

**9 FEBRUARY 2011**

**CABLE & WIRELESS COMMUNICATIONS PLC ANNOUNCES AGREEMENT  
TO ACQUIRE MAJORITY INTEREST IN THE BAHAMAS  
TELECOMMUNICATIONS COMPANY**

Cable & Wireless Communications Plc (CWC) today confirms that it has signed agreements with the Government of the Commonwealth of The Bahamas (the Government) to acquire a 51% interest in The Bahamas Telecommunications Company Limited (BTC).

BTC is the exclusive mobile operator in The Bahamas, as well as a leading provider of fixed-line and broadband services. It will form a key plank of CWC's Caribbean business, LIME, the leading full-service telecommunications provider in the region.

CWC has developed a business and restructuring plan for BTC to improve and expand its services and increase its customer focus.

The key terms of the sale and purchase agreement and the shareholders' agreement entered into with Government in respect to BTC are consistent with the memorandum of understanding announced on 2 December and include:

- CWC will acquire 51% of the shares in BTC, including management control of the business, for US\$210 million.
- The purchase price is based on BTC having net cash of B\$15 million (US\$15 million) on closing, and is subject to standard post-completion adjustments for actual net cash and working capital balances at closing.
- The liberalisation process for the mobile sector will commence no sooner than three years after privatisation.
- A workforce restructuring programme after privatisation will be undertaken on a voluntary basis and is planned to be implemented within the first year after completion.

The acquisition will be funded from CWC's existing cash balances and debt facilities. The transaction is expected to be earnings and cash flow accretive excluding restructuring costs.

The agreement is subject to a number of conditions including Parliamentary and regulatory approvals. CWC expects to be able to close the transaction around the beginning of April 2011.

Commenting on the acquisition, Tony Rice, CWC's Chief Executive, says:

"We are pleased to have BTC join the Cable & Wireless Communications group. It is a business with strong prospects, well positioned in one of the Caribbean region's largest economies. It will form a key part of our Caribbean business, benefitting from our regional platform and scale, while maintaining its Bahamian character. Our immediate focus will be on preparing the business for competition. We intend to improve its networks, introduce new services and move it to a cost base able to sustain the business in a competitive environment. In partnering with the Government of the Commonwealth of The Bahamas we believe that we can deliver a world-class telecoms capability to the people and businesses of The Bahamas."

The shares in BTC will be acquired by CWC Bahamas Holdings Limited, a wholly-owned subsidiary of CWC.

**ENDS**

## **About BTC**

BTC is the exclusive mobile operator in The Bahamas, as well as a leading provider of fixed-line and broadband services. For the year ended 31 December 2009, BTC had total revenues of B\$361 million, EBITDA B\$101 million, and net income of B\$48 million. As at 31 December 2009, BTC had gross assets of B\$371 million. The company currently has approximately 123,000 fixed line customers, 388,000 mobile customers and 19,000 broadband customers.

## **About Cable & Wireless Communications**

Cable & Wireless Communications is a global full-service communications business. We operate leading communications businesses through four regional units – the Caribbean, Panama, Macau and Monaco & Islands. Our services include 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).

### **Contacts:**

#### **Cable & Wireless Communications**

##### **Media**

Lachlan Johnston +44(0) 20 7315 4006 / +44 (0) 7800 021 405

Steve Smith +44(0) 20 7315 4070

##### **Investors**

Sheldon Bruha +44(0) 20 7315 4178

Kunal Patel +44(0) 20 7315 4083