

13 May, 2013

CABLE & WIRELESS COMMUNICATIONS

CWC agrees strategic alliance with Columbus Networks

Cable & Wireless Communications Plc (“CWC”) today announces it has entered into a strategic alliance with Columbus Networks Ltd (“Columbus”) to develop its international wholesale capacity business.

Under the alliance, CWC and Columbus will form a joint venture in the pan-America region which will provide international wholesale capacity to both companies, as well as to third party carriers.

CWC and Columbus operate substantial and largely complementary sub-sea cable networks in the Caribbean and Central American region – the joint venture will have a network platform of approximately 42,000 kilometres with connectivity to 42 countries.

The alliance positions CWC strongly to meet the data capacity demands of its retail operations in the future, as well as optimising its capital expenditure commitment to its undersea cable networks. Demand for data capacity is growing rapidly in this region, driven by the increasing availability of, and consumer demand for, mobile data and fixed broadband services.

The joint venture, which launched today, will initially operate on an agency basis by providing joint sales and marketing services for each of CWC’s and Columbus’ international wholesale capacity services. Columbus has a 72.5% majority share in, and management control of, the joint venture and CWC has a 27.5% share with appropriate minority protections.

The alliance will be broadened within the next two years with Columbus and CWC contributing their sub-sea and related assets into the joint venture company, subject to obtaining regulatory approvals and certain other conditions being met. Until then, Columbus and CWC will retain complete ownership and control of their respective existing networks in the region.

Once the applicable approval requirements and conditions have been met, the joint venture will then assume ownership and management control of the international wholesale capacity operations of CWC and Columbus and all new investments in infrastructure will be made, and owned by it.

Cable & Wireless Communications Chief Executive, Tony Rice, commented:

“In a world in which demand for data is growing exponentially bandwidth is absolutely crucial and for this reason we are delighted to be partnering with Columbus, an organisation with vast experience and capability, and an excellent sub-sea network. This joint venture aims to provide us with access to a secure, long-term supply of international data capacity to support our retail businesses in the pan-America region. It will also enable us to better monetise the excess capacity we have on our networks and in so doing offer high capacity and resilient solutions to our customers. The alliance will put both CWC and Columbus in a strong position in the growing market for international wholesale capacity.”

Columbus, through its wholly-owned subsidiary, Columbus Eastern Caribbean (Barbados) Inc., and CWC, through its wholly-owned subsidiary CWC WS Holdings Cayman Ltd, have entered into a shareholders' agreement governing the management and operation of the joint venture, CNL-CWC Networks Inc. In consideration of their agreement, subject to satisfying the applicable approval requirements and conditions, to transfer certain assets to, and the entry into related commercial agreements with, CNL-CWC Networks Inc., Columbus has 72.5% and CWC 27.5% of the issued share capital of CNL-CWC Networks Inc.

The transaction is not expected to have a material impact on the Group's earnings. CWC's assets subject to the joint venture arrangement had a gross asset value of US\$108.2 million, and recorded a loss before tax of US\$0.9 million in the year to 31 March 2013. Columbus's assets subject to the joint venture arrangement had a gross asset value of US\$304.6 million and recorded a profit before tax of US\$29.3 million in the year to 31 December 2012.

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About Cable & Wireless Communications

Cable & Wireless Communications is a global 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.

About Columbus

Columbus International Inc. is a privately held diversified telecommunications company based in Barbados. The Company provides digital cable television, broadband Internet and digital landline telephony in Trinidad, Jamaica, Barbados, Grenada and Curacao under the brand name FLOW and in St. Lucia, St. Vincent & the Grenadines and Antigua under the brand name Karib Cable. Columbus also provides corporate data and cloud based services under the brand Columbus Business Solutions. Through its wholly owned subsidiary, Columbus Networks, the Company provides capacity and IP services, corporate data solutions and data center hosting throughout 27 countries in the greater Caribbean, Central American and Andean

region. Through its fully protected, ringed submarine fiber optic network spanning close to 18,000 km and its 24,000 km terrestrial fibre and coaxial terrestrial network, Columbus' 2,400 plus professionals provide advanced telecom services to a diverse residential and corporate client base of over 550,000 customers. Visit www.columbus.co