

PRESS RELEASE

FOR INTEGRA TELECOM



FOR IMMEDIATE RELEASE

MEDIA CONTACTS

John Nee, 503-453-8084, john.nee@integratelecom.com
Shannon Riggs, 503-546-7885, shannon@lanep.com

INTEGRA TELECOM COMPLETES \$785 MILLION OF DEBT FINANCING

Positive Reception Leads to Increase in Total Amount Raised

Portland, Ore. – April 26, 2010 – Integra Telecom Holdings, Inc., a wholly owned subsidiary of [Integra Telecom, Inc.](#), announced that it has successfully completed the syndication of \$785 million in senior secured pari-passu notes and bank debt.

J.P. Morgan, Deutsche Bank Securities, Goldman, Sachs & Co., Jefferies & Company and Morgan Stanley acted as the joint bookrunners and joint lead arrangers for this transaction. The financing is comprised of \$475 million of senior secured notes, a \$250 million bank term loan and a \$60 million revolving line of credit that was undrawn at closing.

“We are extremely pleased by the success of this financing event, which illustrates the confidence the investor community has in Integra Telecom and our business model,” said [Dudley Slater, CEO of Integra Telecom](#). “The financing transaction was strongly embraced by the market, allowing us to increase the combined facility by \$15 million from the originally anticipated financing.”

The net proceeds from the financing will primarily be used to refinance existing debt with remaining proceeds to be used for general corporate purposes. The transaction lowers the company's cost of debt, improves the company's maturity profile and allows for greater operational flexibility.

With the new financing, Integra received a corporate family rating of B2 by Moody's Investor Service and B- by Standard and Poor's. The Company increased the size of the transaction from \$770 million to \$785 million. The term portion of the bank financing is priced at LIBOR plus 725, OID of 98, with a 200 basis point LIBOR floor. The bonds are priced at 10.75% with no OID. The revolver is priced at LIBOR plus 425 with no OID or LIBOR floor.

"Integra's new debt structure will provide the Company greater financial flexibility and additional capital to invest in our fiber network and develop new products and services," said Slater.

The notes and the guarantees of the notes are not and will not be registered under the Securities Act of 1933, as amended, or any state securities laws. They may not be offered or sold in the U.S. or to U.S. persons absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws. The notes were offered only to "qualified institutional buyers" in accordance with Rule 144A under the Securities Act and to non-"U.S. persons" in accordance with Regulation S under the Securities Act.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Forward Looking Statements

This press release contains statements regarding beliefs and expectations of the outcome of future events that are forward-looking statements as defined within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. Integra Telecom Holdings Inc. takes no responsibility for updating the information contained in this press release following the date hereof to reflect events or circumstances occurring after the date hereof or the occurrence of unanticipated events.

About Integra Telecom

Integra Telecom, Inc. provides integrated communications services across 33 metropolitan areas in 11 states of the Western United States, including: Arizona, California, Colorado, Idaho, Minnesota, Montana, Nevada, North Dakota, Oregon, Utah and Washington. It owns and operates a best-in-class fiber-optic network comprised of

more than 2,800 route miles in 11 metropolitan access networks including approximately 1,386 on-net buildings, a world class Internet and data network, and approximately 4,900-mile high-speed long-haul fiber network. The company has earned some of the highest customer loyalty and customer satisfaction ratings in the telecommunications industry. Primary equity investors in the company include Goldman, Sachs & Co., Tennenbaum Capital Partners, funds managed by Farallon Capital Partners and Warburg Pincus. Integra Telecom and Electric Lightwave are registered trademarks of Integra Telecom, Inc. For more information, visit: www.integratelecom.com.

###