

Briefs: Verizon sells off Latin America holdings

April 3 2006

Verizon Communications said it will sell its Latin American operations to America Movil for \$3.7 billion.

The deal will be completed in three separate transactions, as Verizon will be selling off its interests in providers in the Dominican Republic, Puerto Rico and Venezuela. Verizon owns 100 percent of Verizon Dominicana, while it has a 52-percent stake in Telecomunicaciones de Puerto Rico and a 28.5-percent interest in Compania Anonima Nacional Telefonos de Venezuela.

"For Verizon, these transactions are a natural step in the evolution of our growth and shareholder value creation strategies. Over the years, our investments in the Caribbean and Latin America have been a source of solid financial performance, but today they represent a small part of our revenue base that is less aligned with our core business focus and future growth. While these transactions deliver value to Verizon shareholders and improve our financial flexibility, we are also providing for the control of the three companies by well-regarded, highly qualified operators with significant operations in the region," Chief Executive Ivan Seidenberg said in a news release.

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