



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

Table 1

	Quarter Ended December 31, 2007					Quarter Ended December 31, 2006		
	GCUK	GC Impsat	ROW <sup>1</sup>	Eliminations	Total	GCUK	ROW <sup>1</sup>	Total
<b>Revenues:</b>								
Enterprise, carrier data and indirect channels	\$ 151	\$ 88	\$ 265	\$ -	\$ 504	\$ 133	\$ 218	\$ 351
Wholesale voice	2	3	106	-	111	2	133	135
Other	-	-	1	-	1	-	2	2
Intersegment revenue	-	3	2	(5)	-	-	-	-
Consolidated revenues	\$ 153	\$ 94	\$ 374	\$ (5)	\$ 616	\$ 135	\$ 353	\$ 488
<b>Cost of access:</b>								
Enterprise, carrier data and indirect channels	\$ (43)	\$ (21)	\$ (135)	\$ -	\$ (199)	\$ (38)	\$ (117)	\$ (155)
Wholesale voice	(2)	(2)	(90)	-	(94)	(2)	(117)	(119)
Other	-	-	-	-	-	-	-	-
Intersegment cost of access	-	(2)	(2)	4	-	-	-	-
Consolidated cost of access	\$ (45)	\$ (25)	\$ (227)	\$ 4	\$ (293)	\$ (40)	\$ (234)	\$ (274)
<b>Adjusted Gross Margin:</b>								
Enterprise, carrier data and indirect channels	\$ 108	\$ 67	\$ 130	\$ -	\$ 305	\$ 95	\$ 101	\$ 196
Wholesale voice	-	1	16	-	17	-	16	16
Other	-	-	1	-	1	-	2	2
Intersegment adjusted gross margin	-	1	-	(1)	-	-	-	-
Consolidated adjusted gross margin	\$ 108	\$ 69	\$ 147	\$ (1)	\$ 323	\$ 95	\$ 119	\$ 214
<b>Year Ended December 31, 2007</b>								
	GCUK	GC Impsat	ROW <sup>1</sup>	Eliminations	Total	GCUK	ROW <sup>1</sup>	Total
<b>Revenues:</b>								
Enterprise, carrier data and indirect channels	\$ 572	\$ 215	\$ 1,007	\$ -	\$ 1,794	\$ 442	\$ 807	\$ 1,249
Wholesale voice	10	6	446	-	462	8	606	614
Other	-	-	5	-	5	-	8	8
Intersegment revenue	-	8	5	(13)	-	-	-	-
Consolidated revenues	\$ 582	\$ 229	\$ 1,463	\$ (13)	\$ 2,261	\$ 450	\$ 1,421	\$ 1,871
<b>Cost of access:</b>								
Enterprise, carrier data and indirect channels	\$ (161)	\$ (54)	\$ (526)	\$ -	\$ (741)	\$ (131)	\$ (445)	\$ (576)
Wholesale voice	(8)	(4)	(392)	-	(404)	(8)	(535)	(543)
Other	-	-	(1)	-	(1)	-	(1)	(1)
Intersegment cost of access	-	(5)	(5)	10	-	-	-	-
Consolidated cost of access	\$ (169)	\$ (63)	\$ (924)	\$ 10	\$ (1,146)	\$ (139)	\$ (981)	\$ (1,120)
<b>Adjusted Gross Margin:</b>								
Enterprise, carrier data and indirect channels	\$ 411	\$ 161	\$ 481	\$ -	\$ 1,053	\$ 311	\$ 362	\$ 673
Wholesale voice	2	2	54	-	58	-	71	71
Other	-	-	4	-	4	-	7	7
Intersegment adjusted gross margin	-	3	-	(3)	-	-	-	-
Consolidated adjusted gross margin	\$ 413	\$ 166	\$ 539	\$ (3)	\$ 1,115	\$ 311	\$ 440	\$ 751

<sup>1</sup>Rest 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).

**Pro Forma Explanatory Note for 2006:**

On October 11, 2006, GC Acquisitions, a wholly-owned subsidiary of Global Crossing Limited and affiliate of Global Crossing (UK) Telecommunications Ltd. (GCUK), took control of Fibernet Group Plc (Fibernet) and since that date the results of Fibernet have been consolidated into the Global Crossing's results. On December 28, 2006, a subsidiary of GCUK acquired all of Fibernet's UK operations. These unaudited pro forma tables have been prepared on the basis that GCUK had acquired Fibernet's UK operations on October 11, 2006.

