



Press Release

FOR IMMEDIATE RELEASE

Next-Gen Service Provider Elitel Deploys Sylanthro-Based Hosted Communications Services Throughout Italy

Eritel, One of Italy's Largest CLECs, Launches IP Centrex Services Targeting Small- to Medium-Sized Businesses

SANTA CLARA, Calif., March 29, 2004 – At VON Spring 2004, Sylanthro Systems Corporation has announced that Elitel, one of Italy's largest competitive local exchange carriers (CLECs), has deployed a hosted communications solution targeted toward its customer base of small and medium-sized businesses. Elitel's Futura broadband telephony product is based on Sylanthro's carrier-grade hosted communications applications and servers. The new service was launched in Milan and other cities on March 11, 2004.

Founded in 2002 and headquartered in Milan, Elitel has acquired and integrated the operations of six regional Internet Service Providers and two telecommunications resellers, and deployed a network of Class 5 switches to serve all major metropolitan areas in Italy. The company serves more than 160,000 business and residential customers.

The new Futura broadband telephony product further expands upon Elitel's existing voice, data, Internet and multimedia offerings, and extends them to address critical business communications functions. Through Sylanthro's feature server, Elitel is offering businesses a hosted alternative to buying and managing a premise-based telephone system. The Futura service offers advanced features such as click-to-call, call logs, find me/follow me and full Outlook® integration. The service will be offered in conjunction with Elitel's ADSL and E1 service offerings.

"Eritel has chosen to partner with the best-of-breed technology vendors in their respective product classes, in order to provide a broad range of carrier-class features and services to our customer base," said Gianluca Ranzani, Elitel's marketing director. "We evaluated several

vendors for their ability to provide the set of features that we require, along with the reliability, scalability and management capabilities that will allow us to expand our business in the future. Sylanthro was the clear choice.”

Sylanthro Systems is the leading provider of IP Centrex and hosted communications applications and servers, with the widest market distribution in its product class. The Sylanthro platform provides proven telco-grade scalability, reliability, operability and regulatory compliance required for massively scalable carrier deployments to millions of users.

“We are extremely pleased to be chosen as Elitel’s platform for deploying IP Centrex services,” said Pete Bonee, president and CEO of Sylanthro Systems. “Their broad customer base will benefit from these new services, in capex and opex savings and in new productivity-enhancing features. Elitel is exemplary of the type of visionary service providers who are extending their core services to provide advanced hosted applications.”

In addition to Sylanthro’s feature server, Elitel has chosen session border control solutions from Kagoor Networks (www.kagoor.com), and IP media servers from Convedia Corporation (www.convedia.com) to complement their IP Centrex offering.

Sylanthro Systems, Convedia and Kagoor are exhibiting at the Spring VON 2004 conference and expo March 28 through April 1 at the Santa Clara Convention Center, Santa Clara, California.

Sylanthro’s IP Centrex feature set allows service providers to offer a full range of high-value IP-based communications services to enterprise, business and residential users, providing new revenues beyond simple access and transport. A rich suite of applications and development tools allows service providers to quickly and efficiently roll out new differentiated services. These solutions allow service providers to offer a high-value, high-margin set of hosted services that can fully replace on-site phone systems.

About Elitel S.p.A.

Elitel S.p.A. is Italy’s first multiregional telecommunications operator specializing in solutions for voice, Internet, data and multimedia. Elitel has consolidated into one unified organization the experience and customer base of the most dynamic regional operators and Internet Service Providers. Elitel offers a complete range of integrated telecommunications solutions and services, from Voice over IP and other converged broadband solutions, virtual private networks and WiFi to a wide range of multimedia solutions. Elitel’s shareholder is Kiwi.com Serviços de

Consultoria S.A., with participation by venture capital funds KIWI I and Kiwi II and by other important international and national financial and industrial companies. On the web: www.elitel.punto.it

About Sylanro Systems Corp.

Sylanro Systems provides the premier software platform for advanced Hosted PBX and IP Centrex services for business, residential, wireless and other applications. The company leads the market in deployments, with carriers such as SBC and Verizon, PTTs such as TeliaSonera, and next-generation service providers such as Level 3 and GoBeam using the Sylanro platform. With a unique combination of advanced applications, a carrier-class platform, and proven go-to-market services, Sylanro allows service providers to rapidly deliver high-value, high-margin managed telephony services. These award-winning solutions offer end-users sophisticated communications services without the cost and complexity of today's in-house PBX and key systems. Sylanro is a privately held company backed by premier investors. On the Web: www.sylanro.com

Outlook is either a registered trademark or trademark of Microsoft Corporation in the United States and/or other countries.

Sylanro is a registered trademark of Sylanro Systems Corporation. All rights reserved. All other products and brands mentioned are trademarks and/or service marks of their respective owners.

###

For additional press information contact:

Evelyn Miller
Sylanro Systems Corp
(408) 626-3035
evelyn.miller@sylanro.com