

Cable and Wireless International Finance B.V.

Annual Report 2011/2012

Amsterdam, The Netherlands

Cable and Wireless International Finance B.V.
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The Netherlands
Chamber of Commerce: 33.214.341

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1 Directors' report

1.1 Directors' report

Management hereby presents to the shareholder the financial statements of Cable and Wireless International Finance B.V. ("the Company") for the year April 1, 2011 up to and including March 31, 2012.

1.1.1 General

The Company was incorporated on September 28, 1989. The objective of the Company is to act as a finance company.

1.1.2 Activities and results

During the year under review the Company continued its activities with respect to the bonds. These bonds are listed on the London, Hong Kong and Frankfurt stock exchange and are due in 2019. The bonds are secured by a guarantee given by its shareholder, Cable & Wireless Limited. In turn, Cable & Wireless Limited is fully owned by Cable & Wireless Communications Plc, one of the world's leading telecommunications companies.

During the year under review, the Company realized a net profit of USD 204.477 and the equity ratio increased from 2,94% to 3,01%. The activities of the Company developed in line with expectations.

Furthermore, during the year under review Mr. A.J. Parkinson resigned as managing director and Mrs. C.P. Underwood was appointed as managing director on March 10, 2012.

1.1.3 Future outlook

No material change in activities is contemplated for the coming year. It is expected that the result will be in line with that of the reporting period.

Furthermore management is not aware of events that have occurred since the balance sheet date that could have a significant influence on expectations concerning future activities, investments, financing, staffing and profitability.

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1.1.4 Financial risks

Financial risks arising from the ordinary business activities of Cable and Wireless International Finance B.V. consist mainly of default and liquidity risks if Cable & Wireless Limited would not be able to meet its obligations in respect of the loan and the secured bond loan. Management is of the opinion that there is no reason to believe that Cable & Wireless Limited is not able to meet its obligations in the foreseeable future.

The Company concluded agreements in GBP for both the loans due from shareholder and the bond loan, each in the principal amount of GBP 200.000.000. The loans due from shareholder carries a fixed interest at 8,75% per annum whilst the bond loan carries a fixed interest rate at 8,625% per annum. The Company therefore deems the foreign currency and interest risk not significant.

The Company does not enter into derivative financial instruments to protect itself against changes in exchange rates or interest rates. Risks in connection with anticipated significant classes of transactions are not hedged.

1.1.5 Statement ex Article 5:25c Paragraph 2 sub c Financial Markets Supervision Act ("Wet op het Financieel Toezicht")

To our knowledge,

1. the financial statements give a true and fair view of the assets, liabilities, financial position and profit of Cable and Wireless International Finance B.V.;
2. the directors' report gives a true and fair view of the position as per 31 March 2012 and the developments during the financial year 2011/2012 of Cable and Wireless International Finance B.V.; and
3. the directors' report describes the material risks that Cable and Wireless International Finance B.V. is facing.

Amsterdam, July 24, 2012

Managing directors,

C.P. Underwood

Rokin Corporate Services B.V.
Represented by: R. Rosenboom
and E. Denekamp

ATC Management B.V.
Represented by: R. Rosenboom
and E. Denekamp

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2 Financial statements

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2.1 Balance sheet as at March 31, 2012 (before appropriation of result)

