



AV Fund I
Financial Report
For the Quarter Ending
September 30, 2001

November 15, 2001

Dear Artemis Ventures Investors and Advisors:

Enclosed are the unaudited financials for the Artemis Ventures ("AV") Fund, LP for the quarter ending September 30, 2001. Also attached you will find summaries of our portfolio companies.

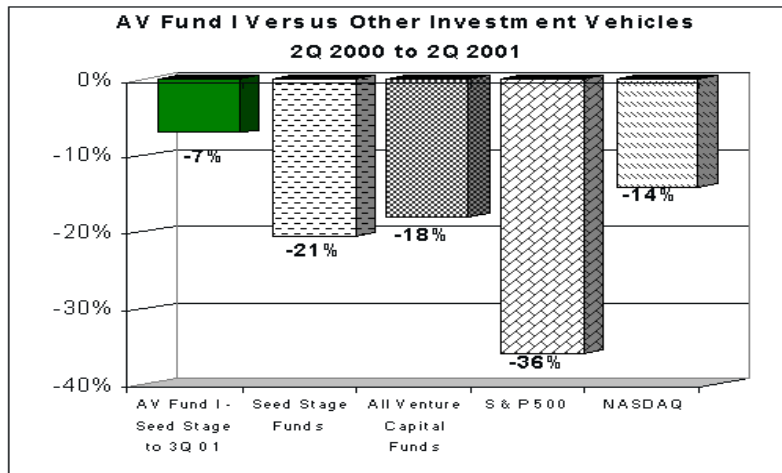
This quarter we are launching our new investor letter format. This format includes shorter, more concise company status, as well as more information on possible futures for our portfolio companies. Our two focus areas are to: 1) help each portfolio company develop a path to profitability, and 2) help each portfolio company secure sufficient financing to reach profitability. In some cases it is more appropriate to seek an acquirer as opposed to financing.

AV Fund I Statistics

Since inception through 3Q01, AV has invested in 8 portfolio companies totaling \$17,684,679. The Current Value¹ of the Fund is \$16,421,521. Thus AV Fund I is currently valued at -7% since fund inception. We have allocated the remainder of the Fund for follow-on investments and management fees over the life of the Fund. The Fund is fully committed.

The decrease in Fund performance this past quarter was due to two events: (1) This quarter we have written off the entire cost of Eletter; and (2) Again Technologies suffered a "down" round. The Eletter asset sale is now complete, and we have not received any proceeds from the sale. In addition, Again Technologies' most recent financing was at a lower price per share than the previous financing, and thus the value of our Again Technologies shares have decreased by 34%. That said, we see a bright future for Again Tech as both the executive team and Board of Directors have been replaced with more seasoned and accomplished individuals. In this environment where companies are struggling to survive and "lucky" to get a term sheet, we feel fortunate that another one of our companies has raised additional financing. In fact, four Artemis companies received outside financing in the past six months, including: Taviz (Series B), Again Technologies (Series C), Viewcentral (additional bridge financing), and Voice Access Technologies (additional bridge financing). This continued support by financiers outside of Artemis is evidence of third party validation of our portfolio.

Please note the relative performance of AV Fund I in the chart below. This chart reflects the relative performance of the following investment vehicles for the period 2Q00 – 2Q01. In order to depict a conservative and accurate picture of fund performance, the AV Fund I results are from 2Q00 - 3Q01 (where returns are even lower than the period 2Q00 – 2Q01). In addition, venture capital industry data are always a quarter behind, thus we have only relevant data up to 2Q01. As you can see from the chart below, AV Fund I is still outperforming other asset classes for the previous 12 months, taking into account that the past year has been one of the worst years ever for investment.



Source: Venture Economics

¹ The "Current Value" includes the cost value of the investments plus unrealized gain, if any, based on the portfolio company's most recent round of third-party financing. Do bear in mind that the current value will both increase and decrease. Seed stage investing is a long-term strategy and the end game is what is most relevant. This "end game" can be 7-10 years out. Historically, seed stage investing has reaped the highest returns (approximately 30% annualized) of any asset class over the past 30 years according to Venture Economics.

AV Fund I Investment Activity

- In July and September 2001, respectively, we invested \$100,000 and \$40,000 in View Central's (www.viewcentral.com) Series C bridge round. Note that this round will be considered Series B once the previous angel investor rounds are combined into the Series A. Please refer to the attached write-up for details on this investment.
- In August 2001, we invested \$100,000 in Ampent's (www.ampent.com) Series B bridge round. Please refer to the attached write-up for details on this investment.
- In August 2001, we invested \$200,000 in Again Technologies' (www.againtech.com) Series C. Please refer to the attached write-up for details on this investment.

