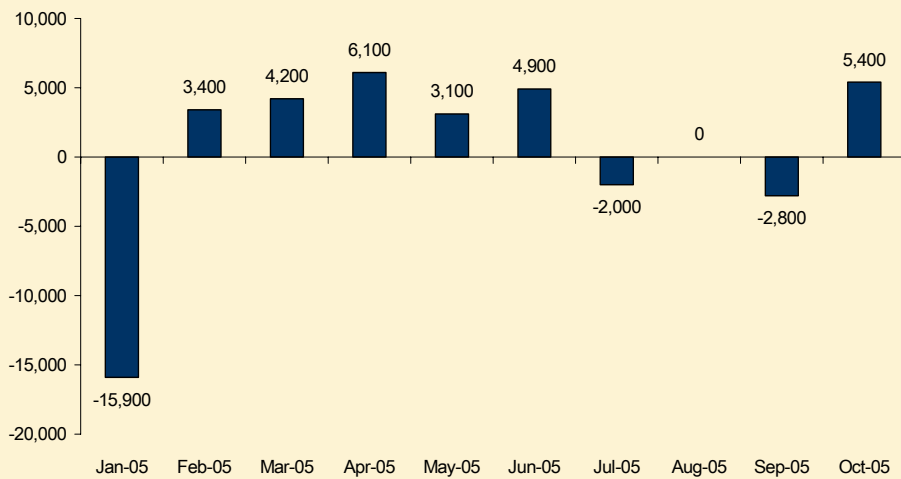


Economic Indicators

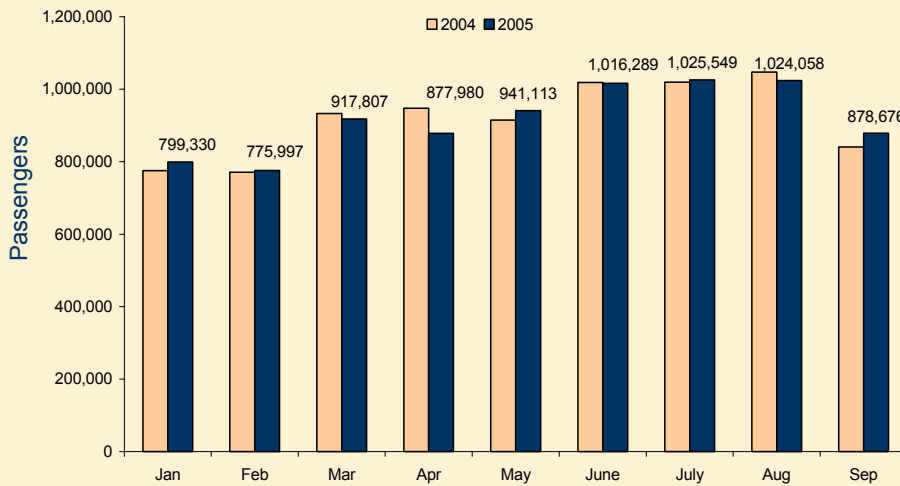
Office of Economic Development
November 28, 2005

6,400 NEW JOBS SO FAR IN 2005



Job Loss/Gain in San Jose MSA (Jan-October 05)

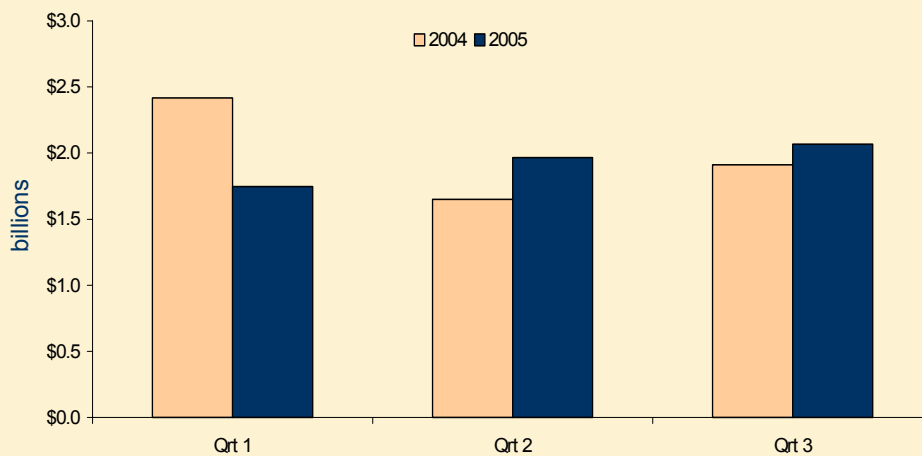
SEPTEMBER EXPERIENCES A 4.5% JUMP



Passenger Traffic, Mineta San Jose International Airport

Source: Mineta San Jose International Airport, Calendar Year

2ND AND 3RD QUARTERS IMPROVED OVER 2004, TOTAL VENTURE CAPITAL REMAINS FLAT FOR 2005



Venture Capital Investment

Source: PricewaterhouseCoopers/Venture Economics/National Venture Capital Association MoneyTree™ Survey, 3rd Quarter 2005

15 SJ COMPANIES GET VENTURE FUNDING IN Q3

	San Jose	Silicon Valley
3 rd Quarter 2005	15 (3%)	219
2 nd Quarter 2005	17 (10%)	217
1 st Quarter 2005	15 (7%)	204
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