	<u>Notes</u>	<u>March 31, 2012</u>		<u>March 31, 2011</u>	
		USD	USD	USD	USD
ASSETS					
Financial fixed assets	2.5.1				
Loans due from shareholder		319.335.782		320.204.931	
Due from shareholder		<u>8.718.295</u>		<u>-</u>	
			328.054.077		320.204.931
Current assets	2.5.2				
Due from shareholder		867.663		9.560.099	
Corporate income tax receivable		45.838		121.467	
Cash and cash equivalents		<u>794.235</u>		<u>551.467</u>	
			1.707.736		10.233.033
			<u><u>329.761.813</u></u>		<u><u>330.437.964</u></u>
SHAREHOLDER'S EQUITY AND LIABILITIES					
Shareholder's equity	2.5.3				
Share capital		970.521		1.027.585	
Share premium		23.747.102		23.747.102	
Other reserve		(5.730)		(62.794)	
Accumulated deficit		(15.002.590)		(15.799.947)	
Unappropriated result		<u>204.477</u>		<u>797.357</u>	
			9.913.780		9.709.303
Long-term liabilities	2.5.4		319.335.782		320.204.931
Current liabilities	2.5.5				
Interest payable		459.045		460.295	
Accrued expenses and other liabilities		<u>53.206</u>		<u>63.435</u>	
			512.251		523.730
			<u><u>329.761.813</u></u>		<u><u>330.437.964</u></u>

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2.2 Statement of income for the year April 1, 2011 up to and including March 31, 2012

	<i>Notes</i>	<i>01/04/11 - 31/03/12</i>		<i>01/04/10 - 31/03/11</i>	
		<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
Income					
Interest income	2.5.6	27.748.499		28.203.843	
Other financial income		1.108		29.829	
Currency exchange results	2.5.8	-		521.288	
			27.749.607		28.754.960
Expense					
Interest expense	2.5.7	(27.317.525)		(27.735.595)	
Currency exchange results	2.5.8	(27.475)		-	
			(27.345.000)		(27.735.595)
Net operating result			404.607		1.019.365
Management and administration fee		(69.578)		(77.751)	
Tax advisory fee	2.5.9	(9.608)		(53.868)	
Audit fees	2.5.9	(36.977)		(43.626)	
Bank charges		(4.330)		(4.806)	
Other operating expenses		(8.631)		(9.779)	
			(129.124)		(189.830)
Income before taxation			275.483		829.535
Corporate income tax	2.5.10		(71.006)		(32.178)
Net result			<u>204.477</u>		<u>797.357</u>

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2.3 Cash flow statement for the year April 1, 2011 up to and including March 31, 2012

	<u>01/04/11 - 31/03/12</u>		<u>01/04/10 - 31/03/11</u>	
	USD	USD	USD	USD
Net result		204.477		797.357
Adjusted for changes in:				
· Amounts due from shareholder	(25.859)		(998.462)	
· Corporate income tax receivable	71.084		16.997	
· Interest payable	(1.250)		32.380	
· Accrued expenses and other liabilities	(10.231)	33.744	6.294	(942.791)
		<u>238.221</u>		<u>(145.434)</u>
Corporate income tax received/(paid)		4.547		(57.998)
Cash flow from operating activities		<u>242.768</u>		<u>(203.432)</u>
Cash flow from investing activities		<u>-</u>		<u>-</u>
Cash flow from financing activities		<u>-</u>		<u>-</u>
Net increase/(decrease) in cash and cash equivalents		242.768		(203.432)
Cash and cash equivalents at April 1		<u>551.467</u>		<u>754.899</u>
Cash and cash equivalents at March 31		<u><u>794.235</u></u>		<u><u>551.467</u></u>

The cash flow statement is prepared according to the indirect method.

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2.4 General notes to the financial statements

2.4.1 General information

Cable and Wireless International Finance B.V. ("the Company") was incorporated with limited liability under the laws of The Netherlands on September 28, 1989. The registered office of the Company is in Amsterdam, The Netherlands. The objective of the Company is to act as a finance company.

Based on Article 1, par 1, sub I "Wet toezicht accountantsorganisaties" the Company is considered as an "Organisatie van Openbaar Belang" and following the Royal Decree of July 26, 2008, concerning the implementation of Article 41 of EC directive 2006/43 the Company is required to have an Audit Committee. The Company uses the exception granted in Article 3 of this Royal Decree which stipulates that the Royal Decree is not applicable for consolidated companies in cases where the parent company (Cable & Wireless Communications Plc) has instituted an Audit Committee, which is the case.

