Cable&Wireless Communications

Transforming CWC:

Acquisition of Columbus International Inc.

Cable & Wireless Communications Plc

6 November 2014

Important notice

This presentation is made by Cable & Wireless Communications Plc ("CWC"). For the purposes of this notice, "presentation" shall mean and include the document that follows, any oral briefing by CWC that accompanies it, and any question-and-answer session that follows such briefing. By attending or reading the presentation, you agree to be bound by the following limitations.

This presentation is an advertisement and does not constitute an offering circular or prospectus in connection with placing. This presentation does not constitute or form part of, and should not be construed as, an offer, solicitation or invitation to subscribe, for, underwrite or otherwise acquire, any securities of CWC or any member of its group in any jurisdiction or an inducement to enter into investment activity. No part of the presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. Recipients should not construe the contents of this presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters.

The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, express or implied, is made by CWC or its advisers or representatives or their respective affiliates, officers, employees or agents, as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. Neither CWC nor its advisors or representatives or any of their respective affiliates, officers, employees or agents shall have any liability whatsoever for any loss howsoever arising from any use of his presentation or its contents or otherwise arising in connection with this presentation. No part of this presentation should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.

This presentation is exempt from the general restriction (in section 21 of FSMA) on the communication of invitations and inducements to engage in investment activity on the grounds that this presentation is being directed only at (a) persons outside the United Kingdom, (b) persons who have professional experience in matters relating to investments who fall within Article 19 of the FSMA (Financial Promotion) Order 2005 (the "Order") or (c) high net worth companies and other persons to whom it may be lawfully communicated, falling within Article 49 of the Order or otherwise.

This presentation is not directed at, or intended for distribution to or use by: (i) any person or entity outside the United Kingdom; or (ii) any person or entity that it a citizen or resident of located in any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration or licensing.

The securities to which this presentation relates have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws and will only be offered and sold within the United States to "qualified institutional buyers" as defined in Rule 144A under the Securities Act in a transaction or involving a public offering and in accordance with an exemption from registration under the Securities Act and outside the United States in reliance on Regulation S under the Securities Act.

This presentation contains forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as anticipate, target, expect, estimate, intend, plan, goal, believe, will, may, should, would, could or other words of similar meaning. Undue reliance should not be placed on any such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and CWC's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements. There are several factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals. A summary of some of the potential risks faced by CWC is set out in the Company's most recent Annual Report.

Forward-looking statements and all other statements set out in this presentation speak only as of the date they are made. CWC undertakes no obligation to revise or update any such statements or any other statements it may make, regardless of whether such statements are affected as a result of new information, future events or otherwise prove to have been inaccurate (except as required by the UK Listing Authority, the London Stock Exchange, the City Code on Takeovers and Mergers or by law).

This presentation should be read in conjunction with the transaction announcement released by CWC on 6 November 2014.

Transforming CWC
Acquisition of Columbus International Inc.

Transforming CWC:
A strategic step-change, accelerating growth

Columbus:
An attractive set of complementary assets and capabilities

Material synergies:
Creating significant value upside

Financial outlook:
Material increase in shareholder returns

Cable&Wireless
Communications

Transforming CWC: Acquisition of Columbus International Inc.

Transforming CWC:
A strategic step-change, accelerating growth

Columbus:
An attractive set of complementary assets and capabilities

Material synergies:
Creating significant value upside

Financial outlook:
Material increase in shareholder returns

6 November 2014

Why Columbus?

Accelerated delivery of strategy, accelerated growth profile, technology modernisation and reduced operational risk

Key terms	**Headline enterprise value of $3,025m[1]** • Financed with $1,323m equity (placing and new vendor shares[2]) and $1,702m debt (rollover and new issuance) • Combined opening leverage[3] of 3.0x (consolidated) and 3.9x (proportionate)
Valuation	Embedded momentum and growth will reduce multiple materially at completion from 12.3x June 2014 LTM EBITDA[4] pre cost synergies **Cost synergies alone will reduce the EBITDA multiple by > 2x**
Synergies	**Creates substantial in-market synergies with NPV of $700m[5]** • Operating costs: approx. **$85m** run-rate • Capex: approx. **$145m** over 3 years • Revenue: **significant opportunity**
Guidance	**Mid to high single digit revenue growth** and **significant EBITDA growth** **EPS neutral** in **first full year** post completion and material accretion in subsequent years **Rapid de-leveraging** to < 2.75x (consolidated) and < 3.25x (proportionate) within Year 1; 0.5x p.a. subsequently **Dividend** of 4c per share **unchanged**

