

Verizon to buy fiber-optic business for about \$1.8 billion

February 22 2016

Verizon says it will pay \$1.8 billion to buy the fiber-optic network business of XO Communications, in a deal that the wireless phone company said would improve service for its customers.

XO Communications, based in Herndon, Virginia, owns and operators networks that its customers use for Internet access, cloud computing and other uses. Billionaire investor Carl Icahn is chairman and sole shareholder of the company.

The deal is expected to close in the first half of next year.

New York-based Verizon Communications Inc. says it will also rent XO's wireless spectrum and has the option to buy the spectrum at the end of 2018.

Verizon shares rose 24 cents to \$51.10 in afternoon trading.

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