

DDI Corporation to be First Asian Customer on Global Crossing High Capacity Undersea Fiber-Optic Network Between U.S. and Japan

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Hamilton, Bermuda - Global Crossing and DDI Corporation announced today that they have signed a memorandum of understanding for DDI Corporation, the second largest telephone company in Japan, to purchase capacity on Pacific Crossing (PC-1). With the signing of the MOU, DDI Corporation will become the first Asian customer on PC-1, the first ultra-high capacity, digital fiber-optic cable to directly connect the United States and Japan, which is scheduled to begin initial service in early 2000. PC-1 is a joint venture between Global Crossing and its Japanese partners, Marubeni Corp and KDD-SCS. The terms of the agreement are confidential.

"We are very pleased to be entering such an agreement with Global Crossing," said Haruo Taneno, executive vice president of DDI. "This marks the first step for DDI Corporation toward becoming a truly international carrier."

"This announcement represents Global Crossing's initial establishment of a significant foothold in the Japanese market," said Jack Scanlon, Global Crossing chief executive officer. "Market demand by Internet and corporate data networks for broadband capacity in the Pacific region has exceeded existing capacity and continues to grow at a rapid rate. PC-1 will add much needed low-cost capacity to this region of the world."

"As a joint venture partner with Global Crossing on PC-1, we recognize the significance of DDI Corporation's becoming the first Asian customer on the system," said Fumio Uehara, general manager of Marubeni Corporation. "They are leading the way for other Asian carriers to become international in scope and we are proud to be part of the process."

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When complete, PC-1, along with three other undersea fiber-optic cable systems wholly owned by Global Crossing, will comprise the world's first independent, open access, capacity-on-demand fiber-optic global telecommunications network with seamless data and telecommunication links between Europe, North America, Central America and Asia.

Global Crossing's other high capacity, undersea fiber-optic networks include:

- Atlantic Crossing (AC-1), connecting North America and Europe, which began service between the U.S. and the U.K. on May 26, 1998;
- Global Crossing/DDI Mid-Atlantic Crossing (MAC), connecting the eastern U.S., Bermuda and the Caribbean, scheduled to begin service in late 1999;
- Pan American Crossing (PAC), providing connectivity between Bermuda, the Caribbean, Panama, Mexico and the western U.S., scheduled to begin service in early 2000.

Transport services from the PC-1 Japanese cable stations to Tokyo will also be provided to customers of the PC-1 network. These services will be competitively priced and substantially

lower than traditional "backhaul" prices. In addition, annual operations, administration and maintenance charges will be a low, fixed price according to Mr. Scanlon. As with Global Crossing's other systems, customers on PC-1 will be able to defer capital spending until they choose to activate service.

Project financing for PC-1 is being provided by Canadian Imperial Bank of Commerce, Deutsche Morgan Grenfell and Goldman Sachs. According to Mr. Scanlon, this bank facility and the equity contributions from Global Crossing, Marubeni and KDD Submarine Cable Systems cover the total cost of the project.

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