

**arbinet**<sup>®</sup>

POWERING COMMUNICATIONS.  
CREATING OPPORTUNITIES.

**Arbinet**

**MEDIA KIT**

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[www.arbinet.com](http://www.arbinet.com)





## About Arbinet

Arbinet is a leading provider of innovative solutions empowering telecommunications providers to create the most efficient and valuable interconnections globally. Arbinet's flexible solutions, intelligent platforms and routing expertise empower voice and IP service providers to increase operational efficiency and accelerate business growth.

Arbinet manages business relationships, back-office operations and call routing for 1,000+ service providers who route through Arbinet approximately 2% of the world's international voice traffic to more than 1,300 global destinations. Arbinet serves fixed line, mobile, wholesale, prepaid and VoIP provider businesses as well as ISPs around the world who buy and sell voice and IP telecommunications capacity.

Arbinet's membership base includes approximately 75% of the world's 40 largest international carriers and 8 of the world's prepaid service providers. Members own 70+ mobile networks and 75+ broadband networks.

Arbinet was founded in 1996, and changed its name to Arbinet-thexchange Inc. in 2002. Arbinet is listed on NASDAQ as ARBX.

### Transaction Volume:

- More than 14.4 billion minutes traded routed and settled in 2007

### Awards & Accolades:

- Intelecard News Ten to watch in 2007
- InformationWeek's E-Business 100 Award
- Forbes B-2-B Best of the Web
- Deloitte & Touche Shooting Star
- NJTC Communications Company of the Year

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## Industry Background

Arbinet was formed to provide a solution to the growing complexities surrounding international voice termination. After the 1996 Telecommunications Act in the US and deregulation and liberalization in other countries as well, the telecommunications industry operated within an expanding, inefficient, and riskier system of :

- Thousands of service providers connecting to thousands of other service providers
- Hundreds of Bilaterals (direct connections between providers)
- An abundance of new wholesale providers/carriers both regionally and internationally

Keeping up with new players as well as volume growth and technology change presented challenging management issues:

- Connections were expensive and often incompatible (VoIP vs TDM)
- Payment cycles took months and bad debt grew
- Billing disputes rose from less reliable, more complex billing arrangements
- Price volatility and lack of price transparency in the market
- Lack of buyer knowledge about a global route's quality
- Administrative and legal issues - managing many international contracts and terms
- Flexibility and timing to re-route traffic on a constant basis

Arbinet's products and services address all of these concerns through one-stop, efficient solutions for all of a company's global voice termination requirements.



## Overview of Arbinet's Products and Services

### VOICE SERVICES

- **MarketAxxcess<sup>sm</sup>**
  - Buy, sell, manage and settle global voice traffic through an open marketplace trading solution
- **PrivateAxxcess<sup>sm</sup>**
  - Manage private commercial arrangements with choice partners using Arbinet services
- **RapidClear<sup>sm</sup>**
  - Accelerated settlement services to manage cash flow
- **AssuredAxxcess<sup>sm</sup>**
  - Professionally managed A-Z rate sheets optimized for optimum price or quality
- **ManagedAxxcess<sup>sm</sup>**
  - Premium quality managed termination services to hard-to-reach or expensive-to-maintain global destinations

### IP SERVICES

- **Select IP<sup>sm</sup>/PrimeIP<sup>sm</sup>**
  - One connection to many quality IP backbones suppliers and peering networks with simple, cost-effective IP connectivity and one contract, one bill
- **Optimized IP<sup>sm</sup>**
  - High quality Internet access optimized from dynamic connectivity to multiple suppliers



## Arbinet's Points of Presence

### • Voice POPs

- Hong Kong
- London
- Miami
- Los Angeles
- New York
- Frankfurt



### • IP POPs

- New York
  - Telx 60 Hudson
  - 75 broad St.
- London, UK
  - Telehouse North
  - Telehouse East
  - Telecity Harbour Exchange
  - Telecity Bonnington
- Los Angeles
  - CRG West
  - Multipoint
- Hong Kong
  - Mega-I
  - Sino Favour





## Arbinet's Leadership Team

- Shawn F. O'Donnell
  - President and Chief Executive Officer
- Steve Heap
  - Chief Technology Officer
- Adriana Martinez-Kloss
  - Vice President, Human Resources
- William Terrell Wingfield Jr., Esq.
  - General Counsel
- John Wynn, Jr.
  - Chief Financial Officer