2.4.2 Group structure

The Company is a subsidiary of Cable & Wireless Limited, London, United Kingdom, which owns 100% of the Company's shares. The Company's figures are taken up in the consolidated accounts of Cable & Wireless Communications Plc, London, United Kingdom. The consolidated accounts of Cable & Wireless Communications Plc can be obtained from their website: www.cwc.com.

2.4.3 Related parties

The Company is engaged in the financing of its shareholder out of bond loans secured by its shareholder. The conditions of these loans are all at-arms-length. Please refer to the Notes to the balance sheet items for further details.

Transactions with key management personnel

At March 31, 2011 one Director of the parent company held bonds issued by Cable and Wireless International Finance B.V. with a nominal value of GBP 960.000 (purchased in prior periods). The Director sold their entire holding during the year ended March 31, 2012. The interest earned on the bonds prior to disposal during the year ended March 31, 2012 was GBP 19.736 of which GBP nil remains unpaid at March 31, 2012 (2010/2011 – GBP 82.800 of which GBP 1.361 remained unpaid at March 31, 2011). A profit of GBP 185.724 was realised upon the sale of the bond.

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The spouse of a Director of the parent company holds bonds issued by Cable and Wireless International Finance BV. The bonds had a nominal value at March 31, 2012 of USD 766.416 (GBP 480.000) (March 31, 2011 – USD 768.576 (GBP 480.000)). The interest earned on the bonds during 2011/2012 was USD 66.132 of which USD 903 remained unpaid at March 31, 2012 (2010/2011 – USD 64.025 of which USD 1.090 remained unpaid at March 31, 2011).

During the year, two children of a Director of the parent company purchased bonds issued by Cable and Wireless International Finance BV. These bonds had a nominal value at March 31, 2012 of USD 798.350 (GBP 500.000). The interest earned on those bonds during 2011/2012 was USD 25.410 of which USD 940 remained unpaid at March 31, 2012.

2.4.4 Solvency

The Company acts as a group financing company. As such the Company is economically and organizationally linked to the ultimate parent company, Cable & Wireless Communications Plc. Therefore the solvency of the parent company and that of the group should be included when assessing the Company's solvency.

2.4.5 Going concern

These financial statements have been prepared on a going concern basis, which basis for valuation and determination of results assumes that the company will be able to realize its assets and discharge its liabilities in the normal course of business. The board of directors has no reason to believe that the financing of the Company will be discontinued on short notice; therefore the directors are of the opinion that durable continuation of the business activities remains possible.

2.4.6 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Functional and presentation currency

The functional currency of the ultimate Parent Company, Cable & Wireless Communications Plc, and the majority of trading and financing companies of the Group, of which the Company is a member, is the US Dollar. In respect of the Company, the directors consider the US Dollar to be the functional currency reflecting the economic effects of the underlying transactions, events and conditions for the Company. The Company therefore presents its financial statements in US Dollars. The Company's presentation currency is also the US Dollar.

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Basis of preparation

The Company qualifies as a large sized company and the financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. The financial statements are prepared under the historical cost convention and presented in US Dollar ("USD"). Assets and liabilities are stated at nominal value, unless otherwise stated. If deemed necessary, a provision is deducted from the nominal amount of accounts receivable.

Payables and receivables

Payables are included at face value. Receivables are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables. Short term payables and receivables are reclassified to long term if it is expected that the amounts will not be repaid or recovered within twelve months after the balance sheet date.

Revenue recognition

Interest income and expense are recognized in the income statement based on accrued amounts. Operating expenses are accounted for in the period in which these are incurred. Losses are accounted for in the year in which they are identified.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at year-end exchange rates. Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions: gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement. Non-monetary balance sheet items, which are valued at cost and resulting from transactions in foreign currencies, are translated at the rate prevailing on the date of the transaction.

