

FOR IMMEDIATE RELEASE

Arizona Bay Sells GRID Interest To Ditech Networks

(SAN FRANCISCO, CA) February, 26 2010 -- Arizona Bay, a leading venture capital and application development firm, announced today that it has fully sold its interest in GRID, a developers' platform for wholesale voice and data services to Ditech Networks (NASDAQ: DITC), a global leader in mobile voice processing applications.

The GRID platform provides developers with wholesale voice and data services, as well as tools through simple and fully featured API's. GRID's services and tools enable developers to quickly build and integrate components into their overall applications with zero friction. The services offered through the Grid API are VOIP (Termination, DID), SMS, Info Services (ip lookup), Voice Recognition, Email, Billing, Location Based Services, and Advertising. GRID was built to provide developers the same simplicity of Amazon EC2, a scalable & fair priced solution with no contracts to negotiate or sales reps to deal with.

"Arizona Bay backed GRID knowing that its' business concept would be highly attractive to big telecom players," said David Graham, managing partner of Arizona Bay."Ditech Networks expressed early interest in the GRID platform and we are certain as the new owners of GRID, they will continue to build its' success."

About Arizona Bay

Founded in 2000, Arizona Bay builds and funds information technology applications for the inventor community. Based in San Francisco, California, the innovation capital firm combines investment capital and technology development expertise to help companies and entrepreneurs develop effective, revenue producing products that maximize market share. Arizona Bay offers a one-stop shop for product development by providing strategic guidance, venture funding, software design, and rigorous market-testing. Arizona Bay rapidly commercializes technology driven business ideas that transform the distribution, management and monetization of ecommerce and software applications. The firm has a proven track record of identifying concepts and products and actively building them into market-leading products and companies.

About Ditech Networks

Ditech Networks is revolutionizing modern communications with advanced voice processing solutions that perform tasks spanning from voice-enabled Web 2.0 and unified communications services to network and speech enhancement. Ditech believes in the power and simplicity of human speech; its technology is being designed to deliver compelling voice capabilities to new communications methods like social networking and text messaging, allowing consumers to use voice in ways that make sense in today's Web 2.0-savvy world.

Leveraging over 15 years of deployments with communications providers around the world, Ditech offers unique, effective products and services that put the subscriber's experience first, assisting carriers with revenue generation, service differentiation, network expansion and call capacity. Ditech's customers include Verizon, Sprint/Nextel, Orascom Telecom, AT&T, China Unicom, Global Crossing and West Corporation. Ditech Networks is headquartered in Mountain View, California. For more information, visit www.ditechnetworks.com.

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