Closing expected in Q1 2015

1 Excluding transaction costs
2 Number of vendor shares issued based on 15 day VWAP of 46p
3 Assuming CWC leverage at 30 September 2014 and Columbus leverage at 30 June 2014 (unaudited)
4 Assuming LTM EBITDA at 30 June 2014 for Columbus, adjusted to include $14m from Promitel (acquisition completed in May 2014), as estimated for 10 months of contribution not currently included
5 Excluding revenue synergies

The Transformation

- Acquisition of Columbus injects state of the art TV and broadband technology into CWC
  - **De-risks** ‘Project Marlin’, and **accelerates** new market entry for TV
- Creates leader in Fixed Mobile Convergence by having the premier mobile, fibre and submarine networks across the region
  - Creates **best-in-class** quad-play, with leading content on multi-device platforms
- Huge opportunity in B2B/B2G business from expanding LatAm presence
  - **Unique combination of terrestrial and submarine assets** support strong in-market business solutions
- Significant opex, capex and revenue synergies

The Acquisition

- Discussions over long period as JVCo progressed
- Vendor’s decision to sell resulted in a “process” involving other parties
- Cash-like structure with upside for three principal vendors won the deal
- The principal vendors are:
  - 53.1% ownership: John Risley: c.2/3 shares and c.1/3 cash
  - 23.2% ownership: John Malone: All shares
  - 8.5% ownership: Brendan Paddick: c. 2/3 shares and c. 1/3 cash
- The principal vendors have a short two week window following results announcement in May 2016, 2017, 2018 and 2019 to put to CWC at issue price about a quarter of their holding in each year
- Governance protection:
  - Principal vendors are in a lock-up expiring in 2019 with voting restrictions in the interim
  - John Risley and John Malone (or his representative) have board seats while shareholding is greater than 10%; Brendan Paddick also on board as non-executive

Balanced capital structure: combined market capitalisation of $3.4bn and opening net debt of $2.4bn

$3,025m Headline Purchase Price

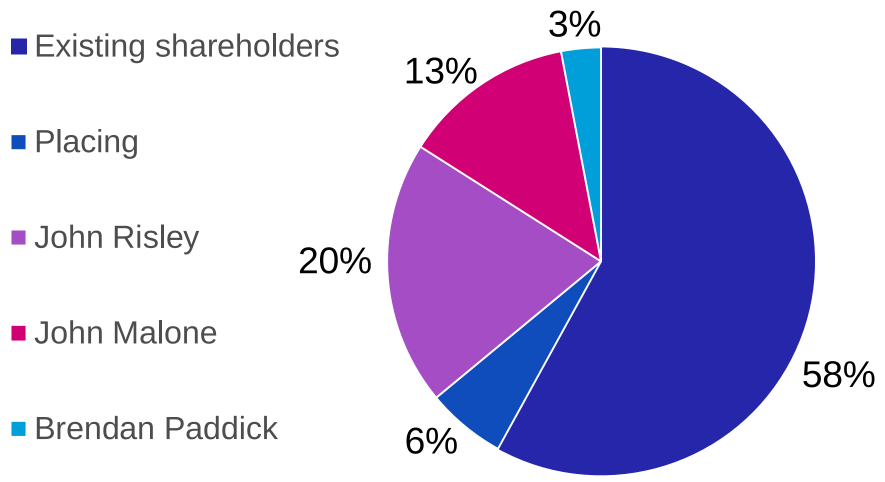
Equity (44%)

- **New Equity**: $1,145m CWC's equity, issued to key Columbus shareholders[1]
- **Placing of new shares**: $178m intended to be raised at announcement
  - Up to 10% of outstanding shares placed in the market

