

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>Avanti Communications Group plc</b>		2 Issuer's employer identification number (EIN) <b>N/A</b>	
3 Name of contact for additional information <b>Patrick Willcocks</b>	4 Telephone No. of contact <b>+44 (0) 207 749 1600</b>	5 Email address of contact <b>investors@avantiplc.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>Cobham House, 20 Black Friars Lane</b>		7 City, town, or post office, state, and Zip code of contact <b>London EC4V 6EB, England</b>	
8 Date of action <b>01/19/2017</b>	9 Classification and description <b>Notes</b>		
10 CUSIP number <b>05351L AE7</b>	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On January 19, 2017, the issuer amended the indenture governing its notes with the above referenced CUSIP number such that for a transitory period such notes comprised part of a class of notes with the CUSIP number 05351L AJ6. Immediately after such action, the issuer offered and holders exchanged notes with the aforementioned CUSIP number for an equal principal amount of new notes with the CUSIP number 05351L AG2. The terms of the new notes (maturity, yield and status as contingent payment debt instruments) are so significantly different from the terms of the notes before the transactions described in this paragraph that the issuer believes the transactions fall within Treas. Reg. Sec. 1.1001-3.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **The issuer intends to treat the exchange described above as a recapitalization for U.S. federal income tax purposes. Exchanging holders will have an adjusted basis in the notes received pursuant to the exchange described above equal to their adjusted basis in the notes they exchanged.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
**The exchange described above constituted a significant modification of the notes pursuant to Treas. Reg. Sec. 1.1001-3. The issuer intends to treat the exchange described above as a recapitalization pursuant to Internal Revenue Code Section 368(a)(1)(E).**

18 Can any resulting loss be recognized? ► **No.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **The 2017 taxable year.**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►  Date ► **03/02/2017**

Print your name ► **Patrick Willcocks** Title ► **Company Secretary and General Counsel**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►			Firm's EIN ►	
Firm's address ►			Phone no.	