## Frequently Asked Questions

- What is Arbinet?
  - A services provider to telecommunications carriers utilizing an innovative technology platform to provide marketplace and managed services for voice termination and IP transit
- What is the exchange?
  - A sophisticated, scalable, proven technology platform for efficiently trading, routing and settling telecom services. Arbinet operates the world's largest telecommunications capacity exchange.
- How do you operate differently than a carrier?
  - Arbinet is a services provider to telecom companies, providing them with efficient, flexible and intelligent termination of international voice traffic. Our services help companies improve cost structure, generate more revenue and provides more efficient connectivity options for its customers through our technology and people.
- What value does Arbinet bring to the industry?
  - Arbinet provides the largest marketplace with the most efficient and intelligent routing solutions and utilizes its capabilities to provide flexible and custom managed services to increase a carrier's efficiency and accelerate business growth.
- What are the core products?
  - Marketplace and Managed Voice Services and IP Services
- How does Arbinet save carriers money?
  - Through an efficient trading and back-office, operation providers can reduce management/administrative costs, improve network utilization, reduce billing disputes and risks, and achieve better pricing on global routes.
- How does Arbinet support quality?
  - Arbinet has a 24X7 network operations center managed by experienced industry veterans who utilize sophisticated technology to insure quality and a speedy resolution of issues. In addition, assigned sales and service representatives deliver excellent support to meet the individual needs of customers.
- How are Arbinet's IP services like its voice services?
  - Arbinet's IP services offer many of the same benefits derived from Arbinet's core strength in managing buyer-seller relationships more efficiently, intelligently and flexibly. The IP exchange offers direct access to many top-quality Tier 1 ISPs through a single connection, contract, and invoice; leveraging Arbinet's relationships to benefit Tier 2 and Tier 3 ISPs, content and application providers. Arbinet's IP services offer simplified, cost-effective connectivity to quality ISP's and can also offer optimized routing, through patented technology, to maximize quality on a dynamic real-time basis.





## Recent Headlines

### Arbinet-thexchange Plans Expansion and Enhancement of IP Services

**New Brunswick, NJ, USA – June 5, 2008** – Arbinet-thexchange, Inc. [Nasdaq: ARBX], a leading transaction platform for buying and selling voice and IP telecommunications capacity, announced today that the company plans to expand the presence of its Internet Exchange Delivery Points (iEDP). During the third quarter of 2008, Arbinet will launch a new iEDP in Hong Kong. The company recently added an iEDP at 25 Broadway in New York, and expects to add more global iEDPs over the next two years.

This fall, Arbinet will deploy the latest version of its patented OptimizedIP service. This updated service will feature enhanced intelligent IP routing based on the measured quality of suppliers' individual routes. OptimizedIP provides significantly improved network performance by routing traffic based on near real-time quality metrics of jitter, latency and packet loss, rather than traditional "best effort" Internet routing. Members can take advantage of this technology by connecting to one of Arbinet's global iEDPs.

"As in our voice exchange business, there is increasing market demand to provide customers with more choices and greater flexibility to grow their businesses," said Curt Koeppen, chief marketing officer of Arbinet. "Arbinet's plans to expand and enhance our IP services are an important part of our strategic plan to grow our business. These scalable services enable our Members to focus on their primary services and increase the value of their businesses."

Arbinet's enhanced IP services offer service providers a "one-stop shop" for simplified IP supply management, reduced network infrastructure costs and optimized routing performance. Our efficient and flexible managed platform allows sellers to maximize revenue and increase profit margin. The Hong Kong iEDP will increase business opportunities for Members in the Asian Region, further demonstrating Arbinet's commitment to the Pacific Rim.





## Recent Headlines

### Arbinet's Membership Base Exceeds 1000 Members

*Company offers increased opportunities for efficiency and growth through theexchange*

**New Brunswick, NEW JERSEY – May 22, 2008** – Arbinet-thexchange, Inc. [Nasdaq: ARBX], the robust transaction platform for buying and selling voice and IP telecommunications capacity, announced today that it has surpassed the 1,000 Member mark during the first quarter of 2008. The company also indicated that March 2008 was the highest revenue month since its inception.

Arbinet, which now has 1,045 Members on the theexchange, experienced an increase in Membership due to the company's expansion in many emerging markets. Recently Arbinet announced its increased presence in the Middle East market, signing on a number of new customers and opening an office in Beirut to handle the demands of service providers in the region. In addition, the company has experienced membership growth in Asia, Africa and Latin America.

