

**25 April 2014**

**CABLE & WIRELESS COMMUNICATIONS PLC**  
**Disposal of Monaco Telecom for consideration of**  
**€322 million (US\$445 million)**

Cable & Wireless Communications Plc (“CWC” or the “Company”) today announces that it has agreed the sale of Compagnie Monégasque de Communication S.A.M. (“CMC”), the holding company for CWC’s 55% stake in Monaco Telecom S.A.M. (“Monaco Telecom”), to a private investment vehicle controlled by Xavier Niel, the French entrepreneur and industrialist, for a total consideration of €321,788,000 (US\$445 million) (the “Disposal”).

Monaco Telecom is the incumbent operator in Monaco where it is the market leader and only full service telecommunications provider. In addition, Monaco Telecom owns 36.75% of Telecom Development Company Afghanistan Limited (Roshan), a leading mobile telecommunications operator in Afghanistan. Monaco Telecom also operates a Service-to-Operator division, which amongst other activities supplies the international country code and international carrier services to Kosovo, and has a service contract with OnAir, a company that provides passenger telephony solutions on board aircraft.

The CMC Group reported revenue of US\$218 million, EBITDA of US\$74 million and profit before tax of US\$52 million in the 12 months to 31 March 2013. At 30 September 2013, the CMC Group had US\$537 million of gross assets, and approximately 35,000 mobile, 34,000 fixed line and 17,000 broadband customers.

The US\$445 million consideration for the Disposal reflects Monaco Telecom’s strong financial performance and market position and represents a multiple of 8.4 times the CMC Group’s proportionate EBITDA based on results for the 12 months to 31 March 2013. The consideration is subject to customary adjustments relating to the amount of cash, debt and working capital at completion and will be paid in cash upon completion. CWC acquired 55% of Monaco Telecom in June 2004 for a price of €162 million.

CWC has received all required legal and regulatory consents to the Disposal from the Principality of Monaco and consequently completion of the Disposal is conditional only upon approval from CWC shareholders and there being no material adverse change in the Monaco Telecom Group prior to completion.

The Disposal is a further step in CWC’s strategy to focus on the Caribbean and Latin America region, and after completion of the Disposal, CWC will generate all of its revenue from the Caribbean and Latin America region, with the exception of the Seychelles.

The cash proceeds arising from the Disposal will reduce the Company’s net borrowings thereby increasing its strategic and financial flexibility. Including the proceeds from the Disposal, pro-forma net debt as at 30 September 2013 would have been US\$82 million.

The Disposal puts CWC in a strong position to pursue growth opportunities, both organic and inorganic, in the targeted Caribbean and Latin America region. Any investments will be in line with CWC’s strict investment criteria and will be considered alongside regular reviews of balance sheet efficiency.

Phil Bentley, CEO of Cable & Wireless Communications, commented:

“We are pleased to have agreed the sale of our interest in Monaco Telecom with the support of the Principality of Monaco. Over 10 years under our management and in partnership with the Principality we have enhanced the services available to the residents and businesses of Monaco and achieved good returns.

“However, as we concentrate our business on the Caribbean and Latin America, we have taken this opportunity to crystallise the value we have created.

“Our Miami hub is now operational and with our balance sheet strength we intend to deploy the funds received in pursuing growth opportunities in our core region.”

A circular will be sent in due course to CWC shareholders containing further details of the Disposal, together with a notice convening a General Meeting of the Company to consider and, if thought fit, approve the Disposal. Completion is expected to occur in mid-May.

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## **Notes to Editors:**

### **About Cable & Wireless Communications Plc**

Cable & Wireless Communications is a full service communications business. We operate leading communications businesses offering mobile, broadband and domestic and international fixed line services in most of our markets as well as pay TV, data centre and hosting, carrier and managed service solutions. Our operations are focused on providing our customers - consumers, businesses, governments - with world-class service. We are the market leader in most products we offer and territories we serve. For more information visit [www.cwc.com](http://www.cwc.com).

### **About Monaco Telecom**

Monaco Telecom is the incumbent operator in Monaco. Through Compagnie Monégasque de Communication S.A.M., the Group holds 55% of the total share capital of Monaco Telecom. The Principality of Monaco holds the remaining 45%. Monaco Telecom is the market leader and the only full service telecommunications operator in Monaco. In addition, Monaco Telecom owns 36.75% of Telecom Development Company Afghanistan Limited, a leading mobile telecommunications operator in Afghanistan. Monaco Telecom also has a Service-to-Operator division, which amongst other activities supplies the international country code and international carrier services to Kosovo, and has a service contract with OnAir, a company that provides passenger telephony solutions on board aircraft. Its Chief Executive Officer is Martin Péronnet.

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