GLOBAL CROSSING LTD

FORM 8-K
(Unscheduled Material Events)

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Industry	Communications Services
Sector	Services
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported) February 1, 1999

GLOBAL CROSSING LTD.

(Exact Name of Registrant as Specified in Charter)

Bermuda	000-24565	98-0189783
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

Wessex House, 45 Reid Street, Hamilton HM12 Bermuda

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (441) 296-8600

NOT APPLICABLE

(Former Name or Former Address, if Changed Since Last Report)

Item 5. Other Events.

On February 1, 1999, the Registrant issued the press release attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 7. Exhibits.

The following exhibit is filed as part of this Current Report on Form 8-K:

Exhibit Number	Exhibit
99.1	Press Release of the Registrant, dated February 1, 1999

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GLOBAL CROSSING LTD.
(Registrant)

/s/ Dan J. Cohrs

Dan J. Cohrs
Senior Vice President and
Chief Financial Officer

Date: February 2, 1999

EXHIBIT 99.1

GLOBAL CROSSING LTD. PASSES $1 BILLION MARK
FOR CONTRACT SALES ON GLOBAL FIBER OPTIC NETWORK

. Fourth quarter revenue of $205 million and net income of $56 million are records.

. Fourth quarter contract sales total $285 million as backlog grows to $634 million.

. Global network buildout is on schedule.

Hamilton, Bermuda February 1, 1999 -- Global Crossing Ltd. (NASDAQ, BSX:
GBLX), the owner and operator of the world's first independent global fiber optic network, today reported record results for the fourth quarter ended December 31, 1998. Global Crossing announced that firm commitments for purchases of capacity on the network, through the end of the fourth quarter, totaled $1.052 billion. Global Crossing reported record contract sales (new orders) of $285 million for the quarter, as the sales backlog grew to $634 million. Fourth quarter revenues of $205.1 million, net income of $56.0 million, and net income applicable to common shareholders of $51.6 million also reached new highs.

For the twelve months ended December 31, 1998, revenues were $424.1 million and net income before preference share dividends, and excluding non-recurring items, was $71.5 million.

Demand for global bandwidth drives sales growth

"The continuing demand from telecommunications and internet service providers for global high-speed bandwidth exceeds forecasts and fueled our growth to $1 billion of contract sales," said Global Crossing Chief Executive Officer Jack Scanlon. "To meet that demand, we're aggressively rolling out our global network, moving from the sea onto the land with our announcements of terrestrial networks in Europe and Japan. Our announced network, when completed, will span three continents and address 80% of the world's international traffic."

"In 1999, we will introduce customized services including virtual private networks, leased private lines, and internet transit services which will be a new source of revenues," added Scanlon. "We expect sales, customer growth, and cash flow to continue to be strong."

Of the $1.052 billion of contract sales, Global Crossing recognized $418 million as revenue in 1998, leaving $634 million as sales backlog not yet recognized as revenue. This backlog is expected to be recognized as revenue over approximately the next three years. This growth in sales of capacity reflects continued strong demand for capacity on Atlantic Crossing 1 (AC-1), and includes more than $100 million of commitments to purchase capacity and dark fiber on Pan-European Crossing.

Connecting continents and cities

Creating the first independent, seamless global communications network, Global Crossing has extended its subsea cable network to include land-based systems with the announcement of Pan-European Crossing (PEC), and Global Access Limited, Japan (GAL).

This global network will be managed by the Company's state-of-the-art Network Operations Center in London, expected to be operational in 1999.

GAL, a 49% owned joint venture with Marubeni Corporation of Japan, will build a high-capacity fiber-optic network of approximately 1,300 route kilometers connecting Tokyo, Osaka and Nagoya with the cable stations of PC-1, Global Crossing's trans-Pacific cable. This system, addressing 80 percent of the Japanese long-haul market, will link these cities to the United States, Europe and Latin America over Global Crossing's worldwide network. Construction of the GAL network started in September 1998 and operation is expected to commence by December 1999.

Global Crossing's first terrestrial network, PEC, was announced at the beginning of the quarter. Since then, Global Crossing has signed contracts for rights-of-way and conduit for Germany, the Netherlands, and Belgium, representing about one-quarter of the 8,200 route kilometers of the 18-city network. Also during the quarter, Global Crossing announced the sale of more than $100 million of dark fiber on PEC.

As planned, the segments of Global Crossing's AC-1 cable system extending from the United States to Germany and the Netherlands began carrying commercial traffic during December. Full ring completion is on schedule for February 1999.

Financial highlights

Of the $1.052 billion of cumulative contract sales through the end of the fourth quarter, $201 million was recognized as revenue during the quarter, representing contracts for circuits that were activated during this quarter. Revenues from operations, administration, and maintenance (OA&M) totaled approximately $4 million. For the year, total revenue was $424 million, including OA&M.

