



Global Crossing Limited and Subsidiaries
Unaudited Summary of Consolidated Revenues, Cost of Access, and Adjusted Gross Margin
(\$ in millions)

Table 1

	Quarter Ended June 30, 2008					Quarter Ended March 31, 2008					Quarter Ended June 30, 2007				
	GCUK	GC Impsat	ROW ¹	Eliminations	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Eliminations (as restated ²)	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Eliminations (as restated ²)	Total
Revenues:															
Enterprise, carrier data and indirect channels	\$ 154	\$ 110	\$ 282	\$ -	\$ 546	\$ 150	\$ 104	\$ 263	\$ -	\$ 517	\$ 139	\$ 56	\$ 237	\$ -	\$ 432
Wholesale voice	3	2	101	-	106	3	2	107	-	112	2	1	111	-	114
Other	-	-	1	-	1	-	-	1	-	1	-	-	1	-	1
Intersegment revenue	-	3	1	(4)	-	-	1	2	(3)	-	-	1	1	(2)	-
Consolidated revenues	\$ 157	\$ 115	\$ 385	\$ (4)	\$ 653	\$ 153	\$ 107	\$ 373	\$ (3)	\$ 630	\$ 141	\$ 58	\$ 350	\$ (2)	\$ 547
Cost of access:															
Enterprise, carrier data and indirect channels	\$ (46)	\$ (25)	\$ (141)	\$ -	\$ (212)	\$ (44)	\$ (24)	\$ (135)	\$ -	\$ (203)	\$ (40)	\$ (13)	\$ (127)	\$ -	\$ (180)
Wholesale voice	(2)	(2)	(90)	-	(94)	(2)	(2)	(92)	-	(96)	(1)	(1)	(99)	-	(101)
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intersegment cost of access	-	(1)	(2)	3	-	-	(2)	(1)	3	-	-	(1)	-	1	-
Consolidated cost of access	\$ (48)	\$ (28)	\$ (233)	\$ 3	\$ (306)	\$ (46)	\$ (28)	\$ (228)	\$ 3	\$ (299)	\$ (41)	\$ (15)	\$ (226)	\$ 1	\$ (281)
Adjusted Gross Margin:															
Enterprise, carrier data and indirect channels	\$ 108	\$ 85	\$ 141	\$ -	\$ 334	\$ 106	\$ 80	\$ 128	\$ -	\$ 314	\$ 99	\$ 43	\$ 110	\$ -	\$ 252
Wholesale voice	1	-	11	-	12	1	-	15	-	16	1	-	12	-	13
Other	-	-	1	-	1	-	-	1	-	1	-	-	1	-	1
Intersegment adjusted gross margin	-	2	(1)	(1)	-	-	(1)	1	-	-	-	-	1	(1)	-
Consolidated adjusted gross margin	\$ 109	\$ 87	\$ 152	\$ (1)	\$ 347	\$ 107	\$ 79	\$ 145	\$ -	\$ 331	\$ 100	\$ 43	\$ 124	\$ (1)	\$ 266

¹Rest of World (ROW) represents operations of Global Crossing Limited and subsidiaries excluding Global Crossing (UK) Telecommunications Ltd. and subsidiaries (GCUK) and GC Impsat Holdings I Plc and subsidiaries (GC Impsat).

²In May 2008, Global Crossing Limited transferred its GC Brazil operations from the ROW Segment to the GC Impsat Segment. Since the transfer is between entities under common control, the Company has retroactively restated GC Impsat's results to include GC Brazil operations and removed GC Brazil from ROW for all periods presented.

On May 9, 2007, Global Crossing announced that it had acquired Impsat Fiber Networks Inc. (Impsat), and since that date Impsat's results have been consolidated into Global Crossing's results as part of GC Impsat.

Definition: Adjusted gross margin is revenue minus cost of access. See Table 4 for the reconciliation of adjusted gross margin to gross margin.

