

January 14, 1999

Able Telcom restates NYSTA deal.

Able Telcom Holding Corp. (Symbol: ABTE) (Price: \$9.625) issued a statement admitting that the New York State Thruway Authority ("NYSTA") and MCI/WorldCom (Symbol: WCOM) are entitled to \$21.5 million in payments. Able Telcom continues to fail to disclose the amounts included in its alleged conduit sale attributable to installation and long-term maintenance. It also failed to disclose that it is required to pay MCI/WorldCom the greater of 50% of the net profits or 25% of the proceeds received under any maintenance agreement.

MCI/WorldCom structured the agreement to make certain it retained the benefits from the NYSTA conduit sale to The Williams Companies (Symbol: WMB). Proceeds from the NYSTA conduit sale are being funneled through Able Telcom merely because Able Telcom was unable to finance the acquisition and because MCI/WorldCom was unable to find a cash buyer. Able Telcom's attempts to claim the NYSTA deal is a new or positive development are at best misleading.

Able Telcom's cash flow and earnings were negative even before it assumed the overhead and losses of MCI/WorldCom's project construction division. As a result of the acquisition, Able Telcom's senior bank and subordinated debt went into default. Even before the default the company could not obtain financing. Able Telcom can not continue to fund its losses from accounts payable and personnel reductions indefinitely. As a result, we believe its stock price does not adequately reflect the high likelihood of a near-term bankruptcy.

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.