



VOICE AS A SERVICE

M5 Networks Celebrates another Milestone with the Addition of its 700th Client

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M5 Announces the Addition of Crunch Fitness and Reports High Levels of National Growth in 2007

New York – M5 Networks, the market leader in delivering phone system functionality as a service, today announced it has added its 700th client, Crunch Fitness. With the addition of the innovative fitness club, M5 now serves over 19,000 end users at 1,250 client locations throughout the U.S. In 2007, 76% of M5's new end users were installed in locations outside of New York; showcasing the organization's growth as a national provider.

Crunch Fitness's NYC corporate headquarters currently uses M5's Voice as a Service (VaaS) to accommodate its 130 employees and plans to eventually implement M5 in all of their 28 club locations. In particular, M5's scalable and flexible solution was a major factor in attracting the organization to M5. "When we moved our corporate office, I saw it as the perfect opportunity to update our PBX phone systems and invest in a new technology," said Shane Edmonds, CTO for Crunch Fitness. "With M5, we can pick up a phone and have issues resolved within 24 hours and changes can be made onsite without the need for a technician, which is great for any growing company."

M5 recently pioneered a new paradigm for business communications, "Voice as a Service", which is driving the company's explosive growth. Within one year, M5's staff has grown 31% and revenues have increased 41%. M5 boasts one of the highest average seat numbers per location compared with other major hosted VoIP providers, while maintaining the strictest SLAs, including 99.99 percent location uptime and a less than five percent annual client churn rate.

"M5 has dominated the Northeast market for some time and we are now rapidly increasing our national presence" said Dan Hoffman, president & CEO, M5 Networks. "The addition of Crunch Fitness marks yet another milestone in M5's explosive growth and is the perfect example of how M5's Voice as a Service is changing the way businesses use voice communications."

About Crunch Fitness

Crunch Fitness is a health club chain that leads the industry in fusing fitness and entertainment. Headquartered in New York City and owned by the private equity group of Angelo Gordon, Crunch Fitness serves over 100,000 members with 28 gyms in New York, Miami, San Francisco, Los Angeles, Chicago, and Atlanta. Renowned for its one-of-a-kind group fitness programming, Crunch is the leader in group fitness innovation and creativity. Often cited as the gym with the "best classes," Crunch has raised the bar for the entire fitness industry.

About M5 Networks

M5 Networks is the pioneer of "Voice as a Service," a breakthrough solution for business phone communications. Industry experts tell us that in ten years, no business will have a phone system – they will require phone system capabilities as an on-demand, managed service over an IP network optimized for voice – in other words, Voice as a Service. Today M5 serves a rapidly growing base of mid-sized businesses. Our solution is distinguished by the rich capabilities and unmatched service that one would expect from an industry leader.

M5's Voice as a Service (VaaS) includes three major components: Active Service Management, or proactive, transparent service from deployment through ongoing management and maintenance; Embedded Continuity, or "baked-in" business continuity that goes far beyond simple redundancy; and On-Demand Solutions, which provide actionable business breakthroughs for marketing, call center, staffing and client service functions.

M5 Networks has received considerable recognition and was named to the 2006 Inc. 500 (#272) and both the 2006 Deloitte Technology Fast 500 (#54) and New York Technology Fast 50 (#5). M5 was recognized by CRN as one of the top 15 Key VoIP Players in 2007 and received Frost & Sullivan's 2004 Entrepreneurial Company Award. M5 has also been included on the Pulver 100 list for six consecutive years and Fierce VoIP's Fierce 15 list in 2005 in addition to receiving numerous other accolades. To learn more about M5, please visit <http://www.m5net.com>.

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