



CABLE & WIRELESS

PRESS RELEASE

30 March 2007

**CABLE & WIRELESS INVESTS IN A NEW CABLE FOR BERMUDA
AND CLARIFIES POSITION ON KEYTECH**

Cable & Wireless Bermuda Limited yesterday, 29 March 2007, announced a US\$22 million investment in a next generation fibre optic cable and associated infrastructure over the next two years. This will significantly enhance the telecoms services it provides to Bermuda's international business community.

Eddie Saints, Chief Executive of Cable & Wireless Bermuda, confirmed the investment during the Bermuda International Business Association annual forum in London, attended by the Honourable Paula Cox, Deputy Premier and Minister of Finance; and the Honourable Neletha Butterfield, Minister of the Environment, Telecommunications and E-Commerce.

Cable & Wireless has provided international fixed line services to Bermuda for 117 years and also provides fibre-based data and broadband services to businesses through its Bermuda associate Quantum Communications Limited.

The 800-mile-long cable is due to be operational by the end of October 2007 and will link Bermuda with the USA. It has 700 times more capacity than the PTAT-1 cable it replaces and will provide Cable & Wireless Bermuda and Quantum Communications Limited customers access to the Cable & Wireless global network.

Mr. Saints said: "The new undersea cable will satisfy the growing demand for diverse, reliable high-speed data and broadband services, which cannot be provided by the restricted capacity of the current cable.

"This investment will also enable us to provide direct international access to all three diverse fibre optic cable systems serving Bermuda from our Teleport facility in Devonshire parish on Main Island, benefiting Bermuda's international business and residential community."

Separately Cable & Wireless said that it is unlikely to proceed with its plans to acquire an interest in KeyTech Ltd, the holding company for the alternative telecommunications company in Bermuda, because of the considerable uncertainty surrounding the proposed new telecoms regulatory framework.

Notes to editors

About Cable & Wireless

Cable & Wireless is one of the world's leading international communications companies. It operates through two stand-alone business units – International and UK.

The International business unit operates integrated telecommunications companies in 33 countries offering mobile, broadband, domestic and international fixed line services to residential and business customers, with principal operations in the Caribbean, Panama, Macau, Channel Islands and Monaco.

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The UK business unit provides enterprise and carrier solutions to the largest users of telecoms services across the UK, US, continental Europe and Asia, plus wholesale broadband services in the UK.

For more information about Cable & Wireless, go to www.cw.com <<http://www.cw.com>>.

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