

Elephant Talk Communications, Inc. Announces 2008 Fiscal Year Results and Provides Shareholder Update

- **Shareholder Equity Improves \$18.6 Million, to \$8.8 Million, for the Year Ended December 31, 2008**
- **Executed Letter of Intent to Acquire ValidSoft Limited, a State of the Art Fraud Prevention Company**

SCHIPHOL, the Netherlands, April 23, 2009 -- Elephant Talk Communications, Inc. (OTC BB: ETAK), an international telecom and multimedia content distributor specializing in carrier grade mobile enabling platforms announced 2008 fiscal year results on April 15, 2009 and is providing a shareholder update.

KEY OPERATIONAL HIGHLIGHTS

- Entered into a letter of intent to acquire controlling interest in ValidSoft Limited. ValidSoft is an emerging global leader in preventing electronic bank theft, credit card fraud, and identity theft.
 - Through its proprietary software, ValidSoft provides strong mobile authentication, transaction verification capabilities and location based services. ValidSoft's software allows organizations to quickly implement solutions that protect against the latest sophisticated fraud.
- The Company internally funded and implemented a state of the art wireless and converging telephony services platform that enables mobile phone companies to operate on our platform. These customers are called Mobile Virtual Network Operators ("MVNO's") and represent a fast growing segment of the telecom industry and differentiate themselves through branding and client oriented applications such as pre-paid phone services and specific content.
- Our wireless platform called a Mobile Virtual Network Enabler ("MVNE") provides all the necessary lines, towers, spectrum and software infrastructure to enable any company to enter the cell phone service business on a turnkey basis. Our MVNE contract with T-Mobile in the Netherlands became operational in September 2008; currently 2 rapidly growing MVNO's are active on our Dutch MVNE platform with at least 3 more contracted that should become operational in the course of the second quarter of 2009.
- In September 2008 Vizzavi España, a Vodafone Group Company, rewarded ETAK with a contract to manage their Spanish MVNE platform;
 - Final contracts are expected to be signed at the end of April 2009.
 - The first MVNO will go operational in May 2009, soon to be followed by additional MVNO's.
- Elephant Talk expects to have 12 fully operational MVNO's by the end of this year, together creating monthly revenues for ETAK of at least \$ 1.0 million with a healthy margin.
- The Company is currently involved in negotiations for additional MVNE platforms in 3 European markets to be installed over the next 12 months.

“I am pleased with the major milestones that we have achieved to date. We significantly bolstered our catalog of service offerings and signed agreements with T-Mobile and Vizzavi España, a Vodafone Group Company, and various other telecom companies,” stated Steven van der Velden, Chief Executive Officer of Elephant Talk. “In addition to expanding our customer base, Elephant Talk was also able to initiate entry into the multi billion dollar fraud protection market via its relationship with ValidSoft.”

Comparison for fiscal year ended December 31, 2008 versus December 31, 2007

- Revenue recorded was \$44,359,007 and \$47,361,028 for the years ended December 31, 2008 and 2007, respectively.
 - The decrease in the revenue, is due to repositioning the focus of the company more towards new mobile services Revenue consisted of fixed line telecommunications services such as premium rate, carrier select, carrier pre-select, Freephone (toll free) and pre-paid calling cards services provided to a wide range of customers.
- Cost of service was \$43,336,111 and \$45,608,557 for the years ended December 31, 2008.
 - Cost of service include origination, termination, network and billing charges from telecommunications operators, out payment costs to content and information providers, network costs, data centre costs, facility cost of hosting network and equipment and cost in providing resale arrangements with long distance service providers, cost of leasing transmission facilities and international gateway switches for voice and data transmission services.
- The Company recorded a net loss of \$16.0 million and \$12.1 million for the year ended December 31, 2008 and 2007 respectively.
 - The increase in net loss was primarily due to a significant increase in Operational Expenditures for the development of the new Mobile Services of the company and an impairment charge of almost \$ 4 million to intangible assets.
- Current liabilities decreased to \$10.0 million from \$34.1 million compared with December 31, 2007.
- Current ratio of assets to liabilities improved from .27 to 1 to .83 to 1 compared with December 31, 2007.
- Shareholders Equity improved from (\$9.7) million to \$8.8 million for an improvement of \$18.6 million compared with December 31, 2007.

2009 Business Outlook

Elephant Talk’s objective for the remainder 2009 is to continue its development as an international telecom operator and enabler to the multimedia industry.

- Leverage Validsoft’s strong mobile authentication, transaction verification capabilities and location based services technology to provide superior service to the emerging global fraud prevention markets.
- Expand relationships with T-Mobile, Vizzavi España, a Vodafone Group company and other major telecom operators, mobile virtual network operators, banks, and government agencies.
- Continue to pursue strategic acquisitions.

Mr. van der Velden, commented, "I am very optimistic about reinvigorating the growth model in 2009. The infrastructure which has been fully funded by insiders since inception is now completely in place. With a strong operating platform, best in class service offerings, and established relationships with global telecom leaders, I am confident that we will emerge as one of the market leaders. Management will remain focused on executing its strategic plan of operations, and increasing both its market footprint, and overall customer base. We are confident that we will successfully roll out our previously announced new business relationships, while attracting new growth opportunities, throughout the rest of 2009. The investments in time and money made in 2008, which resulted in a temporary decrease in revenues, will prove increasingly valuable to our shareholders going forward. All the necessary building blocks for infrastructure put in place during 2008 will allow Elephant Talk to capture significant market share in Europe, the Middle East and Asia in the future."

About Elephant Talk Communications

Elephant Talk Communications is positioning itself as an international telecom operator and enabler to the multimedia industry by facilitating the distribution of all forms of content as well as mobile and fixed telecom services to global telecommunications consumers. The Company provides traditional telecom services, media streaming, and distribution services primarily to the business-to-business (B2B) community within the telecommunications market where it has a presence. The Company's global footprint as a fully licensed carrier, supported by its propriety IN (Intelligent Network) and Billing/CRM (Client Relationship Management) Systems, has been designed to offer cutting-edge solutions to the increasingly competitive global multimedia industry. Elephant Talk's telecommunications platform eliminates the usual limitations caused by national borders, networks, devices or media and, therefore, enables its B2B customers to operate as independent telecom and multimedia distribution organizations. Elephant Talk is also a developer for mobile telecom and content distribution solutions; and, as a Mobile Virtual Network Enabler (MVNE), the company has positioned itself as the premier outsourcing partner for both Mobile Network Operators (MNO's) as well as for Mobile Virtual Network Operators (MVNO's). At the same time, Elephant Talk assists its MNO partners to more efficiently provide a broad range of sophisticated services to their own existing base of MVNO's. Elephant Talk is positioning itself as the preferred MVNE partner of the larger, global Mobile Operators and currently operates sophisticated networks in over a dozen markets in Europe, Asia Pacific, and the Middle East. The Company was ranked fifth on the Orange County 2008 Deloitte Technology Fast 50. For more information, visit: www.elephanttalk.com.

Forward-Looking Statements

Certain statements contained herein constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations, estimates and projections about the Company's industry, management's beliefs and certain assumptions made by management. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Because such statements involve risks and uncertainties, the actual results and performance of the Company may differ materially from the results expressed or implied by such forward-looking statements. Given these

uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Unless otherwise required by law, the Company also disclaims any obligation to update its view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made here; however, readers should review carefully reports or documents the Company files periodically with the Securities and Exchange Commission.

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