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

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

Table 2

	Quarter Ended December 31, 2007					Quarter Ended December 31, 2006		
	GCUK	GC Impsat	ROW <sup>1</sup>	Eliminations	Total	GCUK	ROW <sup>1</sup>	Total
REVENUES	\$ 153	\$ 94	\$ 374	\$ (5)	\$ 616	\$ 135	\$ 353	\$ 488
Cost of revenue								
Cost of access	(45)	(25)	(227)	4	(293)	(40)	(234)	(274)
Real estate, network and operations	(20)	(15)	(59)	1	(93)	(24)	(60)	(84)
Third party maintenance	(8)	(5)	(15)	-	(28)	(8)	(15)	(23)
Cost of equipment sales	(17)	-	(5)	-	(22)	(19)	(3)	(22)
Total cost of revenue	(90)	(45)	(306)	5	(436)	(91)	(312)	(403)
Selling, general and administrative	(20)	(28)	(36)	-	(84)	(18)	(61)	(79)
Depreciation and amortization	(22)	(19)	(37)	-	(78)	(18)	(31)	(49)
OPERATING INCOME (LOSS)	21	2	(5)	-	18	8	(51)	(43)
OTHER INCOME (EXPENSE)								
Interest expense, net	(15)	(8)	(11)	-	(34)	(15)	(10)	(25)
Other income (expense), net	(3)	4	12	-	13	24	(9)	15
INCOME (LOSS) BEFORE REORGANIZATION ITEMS, NET AND INCOME TAXES	3	(2)	(4)	-	(3)	17	(70)	(53)
Net gain on preconfirmation contingencies	-	-	31	-	31	-	3	3
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES	3	(2)	27	-	28	17	(67)	(50)
Provision for income taxes	(9)	(2)	(15)	-	(26)	(22)	(18)	(40)
NET INCOME (LOSS)	(6)	(4)	12	-	2	(5)	(85)	(90)
Preferred stock dividends	-	-	(1)	-	(1)	-	-	-
INCOME (LOSS) APPLICABLE TO COMMON SHAREHOLDERS	\$ (6)	\$ (4)	\$ 11	\$ -	\$ 1	\$ (5)	\$ (85)	\$ (90)

  

	Year Ended December 31, 2007					Year Ended December 31, 2006		
	GCUK	GC Impsat	ROW <sup>1</sup>	Eliminations	Total	GCUK	ROW <sup>1</sup>	Total
REVENUES	\$ 582	\$ 229	\$ 1,463	\$ (13)	\$ 2,261	\$ 450	\$ 1,421	\$ 1,871
Cost of revenue								
Cost of access	(169)	(63)	(924)	10	(1,146)	(139)	(981)	(1,120)
Real estate, network and operations	(96)	(33)	(259)	3	(385)	(77)	(226)	(303)
Third party maintenance	(35)	(12)	(56)	-	(103)	(31)	(59)	(90)
Cost of equipment sales	(62)	(3)	(23)	-	(88)	(50)	(15)	(65)
Total cost of revenue	(362)	(111)	(1,262)	13	(1,722)	(297)	(1,281)	(1,578)
Selling, general and administrative	(78)	(68)	(270)	-	(416)	(61)	(281)	(342)
Depreciation and amortization	(84)	(41)	(139)	-	(264)	(50)	(113)	(163)
OPERATING INCOME (LOSS)	58	9	(208)	-	(141)	42	(254)	(212)
OTHER INCOME (EXPENSE)								
Interest expense, net	(60)	(21)	(69)	-	(150)	(48)	(41)	(89)
Other income (expense), net	2	3	10	-	15	41	(29)	12
INCOME (LOSS) BEFORE REORGANIZATION ITEMS, NET AND INCOME TAXES	-	(9)	(267)	-	(276)	35	(324)	(289)
Net gain on preconfirmation contingencies	-	-	33	-	33	-	32	32
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES	-	(9)	(234)	-	(243)	35	(292)	(257)
Provision for income taxes	(11)	(7)	(45)	-	(63)	(23)	(44)	(67)
NET INCOME (LOSS)	(11)	(16)	(279)	-	(306)	12	(336)	(324)
Preferred stock dividends	-	-	(4)	-	(4)	-	(3)	(3)
INCOME (LOSS) APPLICABLE TO COMMON SHAREHOLDERS	\$ (11)	\$ (16)	\$ (283)	\$ -	\$ (310)	\$ 12	\$ (339)	\$ (327)

<sup>1</sup>Rest 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).

