



GTT Acquires MegaPath's Managed Network Services Business

MegaPath Increases Focus on Cloud Offerings Including Voice and Unified Communications

Pleasanton, CA. – February 19, 2015 – MegaPath Corporation, one of the leading providers of voice, data, security and cloud services in North America, today announced that the company is selling its Managed Network Services business division to GTT Communications, Inc. (NYSE: GTT), a leading global cloud networking provider to multinational clients. The parties expect to close on April 1, 2015, after obtaining regulatory approvals.

GTT will pay \$144.8 million in cash and \$7.5 million in GTT common stock to acquire MegaPath's Managed Network Services division, which provides private networking, access services, and managed security services to over 500 large enterprise clients. With increasing demand for its unified communications and cloud services, MegaPath will devote its resources to revenue growth and product expansion by increasing investment in innovative value-added services that satisfy the current and future needs of business customers. This agreement will also enable MegaPath to leverage GTT's global footprint to deliver ubiquitous network connectivity services worldwide and offer more high-capacity services at competitive price points.

"In 2014, MegaPath made the strategic decision to consolidate our business and place increased focus on high-growth, strategic opportunities. This agreement with GTT is the second of two strategic initiatives that further our strategy of becoming a leading global cloud communications provider," said D. Craig Young, Executive Chairman, MegaPath. "This agreement will provide us with additional resources to drive further innovation in our unified communications and cloud offerings and leverage our existing leadership on the communications and security front to build a dominant cloud business. At the same time, it will enable us to expand our Internet connectivity offerings to meet the increasing demand for high-capacity access services to businesses worldwide."

MegaPath will continue to offer its cloud-based services to customers and partners, as well as maintain wholesale relationships with service providers, including GTT, to continue offering Internet access, private networking and managed security services. This partnership with GTT will also enable MegaPath to expand its Internet service offerings to include international services, as well as more high-performance connectivity services.

The Bank Street Group LLC served as exclusive financial advisor to MegaPath in connection with this transaction.

About GTT

GTT operates a global Tier 1 IP network connecting to any location in the world and with any application in the cloud. Our cloud networking services provide a better way for multinational clients to embrace the cloud. Our clients trust us to deliver solutions with simplicity, speed and agility so they can compete effectively in the global economy. For more information, visit www.gtt.net.

About MegaPath

MegaPath Corporation is a leading cloud communications company that empowers businesses to easily and securely communicate between their headquarters, employees and business partners. The company offers a comprehensive portfolio of voice, unified communications, hosted IT, and secure data networking services that increase productivity and customer satisfaction, while lowering costs. To learn more about MegaPath's leading service offerings, please visit www.megapath.com.