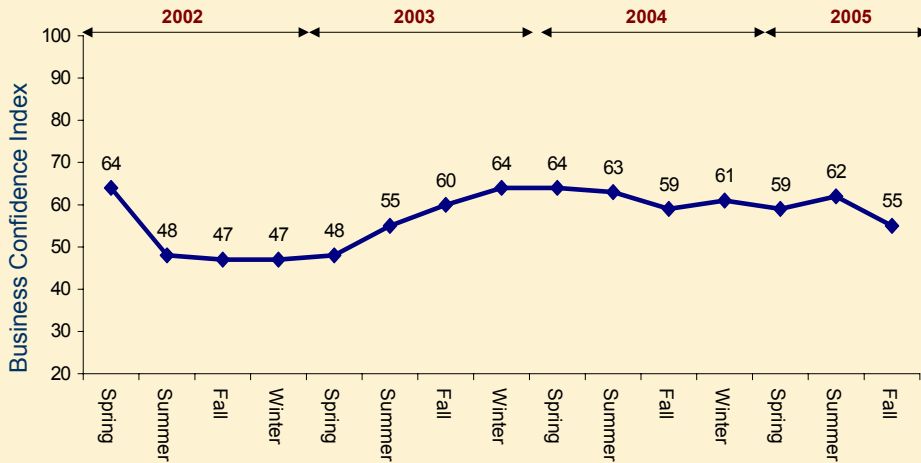
Source: Mercury News, SiliconValley.com

SAN JOSE VENTURE COMPANIES Q3

Company Name	Sector	Employment Sub-Areas
Acumen Medical	Biotechnology	-
NanoNexus	Semiconductors	NSJ 4 (Between N 1 st , 880, up to Trimble)
Apexon	Software	NSJ 4 (Between N 1 st , 880, up to Trimble)
Caymas Systems	Software	(Stevens Creek Blvd)
eBots	Software	(Saratoga Avenue)
Eternal Systems	Software	NSJ 4 (Between N 1 st , 880, up to Trimble)
Fujin Entertainment	Software	(South Winchester Blvd)
Octasoft	Software	NSJ 6 (Triangle of 101, 87, 880)
PlayPhone	Software	(Stevens Creek Blvd)
Roamware	Software	(Tisch Way)
Xactly	Software	Central SJ 1
Bay MicroSystems	Telecommunications	NSJ 6 (Triangle of 101, 87, 880)
Capella Photonics	Telecommunications	Edenvale 1
Discera	Telecommunications	NSJ 5 (Between 880, 680, down to Berryessa)
LGC Wireless	Telecommunications	NSJ 4 (Between N 1 st , 880, up to Trimble)

Source: Mercury News, SiliconValley.com

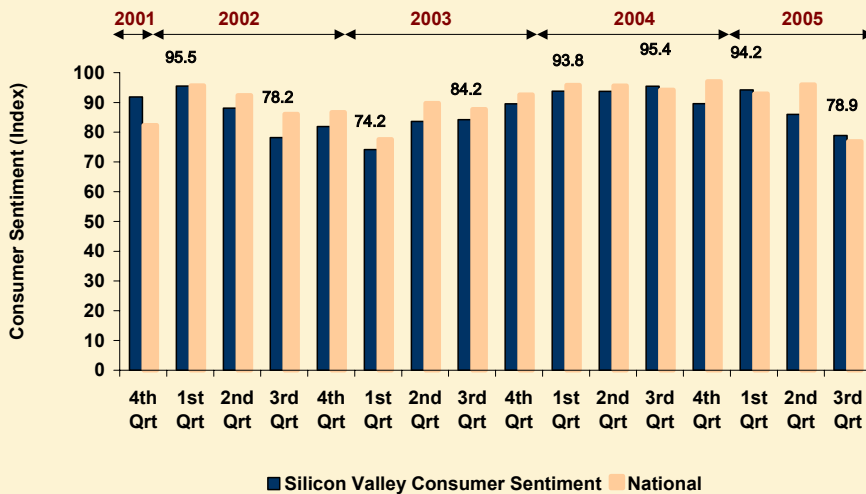
CONFIDENCE IN LOCAL ECONOMY FALLS TO WORST LEVEL IN 33 MONTHS



Bay Area Executives: Current and Future Expectations of the Economy

Source: Bay Area Council

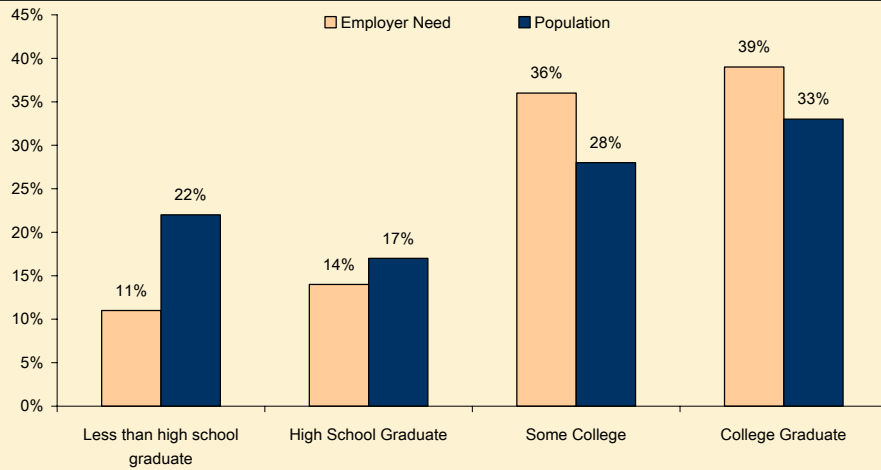
LOCAL CONSUMER CONFIDENCE IS FALLING



Silicon Valley Residents: Current and Future Expectations about the Economy

Source: SPRI, San Jose State University

A SHORTAGE OF EDUCATED WORKERS WILL EXIST IN 2020



**75% OF CA JOBS WILL REQUIRE SOME COLLEGE EDUCATION,
ONLY 61% OF THE LABOR FORCE WILL MEET THAT NEED**

Source: PPIC, CA 2025