

XO Communications and Panasonic Announce Interoperability Certification

Certification Ensures Interoperability of Panasonic's NCP and TDE Scalable IP Communications Systems with XO's Award-Winning SIP Solution

HERNDON, VA and SECAUCUS, NJ (December 17, 2009) – XO Communications (OTCBB: XOHQ) and Panasonic System Networks Company of America today announced that Panasonic NCP and TDE series business telephone systems have been certified to work with XO's award-winning Session Initiation Protocol trunking solution, [XO SIP](#). The certification will streamline the adoption of XO SIP by users of Panasonic IP-PBX products and offer them a cost-effective and efficient way to connect to the public phone network without having to rely on traditional land lines.

Today's announcement brings together two leading providers of VoIP services and solutions for businesses. Today, more than 16,000 businesses and more than 750,000 customer-employees benefit from the XO portfolio of VoIP services, which includes XO SIP, XO IP Flex, XO IP Flex with VPN and XO iPBX. The combined product offering of Panasonic and XO secures a path to a more cost effective communications solution for business. With presence enriched productivity applications, the Panasonic telecommunications platforms allow anytime anywhere access to a myriad of business communications applications. The certification confirms that Panasonic NCP and TDE systems and XO SIP work seamlessly together, providing businesses with confidence when using Panasonic platforms with XO SIP.

"Businesses are looking for both high-performance and cost-effective VoIP solutions that are easy to deploy and manage," said Eric Hyman, director of voice and converged services for XO Communications. "Together, Panasonic and XO SIP offer an affordable, high-quality VoIP solution that businesses can deploy rapidly. Completing interoperability with Panasonic's NCP and TDE series platforms will enable us to offer businesses more options when they select their SIP trunking services provider."

"As the global market leader in business telephone* systems, Panasonic is committed to delivering innovative solutions to market that meet the needs of our customers and provide them with a direct ROI," said Bill Savino, Senior Manager, Panasonic System Networks Company of America. "Panasonic products offer businesses reliable, flexible and affordable solutions, and, when combined with SIP trunking, help to save on monthly communications costs."

XO SIP

XO SIP is a fully integrated solution designed to support the needs of businesses with the most demanding voice and data applications at single or multiple locations. XO SIP uses Session Initiation Protocol signaling and a native IP-based facility to manage all traffic between a customer's IP-PBX system, the XO IP network, and the Public Switched Telephone Network. The service provides greater efficiencies by eliminating the need for businesses to maintain multiple access facilities for voice and data services and eliminates the need for bandwidth-consuming protocol conversions.

XO SIP includes a broad range of bandwidth options to maintain optimal network performance and has the following features:

- Dedicated Internet access with dynamic bandwidth allocation
- Unlimited local calling
- Unlimited site-to-site calling for multi-location customers with IP Flex, IP Flex with VPN and XO SIP locations
- Long distance calling with choice of calling plans
- Optional Voice Compression
- Online Feature Management through the XO Business Center

Panasonic's KX-NCP500 and KX-NCP1000 telephone systems provide a rich, fully capable all-in-one solution for communication, collaboration and monitoring in a form factor designed to fit in an industry-standard 19-inch rack. The KX-TDE600 platform is compatible with four IP phones in Panasonic's stylish KX-NT300 Series: NT321, NT343, NT346 and NT366. Available in black or white, all models feature an improved keypad, double tilt adjustment for the phone base and LCD, superb voice quality, Power Over Ethernet (POE) capability, and secure voice encryption. Standard features include programmable keys, ringer/message waiting lamp, speakerphone, handset and ringer volume controls, off-hook monitor, two Ethernet ports, 10 speed-dial presets and Bluetooth headset compatibility (except NT321) with the optional KX-NT307 module.

When combined with the XO IP network, the result is streamlined, cost efficient convergence for small, medium and enterprise businesses and high-end residential applications.

*According to MZA Ltd., 2008 full year results published 6/09.

About XO Communications

XO Communications, a subsidiary of XO Holdings, Inc. (OTCBB: XOHO), is a leading nationwide provider of advanced communications services and solutions for businesses, enterprises, government, carriers and service providers. Its customers include more than half of the Fortune 500, in addition to leading cable companies, carriers, content providers and mobile network operators. Utilizing its unique combination of high-capacity nationwide and metro networks and broadband wireless capabilities, XO offers customers a broad range of managed voice, data and IP services with proven performance, scalability and value in more than 75 metropolitan markets across the United States. For more information, visit www.xo.com.

About Panasonic System Networks Company of America

Based in Secaucus, NJ, Panasonic System Networks Company of America is a unit of Panasonic Corporation of North America, the principal North American subsidiary of Panasonic Corporation (NYSE: PC) and the hub of Panasonic's U.S. branding, marketing, sales, service and R&D operations. Panasonic System Networks Company of America is a comprehensive business-to-business enterprise solutions provider. The company is a leader in corded PBX/IP PBX telephony systems and offers a complete suite of office productivity solutions and home communication and networking solutions, including cordless phones, security cameras, interactive whiteboards and multi-function printers that provide convenience, style and ease-of-use for consumer and business applications. Information about Panasonic and its products is available at www.panasonic.com/bts. Additional company information for journalists is available at www.panasonic.com/pressroom.

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