Financial highlights for the three and twelve months ended December 31, 1998 were:

	Three Months Ended December 31, 1998	Twelve Months Ended December 31, 1998
	(in millions, except per share data)	
Contract Sales:		
Through December 31, 1998	$ 1,052	$ 1,052
During the period	$ 285	$ 911
Backlog	$ 634	$ 634
Results of Operations:*		
Revenues	$ 205.1	$ 424.1
Net income (loss)	$ 51.6	$ (134.7)
Net income before preference share dividends, and excluding non-recurring items	$ 56.0	$ 71.5
Earnings (loss) per share	$ 0.24	$ (0.75)
Earnings (loss) per share before preference share dividends, and excluding non-recurring items	$ 0.26	$ 0.40

*See Statements of Operations and accompanying footnotes

Highlights for the quarter

. A broad agreement with Lucent Technologies, Inc., under which Global Crossing will receive priority access to the advanced optical technologies of Lucent and Bell Laboratories, as well as financing for Pan European Crossing, for which Lucent was chosen to supply optical fiber and opto-electronic equipment. Lucent also agreed to provide financing for future systems, if it is chosen as a supplier for those systems.

. The completion of an offering of preferred stock, raising approximately $483 million, as well as $240 million of non-recourse bank financing for Mid- Atlantic Crossing (MAC). In 1998, Global Crossing has raised more than $3.5 billion in capital through the capital markets, project financing and project equity from partners, providing full funding for its announced network segments.

. The extension of the network to include 61,100 announced kilometers, of which 54,200 kilometers were under contract and 13,400 kilometers were in service.

Accounting for new initiatives

Accounting policies for the Company's terrestrial systems and new services will be different from those currently applied to its subsea systems, which will be unaffected. Consistent with industry practice, Global Crossing will amortize capacity revenues from its new initiatives (PEC, GAL, and new services) over the lives of sales contracts, with cash received but not yet recognized as revenues recorded on the balance sheet as deferred revenue. Network investments for these new initiatives will be depreciated over the estimated useful lives of the assets. The new initiatives are expected to contribute to operating cash flow during 1999, but are expected to reduce net income by approximately $45 - $50 million.

Accounting for start-up activities

As required for all companies operating under U.S. GAAP, Global Crossing will adopt Statement of Position 98-5 (SOP 98-5), "Reporting on the Cost of Start-Up Activities," issued by the American Institute of Certified Public Accountants, effective in the first quarter of 1999.

SOP 98-5 requires that certain start-up expenditures previously capitalized during system development must now be expensed. All companies involved in developing new projects will be affected by SOP 98-5. Global Crossing's cash flow will not be affected by the new standard, but net income in 1999 is expected to be reduced by $55 - $60 million, including a one-time charge in the first quarter of approximately $15 million, which represents startup costs spent and capitalized during previous periods.

About Global Crossing

Global Crossing is building and operating the world's first independent global fiber optic network. Global Crossing's operations are headquartered in Hamilton, Bermuda, with holding company headquarters in Los Angeles, and offices in Morristown, New Jersey; San Francisco; Miami; London; Amsterdam; and Buenos Aires.

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Note: Condensed Financial Statements Are Attached

Statements made in this press release that state the Company's or management intentions, beliefs, expectations or predictions for the future are forward-looking statements. It is important to note that the Company's actual results could differ materially from those projected in such forward-looking statements. Information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained from time to time in the Company's filings with the U.S. Securities and Exchange Commission (SEC). Copies of these filings may be obtained by contacting the Company or the SEC.

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FOR MORE INFORMATION ABOUT GLOBAL CROSSING, VISIT OUR WEBSITE:

www.globalcrossing.bm

GLOBAL CROSSING LTD. AND SUBSIDIARIES
CONSOLIDATED
STATEMENTS OF OPERATIONS
(In thousands of US dollars, except share information)

