

Avanti Communications Group plc

Contract Win

Avanti Communications Group plc (AIM: AVN), the satellite operator, announces that it has signed a distribution agreement with **CO.NA.Installer**, Italy's largest consortium of VSAT suppliers and installers delivering services to residential and enterprise customers across Italy.

This partnership will focus on pursuing rural broadband projects funded by the Italian Regions in an effort to address the below average broadband take up in Italy. The European Commission announced in March 2008 that €1.8bn of Structural Funds budget is available to fund rural broadband. Avanti recently concluded the market for satellite broadband in Europe has grown to £1bn per annum and will be worth up to £4bn per annum by 2016. Avanti now has distributors for HYLAS in Scotland, England, Ireland, Spain, Italy, Czech Republic, Albania, Serbia, Germany and Poland.

David Williams, Chief Executive of Avanti, said:

"Given Avanti's success in winning rural broadband projects with ESA, the EU, the Scottish Government and English Regional Development Agencies, it is logical for us to expect to replicate this success around Europe. We are particularly pleased to be working with CO.NA.Installer because of its size and comprehensive coverage of the whole of Italy. Continuing to sign high quality local partners is crucial to our plans, and we have again shown that our HYLAS offering and market leading experience in rural broadband are enabling us to gain significant traction in building our distribution network around Europe ahead of the launch of HYLAS."

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Notes to Editors:

About Avanti Communications

- Avanti Communications Group's shares were admitted to AIM on 16 April 2007;
- Avanti Communications Group is the only licensed Fixed Satellite Services operator headquartered in the UK (and one of only eight such groups operating in Europe);
- Avanti is licensed to provide satellite services using spectrum which provides coverage of Europe, India, The Middle East, Central Asia, Africa and the Americas.
- Avanti's first satellite, called HYLAS is under construction and due for launch in 2009; the company plans further satellite projects;
- Avanti, which has over 10 years' experience in the satellite industry, currently provides satellite data communications services to customers in Europe using leased satellite capacity which it will transfer to HYLAS on launch;
- Avanti has five core target customer segments for HYLAS capacity: broadband, telecoms network backhaul, corporate data networks, B2B video distribution and military/security;
- No further funding is required for the HYLAS project following successful completion of a long term debt facility in July 2007.