

CABLE & WIRELESS PANAMA WINS MAJOR GOVERNMENT CONTRACTS

Cable & Wireless Panama, the Panama business of Cable & Wireless Communications, has won a series of contracts which will lead to the modernisation of the telecom systems used by the country's Government and civil service.

Panama's Cabinet Council has approved a resolution to award contracts to Cable & Wireless Panama and another local provider. The contracts are to provide a multiservice network, data and voice services to the entire Government and public civil service for five years. Total revenue of these contracts will be \$39m over the five year term, without taking into consideration any future growth in traffic and the number of data circuits required.

Cable & Wireless Panama will install a multi-service platform for the Government, integrating voice, data and video services. The Company's work will include delivering a new voice over internet protocol (VOIP) telephone system, a wide area network and a soft switch. Government data will be securely housed in two of Cable & Wireless Panama's data centres.

Once completed it is estimated that the new set-up will save the government more than \$US10 million per annum in operational expenditure. The network architecture will also increase efficiency. All the Panama Government's IT systems will be able to connect together for the first time.

It is expected that the VOIP telephone system will be operational by the end of this financial year, significantly cutting the cost of both domestic and international calls for Government workers.

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

"This contract is recognition of the reputation our Company has for delivering on projects of this size and scale. We are delighted that the Government of Panama has engaged us to help them integrate their communications systems and drive efficiency."

"The previous system, apart from many other fallacies, did not allow capitalising on economies of scale in procurement of these services by the state," said Edward E. Jaen, General Manager of Panama's National Authority for Government Innovation. He added: "We will now have the benefits of an integrated, robust, redundant, secure and much cheaper integrated network."

Contacts

Cable & Wireless Communications

Media

Lachlan Johnston +44(0) 207 315 4006 / +44 (0) 7800 021 405

Steve Smith +44(0) 207 315 4070/ +44 (0) 7785 778 375

Investors

Sheldon Bruha +44(0) 20 7315 4178

Kunal Patel +44(0) 20 7315 4083

About Cable & Wireless Communications

Cable & Wireless Communications is a global, full-service communications business. We operate leading telecommunications 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.