

March 17, 1999

Able reduces preferred price to \$3.50. Continues to report false earnings.

Able Telcom Holding Corp. (NASDAQ Symbol: ABTE) (Price: \$8.75) fraudulently inflated its reported first quarter earnings by at least \$7 million through the reversal of a false reserve it booked in the prior quarter. Able created the reserve by arbitrarily inflating the claimed value of its assets, not by charging earnings to establish a legitimate reserve.

Able Telcom's Form 10Q for the first quarter ended January 31, 1999 also disclosed that it had agreed to modify its Series B Preferred Stock's conversion price to approximately \$3.50 per share. On February 19th, Able issued a press release stating that the Series B Preferred stockholder had agreed to establish a floor conversion price of \$8.25 for all preferred shares under all circumstances. Able's misrepresentations went even further. A February 23, 1999 Wall Street Journal article quoted an Able representative as stating that the preferred stock buyer agreed to more stringent rules and conversion prices. Able's own SEC filing proves these statements false.

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.