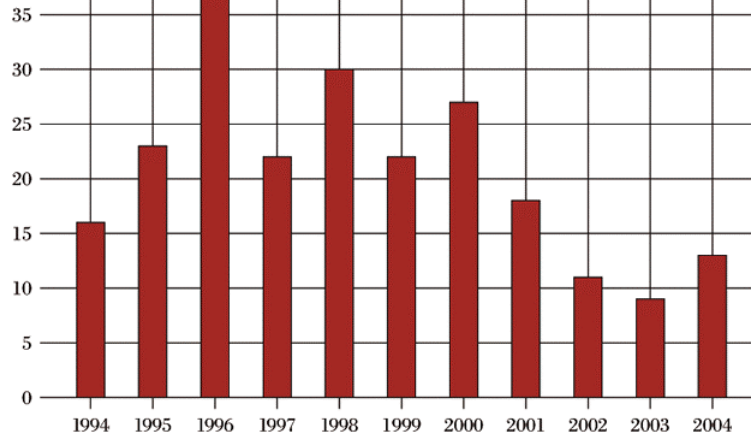
PATENT GENERATION INCREASES 6% ANNUALLY



Source: Joint Venture Index 2005

FAST GROWING COMPANIES RISE FOR THE FIRST TIME SINCE 2000

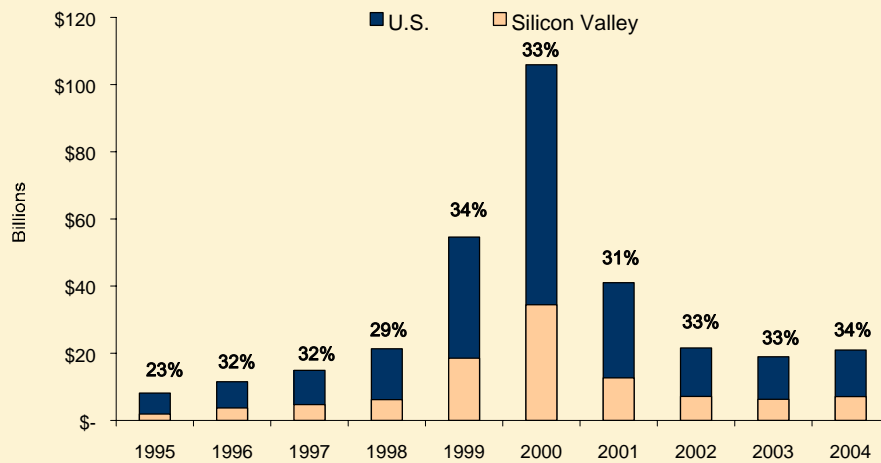
NUMBER OF PUBLICLY TRADED GAZELLE FIRMS IN SILICON VALLEY



Source: Standard & Poor's

Source: Joint Venture Index 2005

SILICON VALLEY CONTINUES TO RECEIVE 1/3 OF ALL VENTURE FUNDING



Venture Capital Investment

Source: PricewaterhouseCoopers/Venture Economics/National Venture Capital Association MoneyTree™ Survey, 4th Quarter 2004

III. Regional Comparisons

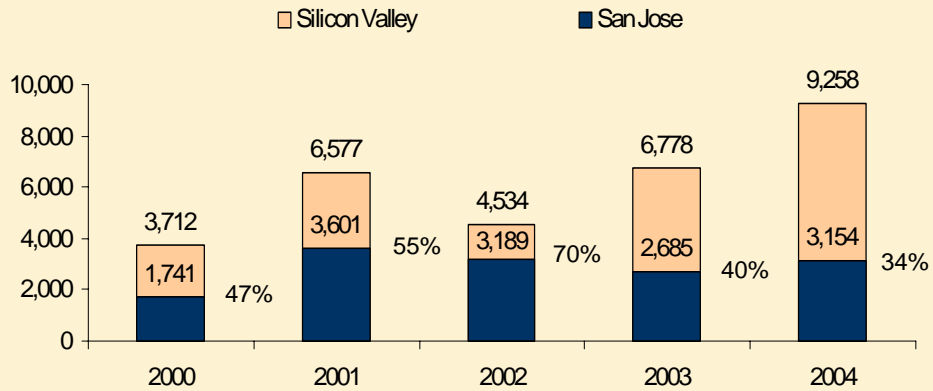
SAN JOSE HAS SMALL SHARE OF NEW VENTURE-BACKED COMPANIES

	San Jose	Silicon Valley
4 th Quarter 2004	12 (5%)	219
3 rd Quarter 2004	20 (11%)	179
2 nd Quarter 2004	24 (10%)	230
1 st Quarter 2004	8 (4%)	193
4 th Quarter 2003	16 (8%)	213