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On May 9, 2007, Global Crossing announced that it had acquired Impsat Fiber Networks Inc., and since that date Impsat's results have been consolidated into Global Crossing's results as 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, 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  
Unaudited Pro Forma Reconciliation of Adjusted EBITDA to Net Loss  
(\$ in millions)

Table 3

	Quarter Ended December 31, 2007				Quarter Ended December 31, 2006		
	GCUK	GC Impsat	ROW <sup>1</sup>	Total	GCUK	ROW <sup>1</sup>	Total
Adjusted Cash EBITDA	\$ 43	\$ 22	\$ 35	\$ 100	\$ 26	\$ (14)	\$ 12
Non-cash stock compensation expense	-	(1)	(3)	(4)	-	(6)	(6)
Depreciation and amortization	(22)	(19)	(37)	(78)	(18)	(31)	(49)
Interest expense, net	(15)	(8)	(11)	(34)	(15)	(10)	(25)
Other income (expense), net	(3)	4	12	13	24	(9)	15
Net gain on preconfirmation contingencies, net	-	-	31	31	-	3	3
Income tax provision	(9)	(2)	(15)	(26)	(22)	(18)	(40)
Preferred stock dividends	-	-	(1)	(1)	-	-	-
Net income (loss) applicable to common shareholders	\$ (6)	\$ (4)	\$ 11	\$ 1	\$ (5)	\$ (85)	\$ (90)

  

	Year Ended December 31, 2007				Year Ended December 31, 2006		
	GCUK	GC Impsat	ROW <sup>1</sup>	Total	GCUK	ROW <sup>1</sup>	Total
Adjusted Cash EBITDA	\$ 147	\$ 52	\$ (25)	\$ 174	\$ 93	\$ (118)	\$ (25)
Non-cash stock compensation expense	(5)	(2)	(44)	(51)	(1)	(23)	(24)
Depreciation and amortization	(84)	(41)	(139)	(264)	(50)	(113)	(163)
Interest expense, net	(60)	(21)	(69)	(150)	(48)	(41)	(89)
Other income (expense), net	2	3	10	15	41	(29)	12
Net gain on preconfirmation contingencies, net	-	-	33	33	-	32	32
Income tax provision	(11)	(7)	(45)	(63)	(23)	(44)	(67)
Preferred stock dividends	-	-	(4)	(4)	-	(3)	(3)
Net income (loss) applicable to common shareholders	\$ (11)	\$ (16)	\$ (283)	\$ (310)	\$ 12	\$ (339)	\$ (327)

<sup>1</sup>Rest 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).

Pro Forma Explanatory Note for 2006:

On October 11, 2006, GC Acquisitions, a wholly-owned subsidiary of Global Crossing Limited and affiliate of Global Crossing (UK) Telecommunications Ltd. (GCUK), took control of Fibernet Group Plc (Fibernet) and since that date the results of Fibernet have been consolidated into the Global Crossing's results. On December 28, 2006, a subsidiary of GCUK acquired all of Fibernet's UK operations. These unaudited pro forma tables have been prepared on the basis that GCUK had acquired Fibernet's UK operations on October 11, 2006.

On May 9, 2007, Global Crossing announced that it had acquired Impsat Fiber Networks Inc., and since that date Impsat's results have been consolidated into Global Crossing's results as 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 a 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 Pro Forma Reconciliation of Adjusted Gross Margin to Gross Margin  
 (\$ in millions)

Table 4

	Quarter Ended December 31, 2007					Quarter Ended December 31, 2006		
	GCUK	GC Impsat	ROW <sup>1</sup>	Eliminations	Total	GCUK	ROW <sup>1</sup>	Total
Adjusted gross margin	\$ 108	\$ 69	\$ 147	\$ (1)	\$ 323	\$ 95	\$ 119	\$ 214
Real estate, network and operations	(20)	(15)	(59)	1	(93)	(24)	(60)	(84)
Third party maintenance	(8)	(5)	(15)	-	(28)	(8)	(15)	(23)
Cost of equipment sales	(17)	-	(5)	-	(22)	(19)	(3)	(22)
Gross margin	\$ 63	\$ 49	\$ 68	\$ -	\$ 180	\$ 44	\$ 41	\$ 85

  

	Year Ended December 31, 2007					Year Ended December 31, 2006		
	GCUK	GC Impsat	ROW <sup>1</sup>	Eliminations	Total	GCUK	ROW <sup>1</sup>	Total
Adjusted gross margin	\$ 413	\$ 166	\$ 539	\$ (3)	\$ 1,115	\$ 311	\$ 440	\$ 751
Real estate, network and operations	(96)	(33)	(259)	3	(385)	(77)	(226)	(303)
Third party maintenance	(35)	(12)	(56)	-	(103)	(31)	(59)	(90)
Cost of equipment sales	(62)	(3)	(23)	-	(88)	(50)	(15)	(65)
Gross margin	\$ 220	\$ 118	\$ 201	\$ -	\$ 539	\$ 153	\$ 140	\$ 293

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Pro Forma Explanatory Note for 2006:

On October 11, 2006, GC Acquisitions, a wholly-owned subsidiary of Global Crossing Limited and affiliate of Global Crossing (UK) Telecommunications Ltd. (GCUK), took control of Fibernet Group Plc (Fibernet) and since that date the results of Fibernet have been consolidated into the Global Crossing's results. On December 28, 2006, a subsidiary of GCUK acquired all of Fibernet's UK operations. These unaudited pro forma tables have been prepared on the basis that GCUK had acquired Fibernet's UK operations on October 11, 2006.

