



FOR IMMEDIATE RELEASE

**ALLIED TELECOM AND HATTERAS NETWORKS LAUNCH MID-BAND
ETHERNET SERVICES IN NATION'S CAPITAL**

Facilities-based ISP deploys Hatteras Networks Mid-Band Ethernet solutions to deliver ultra-reliable voice, data and video services in Washington, DC

RESEARCH TRIANGLE PARK, NC, SEPTEMBER 20, 2007 – Hatteras Networks™, the Mid-Band Ethernet™ services specialist, today announced that Allied Telecom Group has selected the company's Mid-Band Ethernet solution as the preferred platform for its last-mile business Ethernet service roll-out throughout its Washington, DC metro-area footprint. Allied Telecom is upgrading their current Ethernet-over-copper infrastructure to better accommodate the richly featured Ethernet services required in their expanded services roll-out. Allied Telecom is the leading provider of mission-critical dedicated internet access and Ethernet data transport services to the DC area's most prominent law firms, trade associations and government agencies. Prior to selecting Hatteras Networks as its preferred provider, the company conducted an extensive trial of several Ethernet-over-copper solutions and chose Hatteras Networks Mid-Band Ethernet platforms for their service reach, service creation and service protection capabilities, resilient cross-chassis bonding and industry-leading reliability.

“The Hatteras Networks Mid-Band Ethernet platform enables us to create a service-rich Ethernet product offering tailored to the specific needs of our business customers,” said Ken Williams, Founder and CEO of Allied Telecom Group. “With Hatteras Networks equipment, we can greatly expand our addressable market for high-performance business-class Ethernet services over any other solution available on the market today.”

Allied Telecom Group, a facilities-based Internet service provider, has provided innovative broadband solutions for over 16 years to its customers in the Mid-Atlantic

region. Hatteras Networks Mid-Band Ethernet solutions enable Allied Telecom to fully leverage the entire last mile, easily fitting into the space and physical requirements dictated for deployments in the outside plant. With Hatteras Networks Mid-Band Ethernet solutions, Allied Telecom is rapidly deploying Ethernet-based business services in the 2 – 90 Mbps range that address the current T1 to T3 service gap for enterprises not connected to the public network via fiber.

“Hatteras Networks Mid-Band Ethernet solutions have become an integral part of a carrier’s ability to deliver robust Ethernet service offerings,” said Kevin Sheehan, President and CEO of Hatteras Networks. “Allied Telecom has created a clear, competitive advantage over carriers deploying legacy T1- and T3-based solutions for last-mile business services.”

With market-leading service management capabilities, Hatteras Networks gives carriers the ability to create and offer a rich portfolio of managed services to the end-user community (e.g., Ethernet private line, Transparent LAN services, Voice-over-IP, Dedicated Internet Access and virtual private networks). These services are delivered seamlessly over the existing last-mile copper infrastructure, effectively bridging the existing T1 – T3 service gap with a more resilient and cost-effective, service-enabling architecture.

Xchange.com, Hatteras Networks and Allied Telecom will be hosting “How to Cash in on Ethernet Services,” an educational webinar, on September 20th at 12 pm EST. Log on to xChange.com for details.

About Allied Telecom

Allied Telecom Group is regional Broadband Service Provider headquartered in Washington, DC. Operating as a facilities-based competitive local exchange carrier (CLEC), Allied Telecom has built and manages its own Network. Allied Telecom leverages a variety of technologies, carrier relationships, and diverse facilities to maximize existing copper and fiber optic infrastructures for its last-mile deployment.

Leveraging its experience as a Systems Integrator, ISP, and Metro-Ethernet Provider, Allied Telecom offers a variety of services from ultra-reliable Internet connectivity and metro-transport services to high-end custom-engineered business continuity solutions. This flexibility, single-minded devotion to customer service and innovative solutions is why Allied Telecom has been the provider of choice for many well-known organizations in the Mid-Atlantic region over the past 16 years. Allied Telecom has operations in Washington DC, Baltimore, and Philadelphia with plans to expand to eight additional markets by Q2 2008. For more information, visit www.alliedtelecom.net.

About Hatteras Networks

Hatteras Networks is redefining the way carriers think about Ethernet services. Hatteras Networks' Ethernet service edge solutions are leading Service Providers worldwide to a *\$15 billion* expansion of the Metro Ethernet market, which had previously been limited to the fiber footprint. Historically, T1s and E1s have been the fundamental building block for voice and data business services. Now, Service Providers can cost-effectively offer up to 45 Mbps Mid-Band Ethernet services over existing copper facilities, enabling businesses to migrate from legacy Frame Relay, ATM and T1/E1 connections to transparent Ethernet services for voice and data business connectivity, infrastructure backhaul and mobile wireless backhaul solutions.

Already deployed on five continents, Hatteras Networks solutions are enabling a market expansion for carriers that is as significant for business services as "triple play" is for residential. For more information, visit www.hatterasnetworks.com.

Media Inquiries:

Andrea Joest
Connect2 Communications (for Hatteras Networks)
919-554-3532
andrea@connect2comm.com