AV Fund I Portfolio Company Mentions

The third quarter was a quarter of change, both in the USA as well as in our portfolio. With the challenging economic climate continuing and America waging war, our portfolio companies have become more conservative than ever. Results of this "dual impact" include reduced monthly burn rates, reduction in staff, and executive replacements. Our portfolio companies are run with minimum cash burn and maximum efficiency. The majority of our companies do not expect to raise additional capital. They will become profitable on the financing they have.

That said, we see five of our companies making solid progress. Again has cash through 2002 and has a new high performance executive team, Clairvoyant has cash through August 2002 and is seeking a strategic acquirer, Taviz is completing a financing which will provide cash through 2002 and has strong sales, Toolwire has cash through September 2003 and is launching an expanded product line, View Central is raising \$1.5 million to provide cash through 2002 and has strong sales.

The companies that concern us are Ampent, which has been unable to secure financing and thus is urgently pursuing an acquirer, and Voice Access, which has cash through the Spring and is pursuing both a financing and an acquirer – whichever comes first. One or both of these companies will cease operations if they do not receive financing or are acquired.

The net-net is we expect our portfolio to follow the venture capital pattern: 1/3 of companies fail, 1/3 of companies do fairly well, 1/3 of companies succeed.

AV Observations and Comments

We've discussed trends in the past few quarterly letters. This time we're interested in making things work. Consider the spectacular amount of software that has been purchased since Y2K budget allocations freed up at the end of June 2000. Over the past 17 months, billions of dollars have been spent on separate, discreet applications and infrastructure. But the problems we've had over the past 20 years of corporate computing prevail: we cannot get systems to "talk" to one another and share data, we don't get sufficient reuse of software components, we cannot "tear off and package" our favorite functionality of a huge software application like Siebel, Peoplesoft or Oracle. We have to buy the whole product and tolerate the 9-18 months required to configure and deploy the system. Unacceptable!

Web services have the potential to solve some of these problems. We see three primary applications of web services: 1) integration of applications, data, content, and business processes, the creation and 2) packaging of reusable software components, and 3) the management of diverse multi-vendor software components across the enterprise (within and without the firewall). Taviz is a web services company of the first category. Many of our portfolio companies will be utilizing web services software or "packaging" some of their functionality to be accessible as a web service. Stay tuned. Now that Sun Microsystems, Microsoft, and IBM have announced their support of web services this area will take off.

AV Team News

We are recruiting 1-2 Venture Partners and 1 Managing Director. We have many strong candidates and plan to announce new team members in 1Q02.

A.V. University

We've been remiss in discussing Artemis Ventures University. Several of our Advisors thought you might want to know more about it. A.V. University is a seminar series, which we hold 4-6 times per year. Subject matter experts from our extended network teach the sessions which are 2-3 hours in length. Topics this year have been:

- Engineering Seminar ("How to build robust systems on time and under budget" taught by Sanjiva Nath) – January 2001
- Accounting for Startups ("How and what to set up when starting from scratch" taught by Kranz and Associates) -- February 2001
- Intellectual Property and Patent Strategy Seminar (taught by John Goodrich of Wilson Sonsini Goodrich Rosati) – May 2001
- ROI Models , Sales Lead Generation and Qualification (taught by Jack Keen of Deciding Factor, Judy Rhodes of Pinpoint Marketing, and Stu Silverman of SalesRamp) – October 2001

Our network of subject matter experts now exceeds 250 companies and consultants. The private portfolio company section of our web site is under password protection. To access the portfolio resources section, select the Resources/Portfolio menu on the left side of the AV site home page (www.artemisventures.com). When prompted, enter:

Username: artemis
Password: avresources

Investor Section on Website

Just a reminder to access our password-protected Investor Relations page on the AV website. Below is a list of the information that can be found on the site.

- 2001 Annual Investors Meeting Binder - a complete PDF file for viewing or downloading.
- Quarterly Investor Letters
- Updates on the current status for the Portfolio Companies.
- FAQ (frequently asked questions)
- Differences Between AV Fund I & AV Fund II Partnership Agreements
- AV Team Contact Information

To access the Investor Section, click on the Investor Relations link on the top right hand corner of the AV site home page (www.artemisventures.com). Then click on the AV Fund I link and enter:

Username: avinvestor
Password: relations

Let us know if there is any other info you'd like for us to post there.

AV Fund II

We are in the process of applying for an SBIC (Small Business Investment Corporation) license through the Small Business Administration. We have completed the first of four stages. If granted, the SBA matches the amount of private capital we raise 2:1. Further, the SBA caps the upside on the capital they commit. For instance, if Fund II were to return 21% net of management fees, the actual return to AV Fund II Limited Partners would be 35%. Because the SBA doesn't take all the profits allocated to them, our investors get 80% of the money the SBA leaves

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in the Fund and thus a greater overall return. Many venture capital firms have scaled using the SBA program, so we are fortunate to have several mentors in this area.