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

Definition:

Adjusted gross margin is revenue minus cost of access.

**Global Crossing Limited**  
**Consolidated Balance Sheets**  
(\$ in millions)

**Table 5**

	<u>December 31,</u> <u>2007</u>	<u>December 31,</u> <u>2006</u>
<b>ASSETS:</b>		
Current assets:		
Cash and cash equivalents	\$ 397	\$ 459
Restricted cash and cash equivalents - current portion	18	3
Accounts receivable, net of allowances of \$52 and \$43	345	262
Prepaid costs and other current assets	121	84
Total current assets	<u>881</u>	<u>808</u>
Restricted cash and cash equivalents - long term	35	3
Property and equipment, net of accumulated depreciation of \$664 and \$407	1,467	1,132
Intangible assets, net (including goodwill of \$158 and \$2)	193	26
Other assets	91	86
Total assets	<u>\$ 2,667</u>	<u>\$ 2,055</u>
<b>LIABILITIES:</b>		
Current liabilities:		
Short term debt	\$ -	\$ 6
Accounts payable	286	283
Accrued cost of access	107	107
Current portion of long term debt	26	6
Accrued restructuring costs - current portion	17	30
Deferred revenue - current portion	164	139
Other current liabilities	395	336
Total current liabilities	<u>995</u>	<u>907</u>
Debt with controlling shareholder	-	275
Long term debt	1,249	661
Obligations under capital leases	123	106
Deferred revenue	262	163
Accrued restructuring costs	20	61
Other deferred liabilities	81	77
Total liabilities	<u>2,730</u>	<u>2,250</u>
<b>SHAREHOLDERS' DEFICIT:</b>		
Common stock, 110,000,000 and 85,000,000 shares authorized, \$.01 par value, 54,552,045 and 36,609,236 shares issued and outstanding as of December 31, 2007 and 2006, respectively	1	-
Preferred stock with controlling shareholder, 45,000,000 shares authorized, \$.10 par value, 18,000,000 shares issued and outstanding as of December 31, 2007 and 2006	2	2
Additional paid-in capital	1,307	857
Accumulated other comprehensive loss	(42)	(29)
Accumulated deficit	(1,331)	(1,025)
Total shareholders' deficit	<u>(63)</u>	<u>(195)</u>
Total liabilities and shareholders' deficit	<u>\$ 2,667</u>	<u>\$ 2,055</u>

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

**Table 6**

	<b>Year Ended December 31,</b>	
	<b>2007</b>	<b>2006</b>
Cash flows provided by (used in) operating activities:		
Net loss	\$ (306)	\$ (324)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on sale of property and equipment	1	2
Gain on sale of marketable securities	-	(1)
Non-cash income tax provision	45	45
Deferred income tax	9	21
Non-cash stock compensation expense	51	24
Non-cash inducement charge for conversion of debt	30	-
Gain on settlement of contracts due to Fibernet acquisition	-	(16)
Gain on settlement of contracts due to Impsat acquisition	(27)	-
Depreciation and amortization	264	163
Provision for doubtful accounts	6	3
Amortization of prior period IRUs	(12)	(7)
Deferred reorganization costs	-	(3)
Gain on preconfirmation contingencies	(33)	(32)
Changes in long term deferred revenue	102	24
Changes in operating working capital	(56)	35
Other	(89)	3
Net cash used in operating activities	<u>(15)</u>	<u>(63)</u>
Cash flows provided by (used in) investing activities:		
Purchases of property and equipment	(214)	(99)
Purchases of marketable securities	-	(20)
Fibernet acquisition, net of cash acquired	-	(79)
Impsat acquisition, net of cash acquired	(76)	-
Proceeds from sale of marketable securities	7	4
Proceeds from sale of equity interest in holding companies	-	19
Change in restricted cash and cash equivalents	(47)	18
Net cash used in investing activities	<u>(330)</u>	<u>(157)</u>
Cash flows provided by (used in) financing activities:		
Proceeds from long term debt	597	255
Proceeds from issuance of common stock	-	240
Repayment of capital lease obligations	(43)	(19)
Proceeds from short term debt	-	6
Repayment of long term debt (including current portion)	(251)	(8)
Finance costs incurred	(24)	(24)
Proceeds from exercise of stock options	4	5
Net cash provided by (used in) financing activities	<u>283</u>	<u>455</u>
Net increase (decrease) in cash and cash equivalents	(62)	235
Cash and cash equivalents, beginning of year	<u>459</u>	<u>224</u>
Cash and cash equivalents, end of year	<u>\$ 397</u>	<u>\$ 459</u>