

VECTOR CAPITAL COMPLETES ACQUISITION OF RAE SYSTEMS, INC.

SAN FRANCISCO — June 16, 2011 — Vector Capital, a global private equity firm specializing in the technology sector, announced it has completed its acquisition of RAE Systems, Inc. in a take-private transaction valued at approximately \$138 million. In connection with the transaction, Vector partnered with CITIC Capital Partners, a leading China based private equity firm.

RAE Systems, founded in 1991, is a leading provider of rapidly deployable connected, intelligent gas detection systems that enable real-time safety and security threat detection. With over 70,000 customers and 250 channel partners, RAE is a leader in delivering innovative sensor solutions to serve industrial, energy, environmental, and government safety markets worldwide. The Company sells products in 95 countries with a strong presence across North America, Asia and Europe.

Commenting on Vector's investment in RAE Systems, David Fishman, a Partner at Vector Capital who will join RAE Systems' Board of Directors, said: "We are extremely excited to partner with RAE Systems. RAE's solid technology foundation, featuring a suite of highly differentiated chemical and radiation detection systems, is a strong addition to the Vector investment portfolio. With Vector's expertise, we believe RAE will further define itself as a leading player in the mission critical industrial safety and security markets globally."

"Vector shares RAE's vision to develop and market advanced intelligent, connected, wireless gas and radiation detection solutions," continued Andy Fishman, a Principal at Vector Capital who will also join RAE Systems' Board. "We believe this shared vision coupled with RAE's well-developed customer relationships and talented employee base will enable the company to continue to provide superior products and service to its customers worldwide."

"We are delighted to be working with Vector Capital," said Robert Chen, co-founder, president and chief executive officer of RAE Systems. "The founding team felt strongly that Vector was by far the best partner for RAE. We believe Vector and CITIC Capital Partners have the global capabilities, technology expertise and financial resources that will further our shared long-term vision and to further expand the worldwide customer base for our products."

"Our investment strategy is to make investments in companies that we believe have growth opportunities in China," said Brian Doyle, Managing Partner at CITIC Capital Partners. "We create value for our portfolio companies by leveraging our unique China value-add capabilities and network. We believe our co-investment in RAE Systems directly complements our strategy and we are excited to work with Vector to help RAE strengthen its sales, R&D and manufacturing expertise in China."

About RAE Systems

RAE Systems is a leading global provider of rapidly deployable connected, intelligent gas detection systems that enable real-time safety and security threat detection. RAE Systems products are used in more than 95 countries by many of the world's leading corporations and government agencies. RAE Systems offers a full line of wirelessly

enabled solutions including personal, hand-held, and transportable, designed to meet the needs of any usage scenario. Applications include energy production, refining, industrial and environmental safety, public venue safety, and government first responder markets. For more information about RAE Systems, please visit raesystems.com.

About Vector Capital

With over \$2 billion of capital, Vector Capital is a leading global private equity firm specializing in spinouts, buyouts and recapitalizations of established technology businesses. Vector identifies and pursues these complex investments in both the private and public markets. Vector actively partners with management teams to devise and execute new financial and business strategies that materially improve the competitive standing of these businesses and enhance their value for employees, customers and shareholders. Among Vector's notable investments are Aladdin Knowledge Systems, Certara, Corel, LANDesk, Precise Software, Printronix, Register.com, SafeNet, Savi Technology, Trafficmaster, WatchGuard Technologies, and WinZip. For more information, visit www.vectorcapital.com.

About CITIC Capital Partners

CITIC Capital Partners (CCP) is the private equity arm of CITIC Capital Holdings Limited (CITIC Capital), an alternative investment management and advisory company primarily based in China. CCP has more than \$2.2 billion under management and invests globally in companies which are capitalizing upon the growth and productive resources of the Chinese economy through its China, Japan and the U.S. offices. Together with its Real Estate, Structured Investment & Finance and Asset Management businesses, CITIC Capital manages over \$3.8 billion of capital from a diverse group of international and domestic investors. For more information, please visit www.citiccapital.com.