



Capacity Sales Robust on New South-East Asia-US Cable System
Nearly \$30 Million in Total Sales

HONOLULU (July 22, 2015) – [Hawaiian Telcom](#) (Nasdaq: HCOM) announced it continues to sell capacity on its portion of the South-East Asia – United States (SEA-US) submarine cable system, with total sales now nearing \$30 million. Hawaiian Telcom along with its consortium partners began construction on the landmark fiber network linking Indonesia, Philippines, Guam, Hawai'i and California.

“Hawaiian Telcom joined the SEA-US consortium because our community and our customers’ thirst for broadband capacity was growing exponentially, but the trans-Pacific capacity required to meet this demand just wasn’t being addressed,” said Scott Barber, Hawaiian Telcom’s president and CEO. “We are pleased that the interest in bandwidth on the SEA-US network has been very strong and we are well ahead of forecasted sales projections with contracts secured to date. These sales validate the need for bandwidth in this route and confirm a strong return on investment for Hawaiian Telcom.”

Internet traffic is growing exponentially due to increased demand from broadband and mobile subscribers for video, applications and other online content. This demand and the growing availability of increasing broadband speeds are leading to explosive growth in overall bandwidth demand. The Asia-Pacific region is a leading driver of Internet traffic growth, which will continue to push trans-Pacific connectivity demand beyond existing capacities. According to a recent global bandwidth forecast published by TeleGeography, trans-Pacific demand is expected to increase at a compounded annual rate of 33 percent between 2013 and 2020.

Answering this demand, the SEA-US submarine cable system, when completed, will deliver a state-of-the-art 100 Gigabit per second (Gbps) ultra-long haul system that will provide an initial 20 Terabit per second (Tbps) of capacity over approximately 9,300 miles of fiber.

Once completed, the SEA-US system will be strategically located along an underserved trans-Pacific route and will be the first submarine cable directly connecting Indonesia and the United States. With a high concentration of existing trans-Pacific fiber cables on the Japan-United States route, this system will provide critical route diversity options allowing customers to reduce risk due to natural disasters from typhoons, earthquakes and tsunamis thereby helping to ensure stable connectivity.

“As Hawai'i’s technology leader, Hawaiian Telcom is proud to participate in this historic project,” added Barber. “This is really a game-changer for us, as our investment in the SEA-US

submarine cable system will allow us to acquire trans-Pacific IP capacity as an owner, operator and seller, rather than just a capacity purchaser – which will substantially lower our trans-Pacific IP transit costs and cost-effectively meeting our future bandwidth requirements.”

Other SEA-US consortium members include PT. Telekomunikasi Indonesia International (Telin), Globe Telecom, RAM Telecom International (RTI), Teleguam Holdings (GTA), GTI Corporation (a member of the Globe Telecom group of companies) and Telkom USA. NEC is the system supplier and integrator. The total amount of investment in the SEA-US cable system is estimated to be approximately \$250 million. The project is scheduled for completion at the end of 2016.

Please [click here](#) for a map of the SEA-US cable route.

Forward-Looking Statements

In addition to historical information, this release includes certain statements and predictions that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, any statement, projection or estimate that includes or references the words “believes”, “anticipates”, “intends”, “expected”, or any similar expression falls within the safe harbor of forward-looking statements contained in the Reform Act. Actual results or outcomes may differ materially from those indicated or suggested by any such forward-looking statement for a variety of reasons, including, but not limited to: failures in Hawaiian Telcom’s critical back office systems and IT infrastructure; breach of our data security systems; increases in the amount of capital expenditures required to execute our business plan; the loss of certain outsourcing agreements, or the failure of any third party to perform under these agreements; adverse changes to applicable laws and regulations; the failure to adequately adapt to technological changes in the telecommunications industry, including changes in consumer technology preferences; adverse economic conditions in Hawai’i; the availability of lump sum distributions under our union pension plan; limitations on the ability to utilize net operating losses due to an ownership change under Internal Revenue Code Section 382; the inability to service our indebtedness; limitations imposed on our business from restrictive covenants in the credit agreements; and severe weather conditions and natural disasters. More information on potential risks and uncertainties is available in recent filings with the Securities and Exchange Commission, including Hawaiian Telcom’s 2014 Annual Report on Form 10-K. The information contained in this release is as of July 22, 2015. It is anticipated that subsequent events and developments may cause estimates to change, and the Company undertakes no duty to update forward-looking statements.

About Hawaiian Telcom

Hawaiian Telcom (Nasdaq: HCOM), headquartered in Honolulu, is Hawai’i’s technology leader, providing integrated communications, broadband, data center and entertainment solutions for business and residential customers. With roots in Hawai’i beginning in 1883, the Company offers a full range of services including Internet, video, voice, wireless, data network solutions and security, colocation, and managed and cloud services supported by the reach and reliability of its next generation fiber network and a 24/7 state-of-the-art network operations center. With employees statewide sharing a commitment to innovation and a passion for delivering superior service, Hawaiian Telcom provides an Always OnSM customer experience. For more information, visit www.hawaiiantel.com.