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For Immediate Release

DSL.net Closes \$10 Million Installment of New \$15 Million Investment

NEW HAVEN, CT – January 7, 2002 – DSL.net, Inc. (NASDAQ: DSLN), a leading, nationwide, direct provider of high-speed Internet access solutions for small and medium-sized businesses, today announced that it has recently closed on \$10 million of a previously announced \$15 million investment transaction from a consortium of investors led by Columbia Capital, and including Charles River Ventures, Hunt Private Equity Group, and National Investors Group. The new investment transaction is in addition to a previously announced \$15-20 million financing from VantagePoint Venture Partners.

At the closing, DSL.net received approximately \$6.5 million through the sale of convertible redeemable preferred stock and approximately \$3.5 million in the form of a bridge loan. The company plans to repay the bridge loan with the proceeds from a sale of preferred stock to the new investors, which is subject to shareholder approval. The company and the new investors have received proxies that they believe will be sufficient to approve the transaction, and currently expect to receive shareholder approval during the first quarter of 2002.

The remaining \$5 million investment tranche from the Columbia Capital-led syndicate is scheduled to close upon receipt of stockholder approval and completion of the VantagePoint financing. \$10 million of the \$15-20 million VantagePoint financing has already been funded.

David F. Struwas, chairman and chief executive officer of DSL.net commented, "Closing this latest round of financing provides us with the capital to accelerate our smart growth strategy. The combined \$30-35 million investment positions DSL.net to capitalize on significant growth opportunities as an industry consolidator as well as through internal channels."



About DSL.net

Based in New Haven, Conn., DSL.net, Inc. is a high-speed data communications and Internet access provider that uses digital subscriber line technology to provide high-speed Internet access solutions to small- and medium-sized businesses throughout the United States. DSL.net allows smaller businesses to migrate their operations online and more effectively compete in the Internet economy. For more information on DSL.net, visit www.dsl.net, e-mail info@dsl.net, or call 1-877-DSL-NET1 (1-877-375-6381).

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, among others, statements regarding DSL.net's forecasts of financial and operating plans and results. These statements and other forward-looking statements are subject to a variety of risks and uncertainties, many of which are beyond DSL.net's control, which could cause actual results to differ materially from those contemplated in these forward-looking statements. In particular, the risks and uncertainties include, among other things, (i) fluctuations in DSL.net's quarterly operating results, which could adversely effect the price of its common stock; (ii) DSL.net's unproven business model, which may not be successful; (iii) DSL.net's ability to execute its business plan in a timely manner to generate the forecasted financial and operating results; (iv) the completion of the sale of convertible redeemable preferred stock in the Columbia Capital-led financing is subject to stockholder approval, which may or may not be obtained; (v) the completion of the sale of convertible redeemable preferred stock to VantagePoint Venture Partners is subject to the achievement of certain business objectives which may or may not be achieved; (vi) even if these financings are completed, DSL.net's independent accountants may include a "going concern" qualification in their audit report on DSL.net's 2001 financial statements due to the timing of the investments or changing business conditions; (vii) risks associated with acquisitions, including difficulties in identifying and completing acquisitions, integrating acquired businesses or assets and realizing the revenue, earnings or synergies anticipated from any acquisitions; (viii) the challenges relating to the timely installation of service for customers, including DSL.net's dependence on traditional telephone companies to provide acceptable telephone lines in a timely manner; (ix) DSL.net's dependence on wholesale DSL providers to provide it with local DSL facilities in areas where it has not deployed its own DSL equipment; (x) the difficulty of predicting the new and rapidly evolving high-speed data communications industry; (xi) regulatory, legislative, and judicial developments, which could adversely affect the way DSL.net operates its business; and (xii) DSL.net's ability to recruit and retain qualified personnel, establish the necessary infrastructure to support its business, and manage the growth of its operations. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. DSL.net undertakes no obligation, and disclaims any obligation, to update or revise the information contained in this press release, whether as a result of new information, future events or circumstances or otherwise. For additional information regarding these and other risks faced by DSL.net, see the disclosure contained under "Risk Factors" in DSL.net's Annual Report on Form 10-K for the year ended December 31, 2000, and under "Additional Risk Factors" in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2001, each of which has been filed with the Securities and Exchange Commission.



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