

Global Crossing and Versatel Telecom Announce European Network Agreement

- Global Crossing to receive optical fiber conduits in the Netherlands and Belgium.
- Versatel to receive capacity and dark fiber on Pan European Crossing.

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Hamilton, Bermuda - Global Crossing Ltd. (NASDAQ: GBLX) and VersaTel Telecom Europe B.V. announced today an agreement which allows Global Crossing to secure ownership of optical fiber conduits on VersaTel's routes connecting Amsterdam, Brussels and the French border. Also under the agreement, VersaTel will receive capacity and dark fiber on Global Crossing's Pan European Crossing network.

This agreement furthers both companies' goals to interconnect the top telecommunications markets in Europe. Through this agreement, European customers will be able to connect Europe to the United States, Latin America, and Asia and will have access to state-of-the-art global fiber-optic networks to meet the exploding demand for telecommunications capacity due to the growth of the Internet, multi-national Intranets and E-commerce.

"This agreement is a key step in securing rights of way for the development of our Pan European Crossing network, using our resources most effectively and keeping us on schedule. We have now secured the rights of way for two of the eight Pan European Crossing countries. Rights to VersaTel's routes connecting the Netherlands and Belgium to the French border provide a critical link in creating one seamless global network that our customers can use to meet their growing needs for fiber-optic capacity," said Jack Scanlon, Global Crossing's chief executive officer.

According to VersaTel managing director Gary Mesch, "This trade extends VersaTel's planned 28 city Benelux Overlay Network to two of the most important interconnect points with key trading partner countries. It will allow VersaTel to provide connectivity for our Benelux city ring and indirect customers. It also validates our strategy of building access capacity along our rights of way for trading purposes."

Under the agreement, Global Crossing will make available to VersaTel capacity between Amsterdam, London and Paris. In exchange, VersaTel will provide Global Crossing ownership of optical fiber conduits on routes connecting Beverwijk to Amsterdam, Amsterdam via Antwerp to Brussels, and Brussels to the French border, via Kortrijk, effective March 31, 1999.

"This agreement with VersaTel is a significant milestone, representing our first rights of way commitment as we begin to develop our terrestrial network and lay the foundation for further expansion into Europe," said Wim Huisman, Global Crossing's managing director, Pan European Network.

The Global Crossing Network

Global Crossing is the first independent provider of worldwide undersea fiber-optic telecommunications networks. In May, it launched the first of its undersea systems, Atlantic Crossing (AC-1), linking the United States and the United Kingdom. This is in conjunction with Global Crossing's other networks - Pacific Crossing (PC-1) connecting the U.S. and Japan; Mid-Atlantic Crossing (MAC) connecting the eastern U.S., Bermuda and the Caribbean; and Pan-American Crossing (PAC) connecting the Western U.S., Central America and the Caribbean. Global Crossing announced Pan European Crossing (PEC) on October 1, 1998. This 7,200 kilometer terrestrial network will interconnect 18 of the top European cities' metropolitan centers

to each other and to AC-1. The company expects to commence operation for the first phase of the Network, interconnecting 13 European cities, including London, Amsterdam, Frankfurt and Paris, in the fourth quarter, 1999. This system extends the company's high-capacity, undersea global network to major European commercial centers, meeting the growing demand for global Internet and communications connectivity.

PEC will use the latest Synchronous Digital Hierarchy (SDH) and Dense Wavelength Division Multiplexing (DWDM) technologies from leading suppliers to provide ultra-high capacity, self-healing fiber networks. It will connect the major commercial centers of Europe with the world, representing a terrestrial network of approximately 7,200 route kilometers and 500,000 fiber kilometers. Based on fibers per kilometer, Pan European Crossing is by far the highest capacity independent European network ever announced.

The VersaTel Telecom Network

The VersaTel Network, the only digital fiber network in the Benelux designed to serve the future needs of businesses, consists of three integrated network sections: the Benelux Overlay Network, the Local Access Network and the International Network. The Benelux Overlay Network makes the connection with and between key business areas in Benelux - 32 major cities.

The Local Access Network provides business customers with multiple, 2 mega-bit per second, direct connections to VersaTel's network. These connections will allow VersaTel to offer a seamless local, national and international network. VersaTel is the first European Telecom provider to integrate radio and fiber technology to build the local loop connections.

The International Network will provide fiber-optic links connecting the Benelux Overlay Network with interconnection points in Germany, France and the UK. VersaTel intends to build, partner or buy around 5,000 kilometers of fiber in the next year.

The full network, which will be ready at the end of 1999, will pass nearly 300,000 businesses in the Benelux, directly connect major business parks, and connect to Germany, France and the UK. The total business region consists of over 900,000 businesses.

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, and holding company headquarters in Los Angeles, with offices in Morristown, New Jersey; San Francisco; Miami; London; Amsterdam; and Buenos Aires.

ABOUT VERSATEL

Based in Amsterdam, VersaTel is a rapidly growing telecommunications provider currently deploying a dense, Benelux fiber and radio network. Formed in October, 1995, VersaTel provides comprehensive solutions to its clients' needs at a fair price, with a strong commitment to quality services, professionalism and high moral and ethical standards. The company strives to be the leading telecommunications provider to small and medium sized business customers.

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