The Company concluded agreements in GBP for both the loans due from shareholder and the bond loan, each in the principal amount of GBP 200.000.000. The loans due from shareholder carries a fixed interest at 8,75% per annum whilst the bond loan carries a fixed interest rate at 8,625% per annum. The Company therefore deems the foreign currency risk not significant.

Financial fixed assets

Financial fixed assets are valued at nominal value.

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Corporate income tax

Permanent and temporary differences may exist between the result before taxation as presented in these financial statements and the fiscal result for corporate income tax purposes. Temporary differences between the reporting for tax purposes and the financial statements are recognized as deferred taxes based on the statutory tax rate expected to exist in the future. Deferred tax assets and liabilities are netted. Net deferred tax assets will be included in the balance sheet if actual recovery is assumed possible by the Company's management.

Estimates

The preparation of the financial statements requires management to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

Principles for preparation of the cash flow statement

The cash flow statement is prepared according to the indirect method. The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered highly liquid investments. Cash flows in foreign currencies are translated at at the exchange rates prevailing at the date of the transactions.

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2.5 Notes to the balance sheet and the statement of income

2.5.1 Fixed assets

Loans due from shareholder

The movements in the loans due from shareholder can be detailed as follows:

	March 31, 2012	March 31, 2011
	USD	USD
Opening Balance	320.204.931	297.680.000
Foreign exchange	(869.149)	22.524.931
Closing Balance	319.335.782	320.204.931

The loans due from shareholder relates to a loan due from Cable & Wireless Limited, London, United Kingdom in the amount of GBP 200.000.000 (USD 319.335.782). The loan is fully repayable on March 25, 2019 and carries fixed interest at 8,75% per annum.

Financial risks arising from the ordinary business activities of Cable and Wireless International Finance B.V. consist mainly of default and liquidity risks if Cable & Wireless Limited would not be able to meet its obligations in respect of the loan and the secured bond loan. Management is of the opinion that there is no reason to believe that Cable & Wireless Limited is not able to meet its obligations in the foreseeable future.

The Company concluded agreements in GBP for both the loans due from shareholder and the bond loan, each in the principal amount of GBP 200.000.000. The loans due from shareholder carries a fixed interest at 8,75% per annum whilst the bond loan carries a fixed interest rate at 8,625% per annum. The Company therefore deems the foreign currency and interest risk not significant.

Due from shareholder

The amount due from shareholder relates to a loan due from Cable & Wireless Limited, London, UK which is unsecured and subject to 3m LIBOR USD. The average interest rate during the year was 0,003173%. Unpaid interest is added to the principal sum.

The loan is lent for a definite period of time, being three months. As at March 31, 2012 the loan was reclassified from Current assets to Financial fixed assets since it is expected that the loan will not be repaid within one year after the balance sheet date.

The fair value of the loans due from shareholder cannot be determined with sufficient certainty.

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2.5.2 Current assets

Due from shareholder

The amount due from shareholder can be detailed as follows:

	March 31, 2012	March 31, 2011
	USD	USD
Short term loan due from Cable & Wireless Limited, London, UK	-	8.690.074
Accrued interest due from Cable & Wireless Limited, London, UK	465.698	466.966
Other amounts due from Cable & Wireless Limited, London, UK	401.965	403.059
	867.663	9.560.099

It is expected that the short term loan due from Cable & Wireless Limited, London, UK will not be repaid within one year after the balance sheet date therefore the loan has been classified to financial fixed assets as at March 31, 2012.

It is expected that the other amounts due from Cable & Wireless Limited, London, UK will be repaid within one year after the balance sheet date.

Corporate income tax receivable

	March 31, 2012	March 31, 2011
	USD	USD
Dutch CIT receivable/(due) for the period 01/04/09 – 31/03/10	-	(7.916)
Dutch CIT receivable for the period 01/04/10 – 31/03/11	-	129.383
Dutch CIT receivable for the period 01/04/11 – 31/03/12	45.838	-
	45.838	121.467

The latest final Dutch CIT assessment which the Company received was for the year 2010/2011.

