

For immediate release

STRONG DEMAND DRIVES 173% REVENUE GROWTH AT CARRIER1

- ***Full year 2000 revenue of US \$265 million – nearly three times 1999 results of \$97.1 million***
- ***Fourth quarter revenue of \$79 million, up 112 % over Q4 1999***
- ***Large order backlog of \$285 million***
- ***Pan-European network extending 14,000 km in place and connecting 35 cities***
- ***200 km of city rings in Paris and Amsterdam completed and an additional 6 metropolitan builds in progress***
- ***Solid unrestricted cash position of \$360 million***

ZURICH, February 20, 2001-- Carrier1 (Neuer Markt: CJN; NASDAQ: CONE), a leading European provider of end-to-end Internet, voice, bandwidth, data centre and access solutions to large users of communication services, today reported record revenue of \$265.1 million for the twelve months ended December 31, 2000, a 173% increase over 1999. Fourth quarter revenue was \$79.0 million, an increase of 112% over the \$37.3 million in the prior year, and Carrier1's backlog of bandwidth, VISIP and infrastructure orders stood at \$285 million at year-end 2000.

"These strong results demonstrate the success of our strategy to be the communications partner of choice for large users in Europe," said Stig Johansson, president and CEO of Carrier1. "We have built a low-cost, high-speed pan-European network to provide large communications users with immediate connectivity and value-added broadband solutions. And we have done so while spending capital as close to business growth as possible thus setting the stage for Carrier1 to reach profitability by 2003."

Mr. Johansson noted that Carrier1's long-term business plan is fully funded, and that the company's unrestricted cash balance at the end of the year 2000 remains significant at \$360 million, allowing Carrier1 to maintain a cash reserve while simultaneously pursuing additional growth opportunities.

Full year and first quarter 2001 forecast

As previously indicated, Carrier1 is forecasting a revenue increase of 58% to 70% for 2001, reaching \$420 to \$450 million. For the year, gross profit should reach approximately 15% of revenue and Carrier1 expects to achieve a positive EBITDA of US \$15 to 25 million.

Additionally, Carrier1 forecasts revenue in the first quarter of 2001 of approximately \$87 million, with an estimated 40% reduction in EBITDA loss over the fourth quarter of 2000 due mainly to a rapid increase of data-related revenue.

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Fourth Quarter Highlights: Data-related revenue increased more than five-fold; AOL doubles its commitment in the UK

During the fourth quarter, data-related revenue increased more than five fold to reach \$16.8 million, up from \$3.0 million in the fourth quarter of 1999. Of that amount, \$5.5 million were one-time sales. Among major virtual ISP (VISP) customers, AOL, the world's leading ISP, doubled its commitment for dial-up services in the UK and signed up an initial commitment in Germany in November 2000.

Some data-related revenue planned for the fourth quarter 2000 was deferred into the first quarter 2001 due to delays in deliveries of interconnect capacity by incumbents as well as delays in the implementation of infrastructure contracts.

As more resources were allocated to serve increasing demand for Internet and bandwidth services, voice revenue was kept at \$62 million, up from \$34 million in the fourth quarter of 1999. Average revenue per minute of voice traffic remained stable throughout the year at 14 cents.

Financial Highlights

Operating Costs: For the twelve-month period ended December 31, 2000, cost of services was \$264.5 million, reaching breakeven with revenue. For the fourth quarter of 2000, cost of services was \$76.0 million, yielding a gross profit of \$3.0 million or 4% of revenue, compared to cost of \$41.9 million and gross profit of (\$4.6) million or (12%) of revenue in the same period of 1999.

EBITDA: For the twelve-month period ending December 31, 2000, EBITDA loss was \$34.9 million or (13%) of revenue compared to a loss of \$35.0 million or (36%) of revenue in the same period of 1999, nearly a three-fold margin improvement year-over-year.

EBITDA loss for the fourth quarter of 2000 was \$6.9 million, an improvement of 44% over the EBITDA loss of \$12.3 million reported for the fourth quarter of 1999.