"Arbinet's increased membership base and continuous global expansion enable us to offer more choices and greater connectivity," said William Freeman, president and CEO, Arbinet. "Our solutions, coupled with our intelligent platform and routing expertise, empower Members to manage their operations and grow their businesses more effectively."

As Arbinet expands its presence globally, the company continues to attract buyers and sellers to its marketplace with a range of services that enhance business choices and opportunities for its Members. Arbinet's flexible, scalable solutions and managed services enable telecommunications providers to improve business efficiency and excel in an increasingly demanding and competitive market. This 1,000 Member milestone is a result of the outstanding solutions and services Arbinet continues to provide to Members around the world.





## Recent Headlines

### Arbinet-thexchange Increases Presence in the Growing Middle East Market

#### *The Company Delivers Telecom Trading, Routing and Settlement Services to Members Worldwide*

**Beirut, Lebanon -- April 22, 2008** – Arbinet-thexchange, Inc. [Nasdaq: ARBX], the robust transaction platform for buying and selling voice and data capacity, announced today that the company has opened an office in Beirut to support its increased membership in the growing Middle East region.

Arbinet, which increased its worldwide membership last year, experienced Member growth in the Middle East with a number of regional service providers joining thexchange including Umniah Mobile Company, a licensed mobile operator in Jordan; Kulacom Jordan, a WiMAX operator in Jordan and Mobitel, a mobile operator located in Northern Iraq. Arbinet's 990 Members, as of year-end 2007 including the world's 10 largest international carriers, now reach more than 1,300 destinations around the world.

To thrive in the highly competitive global communications market, Middle Eastern service providers such as Umniah and Kulacom Jordan must offer their customers reliable global termination to support quality voice traffic. Arbinet's suite of services, including AssuredAxxcess<sup>sm</sup> (AAX), PrivateExchange<sup>sm</sup> (PEX) and DirectAxxcess<sup>sm</sup> (DAX), offer carriers high voice quality, superior answer seizure ratio (ASR), and the ability to execute trades with any buyer or seller around the world through a single interconnection to thexchange platform. Additionally, many of these companies join thexchange because they benefit from an efficient, outsourced settlement solution.

"Arbinet's portfolio of services offers us a quality connection to multiple operators through an efficient, cost-effective platform with faster terms and guaranteed payment," said Talal Ghaith, IP Service Manager, Umniah Mobile Company.

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## Improving Routing Efficiency with Mobile Number Portability Correction

**Number portability** allows end users to keep their phone numbers when they switch service providers. Regulators globally have embraced mobile number portability to promote healthy competition between mobile carriers.

Impacts on international traffic due to number portability have largely flown under the radar, despite their large and growing presence. As total traffic and the percentage of ported numbers increase, so too will the number of misrouted calls and the overall financial impact on carriers.

A GROWING CHALLENGE			
The percentage of ported numbers varies by country:			
Finland	56.4%	Netherlands	11.3%
USA	22.9%	Switzerland	6.5%
Belgium	17.4%	France	1.8%
Sweden	14.6%	Germany	1.3%
Italy	12.9%		

Source: "Mobile Number Portability Network Connection," Arbinet, George A. Galowich and Jim Gay

### FINANCIAL RISKS FROM MIS-ROUTED CALLS

International calls to countries with a high level of portability incur a number of painful financial impacts. Originating carriers may face transit penalties for handling calls incorrectly routed due to number portability. In addition, because there is no international transparency into who is servicing any individual number, originating carriers cannot forecast the magnitude of these penalties.

Differences in mobile termination rates (MTRs) within the destination country also deliver high, unexpected costs, or missed opportunities by overpaying for certain calls. New entrants with advanced 3G-capable voice and data networks are often un-regulated and may charge rates as much as 100% more than PTT-owned mobile carriers with lower rates.

Additionally, number portability opens up new opportunities for unscrupulous carriers to take advantage of un-sanctioned access to portability information. Both in-country and international carriers may bear significant additional costs as a result of wholesale carriers cherry-picking traffic, intentionally sending a much larger percentage of higher-cost ported calls than expected.

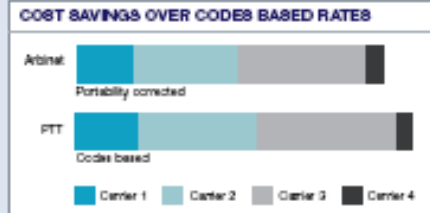
### SOLVING THE PORTABILITY CHALLENGE

Through its expertise in intelligent routing, Arbinet has developed a suite of portability solutions designed to address the number portability challenge on a global basis.

