



FOR IMMEDIATE RELEASE

**ZAYO GROUP ACQUIRES NORTHWEST TELEPHONE, INC. (NTI)
*Deal Will Expand Zayo Fiber Network in Pacific Northwest Markets***

(Louisville, Colo.) June 2, 2008 – Zayo Group, a regional provider of bandwidth and telecom solutions, announced it has closed its acquisition of Northwest Telephone, Inc. (NTI), a privately owned competitive local exchange carrier (CLEC) and interexchange carrier (IXC) currently operating in Washington, Oregon and Idaho.

Wenatchee, Wash.-based NTI now becomes part of Zayo Bandwidth, Zayo Group's business unit that provides fiber-based bandwidth solutions to carriers, web-centric companies, public and educational institutions and enterprises. Zayo Bandwidth services include private line, wavelength, Ethernet, Internet and colocation. With the acquisition, Zayo Bandwidth's network now encompasses 18,500 metro and regional fiber route miles, serving more than 1,100 on-net locations in 20 states.

Founded in 1999, NTI brings to Zayo a carrier-class fiber optic network with 1,500 route miles of fiber in Washington, Oregon and Idaho. NTI's footprint connects rural and underserved markets to larger Tier 1 markets with regional rings that lend to lower latency and increased network efficiency. Additionally, much like Zayo, NTI has been integral in creating end-to-end solutions for the wireless industry.

"This acquisition enables Zayo to expand our network in an area experiencing rapid growth in the technology sector," said John Scarano, COO of Zayo Group and President of Zayo Bandwidth. "By establishing a presence on the West coast and connecting to unique markets in the region, Zayo is positioned to meet the increasing bandwidth needs of carriers and enterprises in the Pacific Northwest."

With this acquisition, Zayo Bandwidth will operate a unique fiber optic network statewide in Washington as well as to Portland, Ore., and Coeur D'Alene, Idaho. Customers will have access to nine LEC central offices, key data centers and will soon have diverse routes in and out of Quincy and Wenatchee, Wash.

Though terms of the agreement are not being released, NTI customers will continue to receive high quality support from the NTI team they know and benefit from Zayo's extensive fiber footprint and access to capital for network expansion. Zayo's commitment to maintaining a strong and growing network along with the unique network assets of NTI make Zayo Bandwidth a key provider for carriers and enterprises seeking fiber-based bandwidth in the Pacific Northwest.

About Zayo Group

Based in Louisville, Colo., Zayo Group (www.zayo.com) is a regional provider of telecom services – including bandwidth, voice and managed services – to carrier, enterprise, SME and government customers. Zayo Group provides its service over a fiber network that spans 125 markets in 20 states. Zayo Group consists of three complimentary business units with combined revenue of \$160M.

Zayo Group has strong financial backing from five experienced telecom and Internet investors: Battery Ventures (www.battery.com), Columbia Capital (www.colcap.com),



Centennial Ventures (www.centennial.com), MC Venture Partners (www.mcventurepartners.com) and Oak Investment Partners (www.oakinv.com). Zayo's significant financial backing provides the flexibility to extend and enhance its services and fiber network to support the ever-increasing bandwidth appetite of its customers.

About Zayo Bandwidth

Zayo Bandwidth owns and operates fiber optic networks in the Northeast, Mid-Atlantic, Midwest and Pacific Northwest, with additional metro coverage in Memphis, Tenn. Zayo Bandwidth provides fiber based bandwidth solutions including private line, wavelength, Ethernet, Internet and colocation and serves carriers, web-centric companies, public institutions and enterprises. Zayo's mission is to provide fiber-based bandwidth, responsive solutions and a growing network. Visit us at www.zayo.com/bandwidth.

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