

Verizon to buy Terremark for \$1.4 billion

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(AP) -- Verizon Communications Inc. said Thursday it is buying Terremark Worldwide Inc., a provider of information technology services, for \$1.4 billion in cash.

Verizon plans to pay \$19 per share for Terremark Worldwide Inc. That represents a 35 percent premium to Terremark's closing [stock price](#) on Thursday before the deal was announced. Terremark's shares jumped \$5.06, or 36 percent, to \$19.11 in after-hours trading as a result.

Terremark provides "cloud" computing services, which lets companies store data and software on remote servers instead of their own computers. It also provides technology infrastructure services.

Verizon said the deal helps speed up its strategy to offer "everything-as-a-service" to businesses and government clients.

Terremark, based in Miami, runs 13 data centers in the U.S., Europe and Latin America.

The boards of both companies have approved the deal. Holders of 27.6 percent of Terremark's outstanding voting shares have agreed to tender their shares into Verizon's tender offer, which will begin between Feb. 10 and Feb. 17. Verizon expects to close the tender offer late in the first quarter.

Shares of Verizon dipped 2 cents to \$36.47 in after-hours trading.

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