Debt (56%)

- **Rollover of Columbus' existing net debt**: $1,173m[2]
- **New debt**: $530m[3]
- Combined opening net debt of $2.4bn[4] (existing consolidated net debt of CWC at 30 September 2014 of $464m)

Post-transaction



Combined Opening Leverage[4,5]

3.0x consolidated

3.9x proportionate

[1] Number of shares issued to key Columbus shareholders based on 15 day VWAP of 46p
[2] Excludes net debt adjustments for capitalised transaction costs and derivatives
[3] CWC intends to raise an additional $230m for working capital purposes (including transaction fees)
[4] Assuming CWC net debt at 30 September 2014 and Columbus net debt at 30 June 2014 (unaudited)
[5] Assuming LTM EBITDA at 30 June 2014 for Columbus, adjusted to include $14m from Promitel (acquisition completed in May 2014), as estimated for 10 months of contribution not currently included

Transaction accelerates CWC strategy of best networks and best customer service and step-changes delivery of operational metrics…

Mobile leadership	Fixed Mobile Convergence	Reinforce our TV offering	Grow B2B/ B2G business
• Expanded customer base • Mobility of TV content • Leading backhaul connectivity	• More competitive bundles • Premier network platform • Expanded internet access	• Scale TV across CWC customer base • Derive scale from content • Experienced management team	• More complete managed services • Strong LatAm network infrastructure • Platform for market expansion

Key operational metrics

• Relative NPS • Reduced churn • Mobile data **growth**	• Relative NPS • Reduced cost per gigabit • Products per customer **growth**	• Relative NPS • Broadband churn • TV subscriber **growth**	• Relative NPS • MNC penetration • **Growth** in connectivity sold with IT solutions

…whilst positioning CWC to respond to industry-led Fixed Mobile Convergence (FMC)

Operators are acquiring and building FMC capabilities…

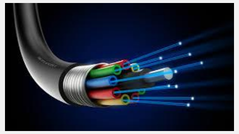
	'Buy'	'Build'
Fixed line players are developing mobile capabilities	altice, SFR	BT UK spectrum acquisition
Mobile players are acquiring fixed access capabilities…	vodafone, ONO	vodafone Fibre investment in Italy, Portugal
…and backhaul and subsea networks	vodafone, Cable&Wireless Worldwide	MTN Fibre ring and subsea cables
Telcos are also acquiring TV capabilities	at&t, DIRECTV	BT Premier League, BT Sports

…a trend that we see replicated in our markets

Our major Caribbean competitor has been acquiring fixed cable operators…

TELSTAR CABLE LIMITED, WIV, SAT TELECOMMUNICATIONS LTD. "THE PEOPLE'S CHOICE", Caribbean Cable Communications

…investing in fibre networks…



Jamaica & Barbados

…acquiring international submarine assets…

…and securing content capabilities

SPORTSMAX No Games … Just Sports!

Regulatory approvals required; transaction closing expected in Q1 2015

Cable&Wireless Communications

Transforming CWC: Acquisition of Columbus International Inc.

