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KGP Telecommunications, Inc. ACOUIRES EMBARO Logistics

New company – called KGP Logistics – is a market leader in supply chain services, equipment distribution and deployment solutions

FARIBAULT, Minn., Mar. 12, 2009 – KGP Telecommunications, Inc., a leading provider of supply chain services, telecommunications products and integrated solutions, announced today the completion of its acquisition of EMBARQ Logistics, the supply chain, distribution and deployment subsidiary of Embarq Corporation (EQ) based in Overland Park, Kan. The name of the company will be KGP Logistics. It will be headquartered in Faribault, Minn., and will continue to have a significant presence in New Century, Kan.

The transaction was finalized on March 11, 2009. Terms of the sale were not released.

"We are genuinely excited about what this acquisition means to our customers, suppliers and our employees," said Kathleen G. Putrah, KGP Logistics Chairman and CEO, "Supply chain management services and the distribution of communications equipment is our core business, and we look forward to working with our new team to invest aggressively in the future of KGP Logistics and drive additional value to our customers."

With this acquisition, KGP Logistics becomes one of the country's largest single-source, value-added providers of equipment and integrated solutions to the telecommunications industry, including a diverse customer base, a broad portfolio of strategic manufacturer relationships, and a national logistics network.

In addition, and as part of the transaction, KGP Logistics also has entered into a long term commercial services agreement with EMBARO, under which KGP Logistics will become a critical supplier to EMBARO properties and provide procurement, logistics and supply chain services for EMBARO's core telecommunications operation.

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KGP Telecommunications, Inc. Acquires EMBARQ Logistics Cont'd.



The former EMBARQ Logistics employees that transitioned with the business have become employees of KGP Logistics.

"We are pleased to welcome these talented employees to the KGP family," said Putrah. "We are looking forward to working together and building upon our heritage to position KGP Logistics for long-term success."

About KGP

KGP is a national supplier of telecommunication products and value-added solutions. KGP's distribution network is comprised of twelve (12) Regional Distribution Centers located strategically across the United States and complimented with ten (10) product manufacturing facilities dedicated to providing fiber and copper factory terminated cable, custom assemblies, Assemble, Wire and Test (AWT) services along with complete Engineer, Furnish and Install (EF&I) services. Recognized for its leadership in supply-chain management and value-added solutions, KGP is committed to providing its customers with products and services at the lowest total cost.

For more information, visit www.kgptel.com.

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