



has divested its wholly-owned
Embarq Logistics subsidiary



The undersigned served as
financial advisor to Embarq
Corporation in this transaction



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Embarq Corporation Sells EMBARQ Logistics, Inc. to KGP Telecommunications, Inc.

Vetus Partners Advises One of the Country's Largest Telecommunications Carriers in a Carve-out Divestiture of its Logistics Subsidiary

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CLEVELAND, March 12, 2009 – The investment bank of Vetus Partners is pleased to announce that its publicly-traded client, Embarq Corporation (“EMBARQ”) [NYSE: EQ], has sold its wholly-owned EMBARQ Logistics subsidiary (“EMBARQ Logistics” or the “Company”) to KGP Telecommunications, Inc. (“KGP”). In 2008, EMBARQ Logistics generated \$0.4 billion or 7% of EMBARQ’s reported revenue while also managing hundreds of millions of dollars of purchases for EMBARQ. Details of the transaction were not disclosed. Vetus Partners served as exclusive financial advisor to Embarq for the transaction.

EMBARQ Logistics is one of the country’s largest value-added wholesale distributors and logistics providers of equipment, materials, and supplies to the telecommunications industry. The Company serves more than 2,000 customer accounts with over 140,000 available items, including 20,000-plus stock products from almost 2,000 vendors, from seven distribution centers located throughout the United States.

Despite serving as a critical component of EMBARQ’s supply chain, EMBARQ Logistics has been a non-core business of EMBARQ and its predecessor companies for more than a decade. Brent Vander Ark, director of Treasury, M&A and Risk Management at EMBARQ, commented, “The carve-out of EMBARQ Logistics was an extremely complicated process as the Company’s business operations and financial reporting systems were deeply intertwined within EMBARQ. The divestiture program involved numerous steps ranging from Vetus’ initial organizational review and benchmarking analyses, to the development of extensive stand-alone and carve-out financial analyses, to executing a targeted marketing program while protecting the confidentiality of the sale process.”

Les Meredith, vice president & Treasurer at EMBARQ, remarked, “We chose Vetus Partners as our investment bankers after a careful selection process involving middle market as well as much larger firms. The deep distribution and logistics expertise of their investment banking team, led by Jay Greyson, Managing Director, combined with their extensive experience in complex corporate carve-outs, uniquely qualified them to advise EMBARQ on this transaction.”

Gene Betts, Chief Financial Officer at EMBARQ, added, “We certainly made an excellent decision in selecting Vetus as our investment bankers. Their guidance and advice throughout a challenging process proved invaluable.”

“The combined capabilities of KGP and EMBARQ Logistics will provide a broad materials management solution to the industry, an important consideration for EMBARQ as it is entering into a four-year commercial services agreement for KGP to provide certain logistics and supply chain services for Embarq’s telecommunications operations,” stated Jay Greyson, a Managing Director with Vetus Partners.

About Vetus Partners LLC

The investment banking firm of Vetus Partners helps private and public companies maximize the value of their businesses by providing a comprehensive array of financial advisory services relating to sell-side M&A, debt and equity placements, corporate divestitures, and management buyouts. Vetus’ investment bankers have served as financial advisors in a broad range of transactions, both domestic and cross-border, with an aggregate dollar volume exceeding \$2 billion. Over the past decade, the Principals of Vetus have represented dozens of companies and private equity clients. For more information please visit www.vetuspartners.com.

About EMBARQ Corporation

Embarq Corporation (NYSE: EQ), headquartered in Overland Park, Kansas, offers a complete suite of communications services. EMBARQ has operations in 18 states and is in the Fortune 500® list of America’s largest corporations. For consumers, EMBARQ offers an innovative portfolio of services that includes reliable local and long distance home phone service, high-speed Internet, wireless, and satellite TV from DISH Network® – all on one monthly bill. For businesses, EMBARQ has a comprehensive range of flexible and integrated services designed to help businesses of all sizes be more productive and communicate with their customers. This service portfolio includes local voice and data services, long distance, Business Class High Speed Internet, wireless, satellite TV from DIRECTV®, enhanced data network services, voice and data communication equipment and managed network services. For more information, visit www.embarq.com.

About KGP Telecommunications, Inc.

KGP is a national supplier of telecommunication products and value-added solutions. KGP’s distribution network is comprised of seven Regional Distribution Centers located strategically across the United States and complemented with five product manufacturing facilities dedicated to providing fiber and copper factory terminated cable, custom assemblies, assemble, wire, and test services along with complete EF&I (Engineering, Furnish & Install). 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.