"Carrier1 confirms its commitment to achieve positive EBITDA in 2001 reflecting strong revenue growth and attractive margins in data-related services," said Joachim Bauer, Chief Financial Officer of Carrier1.

"This improvement will also come from economies of scale as Carrier1 benefits from the full deployment of its network assets. During the year 2000, Carrier1 accelerated its effort to build one of the largest IP networks in Europe impacting its year-end earnings," Bauer noted. "Nonetheless, by using capital efficiently, we ended the year 2000 with a comfortable cash position of \$360 million, and relatively light debt burden of \$239 million, giving us a rate of long term debt to paid capital of 32%. This strong balance sheet enables Carrier1 to take advantage of opportunities in our sector."

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Network & Service Highlights

14,000 km of Network: Carrier1's city-to-city network consists of 14,000 km of contracted network across Europe out of which 9,000 km are lit and scalable to terabit capacity level as close to demand as possible. The German ring connecting 14 cities was activated in July 2000 and a 550km cross section connecting Dortmund to Berlin is under construction and should be activated by year-end 2001.

Southern European Ring: Activation of Carrier1's 2,500km Southern European Ring is well underway and scheduled for completion by summer 2001. The development of the full conduit-level network is also proceeding according to plan and is expected to be completed by summer 2002, thereby giving Carrier1 a robust platform on this highly strategic route. As with the development of all of Carrier1's infrastructure, this project takes advantage of joint-builds and the timely spending of capital to ensure that Carrier1 maintains its lowest cost network position.

Metropolitan rings: Additionally, the company has completed two metropolitan rings in Amsterdam and Paris and is currently deploying six additional multiduct, high-speed fibre metropolitan rings in Europe.

Eleven Co-Location Sites: During the first six months of 2001, Carrier1 will make available co-location space in 11 sites across Europe including Berlin, Frankfurt, Geneva, Hannover, Lille, London, Milan, Munich, Oslo, Paris and Zurich. Carrier1 also makes space available for customers in 24 of its telecommunications points of presence throughout Europe. Carrier1 will continue to deploy a capital-efficient build-out philosophy for co-location and space to meet customer demand. The facilities are being marketed under the brand *ClearSpace*, are available stand alone or bundled with Carrier1's Internet services and managed bandwidth offerings and will extend to a total of 11,000 sq.m. (121,000 sq. ft.) of co-location space.

A conference call with support of slides will follow this press release on February 20 at 3:00 p.m. Central Europe time, 9:00 am New York time and will be simultaneously webcast on www.carrier1.com. This webcast will be made available for 30 days.

Financial table follows

Forward Looking Statement: The information contained in this press release contains "forward-looking statements" within the meaning of the U.S. federal securities laws. These statements include those relating to: (i) our backlog of bandwidth, VISP and infrastructure orders as at year end 2000, (ii) our low-cost built setting the stage for the Company to reach profitability by 2003, (iii) our business plan being fully funded, (iv) the Company's cash reserve whilst pursuing additional growth opportunities, (v) the forecasts for the full year 2001 and the 1st quarter 2001 as to revenue, gross profit and EBITDA, (vi) the reasons underlying these projections including a rapid increase in data-related revenue, the attractive margins for such revenues, and the economies of scale, (vii) the Company's ability to take advantage of its strong balance sheet by pursuing new opportunities, (viii) the length of our contracted network (ix) size, cost basis and timing for the implementation of the Company's infrastructure build-out including the Dortmund – Berlin extension, the Southern European Ring and the co-location sites.