Transforming CWC:
A strategic step-change, accelerating growth

Columbus:
An attractive set of complementary assets and capabilities

Material synergies:
Creating significant value upside

Financial outlook:
Material increase in shareholder returns

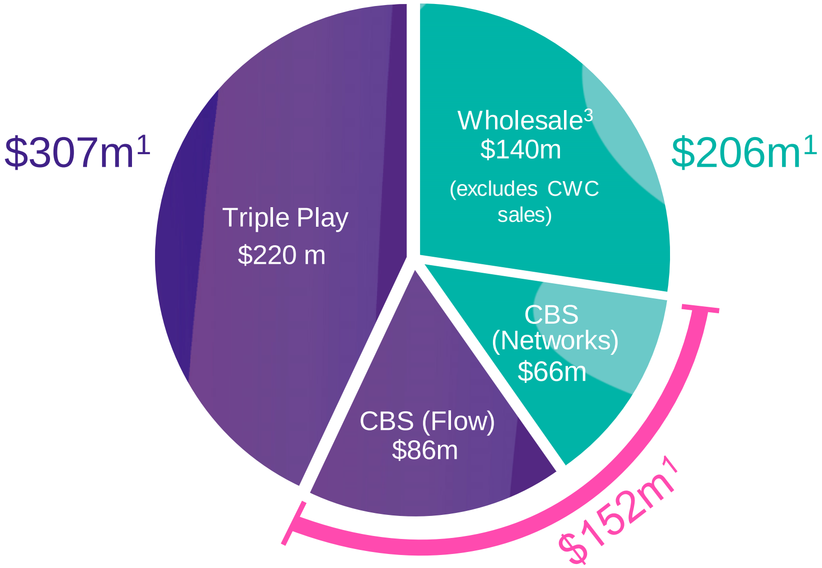
6 November 2014

Columbus is a fast growing regional triple-play and B2B operator, supported by an extensive subsea and terrestrial network

One of the region's leading cable triple-play providers

- Full triple-play:
  - Digital TV
  - IP telephony
  - Fibre-based broadband
- All digital & fully upgraded infrastructure at or above 870Mhz and DOCSIS 3.0
- ~700K service subscribers

Flow
watch • talk • click



Independently ranked #1 subsea network provider in the Caribbean

- Broadband capacity and IP services for major telecoms and large corporates
- 64,300[2] km of fibre deployed
  - 42,000 km subsea
  - 22,300 km terrestrial
- 42 "on-net" countries
- CWC revenues booked in CWC

columbus networks

Leverages terrestrial and sub-sea assets for B2B and B2G solutions

- Operates across Flow and Columbus Networks
- Connectivity; Managed Networking; IT Solutions; Cloud
- SME, enterprise, and government-focused
- 16 countries and ~17k corp. clients across region

columbus business solutions

[1] Revenue for year ended 31 December 2013 and pre inter-segment eliminations of $8m
[2] Represents combined network of Columbus Networks & CWC Wholesale Solutions
[3] Represents 100% Columbus revenue