Cash and cash equivalents

The cash relates to bank balances and are available on demand.

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2.5.3 Shareholder's equity

Share capital

The authorized capital amounts to EUR 3.640.000 consisting of 8.000 ordinary shares of EUR 455 each, of which 1.601 shares are issued and paid-up.

In accordance with article 373, section 5, Book 2 of the Dutch Civil Code, the issued and paid-up capital is translated at the year-end rate of EUR 1 = USD 1,3323 (prior year; EUR 1 = USD 1,4106). Gains or losses resulting from this translation are recorded in the Other reserve.

Share premium

There were no movements in the share premium during the year under review.

Details of shareholder's equity are as follows:

		Share capital	Share premium	Other reserve	Accumulated deficit	Unappro- priated Result	Total
Balance as at March 31, 2011	USD	1.027.585	23.747.102	(62.794)	(15.799.947)	797.357	9.709.303
Balance as at April 1, 2011	USD	1.027.585	23.747.102	(62.794)	(15.799.947)	797.357	9.709.303
Appropriation of result	USD	-	-	-	797.357	(797.357)	-
Other reserve	USD	(57.064)	-	57.064	-	-	-
Result for the year	USD	-	-	-	-	204.477	204.477
Balance as at March 31, 2012	USD	970.521	23.747.102	(5.730)	(15.002.590)	204.477	9.913.780

2.5.4 Long-term liabilities

In June 1994 the Company issued GBP 200.000.000 8,625% bonds due in 2019 secured by a guarantee given by Cable & Wireless Limited, which has Cable & Wireless Communications Plc as its ultimate parent company. The proceeds of the bonds were lent to Cable & Wireless Limited. The bonds are listed on the London, Hong Kong and Frankfurt stock exchanges.

The movements in the long-term liabilities are detailed on the next page.

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The movements in the long-term liabilities can be detailed as follows:

	March 31, 2012	March 31, 2011
	USD	USD
Opening Balance	320.204.931	297.680.000
Foreign exchange	(869.149)	22.524.931
Closing Balance	319.335.782	320.204.931

As at March 31, 2012 Cable & Wireless Limited is one of the bond holders for a face value of GBP 53.300.000 as a result of past market repurchases. Cable & Wireless Ltd, as one of the bond holders, received interest in total of USD 7.157.785 (GBP 4.520.506) during the year under review.

Movement summary from the date of issuing till March 31, 2012 is as follows:

	Currency	Interest rate	Maturity date	GBP
Issued in 1994	GBP	8,625%	25-3-2019	200.000.000
Repurchased in 2005	GBP	8,625%	25-3-2019	(19.900.000)
Repurchased in 2007	GBP	8,625%	25-3-2019	(1.500.000)
Repurchased in 2008	GBP	8,625%	25-3-2019	(31.900.000)
Sold during 2008/2009	GBP	8,625%	25-3-2019	53.300.000
				<u>200.000.000</u>

The amounts presented as repurchased in the relevant years are stated at par value. Any differences between the par value and market price were expensed by Cable & Wireless Limited.

The market value of the bonds at the balance sheet date amounts to USD 312.470.062 (GBP 195.700.000). As at March 31, 2011 the market value of the bonds amounted to USD 337.816.202 (GBP 211.000.000).

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2.5.5 Current liabilities

Interest payable

The interest payable relates to interest due to the holders of the bond loan, which is payable at March 25, 2013. As at March 31, 2012 an amount of USD 122.336 (GBP 76.619) included in the interest payable, is due to Cable & Wireless Limited.

