

## **Telecom Industry Veterans Launch Zayo Bandwidth into Growing Fiber-based Network Services Market**

*Industry veterans, strong financial backing, simplified business model and two successful acquisitions bode well for start-up and customers alike*

LOUISVILLE, Colo., Aug. 30, 2007 – Zayo Bandwidth, a regional provider of fiber-based network services, today announced its formal launch as a new company in the telecommunications industry. The announcement comes after the company completed two recent acquisitions: PPL Telcom, a 4,600 fiber-route-mile network based in Allentown, Penn. serving areas throughout the Northeast, and Memphis Networx, a 200 fiber-route-mile network serving the greater Memphis, Tenn. area. Both companies were acquired under Zayo Bandwidth's holding company name, Communications Infrastructure Investments (CII). In addition, Zayo Bandwidth has signed definitive agreements to acquire Indianapolis, Ind.-based Indiana Fiber Works (IFW) and Minneapolis, Minn.- based Onvoy, Inc. which are expected to be finalized in the third and fourth quarters of 2007, respectively. Combined, the four companies represent \$125M of annual revenue and 8,400 route miles of fiber.

Led by industry veterans Dan Caruso and John Scarano, both formerly with ICG Communications and Level 3 Communications, Zayo Bandwidth has secured access to \$225 million from leading venture capital firms, including Columbia Capital, M/C Venture Partners, Oak Investment Partners, Battery Ventures and Centennial Ventures. Zayo Bandwidth was founded to acquire and support long-term development of fiber-based businesses. Through strategic acquisitions, the company will operate a set of regional fiber-based networks that will serve telecom operators (wireline, wireless, cable and Internet Service Providers), government and higher education institutions, and other businesses that require significant amounts of high-speed bandwidth.

Bandwidth is becoming as important to businesses as phone service and electricity.

“Video and other Internet applications are resulting in enterprises needing more and more

bandwidth,” said Dan Caruso, president and CEO of Zayo Bandwidth. “Zayo’s mission is to be a highly reliable and responsive bandwidth provider in those geographies where we have fiber networks. We will collaborate with our customers to extend the reach of Zayo’s fiber to meet their needs.”

Zayo Bandwidth enters the market as the demand for broadband services continues to grow. According to the Telecommunications Industry Association (TIA) report, *2007 Telecommunications Market Review and Forecast*, demand for broadband has driven the highest telecom industry growth since 2000. The report states that overall U.S. telecom industry revenues grew 9.3 percent in 2006, while the worldwide market grew a robust 11.2 percent. The annual review cites demand for broadband and high-speed services as driving factors for this growth as carriers invest in new fiber, new IP technology and new wireless infrastructure to provide state-of-the-art voice, video and data services.

“Enterprises of all types need more bandwidth,” said Gillis Cashman, partner at M/C Venture Partners, an investor in Zayo. “We believe carriers and enterprises will appreciate Zayo’s focused and passionate approach to supporting their fiber-based bandwidth needs.”

Through its two recent acquisitions, Zayo Bandwidth currently offers the following services:

- ***Private Line*** – Dedicated, high speed private line from DS-1 to OC-192. Point to point, dedicated ring and hub and tail configurations
- ***Ethernet*** - Point to Point and Multi-Point Ethernet from 10Mbs-1Gb
- ***Internet Access*** – Dedicated Internet connectivity at T1 speeds and above
- ***Wavelength Services*** – 2.5G and 10G Wavelengths
- ***Colocation*** - Carrier-grade colocation space for backup and data applications

For more information about Zayo Bandwidth, please visit the company’s Web site at [www.zayo.com](http://www.zayo.com).

### About Zayo Bandwidth

Based in Louisville, Colo., Zayo Bandwidth utilizes its regional fiber networks to provide bandwidth services to carriers, enterprises, state and government agencies and other bandwidth intensive organizations. Zayo Bandwidth's service offerings include private line, Ethernet, wavelength, Internet and colocation services. Zayo Bandwidth is backed by Columbia Capital, M/C Venture Partners, Oak Investment Partners, Battery Ventures and Centennial Ventures. [www.zayo.com](http://www.zayo.com).

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