Retail: **Flow** is a well-positioned triple-play operator across the region

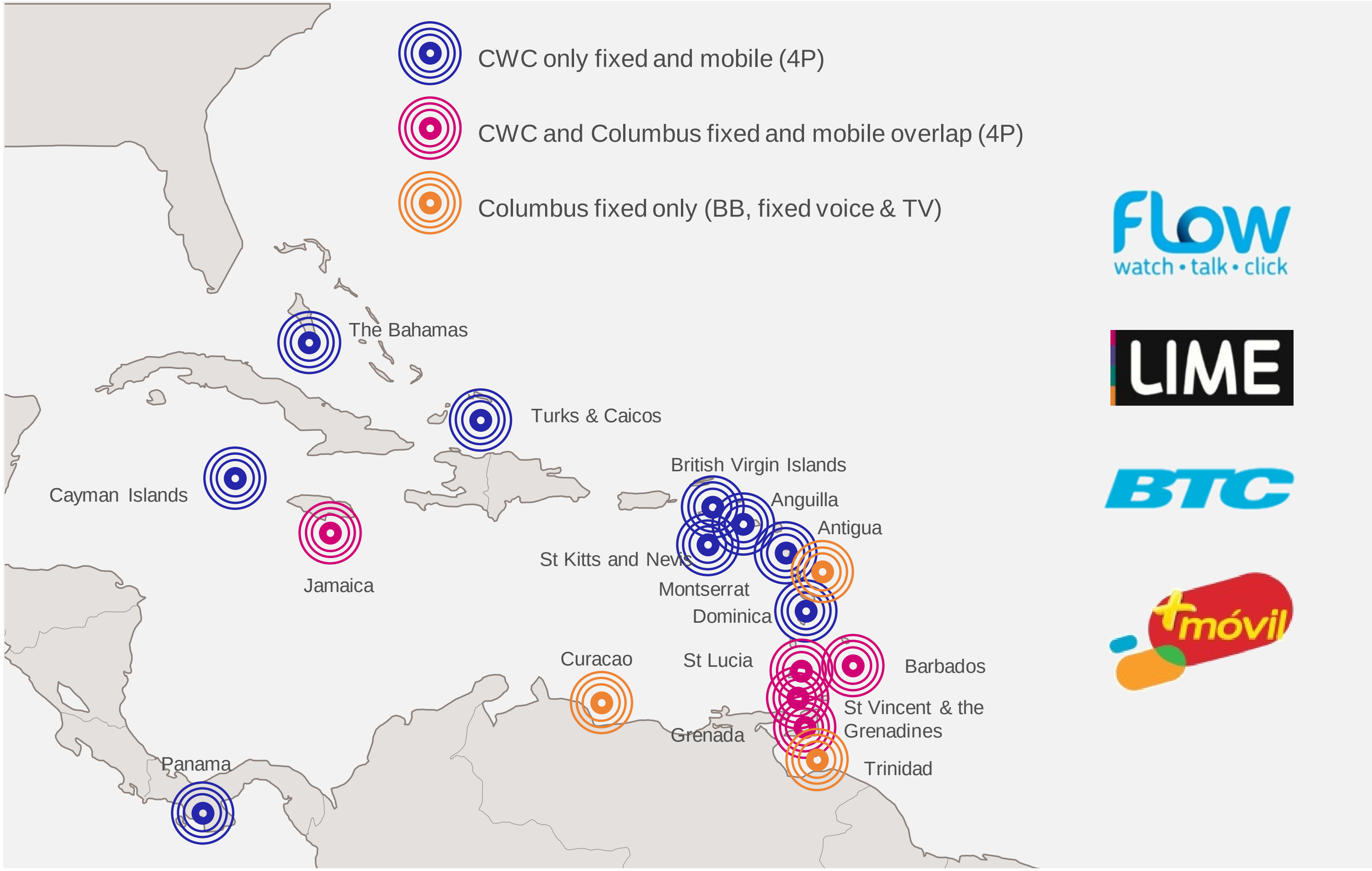
flow
watch • talk • click

	GRENADA	TRINIDAD	JAMAICA	CURACAO	BARBADOS
Market Positioning[1]	#1	#1	#1	#2	#2
Plant design	HFC	HFC	HFC	HFC	FTTH
Plant KMs	1,230	10,700	7,725	2,500	1,100
RGUs	28K	295K	228K	30K	49K
Video penetration rate	74%	50%	47%	28%	21%
Homes Passed	28K	304K	274K	53K	74K
Total # of Homes	35K	330K	725K	55K	100K
Years in operation	20+	8	7	4	1

Flow also entering St Vincent, Antigua and St Lucia following recent acquisitions

[1] Columbus management estimates

Retail: CWC and Columbus' retail businesses provide significant quad-play growth potential

