

SETTING NEW STANDARDS OF FINANCIAL STRENGTH AND PERFORMANCE

On June 5th, 2003, we announced that the company had advanced to a new level of financial strength by becoming free cash flow positive. Integra is the first competitive local exchange company (CLEC) in the 14-state Qwest Communications service area and one of only a few nationwide to achieve this status.

Measuring financial strength by one's ability to be self-funded represents a new paradigm and signals significant progress toward a true competitive marketplace in the telecom industry.

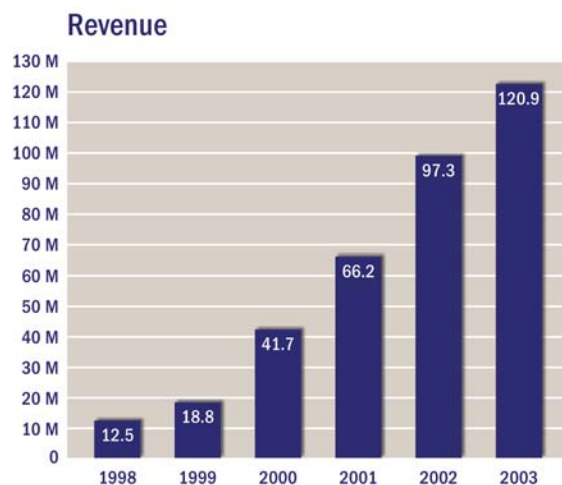
ACCOMPLISHMENTS

- During a time when many other CLECs have restructured their debt, sought bankruptcy protection or undergone major layoffs, we have lived up to our commitments and have never forced our lenders to accept a loss of capital.
- The Company has not defaulted under any of the terms and conditions of its credit facility nor does Integra's management expect such an event in the future based upon its financial projections and the current financial status.
- With cash flows from operations sufficient to support our continued growth, management and investors believe Integra will continue to grow in its existing markets without the reliance on further outside investment.

WELL-MANAGED GROWTH

On an annual basis, our revenues grew 24.3 percent in 2003 to over \$120 million.

Well-managed growth and continued strong customer demand have served to fuel our profits in 2003. In 2003, Integra generated \$27.9 million before interest, taxes, depreciation and amortization (EBITDA).



A NATIONAL MODEL OF SUCCESS

Instead of leasing and reselling parts of the local carrier's service, as many cash-strapped telecom companies do, we have chosen to build most of our own local telephone network in each market we serve. This model classifies Integra as an "on-net" provider of service and requires a substantial up-front investment. Therefore, our growth has required debt and equity financing totaling more than \$300 million.

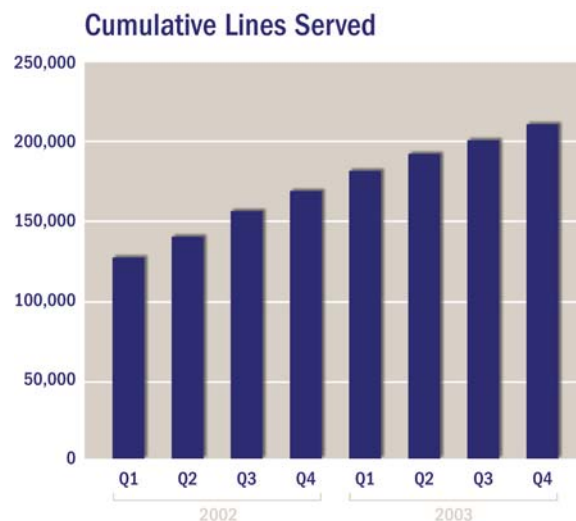
In 2002, Integra completed building its network, which included the installation and operation of its own switches. This model limits our exposure to regulatory changes. We do not anticipate any significant risk to our business due to changes in the industry regarding the continued availability of resale, UNE-P or other solutions that totally rely on the incumbent, monopoly carrier network.

MEETING CUSTOMER DEMAND

Evidence of customer demand for our brand of service continues. In 2003, the number of access lines we serve jumped 23 percent to 207,000.

"Integra's internal ability to fund this growth together with strong market demand for their products make us excited about the company's future prospects."

John Hunt
General Partner
Boston Ventures Management



CUSTOMER SERVICE

Integra's level of local customer care has produced the greatest customer loyalty in our industry.

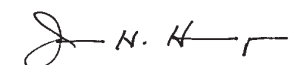
- To better respond to our customers' needs, Integra's customer care representatives are physically located in the markets where our customers live and work.
- Integra's model of owning our own network provides us greater control over the range of services and the quality of the service we can deliver to our customers.
- The average length of time a customer stays with Integra substantially exceeds industry averages.
- For the fourth quarter of 2003, calls to customer service were answered by a live representative in an average of 11 seconds.
- In January of 2004, a representative sample of our customers rated Integra well above average in overall satisfaction, reliability of service, bill accuracy, and timeliness in responding to customers' needs.

"In nearly 20 years of satisfaction assessment across a wide variety of industries, Integra's scores are among the highest. We rarely see the number of '10s' that we saw in the recent survey."

Michael J. Riley
Research Director
Riley Research Associates

LEADERSHIP

Integra's executive management team has an extensive background in the telecommunications industry with more than 175 years of combined experience in the regulated, competitive, long distance and wireless markets.


James H. Huesgen,
President and Chief Financial Officer


Matthew Fahey,
Treasurer

Employees
617



Total Access Lines
207,000

Recognition

Inc 500 Inc. Magazine's 500 Fastest-Growing Private Companies:
2003 (#237), 2002 (#111), 2001 (#142)