

Vodafone Group, the world's largest mobile operator by revenue, said it was thinking of making an offer for Britain's Cable & Wireless Worldwide (CWW), whose fixed-line network could boost bandwidth for its Internet hungry customers.

"Vodafone regularly reviews opportunities in the sector and confirms that it is in the very early stages of evaluating the merits of a potential offer for CWW," the company said on Monday.

C&W Worldwide, which has issued a string of profit warnings since its demerger from Cable & Wireless Communications in March 2010, has fixed lines that could be used by mobile operators to shift traffic from straining wireless networks. It declined to comment on Vodafone's statement.

The stock surged 31% to a three-month high of 25.8 pence on Monday while Vodafone shares rose 0.7% to 174p.

The group's lines, which are used by British businesses and government departments, could also be deployed by a mobile operator, such as Telefonica's O2, to offer broadband to consumers and more services to multi-national customers.

Reuters reported last year that Cable & Wireless Worldwide could make a tempting target for mobile phone operators such as Vodafone or O2.