



PRESS RELEASE

RCN Announces Agreement to Implement deltathree's Hosted Consumer VoIP Solution

deltathree's Solution Will Enable RCN to Further Expand its U.S Phone Services to New Areas

HERNDON, VA and NEW YORK, August 9, 2007 -- RCN Corporation (NASDAQ: RCNI), a leading provider of video, data, and voice services to residential and business customers, announced today an agreement with deltathree, Inc. (NASDAQ: DDDC), a leading provider of SIP-based Voice over Internet Protocol (VoIP) solutions for service providers and consumers worldwide. deltathree will provide RCN with its advanced private-label consumer VoIP solution enabling RCN to significantly expand its phone service beyond RCN's current serviceable areas within New York, Boston, Chicago, Eastern Pennsylvania and metro Washington, DC.

With the implementation of deltathree's Hosted Consumer VoIP Solution, RCN will considerably increase its presence within its current markets and beyond. Under the terms of the agreement, RCN will offer a VoIP phone service implemented via deltathree's Hosted Consumer VoIP solution to supplement its current high-quality, switched-based domestic and international phone services. In addition to providing RCN customers with a comprehensive array of service features, deltathree's Hosted Consumer VoIP solution will provide RCN with platform components such as web development, billing, reporting, eCommerce, fraud management, softswitch applications, Customer Premise Equipment (CPE) configuration and network management.

"We are excited to embark on this initiative with RCN," stated Gary Coben, deltathree's Director, Hosted Consumer VoIP. "This collaboration underscores the vital role of VoIP in its ability to enable traditional telecommunications and cable companies to considerably grow their businesses without the burden of associated infrastructure expenses. deltathree looks forward to working with RCN in accelerating their momentum to address a larger residential audience through a cost-effective and feature-rich VoIP offering."

Mark Chinn, RCN's Vice President of Marketing and Product Development, added, "We plan to use deltathree's VoIP solution to extend our coverage to new off-net customers who live or work near our geographic operating areas. By partnering with deltathree, a proven leader in the VoIP arena, we are able to both expand our business and continue to connect our customers to new value added services."

About RCN Corporation

RCN Corporation, http://www.rcn.com, is one of the largest facilities-based competitive providers of bundled cable, high-speed internet and phone services delivered over its own fiber-

optic local network to residential customers in the most densely populated markets in the U.S. RCN Business Solutions is a growing business that also provides bulk video, high-capacity data and voice services to business customers. RCN provides service in the Boston, New York, Eastern Pennsylvania, Chicago and Washington, D.C. metropolitan markets. (RCNI-G)

About deltathree

Founded in 1996, deltathree, Inc. is a leading provider of integrated Voice over Internet Protocol (VoIP) telephony services, products, hosted solutions and infrastructure. deltathree offers high quality Internet telephony solutions that are viable and cost-effective alternatives to traditional telephone services. Supporting hundreds of thousands of active users around the world, deltathree serves customers through its two primary distribution channels: the Service Provider / Reseller channel and the direct-to-consumer channel. deltathree's advanced solutions offer service providers and resellers a full spectrum of private label VoIP products and services, as well as a back-office suite of services. Utilizing advanced Session Initiation Protocol (SIP) technology, deltathree provides all the components to support a complete VoIP service deployment. deltathree's Consumer Group consists of the award-winning iConnectHere direct-to-consumer offering and joip, the newly formed consumer brand that powers the VoIP service of Panasonic's GLOBARANGE hybrid phone.

For more information about deltathree please visit our website: www.deltathree.com

deltathree Media Relations Contact:

Susan Park deltathree, Inc.

Phone: (212) 500-4836 pr@deltathree.com

RCN Contact:

Richard Ramlall
SVP of Strategic and External Affairs

Phone: (703) 434-8430

Michael Houghton Communicreate

Phone: (703) 799-7383 mike.houghton@rcn.net

deltathree Investor Relations Contact:

Erik Knettel The Global Consulting Group

Phone: (646) 284-9415 ir@deltathree.com