San Jose has 31% of Silicon Valley jobs
and 39% of residents

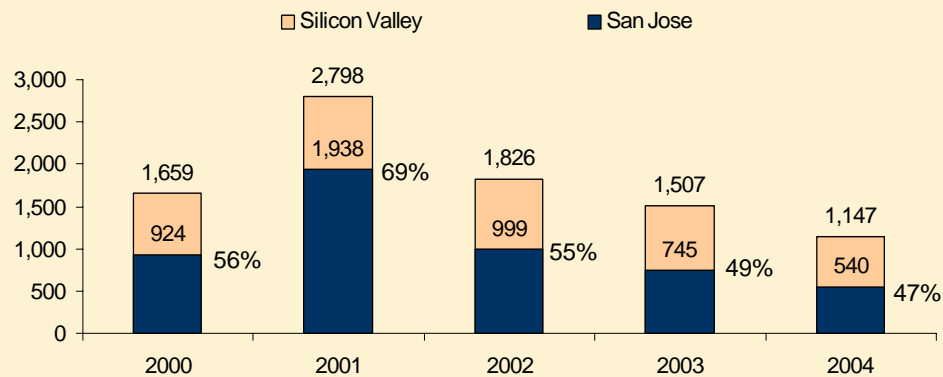
Source: Mercury News, SiliconValley.com

SAN JOSE'S SHARE OF NEW SILICON VALLEY HOUSING FALLS



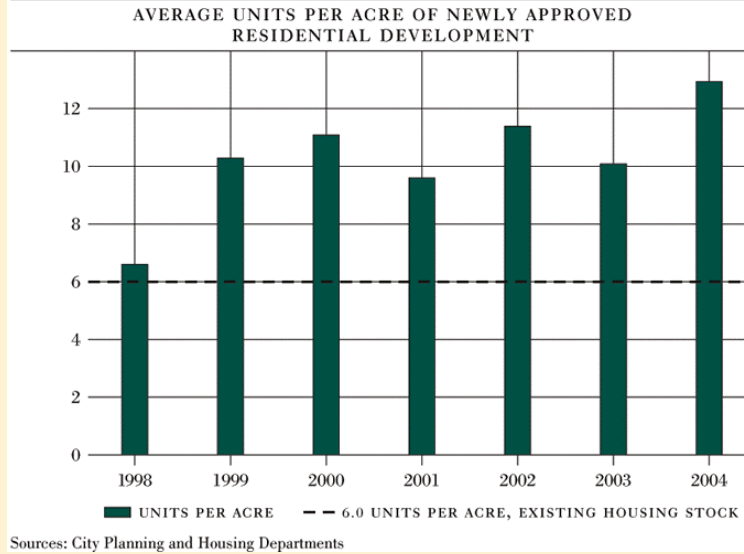
Source: Joint Venture Silicon Valley

SAN JOSE APPROVED 47% OF SILICON VALLEY'S AFFORDABLE HOUSING IN 2004



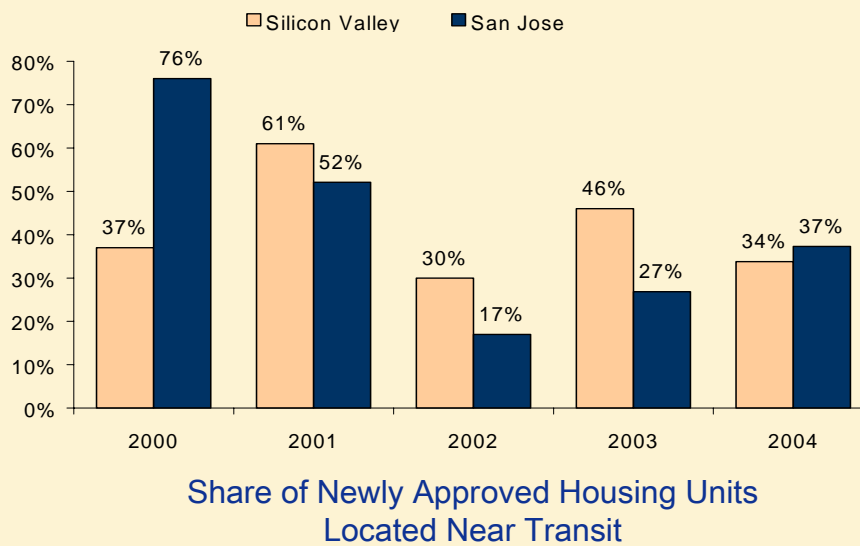
Source: Joint Venture Silicon Valley

LAND USE EFFICIENCY REACHES NEW HIGH



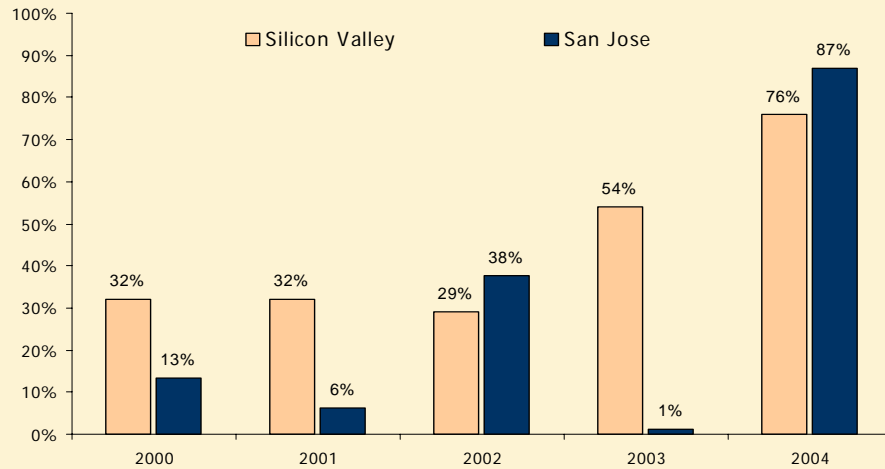
Source: Joint Venture Silicon Valley

37% OF NEW SAN JOSE HOUSING IS TRANSIT ORIENTED



Source: Joint Venture Silicon Valley 2005

SAN JOSE'S NEW WORKPLACES ARE TRANSIT ORIENTED



Share of Newly Approved Commercial/Industrial Development Located Near Transit

Source: Joint Venture Silicon Valley 2005