



## **GOLDMAN SACHS LEADS \$25 MILLION EQUITY INVESTMENT IN CONTERRA ULTRA BROADBAND**

### **Former Alltel Executives & Conterra's CEO Also Participate**

CHARLOTTE, NORTH CAROLINA, January 6, 2010—Conterra Ultra Broadband Holdings, Inc. today announced completion of a \$25 million senior preferred stock offering led by The Goldman Sachs Group, Inc. Other investors were The Circumference Group, LLC, an Arkansas based advisory and investment firm comprised of former Alltel Wireless corporate executives, and Conterra's Chairman and CEO, Stephen Leeolou. Proceeds from the offering will be used to fund new network deployments that will enable Conterra to provide high-speed broadband transport services to its growing base of wireless carrier, education, healthcare and government customers primarily in rural, underserved regions of the United States.

"The addition of this substantial equity capital strengthens our balance sheet and will allow us to continue to aggressively rollout our hybrid, fiber/microwave, video, data and voice transport networks in virtually any location on a nationwide scale," noted Mr. Leeolou. "In addition to their investment, we believe that Goldman Sachs' and Circumference Group's insights and corporate development experience in the telecom industry will also add value to our company," added Mr. Leeolou.

"We believe the U.S. broadband market is poised for strong growth over the next several years and that Conterra is well positioned, with the right management team, target markets and service offerings to participate in this growth," commented Peter Perrone, Managing Director, Goldman Sachs. "Providing high-capacity mid-mile and last-mile transport connections in parts of the country that have traditionally lacked adequate broadband infrastructure is an attractive business opportunity," added Mr. Perrone. Goldman Sachs joins Duke Energy Corp. and GE Capital as Conterra's largest institutional equity investors. The company also continues to have access to its \$40-million dollar senior credit facility provided by a multi-billion-dollar, U.S. based investment fund.

As a result of this \$25 million preferred equity transaction, Mr. Perrone and Circumference's Christopher Smith, former Executive Vice President, Network Services of Alltel Wireless (acquired by Verizon Wireless for more than \$28 billion), will join Conterra's five-member Board of Directors. Richard Bates, Vice President, Mergers and Acquisitions for Duke Energy, will also join the Board and Mr. Leeolou will continue to serve as its Chairman.

The Little Rock, Arkansas investment banking firm of Stephens Inc. served as financial advisor to Conterra on this transaction and corporate legal services were provided by McGuireWoods LLP in Charlotte, N.C. Goldman Sachs was represented by Wilson Sonsini Goodrich and Rosati, P.C. in Palo Alto, CA.

**About Conterra:** Conterra Ultra Broadband Holdings, Inc. is a privately held, alternative access transport carrier that, through its subsidiaries, provides managed, fiber-class broadband solutions to approximately 1,000 commercial sites in 17 states supporting customers in the wireless mobility, K-12 school, healthcare and government sectors. Headquartered in Charlotte, North Carolina, Conterra's executives have deep backgrounds in the cellular communications industry (including former top executives of one of America's first cellular operating companies, Vanguard Cellular Systems), as well as the CLEC and IT industries. Additional information about Conterra is available at [www.conterra.com](http://www.conterra.com), or by contacting our EVP & CFO, Eric Burgess, at 704.936.1810/[eburgess@conterra.com](mailto:eburgess@conterra.com) or our EVP, Corporate Development, Van Snowdon, at 704.936.1803/[vsnowdon@conterra.com](mailto:vsnowdon@conterra.com).

**About Goldman Sachs:** The Goldman Sachs Group, Inc. is a leading global financial services firm providing investment banking, securities and investment management services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in London, Frankfurt, Tokyo, Hong Kong and other major financial centers around the world.

**About Circumference Group:** The Circumference Group LLC is a private investing and advisory team focused on technology and telecommunications businesses. The Circumference Group team is comprised of seasoned operators and investors with senior management experience in multiple disciplines. Circumference Group co-invests alongside trusted partners in businesses the team understands, and complements its investments with advisory services that leverage Circumference Group's proven methodologies and experience as an operating team. Additional information about the Circumference Group is available at [www.circumferencigroup.com](http://www.circumferencigroup.com).

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