Our next close of Fund II is in December. Please let us know if you'd like any additional information on Fund II or if you need a subscription agreement.

Thank you for your confidence and trust,

A handwritten signature in black ink, appearing to read 'Christine Comaford Lynch', with a stylized, cursive script.

Christine Comaford Lynch
Managing Director

AV FUND I PORTFOLIO COMPANY 3Q01 STATUS



Amount Invested/AV Fund I Ownership - \$2.1M / 4.1%

3Q01 Update: As expected per our last quarterly update, the Company successfully closed an additional \$15M in Series C funding, co-led by Palomar Ventures and Interwest Partners. The Company also restructured its management team by bringing on Jeff Carr as the new CEO, as well as revamping its executive sales, marketing, technology, and operations leadership. Carr has a proven track record in successfully developing companies and will drive the Company's aggressive plans for continued corporate growth and expansion in the Enterprise Incentive Management ("EIM") space. Carr was formerly President of RightWorks Corporation where he oversaw worldwide operations and helped build the company into one of the top global players in the business-to-business applications sector alongside Commerce One and Ariba. Before joining RightWorks, Carr spent ten years with PeopleSoft, starting as a regional director within its sales organization before moving into senior management roles in the company's manufacturing and federal government business units. The Company also recruited SVP Sales Don Udoutch (previously ran all sales and delivery operations throughout the Americas as SVP and GM for Commerce One); SVP Customer Services George Sui (previously VP of Worldwide Services at RightWorks, where he was charged with doubling the number of referenceable customers); VP of Direct and Field Marketing Tami Mandeville (formerly served as Senior Director of marketing programs for Commerce One, where she was responsible for the company's lead generation efforts); VP of Corporate Communications Kit Robinson (previously served as Senior Director of corporate communications at Commerce One); General Counsel Robert Finnell (former Vice President, General Counsel and Corporate Secretary for Ventaso, Inc.); and promoted Ashok L. Kumar to SVP of Engineering and CTO. On a final note, the Company will release CompSense 8.0 in 4Q01, which has been dubbed internally as the "killer application," which will include sales incentive comp, variable and executive comp, channel incentive comp, supplier incentive comp, customer incentive comp, global comp intelligence and analysis. Several beta customers have already signed up for release 8.0, including Alaris, Clorox, Merant, Playboy, and GE Capital.

Amount Invested/AV Fund I Ownership - \$1.8M / 10.9%



3Q01 Update: The Company was hit particularly hard in the recent economic downturn as they saw the demand for small ticket leasing decrease dramatically. For those companies able to barely survive, many more start-ups and companies were busy auctioning off equipment for pennies on the dollar, thereby flooding the marketplace with equipment at deep discounts (and rendering leasing options unnecessary). In response to the uncertain economic environment, the Company restructured its organization and implemented a cost reduction plan. The Company is currently in active acquisition discussions with several financial services institutions to integrate its small ticket leasing platform into a more broad leasing solution. If the company is unable to secure an acquirer by February 2002, it will cease operations. The company has cash through February 2002.

Amount Invested/AV Fund I Ownership – \$1.8M / 10.5%



3Q01 Update: Clairvoyant continues to build out its sales effort by bundling its software with CommWorks Corporation. A new service offering from CommWorks, an industry leader in delivering Internet Protocol (IP) based networks, is helping service providers better understand the subscriber usage of their networks and proactively plan for future capacity upgrades and reallocations well in advance of customer demand. Clairvoyant Software provides an essential component for CommWorks' Resource Optimization Service. Clairvoyant's ForeCast Manager helps to identify potential purchasing requirements by highlighting network resources that are at high risk of saturation within 90-, 180- and 360-day intervals. In related efforts to boost sales, Clairvoyant implemented its "Clairvoyant Challenge," and is offering to Fortune 500 IT managers its capacity forecasting system, ForeCast™ Manager, on a 30 day, no cost basis. If ForeCast Manager does not identify savings of at least 3 times its price, the enterprise keeps the system for free. This revamped sales effort led to the closing of key account Sun Microsystems with an initial six digit contract and three more under review; other key customers signed this quarter include CACI, DMS-UK, Profit Recovery, Quest, and Verizon. The Company is targeting

\$500K in sales for 2001 as well continuing the partnering process with several potential strategic acquirers. Finally, the Company released ForeCast rev. 2.3, which will include procurement reports, budget planning reports, and other key managerial decision-making reports.



Amount Invested/AV Fund I Ownership – \$2.7M / 9.3%

3Q01 Update: Taviz continues to steamroll along this quarter, and has received two additional term sheets for its second close of Series B \$7M round of financing.