	Three months ended December 31 1998	Three months ended December 31 1997	Twelve months Ended Dec 31, 1998	Period from March 19, 1997 (Date of inception) to Dec. 31, 1997
TOTAL REVENUES	$ 205,150	$ -	$ 424,099	$ -
EXPENSES				
Cost of capacity sold	88,054		178,492	
Operations and maintenance	7,404		18,056	
Sales and marketing	12,539	1,224	26,194	1,366
Network development	3,728	78	10,962	78
General and administrative	9,363	988	26,844	1,657
Termination of advisory services agreement	-		139,669	
Stock related expense	6,316		39,374	
Provision for doubtful accounts	2,022		4,233	
Total expenses	129,426	2,290	443,824	3,101
OPERATING INCOME (LOSS)	75,724	(2,290)	(19,725)	(3,101)
EQUITY IN LOSS OF AFFILIATES	(1,471)	-	(2,508)	-
INTEREST INCOME (EXPENSE)				
Interest Income	15,726	440	29,986	2,941
Interest Expense	(17,220)	-	(42,880)	-
	(1,494)	440	(12,894)	2,941
INCOME (LOSS) BEFORE INCOME TAXES AND EXTRAORDINARY ITEM	72,759	(1,850)	(35,127)	(160)
Provision for income taxes	(16,735)	-	(33,067)	-
INCOME (LOSS) BEFORE EXTRAORDINARY ITEM	56,024	(1,850)	(68,194)	(160)
Extraordinary loss on retirement of senior notes	-	-	(19,709)	-
NET INCOME (LOSS)	56,024	(1,850)	(87,903)	(160)
Preference share dividends	(4,375)	(4,277)	(12,681)	(12,690)
Redemption of preference shares			(34,140)	
NET INCOME (LOSS) APPLICABLE TO COMMON STOCKHOLDERS	$ 51,649	$ (6,127)	$ (134,724)	$ (12,850)
a) Adjusted EBITDA	$142,757	$ (2,290)	$ 261,376	$ (3,062)
b) Net income (loss) before preference share dividends and excluding non-recurring items	$ 56,024	$ (1,850)	$ 71,475	$ (160)
INCOME (LOSS) PER COMMON SHARE				
Net income/(loss) before extraordinary item applicable to common stockholders:				
Basic	$0.25	($0.04)	($0.64)	($0.08)
Diluted	$0.24	($0.04)	($0.64)	($0.08)
Extraordinary item				
Basic	$0.00	$0.00	($0.11)	$0.00
Diluted	$0.00	$0.00	($0.11)	$0.00
Net income/(loss) applicable to common stockholders:				
Basic	$0.25	($0.04)	($0.75)	($0.08)
Diluted	$0.24	($0.04)	($0.75	($0.08)
Shares for computing basic income/(loss) applicable to common stockholders per share	205,139,407	162,886,967	179,367,670	162,886,967
Shares for computing diluted income/(loss) applicable to common stockholders per share	218,251,139	162,886,967	179,367,670	162,886,967

Footnotes

a) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) is calculated as operating income (loss), plus depreciation and amortization, cost of undersea capacity sold, and amounts relating to the termination of the advisory services agreement.
b) Net income (loss) before preference share dividends and excluding non- recurring items is calculated as net income (loss) applicable to common stockholders, plus amounts related to preference share dividends and redemption of preference shares, plus extraordinary loss on retirement of senior notes, plus amounts related to the termination of advisory services agreement.

GLOBAL CROSSING LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(In thousands of US dollars, except share information)

	December 31, 1998	December 31, 1997
ASSETS		
Current assets:		
Cash and cash equivalents	$ 806,593	$ 1,453
Restricted cash and cash equivalents	77,190	25,275
Accounts receivable, net of allowance for doubtful accounts of $4,233	71,195	-
Other assets and prepaid costs	47,137	1,016
	1,002,115	27,744
Long term restricted cash and cash equivalents	367,600	-
Long term accounts receivable	43,315	-
Capacity available for sale	574,849	21,200
Construction in progress	428,207	497,319
Deferred finance and organization costs, net of accumulated amortization of $9,899 ($2,247 as of December 31, 1997)	45,757	25,934
Investment in Affiliates	177,334	-
	$ 2,639,177	$ 572,197
LIABILITIES		
Current liabilities:		
Accrued construction costs	$ 129,081	$ 52,004
Accounts payable and accrued liabilities	31,990	1,658
Accrued interest and preference share dividends	14,428	2,922
Deferred revenue	44,197	5,325
Income taxes payable	15,604	-
Current portion of long term debt	6,393	-
Current portion of obligations under inland services agreements and capital leases	14,572	30,189
	256,265	92,098
Long term debt	269,598	162,325
Senior notes	796,495	150,000
Long term deferred revenue	25,325	-
Obligations under inland services agreements and capital leases	24,520	3,009
Deferred income taxes	9,654	-
Total liabilities	1,381,857	407,432
Mandatorily Redeemable Preference Shares (5,000,000 shares as of December 31, 1998, $100 liquidation per share (net of unamortized issuance costs of $17,000))	483,000	-
Mandatorily Redeemable Preference Shares (109,830 shares as of December 31, 1997, $1,000 liquidation per share (net of unamortized discount and issuance costs of $12,224 and $6,962))	-	90,644
STOCKHOLDERS EQUITY		
Common stock (205,371,244 shares outstanding)	2,054	1,629
Treasury Stock	(209,414)	-
Other stockholders' equity	1,069,743	72,652
Accumulated deficit	(88,063)	(160)
	774,320	74,121
	$ 2,639,177	$ 572,197