



Polar Communications Press Release
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FOR IMMEDIATE RELEASE

VYYO LAUNCHES 700 MHz SOLUTION FOR US AND INTERNATIONAL MARKETS Polar Communications First Operator to Commercially Deploy Vyyo's Solution

Palo Alto, Calif., May 6, 2004 —Vyyo Inc. (NASDAQ:VYYO), a global supplier of wireless broadband end-to-end solutions for telephony and high-speed data connections, announces the launch of its 700 MHz broadband wireless access solution for service providers in the US and other markets around the world.

Vyyo's solution allows 700 MHz license owners to provide high-speed wireless broadband data and voice services to underserved residences and businesses. Using a single super-cell, Vyyo's solution can provide high-speed broadband services to thousands of subscribers within a 25 mile radius. In addition to data services, Vyyo's flexible platform can provide VoIP, circuit voice and E1/T1 services to end customers.

The 700 MHz band is a new and developing broadband wireless access market. Recently in the US, an FCC mandate reassigned spectrum recovered from broadcast television operators in the UHF band. In total, 734 licenses have been awarded to 117 separate licensees with nationwide coverage. Many of the winning licensees are incumbent telecommunications operators in rural areas where it is often costly and difficult to offer conventional wired forms of broadband access. There are also other opportunities in certain developing nations who have access to 700 MHz spectrum. Operators around the world can use Vyyo's solutions for telephony applications, fill in their existing coverage gaps for voice and high-speed data as well as offer competing services in out-of-region areas.

"Our expansion into the 700 MHz band is a natural extension of the company's strategy," stated Michael Corwin, president and chief operating officer of Vyyo. "Vyyo's established technology allows for maximum frequency reuse and scalability in 700 MHz, giving service providers the ability to offer high-quality broadband data and voice services to underserved areas."

Polar Communications, one of Vyyo's existing MMDS customers, is the first customer to commercially deploy the new solution. Dalager Engineering served as the system integrator. A typical Vyyo base station radiates up to 25 miles and supports 1,000 end subscribers, and NLOS deployments are possible within the first 5 miles of the base station. Vyyo's flexible platform can provide data as well as VoIP, circuit-switched voice and E1/T1 services to end customers.

"We have deployed Vyyo's MMDS solutions in Northeast North Dakota since the Fall of 2002," stated Karl Blake, Internet Operations Supervisor of Polar Communications. "Polar is currently using the Vyyo's 700 MHz solution with Vyyo's MMDS equipment as backhaul transport to serve the city of Larimore, North Dakota, an area with a very dense amount of trees. This combined solution of 700 MHz and MMDS demonstrates the flexibility of Vyyo's solutions. We look forward to deploying additional systems from Vyyo as we expand our coverage."