



“Cable & Wireless Communications is evolving into a more efficient, focused Group, putting customers at the heart of our business, served by a more robust network infrastructure.”

Sir Richard Laphorne, CBE Chairman

This has been a transformational year for Cable & Wireless Communications (CWC). It was a year in which we completed the refocus of our operation on the Caribbean and Latin America; we successfully established a new operational hub in Miami and welcomed a new management team led by Phil Bentley, our Chief Executive Officer. We launched Project Marlin, our three-year plan to invest more than US\$1 billion in our networks to improve customer service, and at the end of the year we completed the US\$3 billion acquisition of Columbus International Inc. a transaction that has accelerated the execution of our strategy by dramatically expanding our scale and reach.

Our new approach has begun to show positive results with early signs of a return to top line revenue growth after a number of years of decline in the region. We are evolving into a more efficient, focused Group, putting customers at the heart of our business, served by a more robust network infrastructure. We are executing against our vision – to grow customer relationships and lifetime value by delivering unparalleled customer experience, where our customers define ‘excellence’ – and we have been increasing our investment in the business to support this strategy. The fundamental way we have reshaped the business in recent years has left us with a financial position and operating platform that we believe give us an excellent foundation for future growth. CWC is becoming a stronger Company – better equipped to serve our customers with better products and services, accelerating the new strategy we outlined to you last year.

Since taking up office a little over 12 months ago, our Chief Executive Officer, Phil Bentley, and his team have built upon the establishment of the operational hub in Miami through

introducing a far greater level of operational rigour. The management team has demonstrated its commitment to deliver growth in revenue, maintain cost discipline and improve our returns on capital, as well as beginning to transform the service our customers will receive.

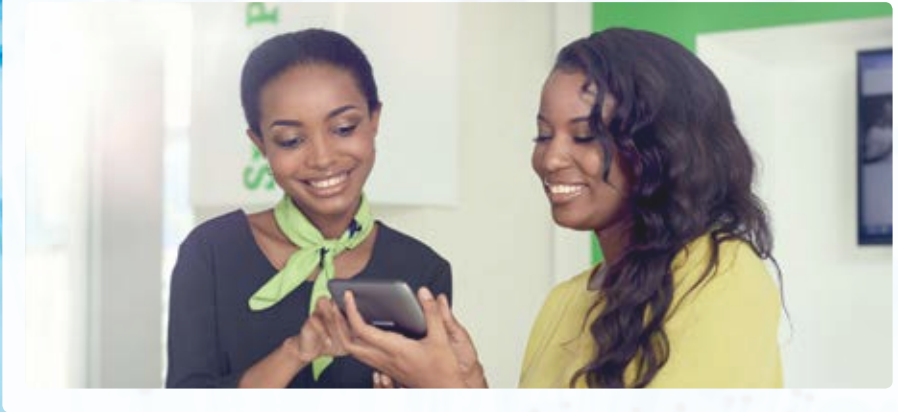
The benefits of our increased investments along with geographical focus have resulted in improved network performance to support mobile data growth and improved Net Promoter Scores (NPS), with like-for-like revenues increasing by 2%, reversing the trend experienced in recent years. Each of our business units contributed positively.

In addition to financial targets, our senior management had well-defined personal objectives concentrated on reshaping the business and creating a platform for future growth. Moving from our old operating model of a financial holding company, to one of operational focus through the provision of greater direction from the Miami operational hub has streamlined the division of responsibilities to allow markets to largely focus on serving their customers, whilst ensuring operational policies are implemented in a consistent way.

We continue to operate in a fiercely competitive environment and we still face challenges from the difficult economies in several Caribbean markets, intense mobile competition in Panama, and imminent liberalisation of the mobile market in The Bahamas.

An essential part of the plan is the substantial increase in the level of investment in the business over the next two years. This investment is necessary to help us to compete better and achieve our growth agenda. Our capital expenditure as a proportion of revenue

Our mission: Connecting Communities... Transforming Lives



was higher this year, but the business has already begun to see the benefit of the investment through improved revenues. As we continue to accelerate investment in the business, the Company intends to maintain the dividend as a core element of shareholder returns and is recommending a dividend of US4 cents for the 2014/15 year.

Board changes

Following the acquisition of Columbus, we have three new major shareholders, each of whom has proposed a Director to the Board. I am delighted to welcome three highly committed Non-executive Directors who bring with them both telecoms experience and extensive personal networks. John Risley is a Canadian entrepreneur who co-founded Columbus. Entities ultimately controlled by him own approximately 20% of the enlarged CWC. Thad York represents the private office of John Malone, who has ultimate control of an entity that owns 13%. John Malone is a well-respected figure in the worldwide cable industry. Brendan Paddick owns 3%. He was a co-founder of Columbus and as its Executive Chairman, led its progress from the start.

Perley McBride was appointed Chief Financial Officer in June 2014 replacing Tim Pennington. Perley brings a wealth of experience to the business having spent most of his career working for both fixed and mobile telecom operators as well as technology businesses.

Following the completion of the acquisition of Columbus, we have reduced the number of Executive Directors to two and with the transition to Miami completed, Nick Cooper, who has remained UK based, has now stepped down from the Board. Nick has served with distinction for nine years. He has been a Director since demerger and has played a leading role in establishing CWC as an

independent business and in establishing Miami as the new operational hub.

I also welcome Barbara Thoralfsson as an independent Non-executive Director who brings valuable industry knowledge, both from her time as CEO of NetCom ASA in Norway and in her ongoing relationship with Telenor ASA.

As the former Columbus shareholders who received CWC shares are required to vote at all shareholder meetings in line with the recommendation of the Board for an initial period (subject to certain limited exceptions), under the Listing Rules and the City Code, the Directors are subject to additional restrictions, including on their ability to trade shares, as described in more detail in the Directors' and corporate governance report on pages 55 and 56.

Our approach

Our infrastructure and services play an integral role in the communities we serve. We always seek to take an active part in our community, through supporting local causes, and being an employer of choice. Together with our new team members from Columbus we will redouble these efforts since we are aware of our social responsibilities and the role we play as a corporate citizen. We aim to maintain the highest standards of ethics and good governance and monitor this closely through a series of both internal and external controls. We have set out more information on our approach to Corporate Social Responsibility and Sustainability on pages 38 to 41 of this report.

The Board has approved this Annual Report and Accounts as being a fair, balanced and understandable assessment of CWC's position and prospects.

This has been one of the most important chapters in CWC's long history. It has been supported by all our team members with their hard work, dedication, energy and professionalism.

I am confident they will ensure that we continue to deliver a great service to our customers and meaningful benefits in the communities in which we operate. I would like to express my thanks to them for everything they have done and the foundations they have now laid to make the combined Group even more successful.

Sir Richard Laphorne, CBE
Chairman