



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION

Powerful Financial Solutions

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CFC Closes on Sale of Advantex Communications

Herndon, VA – National Rural Utilities Cooperative Finance Corporation (CFC) announced today that it has closed on a \$31 million cash sale of Advantex Communications to Grande Communications, San Marcos, Texas.

The transaction closed on October 27, 2003 and terminates CFC's responsibilities for all future operations of telecom assets acquired in the bankruptcy settlement with one of CFC's large distribution borrowers. CFC acquired and operated Advantex Communications from December 13, 2002 until October 27, 2003, and during that time CFC made no capital investments in Advantex Communications. The price was slightly in excess of the value at which CFC carried the assets on its books. Thus, the transaction will have no negative impact on CFC's financial statements.

Advantex Communications was represented by Daniels & Associates, L.P. and Thelen, Reid & Priest as its advisors in this transaction.

CFC is a not-for-profit finance cooperative that serves the nation's more than 1,000 electric cooperatives and their subsidiaries. With more than \$20 billion in assets, CFC provides its member-owners with an assured source of low-cost capital and state-of-the-art financial products and services.

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