



COMPANY PROFILE

Vonage (NYSE: VG) is a leading provider of broadband telephone services with approximately 2.5 million subscriber lines as of June 30, 2009. Our award-winning technology enables anyone to make and receive phone calls using standard touch tone telephones almost anywhere a broadband Internet connection is available. We offer feature-rich and cost-effective communication services that deliver an experience similar to traditional telephone services. Vonage markets its services directly and through national retailers including Best Buy and WalMart and is available to customers in the U.S., Canada and the United Kingdom. Our U.S. offerings include the Residential Premium Unlimited and Small Business Unlimited calling plans, which offer customers unlimited local and long distance calling, and popular features like call waiting, caller ID and voicemail - for one low, flat monthly rate.



Second Quarter 2009

WHY VONAGE?

Substantial Opportunity	<ul style="list-style-type: none"> A leading US provider of VoIP phone service Growth potential Compelling customer value proposition
Expansive Footprint	<ul style="list-style-type: none"> National footprint Worldwide scope Attractive international plans
Compelling Economics	<ul style="list-style-type: none"> Direct margins² of 69% Growing adjusted EBITDA¹ Positive net income

RECENT INVESTOR NEWS

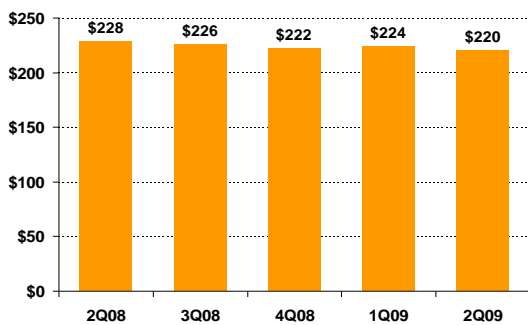
August 6, 2009

Vonage Holdings Corp. to Host 2009 Annual Stockholders' Meeting

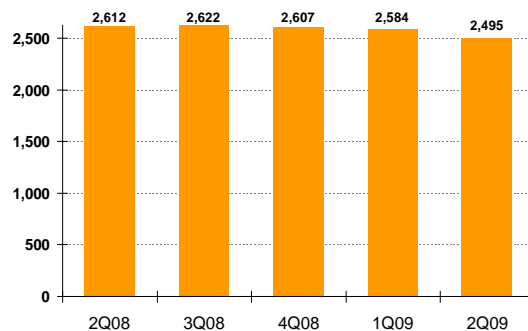
June 17, 2009

Vonage Holdings Corp. Announces Agreement in Principle to Settle IPO Litigation

REVENUE (in millions)



SUBSCRIBER LINES* (in thousands)



*1Q09 includes a reduction of 16,802 lines made as part of a database review.

MARKET FACTS (as of June 30, 2009)

Closing Stock Price (NYSE: VG) \$0.38

52-Week Closing Range \$0.34 - \$1.67

Shares Outstanding 157M

Fiscal Year End December 31



STRATEGIC HIGHLIGHTS

Leading VoIP Provider	<ul style="list-style-type: none"> 2.5M lines in service as of June 30, 2009 Provides service to fixed line consumer households and small and home office customers primarily in the US, Canada and UK
Large and Growing Market*	<ul style="list-style-type: none"> 70 million broadband users in the US alone, expected to grow to 80 million by 2011 20 million VoIP users in the US projected to grow to 28 million by 2011
Innovation and Value	<ul style="list-style-type: none"> Feature-rich, portable, global service Low priced, highly differentiated offer Free calls to the US; free international calling to Canada, Puerto Rico, UK, Ireland, France, Spain, Italy

*Source: BoA Merrill Lynch, Cross analyst reports

FINANCIAL OVERVIEW

Revenue

- Second quarter 2009 revenue of \$220 million, down 3% year-over-year

Efficient Cost Structure

- Direct margin² of 69%, up from 67% in 2Q08

Strong Operating Income and adjusted EBITDA

- Third consecutive quarter generating positive income from operations
- Seventh consecutive quarter of growth in adjusted EBITDA¹

Delivering Net Income

- GAAP net income of \$2 million or \$0.01 per share
- Net income excluding adjustments¹ of \$1 million or \$0.01 per share

¹This is a non-GAAP financial measure. For a reconciliation to GAAP, please refer to our second quarter 2009 earnings release available on the Investor Relations website.

