



FOR IMMEDIATE RELEASE

MTS COMMUNICATIONS STANDARDIZES ON HATTERAS NETWORKS TO DELIVER BUSINESS-GRADE ETHERNET SERVICES OVER THEIR LAST-MILE NETWORK

Hatteras Networks partners with major Canadian incumbent telecommunications carrier to support the roll out of industry-leading converged Ethernet services

RESEARCH TRIANGLE PARK, NC – JUNE 7, 2005 – Hatteras Networks, the leading provider of award-winning high-bandwidth, last-mile Ethernet over copper access and service platforms, today announced that MTS Communications has standardized on its Metro Ethernet Copper Access™ solution supporting delivery of business-grade Ethernet Services over last mile copper. MTS Communications' Ethernet services enable business customers to fully leverage symmetrical Ethernet services by allowing them to purchase multiple layered services over a single physical pipe. MTS Communications selected Hatteras Networks' 2BASE-TL standards-based service platforms because they deliver the bandwidth and service flexibility, as well as a range of QoS capabilities to support multiple services.

To enhance Ethernet Services delivered over copper, MTS Communications is using Hatteras Networks to make deployment, service activation and management simple and straightforward. The Hatteras Networks products were selected for the extensive standards based feature list and for the new features planned for addition to the products. The capabilities of the Hatteras Networks products provide improved performance and management for MTS Communications' Ethernet over copper services.

MTS Communications selected Hatteras Networks after an extensive testing process because it was capable of meeting the carrier's service delivery, cost and performance needs. MTS Communications has started turning up enhanced Ethernet Services over Copper to customers in their service region.

With Hatteras Networks' Ethernet over copper broadband delivery platforms, carriers can deliver up to 45 Mbps of symmetrical Ethernet service over existing last-mile, voice-grade copper. The platform can be utilized to create a rich service portfolio that includes Ethernet private line, Transparent LAN services, Voice-over-IP, Internet Access flexibility from 1-45 Mbps, and virtual private networks (VPNs).

“We enjoy working with the innovative team at MTS Communications to assist them further in the utilization of their copper infrastructure to deliver high-performance business services and we are excited about doing whatever we can to help carriers like MTS Communications to expand their competitive differentiation,” said Kevin Sheehan, president and CEO of Hatteras Networks. “MTS Communications is resetting the bar for last mile business services with Ethernet Services over Copper and we’re pleased to have helped them in the development of their broadband infrastructure.”

About MTS

MTS Communications is a division of Manitoba Telecom Services Inc. (MTS), Canada’s third-largest national communications provider, with more than 6,600 dedicated employees focused on delivering outstanding value to its customers. Seamlessly blending innovative solutions and world-class technology, MTS connects its customers to the world. Through its Manitoba operations, MTS serves residential and business customers in the province, with a full suite of wireline voice, data services, wireless, and MTS TV services. MTS’s Allstream division serves national business customers, with a world-class portfolio of connectivity, infrastructure management and information technology services. MTS has an extensive national broadband fibre optic network spanning more than 24,300 kilometres that provides international connections through strategic partnerships and interconnection agreements with other international service providers. MTS’s common shares are listed on The Toronto Stock Exchange (trading symbol: MBT). MTS’s Web site is located at www.mts.ca.

About Hatteras Networks

Hatteras Networks, a privately held company headquartered in Research Triangle Park, North Carolina, offers carrier solutions to deliver high-bandwidth business services to locations that are not served with fiber. Hatteras Networks enables carriers to fully deliver the requisite high-bandwidth, access infrastructure to support converged voice, video and data network services to business customers. Carriers can use Hatteras Networks’ standards-based solutions to extend fiber-based Ethernet services over copper or upgrade private line customers to higher-performance services. Hatteras Networks’ platform is built to operate in central offices (COs), controlled environmental vaults (CEVs), remote terminals (RTs) and on poles, allowing carriers to deliver Ethernet to nearly all business buildings on their copper and fiber infrastructure. For more information, visit www.hatterasnetworks.com.

Note to Editors: Hatteras Networks and Metro Ethernet Copper Access are trademarks of Hatteras Networks. All other trademarks are the property of their respective owners.

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