By applying number portability intelligence to call routing, carriers avoid

the technical and financial impacts associated with ported calls and gain significant advantages, including:

- > Control over call routing from beginning to end, for enhanced quality
- > Avoidance of costly unpredictable transit penalties
- > Application of correct network based rate – no blending and risk premiums
- > Removal of the financial risks of being cherry-picked by other carriers



The illustration above shows a cost comparison between terminating via a Tier-1 PTT with and without the Arbinet portability corrected termination model, which removes the risk premiums and penalties.

While terminations to the high-cost mobile operator become slightly more expensive (since none of the calls will be onward routed to a lower-cost carrier) significant savings are achieved when routing to the lower-cost mobile carriers. Overall savings, in just this one market, were 4% – a significant result when compared to normal international margins.

### FLOURISHING IN A NUMBER PORTABILITY WORLD

Rising levels of number portability around the world increase the strain on the current rating approaches. Arbinet's portability solutions create a competitive advantage for carriers, providing both query services for full integration into a carrier's own network, and offering correctly priced retail quality termination services. ■

### For more information

For more information about global number portability please visit: [www.globalnumberportability.org](http://www.globalnumberportability.org), an educational forum sponsored by Arbinet. To contact Arbinet directly email: [sales@arbinet.com](mailto:sales@arbinet.com) or call (UK) +44 20 7339 1200.



## Arbinet's Leadership Team Biographies

- **Shawn F. O'Donnell**

- **President and Chief Executive Officer**

- Mr. O'Donnell joins Arbinet as President and Chief Executive Officer with over 20 years of strategic and operational experience in the telecom, cable, technology and call center sectors. Most recently, he served as Senior Director at the management and operational consulting firm CXO. He has been a member of Arbinet's Board of Directors since July 2007. Prior to joining CXO, Mr. O'Donnell served as Chief Operating Officer of Capital and Technology Advisors, a consulting firm specializing in telecommunications and technology. Previously, he was Executive Vice President of Network Services and Systems at PathNet Telecommunications, Inc., and prior to that, held various leadership positions at MCI Telecommunications Corporation. Mr. O'Donnell received a B.S. from Pennsylvania State University and a Masters degree from Virginia Polytechnic University.

- **Steven Heap**

- **Chief Technology Officer**

- Steven Heap joined Arbinet in April 2004 with responsibilities for technology, market management and product development. Prior to joining Arbinet, Mr. Heap served as Chief Operating Officer and Chief Technology Officer for ePHONE, a VoIP service provider. Mr. Heap was also Senior Vice President and Chief Network Officer for the Internet backbone company, Aleron, Inc. and also held senior executive positions at Teleglobe, Inc., Concert Communications, and British Telecom. Mr. Heap has over 30 years experience in the international communications industry.



## Arbinet's Leadership Team Biographies (cont.)

- **Adriana Martinez-Kloss**

- **Vice President, Human Resources**

- Adriana Martinez-Kloss, SPHR, joined Arbinet in July 2008 with responsibility for human resource management. Prior to joining Arbinet, Ms. Martinez-Kloss has held various leadership positions in human resource management with increasing levels of responsibility for BASF, Abbott Laboratories and Polo Ralph Lauren, where she most recently served as Senior Director of Human Resources. With over 15 years of success in developing human resource strategies and initiatives for organizations, Ms. Martinez-Kloss offers extensive knowledge and experience in new business unit start-ups, restructuring, mergers and acquisitions, cultural realignment, change management, organizational development, communications and process improvement solutions.

- **William Terrell Wingfield Jr., Esq.**

- **General Counsel**

- William "Terry" Wingfield was named General Counsel in September 2006. Prior to this he served as Executive Vice President and General Counsel at RCN Corporation, where he was responsible for SEC reporting, corporate governance and regulatory compliance. In his previous role as Senior Vice President and General Counsel of Velocita Corporation, Mr. Wingfield successfully negotiated a \$200 million private equity infusion and \$350 million debt commitment, as well as the sale of the company's assets to AT&T. Mr. Wingfield also spearheaded several high profile projects that included creating AT&T's first residential cable telephony venture as Senior Vice President, AT&T Broadband and Internet Services, and supervising Teleport Communications Group's \$1.3 billion Initial Public Offering and subsequent merger with AT&T as Vice President and General Counsel. Terry Wingfield brings more than 20 years of legal and communications industry experience, including an extensive background in driving strategic partnerships and acquisitions in the areas of cable television, Internet, local and long distance telephony.