Global Crossing Limited and Subsidiaries
 Unaudited Consolidated Statements of Operations
 (\$ in millions)

Table 2

	Quarter Ended June 30, 2008					Quarter Ended March 31, 2008					Quarter Ended June 30, 2007				
	GCUK	GC Impsat	ROW ¹	Eliminations	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Eliminations (as restated ²)	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Eliminations (as restated ²)	Total
REVENUE	\$ 157	\$ 115	\$ 385	\$ (4)	\$ 653	\$ 153	\$ 107	\$ 373	\$ (3)	\$ 630	\$ 141	\$ 58	\$ 350	\$ (2)	\$ 547
Cost of revenue															
Cost of access	(48)	(28)	(233)	3	(306)	(46)	(28)	(228)	3	(299)	(41)	(15)	(226)	1	(281)
Real estate, network and operations	(24)	(17)	(67)	1	(107)	(25)	(14)	(65)	-	(104)	(26)	(7)	(69)	1	(101)
Third party maintenance	(9)	(4)	(15)	-	(28)	(9)	(5)	(13)	-	(27)	(9)	(4)	(12)	-	(25)
Cost of equipment sales	(17)	(3)	(3)	-	(23)	(18)	(2)	(3)	-	(23)	(14)	(2)	(7)	-	(23)
Total cost of revenue	(98)	(52)	(318)	4	(464)	(98)	(49)	(309)	3	(453)	(90)	(28)	(314)	2	(430)
Selling, general and administrative	(22)	(34)	(77)	-	(133)	(20)	(32)	(80)	-	(132)	(18)	(87)	-	-	(128)
Depreciation and amortization	(21)	(21)	(42)	-	(84)	(22)	(18)	(36)	-	(76)	(20)	(10)	(33)	-	(63)
OPERATING INCOME (LOSS)	16	8	(52)	-	(28)	13	8	(52)	-	(31)	8	2	(84)	-	(74)
OTHER INCOME (EXPENSE)															
Interest expense, net	(16)	(10)	(17)	-	(43)	(15)	(7)	(18)	-	(40)	(15)	(4)	(22)	-	(41)
Other income (expense), net	1	4	3	-	8	-	(1)	21	-	20	3	(5)	26	-	24
INCOME (LOSS) BEFORE REORGANIZATION ITEMS, NET AND INCOME TAXES	1	2	(66)	-	(63)	(2)	-	(49)	-	(51)	(4)	(7)	(80)	-	(91)
Net gain on preconfirmation contingencies	-	-	4	-	4	-	-	-	-	-	-	-	-	-	-
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES	1	2	(62)	-	(59)	(2)	-	(49)	-	(51)	(4)	(7)	(80)	-	(91)
Provision for income taxes	(1)	(11)	(17)	-	(29)	-	(5)	(13)	-	(18)	-	(2)	(7)	-	(9)
NET LOSS	-	(9)	(79)	-	(88)	(2)	(5)	(62)	-	(69)	(4)	(9)	(87)	-	(100)
Preferred stock dividends	-	-	(1)	-	(1)	-	-	(1)	-	(1)	-	-	(1)	-	(1)
LOSS APPLICABLE TO COMMON SHAREHOLDERS	\$ -	\$ (9)	\$ (80)	\$ -	\$ (89)	\$ (2)	\$ (5)	\$ (63)	\$ -	\$ (70)	\$ (4)	\$ (9)	\$ (88)	\$ -	\$ (101)

¹Rest of World (ROW) represents operations of Global Crossing Limited and subsidiaries excluding Global Crossing (UK) Telecommunications Ltd. and subsidiaries (GCUK) and GC Impsat Holdings I Plc and subsidiaries (GC Impsat).

²In May 2008, Global Crossing Limited transferred its GC Brazil operations from the ROW Segment to the GC Impsat Segment. Since the transfer is between entities under common control, the Company has retroactively restated GC Impsat's results to include GC Brazil operations and removed GC Brazil from ROW for all periods presented.

On May 9, 2007, Global Crossing announced that it had acquired Impsat Fiber Networks Inc. (Impsat), and since that date Impsat's results have been consolidated into Global Crossing's results as part of GC Impsat.

Pursuant to the SEC's Regulation G, the following table provides a reconciliation of Adjusted Cash EBITDA, which is considered a non-GAAP (Generally Accepted Accounting Principles) financial metric, to net income (loss) applicable to common shareholders, which is the most directly comparable GAAP measure. Global Crossing's calculation of its Adjusted Cash EBITDA measure may not be consistent with EBITDA measures of other companies. Management believes that Adjusted Cash EBITDA is a relevant indicator of operating performance, especially in a capital-intensive industry such as telecommunications. Adjusted Cash EBITDA is an important aspect of the company's internal reporting and is also used by the investment community in assessing financial performance. This non-GAAP measure should be used in addition to, but not as a substitute for, the analysis provided in the statement of operations.

