31 January 2007

Prior notification of a transaction under the Telecommunications Mergers and Acquisitions Regulation TRA case reference no. 01/07 – Cable and Wireless PLC /Hawar Holding Company (transfer of shares)

1. On January 22 2006, the Telecommunications Regulatory Authority (the "**TRA**") received a notification of a proposed transaction pursuant to Article 2 of the Telecommunications Mergers and Acquisitions Regulation[1] (the "**Regulation**").

2. Under the proposed transaction (as notified to the TRA), Cable and Wireless PLC proposes to transfer 100% of the shares in Amber Holdings Limited to Hawar Holding Company.

3. Hawar Holding Company is owned in equal shares by Bahrain Mumtalakat Holding Company B.S.C.(c), the Pension Fund Commission and the General Organisation for Social Insurance.

4. Amber Holdings Limited is a wholly-owned subsidiary of Cable and Wireless PLC.

5. Cable and Wireless PLC has already transferred 20% of the issued share capital of Bahrain Telecommunications Company B.S.C. (Batelco) (240,000,000 shares (the "**Batelco Shares**")) to Amber Holdings Limited.

6. The parties to the proposed transaction are involved in the following activities:

- Cable and Wireless PLC: *Telecommunications, holding company*
- Hawar Holding Company: *Holding company*

3. The parties to the transaction hold the following telecommunications licenses in the Kingdom of Bahrain:

- Cable and Wireless PLC: *None*
- Hawar Holding Company: *None*

[1] Regulation No3 of 2004

4. On preliminary examination, the TRA finds that the proposed transaction notified, together with the previous transfer of the Batelco Shares from Cable and Wireless PLC to Amber Holdings Limited, could fall within the scope of the Regulation. However, the final decision on this point is reserved.

5. The TRA invites interested third parties to submit their comments on the proposed transaction to the TRA, along with any supporting evidence.
Comments should reach the TRA no later than 14 calendar days from the date of this announcement. Comments may be sent to the TRA under reference no. 01/07 – Cable and Wireless PLC/Hawar Holding Company (transfer of shares), to the following address:

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