These statements are based on the current expectations of the management of Carrier 1 International S.A., and performance is subject to risks, uncertainties and other factors that could cause actual results to differ materially from these statements. Such risks include, but are not limited to, adverse regulatory, technological or competitive developments, decline in demand for the Company's services or products, inability to timely develop and introduce new technologies, products and services, pressure on pricing resulting from competition, unforeseen construction delays, and failure to receive on a timely basis necessary permits or other governmental approvals, and failure to obtain any necessary financing if management's business plan assumptions are not met, and failure of third parties with whom the Company has contracted including for the supply or maintenance of infrastructure components. For a more detailed discussion of these risks, uncertainties and other factors affecting the Company, please refer to the Company's prospectus and reports on Forms 10-K, 10-Q and 8-K filed with the U.S. Securities and Exchange Commission, including its 10-K for the year ended 31 December 1999 and its 10-Qs for the 3-month period ended 31 March 2000, the 3-month period ended 30 June 2000 and the 3-month period ended September 30, 2000.

Figures prepared in accordance with U.S. GAAP (unaudited) \$ 000, except per share data	C1 2000 RESULTS/4			
	Three Months Ended Dec 31, 2000	Three Months Ended Dec 31, 1999	Twelve Months Ended Dec 31, 2000	Twelve Months Ended Dec 31, 1999
Voice Revenue	62,282	34,277	220,333	87,619
Data related Revenue	16,762	3,042	44,788	9,498
Total Revenue	79,044	37,319	265,121	97,117
Cost of services	76,009	41,905	264,511	113,809
Gross Margin	3,035	(4,586)	610	(16,692)
Selling, general and administrative expenses	9,981	7,688	35,483	18,369
EBITDA (1)	(6,946)	(12,274)	(34,873)	(35,061)
Depreciation and amortisation	12,917	6,032	35,497	13,849
Loss from Operations	(19,863)	(18,306)	(70,370)	(48,910)
Other Income (Expense):				
Interest expense	(7,818)	(8,152)	(35,500)	(29,475)
Interest income	5,661	772	20,245	5,859
Other Income (expense)	(22)	(117)	(24)	(555)
Currency exchange gain (loss), net	7,592	(10,200)	(18,531)	(15,418)
Total other income (expense)	5,413	(17,697)	(33,810)	(39,589)
Income before Income Tax Benefit	(14,450)	(36,003)	(104,180)	(88,499)
Income tax benefit	-	-	-	-
Net Income	(14,450)	(36,003)	(104,180)	(88,499)
Earnings (Loss) per Share				
Loss from operations in \$	(0.48)	(0.56)	(1.74)	(1.64)
Net loss in \$	(0.35)	(1.10)	(2.58)	(2.97)
Weighted average shares	41,721,000	32,686,000	40,413,000	29,752,000
Balance Sheet Data				
Unrestricted Cash and Marketable Securities	360,348	28,504	0	0
Restricted cash	24,429	5,512	-	-
Restricted investments	29,951	61,863	-	-
Working Capital	410,611	41,884	-	-
Property and equipment, net	423,954	213,743	-	-
Investment in Joint Venture	31,008	4,691	-	-
Total Assets	1,053,517	437,655	-	-
Deferred Revenue	107,369	5,020	-	-
Long term debt	238,640	337,756	-	-
Equity	533,128	(34,509)	-	-

(1) EBITDA is not a U.S. GAAP measure. EBITDA stands for earnings before interest, taxes, depreciation, amortization, foreign currency exchange gains or losses and other income/expense.

About Carrier1

Carrier1 International S.A. is a leading European provider of end-to-end Internet, voice, bandwidth, data centre and access solutions to large users of communication services. Carrier1 provides its clients with carrier-grade transport and network solutions as well as end-user ready value added services. Carrier1 customers brand and market these solutions and services to their respective end-users.

The Carrier1 pan-European, inter-city fiber network connects 12 countries and currently spans over approximately 14,000 contracted route kilometers, connecting points-of-presence in 35 European cities. Carrier1 is operational in all 12 countries and has secured all the necessary interconnects and operational licenses that allow it to provide network solutions and end-user-ready, value-added services. Carrier1 has completed 2 metro ring fibre networks and is currently constructing 6 metro ring fibre networks and expanding one existing metro fibre network. Carrier1 plans to build/acquire additional city-ring fiber networks. Carrier1 has space available for service in data centre facilities and these co-location facilities are marketed under the name ClearSpace.

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