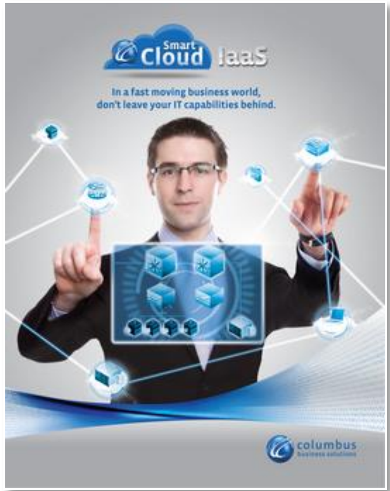


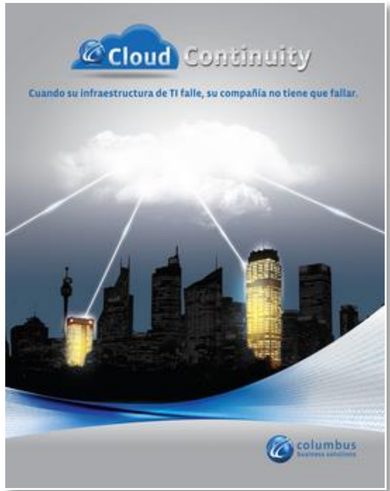
Post acquisition position

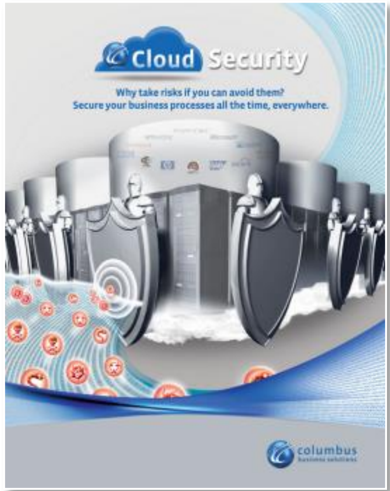
Overlapping markets	Market position: Mobile	Market position: Fixed	TV?
Jamaica	#2	#1	✓
Barbados	#1	#1	✓
S.E. Caribbean	#1	#1	✓
Non-overlapping markets			
Trinidad & Tobago	#2	#1	✓
N.E. Caribbean	#1	#1	✓
Cayman	#1	#1	✓
Bahamas	#1	#1	✓
Panama	#1	#1	✓
Curacao	Na	#1	✓

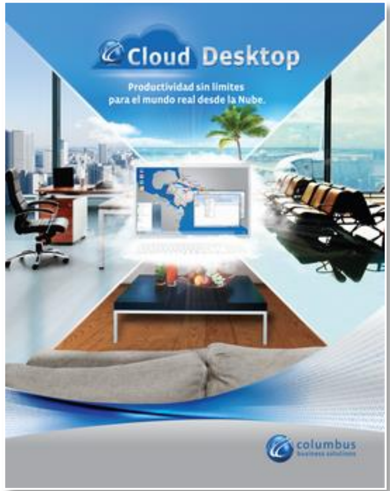
CWC's planned TV entry into 7 new markets accelerated by Columbus' TV expertise and comprehensive content

CBS sells B2B and B2G solutions that leverage on/off island networks









columbus business solutions

Data Centres
Multiple Tier III data centres across the region

Network Operations Centres
Local & regional with geographic redundancy and 24x7x365 operations

Security Operations Centre
Network & IT Infrastructure monitoring with proactive management and 24x7x365 operations

CWC brings 4 data centres, more extensive MPLS network, a larger sales force and IT solutions capabilities

Combined CBS and CWC/Sonitel capabilities offer complete end-to-end IT solutions

Connectivity and IT services stack

Moving "up the stack"
Decreasing commoditisation of offer

Process outsourcing	*IT consulting* Sonitel	*Business process outsourcing* Sonitel				…
Business applications	*Unified communications* Sonitel	*Platform-as-a -Service (PaaS)*	*Software-as-a-Service (SaaS)* Sonitel	*Remotely managed databases* Sonitel		…
Desktop/ device svcs.	*Managed desktop*	*Virtual desktop* Sonitel	*Remote device management* Sonitel			…
Network-centric infrastructure	*Colocation*	*Managed data centre/remote backup*	*Hosted VoIP*	*Infrastructure as-a-Service (IaaS)*	*Hosted contact centre*	…
Network services	*Managed WAN/LAN* Sonitel	*Managed PBX*	*Network monitoring and security* Sonitel			…
Access/ connectivity	*Fixed voice/ VoIP*	*Fixed data*	*PBX/CPE* Sonitel	*Wireless voice/data*		…

Columbus Networks offers a high-quality, extensive subsea and terrestrial network

