Market Release

1 April 2014

Telecom enters agreement for a conditional sale of its interest in Telecom Cook Islands

Telecom says it has entered into an agreement for the sale of its 60% interest in Telecom Cook Islands Limited, the incumbent telecommunications provider in the Cook Islands, for approximately NZ$23 million to Digicel. The agreement is subject to a number of conditions and is expected to complete by 31 May 2014.

As announced at its investor strategy day in May 2013, Telecom's strategic ambition is to become a growing New Zealand company and a future-oriented, competitive provider of communication, entertainment and IT services delivered over its networks and the Cloud.

"The sale of Telecom Cook Islands is consistent with this strategy and with our desire to focus principally on our New Zealand operations and on the needs of New Zealand customers," said Telecom Chief Executive, Simon Moutter.

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