



## **Telesphere Receives More Than \$10 Million in Additional Funding**

*Investment Will Fuel Telesphere's Aggressive National Expansion Plans*

**Phoenix, AZ (June 16, 2008)** – Telesphere, a Phoenix-based Managed Telecommunications and Network services provider, announced today it has closed on an additional \$10 million of private equity funding. The private investment will be used to continue Telesphere's national expansion, including multiple market launches planned for 2008 and 2009.

"The additional funding is an important statement from our investors about their belief that Telesphere's technology and service offering are the smart choice in today's market," said Telesphere's Chief Executive Officer Clark Peterson. "Customers are seeking the latest in telephone and network services to make them more productive, cost-effective, and to focus more of their capital on their core business -- especially in today's economic climate."

This round of funding includes some of telecom's most highly respected investors including, founding investor Rally Capital, whose Managing Director Dennis Weibling serves on Telesphere's board of directors; and Hawkeye Investments LLC, whose President, John Chapple also serves on the board. Greenspun Corporation – Telesphere's newest private investor – is also represented on the board of directors by Senior Vice President Gary O'Malley. Rally Capital and Hawkeye Investments are both previous Telesphere investors.

"Today's telecommunications market is ripe for a competitor like Telesphere," said Weibling. "We believe the company has the right service offering and management team in place to grow quickly by helping small and medium sized businesses become more efficient and effective in the way they communicate."

"We are increasing our investment in Telesphere because of the progress that has been made operationally and in developing a unique product offering," said Chapple. "Over the course of 25 years of bringing telecommunications services to market, I've learned that customers only buy services that improve the way they communicate and reduce their cost of doing business. In today's tighter economic climate, delivering value is even more important and Telesphere's offering is clearly succeeding with telecom buyers."

After more than a decade in waiting, the cutting edge telephony services - once only justifiable for Fortune 500 companies - are affordable for small to medium businesses across the U.S. through Telesphere's hosted PBX offering. More than ever, businesses are re-evaluating internal telecommunications services and infrastructure to streamline efficiencies. Customers are increasingly attracted to Telesphere's fully-hosted solution using the latest technological advances to satisfy the connectivity, flexibility, and mobility needs of businesses today.

“Telesphere’s advanced telecommunications services meet the demand of today’s savvy business customers. The features, functionality, and reliability of these services are unmatched by traditional telephone service,” Peterson continued. “For less money than businesses have spent in the past, Telesphere offers a smarter and more efficient way of communicating. Business customers can use state-of-the-art services, including simultaneous cell phone ring, Web click to dial, visual voice mail to email and fax to email, all at a simple to understand, cost-competitive per user/seat charge.”

Telesphere offers a full suite of fully-hosted voice telecommunications and data solutions for telephony, local and wide area networking and voice and data solutions for small and mid-size businesses. Through a redundant, carrier-grade hosted PBX platform, Telesphere can offer businesses throughout the US the latest in voice and data services, business continuity and disaster recovery without the need and cost of purchasing their own on-premises PBX. Services include IP Voice services (local and long distance) on a private MPLS IP network, private WAN services, high speed data and Internet services, fully-unified messaging features and fully-hosted PBX services, including standards-based high definition IP telephone handsets.

### **About Telesphere**

Telesphere is a Phoenix-based managed services provider that delivers an innovative package of IP telephone service and internet access to business throughout the United States. Telesphere’s services allow small to medium businesses to enjoy all of the latest voice and data features of large businesses without the costly investment of on premise equipment. Telesphere fully manages its customers’ services over a private IP facilities-based network. Telesphere customers that are spread across multiple offices throughout the country, from small business, medium business, and even home business, function seamlessly as if they were in the same location.