Details of this financing will be released in 4Q01 when the financing is expected to close. The company has established significant relationships with Microsoft, IBM Professional Services, Accenture, Deloitte Consulting and CSC. These joint sales agreements have resulted in multi-year, multi-million dollar recurring revenue streams. In particular, the Company announced the release of the Taviz Adapter Offering for Microsoft BizTalk Server 2000. The Taviz Adapter Offering for BizTalk Server seamlessly integrates Taviz's unique Intelligent Adapter Technology with Microsoft BizTalk Server, offering enterprise customers and system integrators a total application integration package. Taviz also announced its participation in the Microsoft BizTalk Server Partner Program. With this strategic relationship, Taviz's unique Intelligent Adapter Technology is seamlessly integrated with Microsoft BizTalk Server 2000, a robust integration infrastructure based on XML and SOAP that allows companies to easily orchestrate XML Web services and rapidly build dynamic business processes that span applications, platforms and businesses. By adding application level business intelligence, Taviz enables the exchange of validated business data between BizTalk Server and other enterprise applications through flexible and customizable intelligent adapters. Enterprise companies can then rapidly integrate all types of databases, legacy systems, proprietary/vertical applications and leading ERP, Supply Chain, CRM and e-business applications. The Company is already reaping benefits from this partnership as they are currently working on 12 deals with Microsoft.



Amount Invested/AV Fund I Ownership – \$2.25M / 9.1%

3Q01 Update: The Company is in the process of researching ways to increase its Total Addressable Market and expand its management team. In the recent quarter, Toolwire continues to define its product strategy and move horizontally by running complex applications over the Internet in order to facilitate demo, evaluation, and technical support. Using Toolwire-enabled applications, training, sales, and customer support organizations can interact directly with customers and prospects; sales professionals can easily provide product evaluations to prospective customers; technical support representatives can diagnose and fix remote customer application problems; and training personnel can train students using a centrally managed computing resource. In order to facilitate this new strategy, the Company is actively seeking acquisition candidates which can expedite its time to market. Several candidates are under discussion and an agreement may be reached sometime in 4Q01. Xilinx, Altera and Synplicity are in trial and the Company expects a major purchase from one of them in 4Q01 as well. For example, Xilinx has required all 3rd party training facilities to be Toolwire compliant, including connected desktops, browsers, and fractional T1 lines. Moreover, Xilinx has committed to its class schedule using Toolwire as the standard platform, beginning in 4Q01.



Amount Invested/AV Fund I Ownership – \$2.5M / 12.6%

3Q01 Update: 77% of all corporate training today for employees, customers, partners, and vendors is instructor-led. However, the demand for eLearning will be growing at 83% annually in the next coming years as training will increasingly be held via a “networked” classroom. Thus, eLearning will continue to become a large and growing trend in the \$6B annual training/learning market. As discussed in our previous update, Rick Ludlow (former Headlight and Peregrine executive) has joined as SVP Sales and Marketing and is spearheading the sales efforts and capitalizing on this trend. He is rebuilding the sales team, which already exceeded their quota by 25% for 3Q01. Among the new customers closed in 3Q01: EPRI, NAI, E*TRADE, Autodesk, and several renewals. Version 3.35 was released with an interface to Digitalthink and Headlight, and Version 3.4 is scheduled to be released in 4Q01 with customer enhancements requested by Autodesk, EPRI, NAI, and Kana. The Company also received the Bronze award for the Customer Satisfaction category of "Excellence in e-Learning Awards" by Brandon Hall, the top pundit for learning. The Excellence in E-Learning Awards is sponsored by brandon-hall.com and Online Learning magazine. Now in its

fifth year, the awards program (formerly the "Brandon Hall of Fame Awards") showcases exceptional work in the e-Learning industry by providing feedback and benchmarking to entrants in an overall effort to help advance the e-Learning industry. In similar news, US News & World Report has named ViewCentral in their "best of breed" list in a recent polling of customers for learning management system providers.



VOICE ACCESS
TECHNOLOGIES, INC.

Amount Invested/AV Fund I Ownership – \$1.8M / 13.2%

3Q01 Update: The Company is in the process of completing its technology and transitioning from a carrier-customer only model to include horizontal enterprise applications as well. In particular, the Company is focused on securing initial beta customers in the enterprise call center. When voice is incorporated in a customer service center, studies show that there is a realization of 80% savings. Moreover, increasing customer retention by 5% translates into an increase in shareholder value of 15-20%. These are a couple of the reasons why many enterprises are now beginning to integrate voice enabled call center solutions. Voice Access hopes to capitalize on this increasing trend by building upon its current product suite. Its current product suite includes: QuickCall™ (voice dialing), QuickMessage™ (voice control of voice mail), QuickPage™ (voice-controlled text paging), and QuickMail™ (email reading, control, and response). The next release will include enterprise and call center specific applications. The company has cash through Spring 2002 and is currently raising a round from existing investors as well as seeking a strategic acquirer. In the event that the company is unable to secure additional financing, it will cease operations in 2Q02.