Accrued expenses and other liabilities

The accrued expenses and other liabilities can be detailed as follows:

	March 31, 2012	March 31, 2011
	USD	USD
Management and accounting fee payable	7.142	-
Tax advisory fee payable	9.992	25.093
Audit fee payable	34.639	36.931
Other accrued expenses	1.433	1.411
	53.206	63.435

2.5.6 Interest income

The interest income can be detailed as follows:

	2011/2012	2010/2011
	USD	USD
Interest income group companies	27.747.062	28.202.588
Other interest income	1.437	1.255
	27.748.499	28.203.843

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2.5.7 Interest expense

The interest expense can be detailed as follows:

	2011/2012	2010/2011
	USD	USD
Interest expense - bonds	27.317.525	27.735.580
Interest expense - banks	-	15
	<u>27.317.525</u>	<u>27.735.595</u>

2.5.8 Currency exchange results

The currency exchange results can be detailed as follows:

	2011/2012	2010/2011
	USD	USD
Exchange (loss)/gain on amounts due from group companies	(870.978)	23.027.461
Exchange gain/(loss) others	843.503	(22.506.173)
Net exchange (loss)/gain	<u>(27.475)</u>	<u>521.288</u>

2.5.9 Audit fee disclosure

The following fees for 2011/2012 have been or will be charged by KPMG to the Company:

	KPMG Accountants 2011/2012 USD	KPMG network 2011/2012 USD	Total KPMG USD
Statutory audit of annual accounts	36.977	-	36.977
Tax advisory services	-	9.608	9.608
	<u>36.977</u>	<u>9.608</u>	<u>46.585</u>

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2.5.10 Corporate income tax

The tax charge for the year can be detailed as follows:

	2011/2012	2010/2011
	USD	USD
Charge for the year	53.279	32.178
Amendments to prior year tax provision	17.727	-
	<u>71.006</u>	<u>32.178</u>

Up to and including the 2010/2011 accounting period the Company was required to file its Dutch Corporate Income Tax return in the British pound (GBP) currency. As from April 1, 2011 the Company's fiscal functional currency is USD.

The Company concluded a tax ruling with the Dutch tax authorities on January 28, 2011 wherewith the method of the determination of the taxable result was agreed. This tax ruling will expire on December 31, 2014. This ruling causes a difference between the effective tax rate and the nominal tax rate of 20%/25%.

2.5.11 Employees and Directors

During the year under review the Company did not employ any personnel (previous year: nil). The Company has three statutory directors. Two directors received a total remuneration of USD 9,438 in that capacity (previous year: USD 9,434). One director did not receive a remuneration during the year under review.

Amsterdam, July 24, 2012

Managing directors,

C.P. Underwood

Rokin Corporate Services B.V.
Represented by: R. Rosenboom
and E. Denekamp

ATC Management B.V.
Represented by: R. Rosenboom
and E. Denekamp

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3 Other information

3.1 Appropriation of result

In accordance with article 23 of the Articles of Association, the profit for the year is at the disposal of the Annual Meeting of Shareholders.

Management proposes to credit the profit for the year to the accumulated deficit brought forward from the previous accounting period.

3.2 Post-balance sheet events

Management is not aware of events that took place after balance sheet date that could have a material effect on the financial position of the Company.

3.3 Audit of the financial statements

The Company qualifies as a large sized company. Therefore, based on Part 9 of Book 2 of the Dutch Civil Code, the Company is required to have its financial statements audited.

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4 Auditor's Report



Independent auditor's report

To: The General Meeting of Shareholders of Cable and Wireless International Finance B.V.

Report on the financial statements

We have audited the accompanying financial statements for the year ended March 31, 2012 of Cable and Wireless International Finance B.V., Amsterdam, which comprise the balance sheet as at March 31, 2012, the statement of income and cash flow statement for the year then ended and notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the directors' report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Cable and Wireless International Finance B.V. as at March 31, 2012 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirements under Section 2:393 sub 5 at e and f of the Netherlands Civil Code, we have no deficiencies to report as a result of our examination whether the directors' report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and if the information as required under Section 2:392 sub 1 at b - h has been annexed. Further, we report that the directors' report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Netherlands Civil Code.

Amstelveen, July 24, 2012

KPMG Accountants N.V.

R.W. van Dijk RA