

PRESS RELEASE

TEXAS.NET SIGNS 30 NEW AUSTIN DATA CENTER CUSTOMERS IN SIX MONTHS

Texas.Net's first-class facilities and Central Texas location draw new customers from California, Mexico and other locales.

AUSTIN, Texas — January 13, 2004 — In a record-setting string of new customer wins, Texas.Net has added 30 new clients to its South Internet Data Center over the past six months. The newest clients in Texas.Net's rapidly expanding corporate customer base demonstrate the value of Texas.Net's central Texas location to customers throughout the United States and Mexico. Of the 30 clients, more than one-third are based outside of Austin, and five are from outside of Texas, including a customer from Col. Polanco, Mexico.

“Every aspect of our core business is growing – from Internet connectivity and disaster recovery offerings to data center and colocation services,” said Jonah Yokubaitis, CEO and co-founder of Texas.Net. “On average, we’ve been adding one new colocation and/or disaster recovery customer a week in our South Internet Data Center in Austin. This growth is due largely to the state-of-the-art capabilities of our new data center, our long-standing reputation for running the fastest, most reliable network in the state, and our central Texas location. In fact, new clients from Mexico and Louisiana, to as far away as Florida and California, have chosen the Texas.Net South Internet Data Center as home base for implementing colocation and disaster recovery plans.

Texas.Net is one of the few business ISPs to demonstrate consistent profitability in an industry segment that has seen many publicly traded and private competitors enter bankruptcy, or eliminate services altogether. This latest round of growth builds on the 39% increase in revenues Texas.Net logged last year, and the solid, steady double digit growth the company has experienced over the past decade.

As part of its growth strategy, Texas.Net has added five new account executives to its sales team and promoted Matthew Riley to Director of Sales, Disaster Recovery Services. Riley, who has nearly 20 years of sales experience, will spearhead sales of the company's newly expanded suite of disaster recovery services. He reports to Mark Noonan, Vice President of Sales for Texas.Net. Before joining Texas.Net's sales team in 2001, Mark was a major account manager for Nortel Networks, where he expanded client activity with a number of key educational and government organizations.

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Texas.Net's newest data center customers represent companies of all sizes and span a diverse range of markets. New customers include Houston-based Panera Bread franchise Rolling Dough, Phoenix-based online continuing legal education firm LegalSpan.com, and Austin-based firms Avatar Technology, an interactive media developer, and Hornfans.com, an interactive Web site for University of Texas sports fans.

"We chose Texas.Net to host the Hornfans.com Web site. Texas.Net's new data center is one of the best equipped facilities we've seen in the state, and it was a primary factor in our decision-making process," said Katy Agnor, owner of Hornfans.com. "With world-class operations like this, we know we can count on 100% uptime for our Web site, and that means Longhorn fans won't miss a beat when it comes to accessing the latest UT sports news or sharing their passion for their favorite team with other fans."

About Texas.Net

Texas.Net is a pioneer in the business ISP industry. Founded in 1994 – profitable then and still profitable today – Texas.Net supports over 1,000 corporate customers with unparalleled Managed Internet, Enterprise Data Center, Colocation and Disaster Recovery services. As Texas' leading business ISP, the company maintains a secure, scalable, redundant and highly available network infrastructure, with four Internet Data Centers and state-of-the-art operations in Texas' key markets: Austin, Dallas, Houston and San Antonio. Visit the company at www.texas.net, or call **1.888.TEXAS-94** for more information.

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