Artemis Ventures
Portfolio Company Status

Portfolio Company Investors	Again Technologies	Ampnet	Clairvoyant Software	Eletter	Taviz	Toolwire	ViewCentral	Voice Access Technologies
Artemis Ventures, Sierra Ventures, Stanford U, Staenberg Venture Partners, Palomar Ventures, InterWest Partners	Artemis Ventures, Athena Technology Ventures, Sterling Payout Co., Wilson Sonsini, Angels	Artemis Ventures, Novus Ventures, InterWest Partners, Asia Tech Management	Artemis Ventures, Novus Ventures, Trident Capital, Canaan Partners	Artemis Ventures, Novus, Aspen Ventures, Catalyst Ventures, Pinnacle Ventures, Rocket Ventures	Artemis Ventures, Barrington Partners, 3i, Horizon Ventures, Angel Investors	Artemis Ventures, Novus Ventures, Aspen Ventures, Venture Law Group	Artemis Ventures, Novus Ventures, Aspen Ventures, Venture Law Group	Artemis Ventures, Angels
Series A to Series B Valuation Increase* (Unless Otherwise Stated)								
Increase	4x from Series A to B; 1.7x from Series B to Series C	5x	3.5x	4x	Currently Raising Series B	Currently Raising Series B	Currently Raising Series B	Currently Raising Series B
Key Customers	Tektronix, PacifiCorp, ALARIS Medical Systems, Southern California Edison, Trimble Navigation Systems, Clorox, Fleet Financial, Skillsoft, Pivotal, Group 1 Software, Alexander Group, Mitsubishi, Forest City Trading Group, Pacificorp, Riggs Bank, Alaris, Wilsons Leather, Playboy Enterprises	Peachtree Software, Outpurchase, Planetary Networks, Auspex, Computer Connection of NY, DRB Systems, CMI, TV Magic, Ommark, Fremont, Metric, Online Asset Exchange, PDC Solutions, Genecorn, Gigabyte, Kaibab Artistic, Avalon Equipment Corp., Network Catalyst	Neizero, EOS, Airinc, Cache Flow, Exodus, 3Com, Network Associates, Verizon, UVA, Citicorp, Cable & Wireless, Sun Microsystems, Nortel	Washington Mutual, RE/Max, Blue Cross of CA, Tech Planet, County of San Mateo, Myers, Prism, ChemsDy, ACCPAC, FTD Associates, Go-PP	AT&T, General Electric, ITT/Sheraton, Motorola, New York Stock Exchange, Siemens, Singapore Telecom, Sony, Toshiba, Transamerica, Volkswagen, On-Semiconductor, Sun Microsystems, First America, Fareastone, Vodafone, Ford Motors, Xerox, Honeywell, Global Payments, C&M Corporation, CSC/San Diego, Brooks Automation, CompXChange, Southwest Gas, Expanets, France Mobile Telecom, GTIE, Tyco, Bechtel, Royal Caribbean	Altera, Cisco, Cadence, Xilinx, Synplicity	3Com, iBeam, IBM, PG &E, Clarify, PeopleSoft, AboveNet, Vision Associates, Seagate, Echostar, Plansoft, Cosine, Webgain, Loudcloud, Alfabox, On-Semiconductor, Webmethods, Learning Byte, Informatica, 3Ware, Ortronics, Segesia, Broadbase, MetLife, Network Associates, BASE Consulting, Ventaso, Panurgy, Brio, Verity, EPRI, PCI, Callidus, Fisher Scientific, E*Trade, Autodesk	GTE - TSI, Cingular, Sigma, Cisco
Key Alliances	Watson Wyatt, iQuantic, Pivotal, HRMS, ClickMarks, Alexander Group, Western Management, PricewaterhouseCoopers, Eagle Group	50 funding sources including GE Capital, Bank of the West, US Bancorp, Fisher-Anderson, Online Asset Exchange, Financial Pacific, Erwin Bank, United Capital, EquiLease	Cobalt Networks, Sun, Cache Flow, 3Com	Microsoft, Intuit, InfoUSA, OfficeDepot, IBM, AT&T, eStamp, iPrint, Stamps.com	IBM, Compaq, BEA, HP, Oracle, Microsoft, Sun, PeopleSoft, Nokia, Deloitte Touche, Arthur Andersen, Ernst & Young EDS, CSC, HP, Bluestone, Nokia	Sun Micro, Lucent, Synopsys, Avnet, Webex, Questlink, ChipCenter, Triscend, Novas, Oracle, EDA Planet, CMPNet	ASP Registry, iBeam, Webex, Econstructors, Webb Group, Verisign, Siebel, DigitalThink, PortalWave, HorizonLine, NewCourse, WideLearning, Corollary Solutions, PCIQ, SeeltFirst, Network Appliance, Placeware	Signalsoft, Omnisky, Vicinity, Nuance, Go Look, Metro Traffic, Lucent, AAA, Cisco, TSI
Profitability Target Quarter	4Q02	4Q02	4Q02	n/a	3Q02	4Q02	4Q02	4Q02

* Increase is calculated from the previous financing pre-money valuation to the current financing pre-money financing.

