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**NEUTRAL TANDEM, INC. FILES REGISTRATION STATEMENT WITH
THE SEC FOR PROPOSED INITIAL PUBLIC OFFERING**

CHICAGO--January 22, 2007--Neutral Tandem, Inc. ("Neutral Tandem"), a leading provider of neutral, tandem interconnection services to competitive carriers, including wireless, wireline, cable and VoIP companies, today announced that it has filed a registration statement on Form S-1 with the Securities and Exchange Commission relating to a proposed initial public offering of its common stock. The offered shares will be sold by Neutral Tandem and potentially certain stockholders of the company.

Neutral Tandem intends to use the net proceeds from the offering to fund the continued expansion of its business. Pending such use, the net proceeds will be used for working capital, capital expenditures and general corporate purposes. In addition, Neutral Tandem may also use a portion of the proceeds for the acquisition of, or investment in, companies, technologies, products or assets that complement its business. Neutral Tandem will not receive any of the proceeds from the sale of shares of common stock by the selling stockholders to the extent such sales occur.

Morgan Stanley & Co. Incorporated will act as the sole book-running manager for the offering and CIBC World Markets Corp. will act as co-lead manager. The number of shares to be offered and the price range for the offering have not yet been determined. When available, prospectuses may be obtained from Morgan Stanley's prospectus department at 180 Varick Street, New York, NY 10014 or by emailing prospectus@morganstanley.com.

A registration statement relating to the common stock has been filed with the SEC but has not yet become effective. The common stock may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the common stock in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.