



## **With Demand for Bandwidth On the Rise, NEON Offers Its Customers More Cost-Effective Wavelength Services**

### **Deployment Provides Superior Diversity From the Interstate 95 Corridor**

WESTBOROUGH, Mass., May 31, 2007 (PRIME NEWSWIRE) -- NEON Communications (AMEX:NGI) today announced the implementation of latest generation wavelength technology that allows it to enhance its existing Wavelength Service by offering more cost-effective 2.5 and 10 Gbps waves. The initial deployment of the new platform will be from New York, NY to Ashburn, VA with add drop capability along the route.

"The demand for bandwidth continues to explode and our customers have consistently sought alternatives that provide diversity from the status quo. We deliberately chose our western route as the initial deployment for this system because it leverages our unique rights-of-way that allow us to offer superior diversity over the 'well traveled' I-95 corridor," said Kurt Van Wagenen, NEON's President and Chief Executive Officer.

Offered in both unprotected and diverse configurations, NEON's Wavelength Service is a high capacity offering that provides an alternative to capital intensive and resource intensive dark fiber builds. Utilizing Dense Wave Division Multiplexing (DWDM) technology, the service is protocol and bit-rate independent and can be used in applications such as supporting layer two and three data networks such as Ethernet or, alternatively, providing route diversity or ring closure for layer one SONET networks.

NEON has already booked the first wavelength sale on this new platform. For more information on the Wavelength Service visit [http://www.neoninc.com/pages/21\\_wavelength.cfm](http://www.neoninc.com/pages/21_wavelength.cfm).

#### **Forward-Looking and Cautionary Statements**

Any statements contained in this press release that are not statements of historical fact, including statements about management's beliefs and expectations, are forward-looking statements and should be evaluated as such. The words "anticipates", "believes", "expects", "intends", "plans", "estimates", "targets", "projects", "should", "may", "will", and similar words and expressions are intended to identify forward-looking statements. Such forward-looking statements reflect, among other things, the Company's current expectations, plans, strategies, and anticipated financial results and involve a number of known and unknown risks, uncertainties, and factors that may cause actual results of the Company to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to the following: its history of operating losses and capital requirements; its ability to retain existing customers and attract new customers; its ability to achieve cost-savings and generate positive cash flow; risks associated with potential acquisitions and divestitures; and the other risks identified in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended September 30, 2006, as well as in the other documents that the Company files from time to time with the Securities and Exchange Commission. Many of these risks are beyond management's ability to control or predict. All forward-looking statements attributable to the Company or persons acting on behalf of the Company are expressly qualified in their entirety by the cautionary statements and risk factors contained in this press release and the Company's filings with the Securities and Exchange Commission. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. Furthermore, forward-looking statements speak only as of the date they are made. Except as required under the federal securities laws or the rules and regulations of the SEC, the Company does not undertake any obligation to update or review any forward-looking information, whether as a result of new information, future events, or otherwise.

#### **About NEON:**

NEON Communications (AMEX:NGI) is a facilities-based wholesale communications provider, supplying high bandwidth fiber optic capacity and comprehensive end-to-end telecom services to communications companies and enterprise customers on an intercity, regional, and metro network in the 12-state Northeast and mid-Atlantic region, with 4,800 route miles and over 230,000 fiber miles from Maine to Virginia. For more information, visit [www.neoninc.com](http://www.neoninc.com).

The NEON Communications logo is available at <http://www.primenewswire.com/newsroom/prs/?pkgid=3426>

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