

## Global Crossing Ltd. Announces Contract Sales 28 Percent Above Second Quarter

Third Quarter Results Show \$118 Million of Revenue and \$15 Million Net Income

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**Hamilton, Bermuda** - Global Crossing Ltd. (NASDAQ: GBLX), the developer of the world's first independent global fiber-optic network, today reported results for the third quarter ended September 30, 1998. The company reported revenues of \$117.7 million and net income of \$15.2 million, reflecting an increase in demand for the company's Atlantic Crossing (AC-1) system.

Global Crossing chief executive officer Jack Scanlon said, "Our results for the quarter keep us ahead of schedule with our business plan. In addition to becoming a publicly traded company, we made significant progress during the quarter in aggressively developing and marketing our global network. We have achieved a clear leadership position as the first independent company developing a global fiber-optic network and are on schedule to interconnect 100 of the top cities in the world for telecommunications traffic."

The company announced that cumulative contract sales through the end of the third quarter, including the recently announced Level 3 contract for over \$100 million, totaled \$767 million, a 38 percent increase over cumulative contract sales at the end of the second quarter. Also, Deutsche Telekom increased its already sizable commitment by \$60 million. Both of these contracts reflect the continued growth in demand for bandwidth between the U.S. and Europe.

Commenting on the sales success, Scanlon stated, "The demand for bandwidth continues to accelerate. This is being driven by deregulation, multiple new carriers and the growth of the internet and corporate data traffic."

In response to increasing demand, Global Crossing recently announced its plans to accelerate by 18 months the capacity upgrade of AC-1 from 40 gigabits to 80 gigabits. AC-1, the first segment of the Global Crossing Network, went into commercial service in May, 1998, linking the United States with the United Kingdom. AC-1 connectivity to continental Europe is scheduled to be activated in November, 1998.

Strong demand for European connectivity also led to Global Crossing's recent announcement of Pan European Crossing (PEC), a \$700 million, 7,200 kilometer network that will span eight countries in Western Europe and connect 18 major cities, including London, Amsterdam, Frankfurt and Paris. PEC will be the highest capacity independent network available in Europe. With its first phase expected to be operational by year-end 1999, PEC is an important addition to the Global Crossing Network and lays a foundation for further expansion in Europe.

Of the \$767 million of cumulative contract sales through the end of the third quarter, \$115.9 million was recognized as revenue, relating to contracts for circuits that were activated during this quarter. Financial highlights for the three and nine months ended September 30, 1998 were:

**Contract Sales (in millions, except per share data):**

	<b>Three Months Ended September 30, 1998*</b>	<b>Nine Months Ended September 30, 1998*</b>
Through September 30, 1998	\$767	\$767
During the period	\$211	\$626
Revenues	\$118	\$219
EBITDA before non-recurring items	\$74	\$118

Net income before non-recurring	\$15	\$15
Earnings (loss) per share	\$ .08	\$(1.09)
<b>Network highlights included:</b>		
<b>Route Kilometers:</b>		
In-service	5,000 km	
Under contract	51,300 km	
Announced	58,300 km	
Network Service Capacity	(STM-1 circuits) 128	

\* (in millions, except per share data)

**Additional highlights for the quarter included:**

- The completion of a highly successful initial public offering (IPO) in August, with over 22,000,000 shares issued by the company to raise approximately \$400 million in capital. These shares are listed on the NASDAQ and Bermuda Stock Exchanges. With the IPO, the company has raised more than \$3.0 billion in capital through the capital markets, project financing and project equity from partners, providing full funding for the four announced subsea systems.
- A memorandum of understanding with DDI Corporation, the second largest telephone company in Japan, to purchase capacity on Pacific Crossing (PC-1). This agreement represents Global Crossing's establishment of a significant foothold in the Japanese market.
- Additions to its senior management team: Thomas J. Casey, managing director; James C. Gorton, general counsel; and Jack Finlayson, senior vice president of sales and marketing.

**ABOUT GLOBAL CROSSING**

Global Crossing is the world's leading independent developer, owner and operator of open-access fiber-optic telecommunications networks. The Company's operations are headquartered in Hamilton, Bermuda, with holding Company headquarters in Los Angeles, and offices in Morristown, New Jersey; San Francisco; Miami; London; Amsterdam; and Buenos Aires.

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