Global Crossing Limited

Table 3

**Unaudited Reconciliation of Adjusted Cash EBITDA to Net Loss Applicable to Common Shareholders
(\$ in millions)**

	Quarter Ended June 30, 2008				Quarter Ended March 31, 2008				Quarter Ended June 30, 2007			
	GCUK	GC Impsat	ROW ¹	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Total
Adjusted Cash EBITDA	\$ 39	\$ 32	\$ 6	\$ 77	\$ 38	\$ 29	\$ -	\$ 67	\$ 30	\$ 12	\$ (34)	\$ 8
Non-cash stock compensation expense	(2)	(3)	(16)	(21)	(3)	(3)	(16)	(22)	(2)	-	(17)	(19)
Depreciation and amortization	(21)	(21)	(42)	(84)	(22)	(18)	(36)	(76)	(20)	(10)	(33)	(63)
Interest expense, net	(16)	(10)	(17)	(43)	(15)	(7)	(18)	(40)	(15)	(4)	(22)	(41)
Other income (expense), net	1	4	3	8	-	(1)	21	20	3	(5)	26	24
Net gain on preconfirmation contingencies	-	-	4	4	-	-	-	-	-	-	-	-
Income tax provision	(1)	(11)	(17)	(29)	-	(5)	(13)	(18)	-	(2)	(7)	(9)
Preferred stock dividends	-	-	(1)	(1)	-	-	(1)	(1)	-	-	(1)	(1)
Net loss applicable to common shareholders	\$ -	\$ (9)	\$ (80)	\$ (89)	\$ (2)	\$ (5)	\$ (63)	\$ (70)	\$ (4)	\$ (9)	\$ (88)	\$ (101)

¹Rest of World (ROW) represents operations of Global Crossing Limited and subsidiaries excluding Global Crossing (UK) Telecommunications Ltd. and subsidiaries (GCUK) and GC Impsat Holdings I Plc and subsidiaries (GC Impsat).

²In May 2008, Global Crossing Limited transferred its GC Brazil operations from the ROW Segment to the GC Impsat Segment. Since the transfer is between entities under common control, the Company has retroactively restated GC Impsat's results to include GC Brazil operations and removed GC Brazil from ROW for all periods presented.

On May 9, 2007, Global Crossing announced that it had acquired Impsat Fiber Networks Inc. (Impsat), and since that date Impsat's results have been consolidated into Global Crossing's results as part of GC Impsat.

Definition: Adjusted cash EBITDA is earnings before interest, taxes, depreciation and amortization, other income/(expense), net, net gain on pre-confirmation contingencies, preferred stock dividends and non-cash stock compensation.

Pursuant to the SEC's Regulation G, the following table provides reconciliation of adjusted gross margin, which is considered a non-GAAP financial metric, to gross margin, which is the most directly comparable GAAP measure. Management believes that adjusted gross margin is a relevant indicator of operating performance since it links revenue lines with the largest and most directly related costs incurred to generate such revenue. Adjusted Gross Margin should be used in addition to, but not as a substitute for, the analysis provided in the statement of operations.

Global Crossing Limited and Subsidiaries
Unaudited Reconciliation of Adjusted Gross Margin to Gross Margin
(\$ in millions)

Table 4

	Quarter Ended June 30, 2008					Quarter Ended March 31, 2008					Quarter Ended June 30, 2007				
	GCUK	GC Impsat	ROW ¹	Eliminations	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Eliminations (as restated ²)	Total	GCUK	GC Impsat (as restated ²)	ROW ¹ (as restated ²)	Eliminations (as restated ²)	Total
Adjusted gross margin	\$ 109	\$ 87	\$ 152	\$ (1)	\$ 347	\$ 107	\$ 79	\$ 145	\$ -	\$ 331	\$ 100	\$ 43	\$ 124	\$ (1)	\$ 266
Real estate, network and operations	(24)	(17)	(67)	1	(107)	(25)	(14)	(65)	-	(104)	(26)	(7)	(69)	1	(101)
Third party maintenance	(9)	(4)	(15)	-	(28)	(9)	(5)	(13)	-	(27)	(9)	(4)	(12)	-	(25)
Cost of equipment sales	(17)	(3)	(3)	-	(23)	(18)	(2)	(3)	-	(23)	(14)	(2)	(7)	-	(23)
Gross margin	\$ 59	\$ 63	\$ 67	\$ -	\$ 189	\$ 55	\$ 58	\$ 64	\$ -	\$ 177	\$ 51	\$ 30	\$ 36	\$ -	\$ 117

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Definition: Adjusted gross margin is revenue minus cost of access.