Most extensive network with route diversity

Inter-region backhaul has grown 10x in 5 years

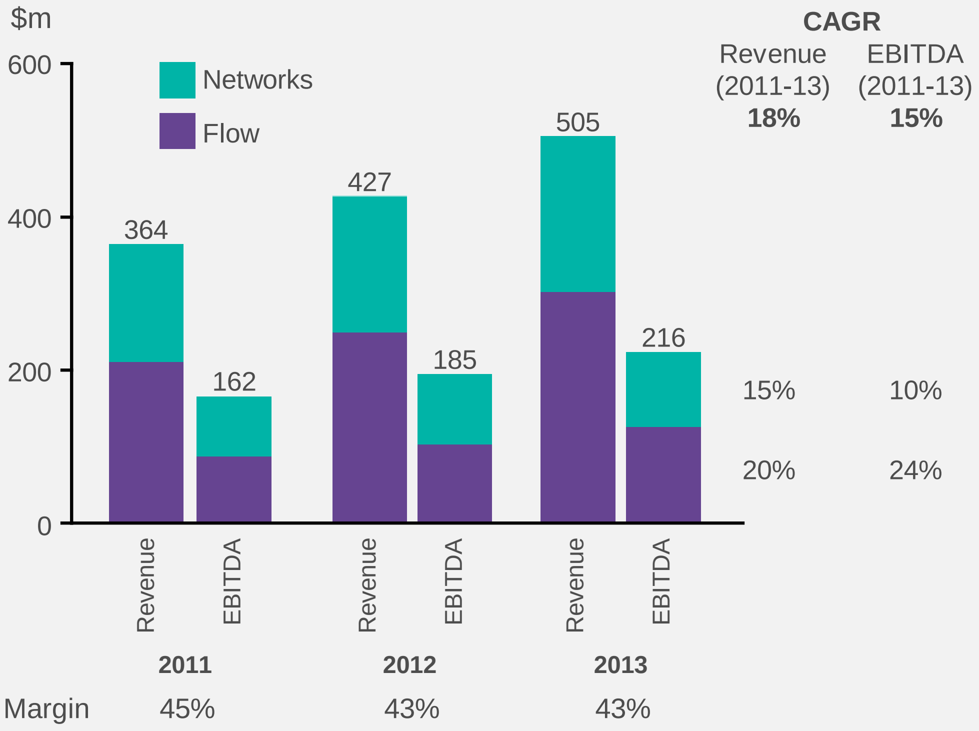
Leading wholesale carrier in the region with outstanding record of operational excellence

Core competencies in network engineering, optimisation and monitoring

Columbus has delivered sustained growth and financial performance

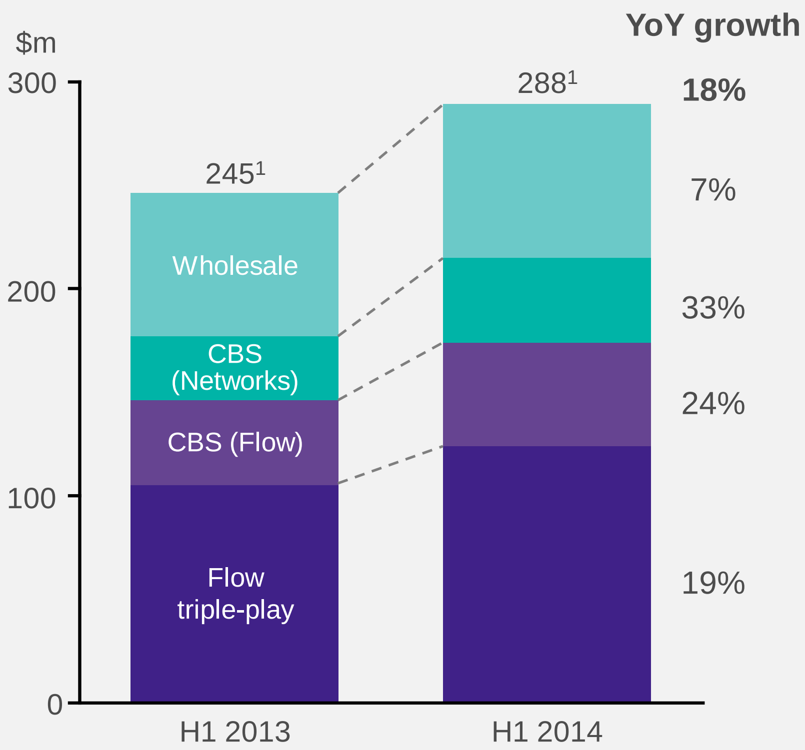
Historical performance

Columbus International revenue and EBITDA (2011-2013)



Revenue growth by BU (HoH)

Columbus International revenue by business unit



Growth will continue from increased product penetration and network extensions in current geographies

Note: Revenue and EBITDA figures for 2011, 2012 and 2013 net of inter-segment eliminations; Flow includes both Triple Play and Business Solutions
EBITDA is defined as earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income/expense and exceptional items
[1] For H1 2013 and H1 2014, revenue pre inter-segment eliminations of $2m and $4m respectively

Source: Columbus Q2 2014 Financial Results

Cable&Wireless Communications

Transforming CWC: Acquisition of Columbus International Inc.