Artemis Ventures Fund, L.P.
(a California Limited Partnership)
Statement of Net Assets
September 30, 2001

Assets

Investment in securities, at fair value (cost \$17,684,679)	\$ 16,421,521
Cash and cash equivalents	4,067,119
Prepaid Management Fees	141,206
Prepaid insurance	21,860
	<hr/>
Total assets	<u><u>\$ 20,651,706</u></u>

Liabilities

Accrued Liabilities	\$ 900
	<hr/>
Net Assets (partners' capital)	<u><u>\$ 20,650,806</u></u>

Artemis Ventures Fund, L.P.
(a California Limited Partnership)
Schedule of Portfolio Investments
September 30, 2001

High Technology (80% of net assets)

	Shares	Privately Held Preferred Stock		Other		Total		Unrealized Appreciation (Depreciation)
		Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	
Ampent Inc. (AccessLease): Series A Preferred Convertible promissory Note	2,552,910	\$ 1,674,709	\$ 1,674,709	\$ 200,000	\$ 200,000	\$ 1,674,709	1,674,709	-
Again Technologies, Inc.:								
Series A Preferred	1,211,545	675,000	465,112			675,000	465,112	(209,888)
Series B Preferred	999,167	1,119,067	383,581			1,119,067	383,581	(735,486)
Series C Preferred	781,453	300,000	300,000			300,000	300,000	
Clairvoyant Software, Inc.:								
Series A Preferred	1,133,333	850,000	2,164,667			850,000	2,164,667	1,314,666
Series B Preferred	523,560	1,000,000	1,000,000			1,000,000	1,000,000	-
ELetter Inc.								
Series A Preferred	967,743	500,001	-			500,001	-	(500,001)
Series B Preferred	523,930	1,600,000	-			1,600,000	-	(1,600,000)
Convertible Promissory note				457,600	-	457,600	-	(457,600)
Taviz Technologies Inc.								
Series A Preferred	800,000	400,000	440,000			400,000	440,000	40,000
Series B Preferred	4,201,818	2,311,000	2,311,000			2,311,000	2,311,000	-
Toolwire, Inc.:								
Series A Preferred	450,000	599,850	1,485,000			599,850	1,485,000	885,150
Series B Preferred	500,236	1,650,779	1,650,779			1,650,779	1,650,779	-
ViewCentral, Inc.:								
Series C Preferred	2,062,500	1,650,000	1,650,000	855,500	855,500	1,650,000	1,650,000	-
Convertible Promissory note	-					855,500	855,500	-
Voice Access Technologies, Inc.:								
Series A Preferred	1,502,999	1,841,173	1,841,173			1,841,173	1,841,173	-
Total Portfolio Investment		<u>\$ 16,171,579</u>	<u>\$ 15,366,021</u>	<u>\$ 1,513,100</u>	<u>\$ 1,055,500</u>	<u>\$ 17,684,679</u>	<u>\$ 16,421,521</u>	<u>\$ (1,263,159)</u>
Percentage of net assets (all in the United States)			74%		5%		80%	

Artemis Ventures Fund, L.P.
(a California Limited Partnership)
Statement of Operations
For the Nine Months ending September 30, 2001

Interest Income	\$ 238,131
Expenses	
Management fee	423,618
Professional fees	9,591
Other Expenses	<u>48,371</u>
Total expenses	481,580
Net investment loss	(243,450)
Unrealized appreciation on investments	
Beginning of year	\$ 5,337,082
End of quarter September 30th,2001	<u>(1,263,160)</u>
Net change in unrealized appreciation	<u>(6,600,242)</u>
Net increase in net assets resulting from operations	<u><u>\$ (6,843,692)</u></u>

Artemis Ventures Fund, L.P.
(a California Limited Partnership)
Statement of Partner' Capital
For the Nine Months Ended September 30, 2001

	General Partner	Limited Partner	Total
Balances, December 31, 2000	1,251,617	26,242,879	27,494,496
Capital contributions			-
Net investment loss	(2,435)	(241,014)	(243,450)
Net change in unrealized appreciation	(66,003)	(6,534,239)	(6,600,242)
Balances, September 30, 2001	<u><u>1,183,178</u></u>	<u><u>19,467,626</u></u>	<u><u>20,650,804</u></u>

Artemis Ventures Fund, L.P.
(a California Limited Partnership)
Statement of Cash Flows
For the Nine Months Ended September 30, 2001