Global Crossing Limited
Condensed Consolidated Balance Sheets
(\$ in millions, except share and per share data)

Table 5

	June 30, 2008 (unaudited)	December 31, 2007
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 318	\$ 397
Restricted cash and cash equivalents - current portion	45	18
Accounts receivable, net of allowances of \$65 and \$52	363	345
Prepaid costs and other current assets	147	121
Total current assets	<u>873</u>	<u>881</u>
Restricted cash and cash equivalents - long term	14	35
Property and equipment, net of accumulated depreciation of \$800 and \$664	1,470	1,467
Intangible assets, net (including goodwill of \$181 and \$158)	214	193
Other assets	85	91
Total assets	<u>\$ 2,656</u>	<u>\$ 2,667</u>
LIABILITIES:		
Current liabilities:		
Short term debt	\$ 2	\$ -
Accounts payable	293	286
Accrued cost of access	113	107
Current portion of long term debt	22	26
Accrued restructuring costs - current portion	17	17
Deferred revenue - current portion	169	164
Other current liabilities	442	395
Total current liabilities	<u>1,058</u>	<u>995</u>
Long term debt	1,253	1,249
Obligations under capital leases	115	123
Deferred revenue	287	262
Accrued restructuring costs	20	20
Other deferred liabilities	73	81
Total liabilities	<u>2,806</u>	<u>2,730</u>
SHAREHOLDERS' DEFICIT:		
Common stock, 110,000,000 shares authorized, \$.01 par value, 56,049,062 and 54,552,045 shares issued and outstanding as of June 30, 2008 and December 31, 2007, respectively	1	1
Preferred stock with controlling shareholder, 45,000,000 shares authorized, \$.10 par value, 18,000,000 shares issued to controlling shareholder and outstanding	2	2
Additional paid-in capital	1,369	1,307
Accumulated other comprehensive loss	(34)	(42)
Accumulated deficit	(1,488)	(1,331)
Total shareholders' deficit	<u>(150)</u>	<u>(63)</u>
Total liabilities and shareholders' deficit	<u>\$ 2,656</u>	<u>\$ 2,667</u>

Global Crossing Limited
Unaudited Condensed Consolidated Statements of Cash Flows
(\$ in millions)

Table 6

	Six Months Ended	
	June 30,	
	2008	2007
Cash flows provided by (used in) operating activities:		
Net loss	\$ (157)	\$ (220)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Loss on sale of property and equipment	-	1
Loss on sale of marketable securities	3	-
Gain on settlement of contracts due to Impsat acquisition	-	(27)
Non-cash income tax provision	27	18
Non-cash stock compensation expense	43	34
Depreciation and amortization	160	113
Provision for doubtful accounts	5	3
Amortization of prior period IRUs	(7)	(5)
Gain on preconfirmation contingencies	(4)	-
Change in long term deferred revenue	32	46
Change in operating working capital	(25)	(83)
Other	(37)	4
Net cash provided by (used in) operating activities	<u>40</u>	<u>(116)</u>
Cash flows provided by (used in) investing activities:		
Purchases of property and equipment	(92)	(77)
Purchases of marketable securities	(11)	-
Proceeds from sale of property and equipment	4	-
Proceeds from sale of marketable securities	12	4
Payment for Impsat, net of cash acquired	-	(75)
Change in restricted cash and cash equivalents	(6)	(53)
Net cash used in investing activities	<u>(93)</u>	<u>(201)</u>
Cash flows provided by (used in) financing activities:		
Proceeds from long term debt	7	597
Repayment of capital lease obligations	(29)	(20)
Repayment of long term debt	(9)	(238)
Proceeds from exercise of stock options	1	3
Finance costs incurred	-	(23)
Cash flows provided by (used in) financing activities	<u>(30)</u>	<u>319</u>
Effect of exchange rate changes on cash and cash equivalents	4	1
Net increase (decrease) in cash and cash equivalents	<u>(79)</u>	<u>3</u>
Cash and cash equivalents, beginning of period	397	459
Cash and cash equivalents, end of period	<u>\$ 318</u>	<u>\$ 462</u>
Non cash investing and financing activities:		
Capital lease and debt obligations incurred	<u>\$ 27</u>	<u>\$ 43</u>
Accrued interest converted to convertible notes	<u>\$ -</u>	<u>\$ 6</u>