

STT Directors Resign from eircom Board

(Issued 23 December 2011) The Board of Directors of ERC Ireland Holdings Limited (“the Company”) yesterday informed ST Telemedia (STT) that its proposal for investment has been rejected by a majority of the First Lien lenders. As a consequence, the Company will proceed with detailed discussions with the First Lien Co-ordinating Committee (FLCC) regarding its proposal to restructure the Company’s balance sheet submitted on 2nd December 2011.

In this context, all STT nominated directors of eircom and the immediate holding companies have tendered their resignations with immediate effect. The main Board remains otherwise unchanged with the existing Employee Share Ownership (ESOT) directors and the Independent Directors.

Ned Sullivan, Chairman of eircom, said, "After many months of deliberations, today’s announcement regarding a majority of the First Lien lenders choosing to implement the proposal by the FLCC provides an environment of certainty for all the parties to move forward with the restructuring process. I would like to acknowledge the very valuable contribution of STT and the STT directors to the development of the Group over the past two years."

ENDS

For media queries, please contact:

Paul Bradley
Head of Communications, eircom
Tel: 01 600 4281
Mobile: 085 1744281
Email: paul_bradley@eircom.ie

Brian Bell
WHPR
Tel: 01 669 0030
Mob: 087 2436130
Email: brian.bell@ogilvy.com