

**23 FEBRUARY 2011**

**CABLE & WIRELESS COMMUNICATIONS  
DIVESTS BERMUDA BUSINESS AND ANNOUNCES SHARE BUYBACK**

Cable & Wireless Communications Plc (“CWC”) today announces an agreement to sell Cable & Wireless Bermuda, its operating business in Bermuda, to The Bragg Group for total consideration of US\$70 million.

CWC also announces today an on-market share buyback programme of up to US\$100 million in order to return capital to our shareholders.

The Bermuda divestment is consistent with CWC’s strategy to reshape its portfolio and develop the business around full-service telecommunications operations in a series of core regional hubs.

The consideration of US\$70 million will be paid in cash by The Bragg Group and represents a multiple of 6.5x 2009/10 EBITDA. The transaction is subject to government and regulatory approvals and is expected to be completed by the end of March.

Cable & Wireless Bermuda, which is part of CWC’s Monaco & Islands unit, is an international gateway business providing data capacity, carrier, internet and International Direct Dialling (IDD) calling services. Cable & Wireless Bermuda also provides data centre and disaster recovery services to the corporate community, and partially owns a Bermudian alternative local network provider.

The Bragg Group is a leading Canadian-based cable and telecommunications provider, operating under the Eastlink brand.

CWC also owns stakes in two international cable systems which land in Bermuda that are operated separately and not part of the transaction.

Cable & Wireless Communications Chief Executive, Tony Rice commented:

“Today’s announcements, together with our signing of the agreement to acquire majority control of BTC earlier this month, represent the first steps in our reshaping of the group as outlined at the time of the demerger last year. Bermuda does not fit our business model as it is not a full-service operation while BTC provides excellent opportunities and a strong strategic fit with our Caribbean business. The US\$70 million consideration represents an excellent return on our long-term investment in Bermuda.

“The share repurchase programme of up to US\$100 million is consistent with our policy to seek the best opportunity for increasing shareholder value with the Group’s available cash resources. I am pleased that we are developing our portfolio management approach in tandem with our progress in developing the businesses.”

**ENDS**

Cable & Wireless Communications will host a conference call for investors and analysts. The details are:

**Date:** 23 February 2011

**Time:** 10:00 (GMT)

**Details:** Cable & Wireless Communications Bermuda disposal and buyback

**UK:** +44 (0)20 7806 1951

**US:** +1 212 444 0412

**Confirmation Code:** 6190254

Participants will have to quote the above code when dialling into the conference.

Audio playback of the call will be available shortly after the call finishes until 2 March 2011. The details for the playback are:

**UK:** +44 (0)20 7111 1244

**US:** +1 347 366 9565

**Replay Access Code:** 6190254#

\*\*\*\*

### **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 further information visit [www.cwc.com](http://www.cwc.com).

### **About the Bragg Group**

The Bragg Group owns Bragg Communications, the largest privately held communications and video services company in Canada, operating in 9 of 10 Canadian provinces under the EastLink brand. The Company was the first Canadian cable company to offer a “triple play” (telecom, internet and video services) to customers, and is the leader in developing competitive telecommunications services to both residential and business customers in the communities it serves in Canada. Bragg Communications has been recognized as one of Canada’s “50 Best Managed Companies” for each of the past five years, and The Bragg Group was named Canada’s “Family Enterprise of the Year for 2009.”

### **Contacts**

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

##### **Investors**

Sheldon Bruha +44(0) 20 7315 4178

Kunal Patel +44(0) 20 7315 4083

##### **Media**

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

Steve Smith +44(0) 20 7315 4070

##### **Maitland**

Neil Bennett / Anthony Silverman +44(0) 20 7379 5151