Cash flows from operating activities	
Net increase in net assets resulting from operations	(6,843,692)
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:	
Net changed in unrealized appreciation on investments	6,600,242
Changes in assets and liabilities:	
Other operating expense	9,147
Prepaid management fee	(141,206)
Prepaid Insurance	28,500
Accounts Payable	<u>(17,700)</u>
Net cash provided by operating activities	<u>(364,708)</u>
Cash flows from investing activities	
Investment-Other	6,600,240
Purchase of investments	<u>(2,363,668)</u>
Net cash provided by investing activities.	4,236,572
Cash flows from financing activities	
Contributions from partners	
Unrealized Appreciation	(6,600,240)
Capital contribution receivable from limited partners	<u>81,272</u>
Net cash provided by financing activities	(6,518,968)
Net decrease in cash and cash equivalents	(2,647,104)
Cash and cash equivalents, beginning of year	<u>6,714,224</u>
Cash and cash equivalents, end of year	<u><u>\$ 4,067,119</u></u>
Supplemental disclosure of non-cash investing activities	
Conversion of Promissory Note into stock	2,000,000

Artemis Ventures Fund, L.P.
(a California Limited Partnership)
Statement of Changes in Individual Partners' Capital Accounts
For the Year Ended September 30, 2001

Name	Capital Commitment	Partnership Percentage	Partner Capital 12/31/00	9/30/01 Investment Loss	Unrealized Appreciation	Partner Capital 9/30/01
Limited Partners						
AB Financial LLC	250,000	1.11%	\$ 293,321	(2,694)	(73,034)	217,593
Abbott, Gary Edward	252,000	1.12%	295,668	(2,715)	(73,619)	219,334
Abrams, Alan & Michela O'Connor	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Andrews Jr., Neal L.	75,000	0.33%	87,996	(808)	(21,910)	65,278
Basker, Nevet	600,000	2.66%	703,971	(6,465)	(175,283)	522,223
Bass, Robert M.	514,438	2.28%	586,643	(5,543)	(150,287)	447,752
BayStar Capital LLC	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Bedrin, Gerald	500,000	2.21%	586,642	(5,388)	(146,069)	435,186
Benson, John M	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Bertero Living Trust	300,000	1.33%	351,986	(3,233)	(87,641)	261,112
Bowman, Lawrence A.	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Brandwynne, Jacqueline B.	257,219	1.14%	293,321	(2,772)	(75,143)	223,876
Broadview Partners Group	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Buhari, M.D. Fram	154,331	0.68%	175,993	(1,663)	(45,086)	134,326
Capital Partnership	514,438	2.28%	586,643	(5,543)	(150,287)	447,752
Chern, Eric	514,438	2.28%	586,643	(5,543)	(150,287)	447,752
Conte, Victor Brian	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Cook, Francis V.	750,000	3.32%	879,964	(8,082)	(219,103)	652,779
Cowen, Gary	77,166	0.34%	87,996	(831)	(22,543)	67,163
CVT Management LLC	750,000	3.32%	879,964	(8,082)	(219,103)	652,779
Danielson, Eric L.	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Ekstract, Richard	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Emerson, Richard	150,000	0.66%	175,993	(1,616)	(43,821)	130,556
ETF Holding N.V.	300,000	1.33%	351,986	(3,233)	(87,641)	261,112
Farber, Daniel	100,000	0.44%	117,329	(1,078)	(29,214)	87,037
Feeney, Timothy P.	250,000	1.11%	293,322	(2,694)	(73,034)	217,593
Fennema, David	600,000	2.66%	703,971	(6,465)	(175,283)	522,223
GC&H Investments	360,000	1.59%	422,383	(3,879)	(105,170)	313,334
Giangiorgi, Edward Michael	250,000	1.11%	293,322	(2,694)	(73,034)	217,593
Giotes, Artie G.	51,444	0.23%	58,665	(554)	(15,029)	44,776
Goodrich, James & Penelope H.	100,000	0.44%	117,328	(1,078)	(29,214)	87,037
Griggs Jr., Carl L.	52,473	0.23%	60,367	(565)	(15,329)	45,671
Griggs, Glynn J.	51,479	0.23%	60,367	(555)	(15,039)	44,244
Griggs, Mark R.	51,994	0.23%	59,838	(560)	(15,189)	45,816
Grove Investment Partners	308,663	1.37%	351,986	(3,326)	(90,172)	268,651
Andrew S. Grove, Eva Kastan Grove, Co-Trustees	500,000	2.21%	586,643	(5,388)	(146,069)	435,186
Gzanowski, Kathleen & Christopher	257,219	1.14%	293,321	(2,772)	(75,143)	223,876
GTO Management	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Gumbel, Michael	300,000	1.33%	351,986	(3,233)	(87,641)	261,112
Joseph, George A.	400,000	1.77%	469,314	(4,310)	(116,855)	348,149
JRODILI	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Julian, David	50,000	0.22%	58,665	(539)	(14,607)	43,519
Julian, Robert	51,444	0.23%	58,665	(554)	(15,029)	44,776
Kepes, Paul & Monica	514,438	2.28%	586,643	(5,543)	(150,287)	447,753
King Jr., J Dudley	308,663	1.37%	355,100	(3,326)	(90,172)	268,651
Lawless, John W	257,219	1.14%	293,321	(2,772)	(75,143)	223,876
Lemontree Holding LTD	300,000	1.33%	351,986	(3,233)	(87,641)	261,112
Loraine C. Graham Trust	77,166	0.34%	87,996	(831)	(22,543)	67,163