- **John Wynne, Jr.**

- **Chief Financial Officer**

- John "Jack" Wynne, Jr. was named Chief Financial Officer in October 2006. From July 2006 to October 2006 he served as Arbinet's Vice President of Finance. Prior to that he was a Partner at the New York practice of Tatum, LLC, the largest and fastest-growing executive services and consulting firm in the United States. Before joining Tatum, Mr. Wynne served as Chief Executive Officer and Chief Financial Officer of The PromptCare Companies, Inc. Earlier he was Vice President and Chief Financial Officer of Allied International Healthcare. For more than 12 years Mr. Wynne worked at Coopers & Lybrand LLP, the predecessor to PricewaterhouseCoopers, where he was a senior audit manager. Mr. Wynne has over 20 years of financial and accounting experience with particular expertise in restructuring and cost reduction, operations analysis, mergers and acquisitions, SEC reporting and Sarbanes-Oxley compliance.

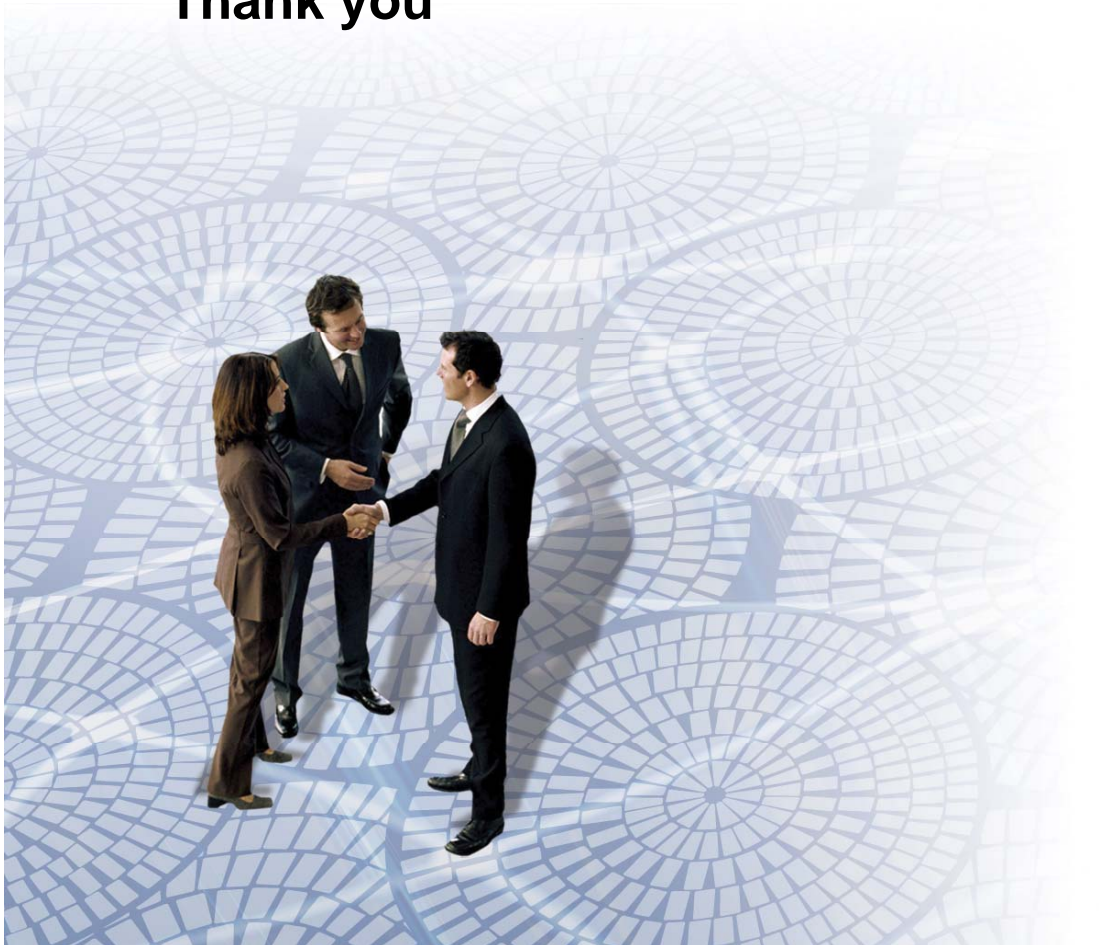


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**Thank you**

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