PRESS RELEASE

Macquarie Telecom Increases PoPs in Asia with VADS Partnership in Malaysia
Second alliance in Asia boosts connectivity for customers

25 June 2008, Singapore: Macquarie Telecom, a leading supplier of Information and Communications Technology (ICT) solutions, today announced its strategic partnership with Malaysia's leading Managed ICT provider, VADS. As a result of this partnership, customers can now enjoy enhanced managed network services in Asia.

Macquarie Telecom currently operates more than 50 PoPs in Asia. Through this latest collaboration, Macquarie Telecom will be able to tap on VADS' extensive experience as its local service operations' arm to deploy managed services and support to its customers. Macquarie Telecom also believes the expanded alliance with VADS will strengthen its position as a hybrid Virtual Network Operator (VNO) and a leader in the mid-sized market within the region.

Commenting on the partnership, Mr. Larry Morgan, Managing Director, Asia, Macquarie Telecom said, "This is Macquarie Telecom's second partnership announcement in the past few months – first with CPCNet and now VADS. The partnerships align with our ongoing expansion initiatives across the Asia Pacific region. We are moving full steam ahead to expand our partner network in the Asia Pacific region, from the existing *Macquarie-8* (M-8) countries, Singapore, China, Hong Kong, Australia, Malaysia, Indonesia, Thailand and Vietnam, to *Macquarie-10* (M-10), including India and the United States. More importantly, moving forward, we believe this strong partnership network will provide us opportunities to deliver further value to the medium to large businesses in the region – in offering the best traffic route, complete redundancy, as well as providing the best access technology in Asia."

According to research firm AMI, SMBs in Malaysia are expected to spend up to US$4.6billion on infocomm technologies in 2008.[1] With this huge potential for growth, Macquarie Telecom believes that its focus on strong carriers relations, coupled with its focus on the mid-sized market, will be a contributing factor in its plan to double its revenues in the year ahead.

Mr Dennis Koh, Chief Executive Officer of VADS remarked, "VADS is truly honoured to be entrusted as the managed services provider for Macquarie Telecom in Malaysia. VADS is carrier neutral, which means that we have good rapport with both local, as well as global service providers, and thus, are able to offer the best solution to meet our customers' needs. We will leverage on our 16 years experience in managing global service providers' requirements in Malaysia, to assist Macquarie Telecom with their expansion initiatives in this region."

---

[1] http://www.zdnetasia.com/news/business/0,39044229,62036823,00.htm

Since its establishment in 1992, Macquarie Telecom has earned a reputation as a trusted partner for companies in the mid-sized market with a year on year customer retention rate of 95%, far above the industry average of 75%.

About Macquarie Telecom

Macquarie Telecom is a leading supplier of Information and Communications Technology (ICT) solutions – including voice, data, mobile and hosting – specializing in the business and government markets. The world class Intellicentre facility offers state-of-the-art hosting and security solutions. The Intellicentre is certified to BS 7799 and DSD Gateway security standards.

Macquarie Telecom provides services to 3,000 of the top companies in the Asia Pacific region, supporting more than one million business users at work every day. Founded in July 1992, it is one of Asia Pacific's first deregulated telecommunications companies and holds carrier licenses in Australia, Singapore and Hong Kong.

Macquarie Telecom is listed on the ASX (MAQ) and works with its carrier partners in offering Broadcast quality services in 190 countries worldwide using Juniper Networks (Nasdaq: JNPR) and Alcatel-Lucent (Euronext Paris and NYSE: ALU) equipments.

For more information, please call +65 6580 7387 or visit www.macquarietelecom.com.sg

About VADS

VADS Berhad is a Managed ICT Services provider listed on the main board of Bursa Malaysia. VADS provides expertise in Managed Network Services, Business Process Outsourcing Services and System Integration Services. VADS brings together people, technology and processes to enable effective and efficient use of resources. For more information, visit www.vads.com

Media Contacts

Alicia Tan
Macquarie Telecom
Tel: +65 6580 7387
Email: atan@macquarietelecom.com

Tania Tan
EASTWEST Public Relations
Tel: +65 6429 0312
Email: tania@eastwestpr.com