Artemis Ventures Fund, L.P.
(a California Limited Partnership)
Statement of Changes in Individual Partners' Capital Accounts
For the Year Ended September 30, 2001

Name	Capital Commitment	Partnership Percentage	Partner Capital 12/31/00	9/30/01 Investment Loss	Unrealized Appreciation	Partner Capital 9/30/01
Limited Partners						
Madyoon, Hooman	150,000	0.66%	175,993	(1,616)	(43,821)	130,556
Mansur, Walid	550,000	2.43%	645,307	(5,927)	(160,676)	478,705
Meighan, Torunn K.	102,888	0.46%	118,366	(1,109)	(30,057)	89,549
Melton, William N.	1,028,875	4.55%	1,173,285	(11,087)	(300,573)	895,505
Miller Dorin & Singer, Eliahu	255,000	1.13%	299,188	(2,748)	(74,493)	221,945
Naegele, Richard J.	600,000	2.66%	703,971	(6,465)	(175,283)	522,223
Owens, Michael Brian	154,331	0.68%	175,993	(1,663)	(45,086)	134,326
Owens, Raymond W.	154,331	0.68%	175,993	(1,663)	(45,086)	134,326
Pareek, Purna N	600,000	2.66%	703,971	(6,465)	(175,283)	522,223
Resnikoff Innovations, LLC	250,000	1.11%	293,322	(2,694)	(73,034)	217,593
Roberts, Daniel J.	52,473	0.23%	60,366	(565)	(15,329)	45,670
Santino, George A.	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Shover, Lawrence M	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Silicon Valley Bancshares	100,000	0.44%	117,328	(1,078)	(29,214)	87,037
Software Venture Partners	50,000	0.22%	58,665	(539)	(14,607)	43,519
Stafford Investments, LLC	250,000	1.11%	293,321	(2,694)	(73,034)	217,593
Stewart, Charles K.	600,000	2.66%	703,971	(6,465)	(175,283)	522,223
Stokes Lazarus & Carmichael	36,000	0.16%	42,238	(388)	(10,517)	31,333
Tengelsen, Erich	514,438	2.28%	586,643	(5,543)	(150,287)	447,752
Tenzer, Lee E.	600,000	2.66%	703,971	(6,465)	(175,283)	522,223
The Avram Miller Trust	257,219	1.14%	293,321	(2,772)	(75,143)	223,876
The Nachtsheim Family Trust	250,000	1.11%	293,322	(2,694)	(73,034)	217,593
Thompson, John L.	75,000	0.33%	87,996	(808)	(21,910)	65,278
Tzannes, Michael A.	50,000	0.22%	58,665	(539)	(14,607)	43,519
Wachtel, Kenneth Jack	128,609	0.57%	146,661	(1,386)	(37,572)	111,938
Wachtel, William W	128,609	0.57%	146,661	(1,386)	(37,572)	111,938
Walker, Dwayne	308,663	1.37%	351,986	(3,326)	(90,172)	268,651
Watts, Sam J.	77,166	0.34%	87,996	(831)	(22,543)	67,163
Webster Jr., Frederick F.	60,000	0.27%	70,397	(647)	(17,528)	52,222
Werdegar, Maurice	100,000	0.44%	117,328	(1,078)	(29,214)	87,037
Woods, Kenneth R.	75,000	0.33%	87,996	(808)	(21,910)	65,278
World Venture Partners, Inc.	504,696	2.23%	586,643	(5,438)	(147,441)	439,274
Yoffie, Terry S. & David B.	100,000	0.44%	117,328	(1,078)	(29,214)	87,037
Chris Lynch	52,473	0.23%	-	(565)	(15,329)	45,673
LLC as an LP			287,580			-
Total Limited Partners	22,367,000	99.00%	26,242,878	(241,014)	(6,534,238)	19,467,624
General Partner						
Artemis Management company LLC	225,929	1.00%	\$ 1,251,617	(2,435)	(66,003)	1,183,180
Total Partnership	22,592,929	100.00%	27,494,495	(243,450)	(6,600,242)	20,650,805