



PAETEC

NEWS RELEASE

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FOR IMMEDIATE RELEASE

**PAETEC Expansion Offers Innovative Communications
Solutions in Portland, OR**
New Office Adds Fifteen New Oregon Positions

PORTLAND, OR – Jan. 22, 2009 – PAETEC Holding Corp. (NASDAQ GS: PAET), which provides data, voice and Internet solutions to business-class customers nationwide, today announced the opening of a local sales office in Portland, OR. The office will be officially opened with a ribbon-cutting ceremony by PAETEC’s Chairman and CEO, Arunas A. Chesonis.

“This new Portland expansion represents the entrance into one of the last major regions for PAETEC,” said Regi Scales, President of the West Region. “I expect PAETEC’s unique communication solutions and unmatched service to be very well received by the innovative, high-tech business environment of the Pacific Northwest.”

PAETEC is one of the largest competitive telecommunication carriers in the nation, with well over \$1 billion in revenue, and serving medium to large businesses including universities, hospitals and government agencies.

The company's broad product portfolio includes services such as MPLS VPN to cost-effectively manage bandwidth and connect multiple locations, and VoIP to gain the maximum benefits of IP-based communications.

PAETEC leverages and combines individual products to create comprehensive solutions to address requirements in the areas of:

- **Communications:** Reliable and scalable products for data, voice, and Internet services. PAETEC tailors the services to enhance a customer's internal and external communications.
- **Business Continuity:** Effective tools for disaster preparedness, network redundancy, and application recovery. The tools help businesses recover from the loss or corruption of data, and to maintain operations during and after a disaster.
- **Security:** Products and services that protect critical corporate files and applications, mitigate risks, and support regulatory compliance.
- **Managed Services:** Products that address budgetary constraints and limited IT resources. Customers can essentially outsource communications requirements, which allows the business to focus limited IT resources on other critical needs.
- **Financing:** PAETEC's unique Equipment for Services Program allows customers to reduce or even eliminate the capital expense of communications equipment as part of an overall network services contract.

PAETEC can tailor solutions for large enterprises with multiple locations inside Oregon and across state boundaries, as well as small and medium-businesses with a single location.

"In a difficult economic environment, our solutions are especially attractive to businesses here in the Northwest," said Pam Gottlieb, PAETEC's Regional Director for Oregon.

"Our broad portfolio of services and unique programs like Equipment for Services can help businesses achieve some of their IT goals while minimizing the painful capital expense." PAETEC's Equipment for Services program can subsidize important office equipment such as a phone system, server or even software licenses.

The greater-Portland region is among the 25-largest US Metropolitan Statistical Areas according to the US Census Bureau, and is part of PAETEC's coverage among 80 of the top 100 markets which PAETEC serves. For more information about PAETEC services in Oregon, please contact the Portland office at 503.974.5047.

About PAETEC

PAETEC (NASDAQ: PAET) is personalizing business communications for medium and large businesses, enterprise organizations and institutions across the United States. We offer a comprehensive suite of IP, voice, data and Internet services, as well as enterprise communications management software, network security solutions, CPE, and managed services. For more information, visit www.paetec.com.

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