²Direct margin is defined as operating revenues less direct costs of telephony services and direct cost of goods sold as a percent of revenue.



OUR STRENGTHS

VoIP Market Position and Brand. We believe our strong brand recognition has enhanced our ability to sell our services through direct and retail distribution channels, allowing us to capitalize on growing market demand for broadband and VoIP.

Attractive Value Proposition. We offer our customers a strong value proposition including attractive international calling plans. We provide quality communications services with standard and enhanced features at prices considerably lower than those of traditional telephone services.

Innovative, Low-Cost Technology Platform. We believe that our scalable and innovative technology platform not only provides us with a competitive advantage over many other VoIP service providers, but also allows us to maintain a low-cost structure relative to traditional telephone and cable companies providing telephony services.

Strong Distribution. We have developed both a strong direct sales channel, represented by our websites and toll free numbers, as well as a retail distribution channel. We support both our direct and retail distribution channels through integrated advertising campaigns.

KEY FINANCIAL AND OPERATING DATA

	Three months Ended June 30, 2009	Three months Ended June 30, 2008
Operating revenues (in thousands)	\$220,027	\$227,525
Net income (loss) (in thousands)	\$2,284	\$(6,882)
Average monthly revenue per line	\$28.88	\$29.04
Average monthly telephony services revenue per line	\$28.18	\$27.92
Average monthly direct cost of telephony services per line	\$6.76	\$7.22
Marketing cost per gross subscriber line addition	\$363	\$283
Subscriber lines (in thousands)	2,495	2,612
Average monthly customer churn	3.2%	3.0%

6 AREAS OF STRATEGIC FOCUS

1. On-boarding and Early Life Satisfaction

Deliver a positive, frictionless experience from the time of sale through use of service.

2. Distribution and Marketing Effectiveness

Increase gross line adds without increasing our year over year dollar investment.

3. Network, Product and Platform Reliability and Quality

Ensure our services deliver a high quality experience every time.

4. New and Enhanced Products and Services

Develop differentiated products that meet the needs of specific segments and create a habit of frequent usage.

5. Cost Optimization

Achieve continued reductions in operating costs that ensure competitiveness despite pricing pressure and inflation.

6. Organizational Capacity and Skills Enhancement

Increase the organization's productivity through talent management, employee development and improved management tools.

MANAGEMENT

Marc Lefar -
Chief Executive Officer

John S. Rego -
EVP, CFO and Treasurer

Kurt Rogers -
Chief Legal Officer

Jamie Haenggi -
Chief Marketing Officer

Theresa Hennesy -
SVP, Network Operations

Nicholas P. Lazzaro -
SVP, Product Development
and Information Technology

Kimberly L. O'Loughlin -
SVP, Customer Care

Michael A. Tempora -
SVP, Product and Program
Management

CONTACT US

Vonage Investor Relations

23 Main Street | Holmdel, NJ 07733

t: 732-365-1328 | f: 732-202-5590

w: <http://ir.vonage.com>



Caution Concerning Forward-Looking Statements

Statements on this sheet that are not historical information may be forward looking statements. Any forward-looking statements represent our views only as of today and should not be relied upon as representing our views as of any subsequent date. We specifically disclaim any obligation to update this information, even if our views change. Therefore, you should not rely on these forward-looking statements as representing our views as of any date subsequent to today. Actual results may differ materially from those indicated by these forward-looking statements as a result of risks and uncertainties detailed in the Company's filings with the Securities and Exchange Commission, including factors set forth in the "Risk Factors" section of Vonage's Annual Report on Form 10-K for the year ended December 31, 2008, as well as in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Last updated August 2009