Transforming CWC:
A strategic step-change, accelerating growth

Columbus:
An attractive set of complementary assets and capabilities

Material synergies:
Creating significant value upside

Financial outlook:
Material increase in shareholder returns

6 November 2014

In addition to the compelling strategic rationale, there are significant synergy opportunities of over $700m[1] NPV

Operating costs *c. $85m run-rate* *(c.10% of combined)*	**Capex savings** *c. $145m over 3 years* *(c.10% of combined)*	**Revenues** *Significant opportunity*
Consolidation of overlapping costs, optimisation of remaining operating expense and COGS	Cancellation of overlapping investment plans across the network footprint	Improved product offering, cross-selling and reduced churn

45% of EBITDA synergies by end of year 1, 85% year 2, and 100% year 3

35% of capex synergies in year 1, 40% year 2, and 25% year 3

Exceptional cash costs c. $110m, 45% in year 1, 40% year 2, 15% year 3

[1] Excluding revenue synergies

Material synergies

One-time cost: We estimate that achieving synergies will require exceptional costs of c. $110m

	Synergy (run-rate)	Time to full capture	Cost to realise
Headcount	~$24m	2-3 years	~$30m
Facilities (including utilities)	~$3m	1-2 years	~$2m
Marketing & advertising	~$4m	1 year	n/a
Other non-staff (e.g., professional services)	~$18m	1-2 years	n/a
Network costs (non-headcount)	~$31m	2-3 years	~$60m
Network COGS	~$5m	0.5-1 year	~$5m
Other one-time costs (e.g., branding, communications)	n/a	n/a	~$14m
Total	~$85m	0.5-3 years	~$110m

Integration planning to capture synergies

Material synergies

Integration Oversight Committee	Integration Steering Committee	Integration Management Office
Members: Sir Richard Lapthorne, John Risley, Brendan Paddick, Phil Bentley	Members: CEO and CWC / Columbus executives	Full time Executive Team
Reports progress to Board	**Set targets and oversee delivery**	**Detailed plan execution and tracking**

1. Organisation & Operating Model
2. Budgeting, Reporting and Performance Management
3. Procurement and Spend Management
4. Retail Integration
5. B2B/B2G Integration
6. Customer Service & Field Operations
7. Network / Technology
8. IT: OSS, BSS, Back Office
9. Regulatory & Governance
10. Communications, Culture and Change Management

Operations to be largely integrated within six months following close – retention packages for key employees

Cable&Wireless Communications

Transforming CWC: Acquisition of Columbus International Inc.

Transforming CWC:
A strategic step-change, accelerating growth

Columbus:
An attractive set of complementary assets and capabilities

Material synergies:
Creating significant value upside

Financial outlook:
Material increase in shareholder returns

6 November 2014

Transforming CWC – A strategic step-change in growth and returns

Revenue	**Enhanced Revenue Growth** – annual mid to high single digit % top line growth
EBITDA	**Significant Growth** – through material synergy realisation, operating efficiencies and consolidation of best practices
EPS	**EPS Accretion** – neutral in Year 1 post completion; material accretion thereafter
ROIC	**> 10%** return on invested capital in Year 3
Leverage	**Deleveraging Profile** – FCF generation results in proportionate leverage of c.2.0x by Year 3
Dividend	**No change to dividend policy**

Transforming CWC
Acquisition of Columbus International Inc.

Transforming CWC:
A strategic step-change, accelerating growth

Columbus:
An attractive set of complementary assets and capabilities

Material synergies:
Creating significant value upside

Financial outlook:
Material increase in shareholder returns

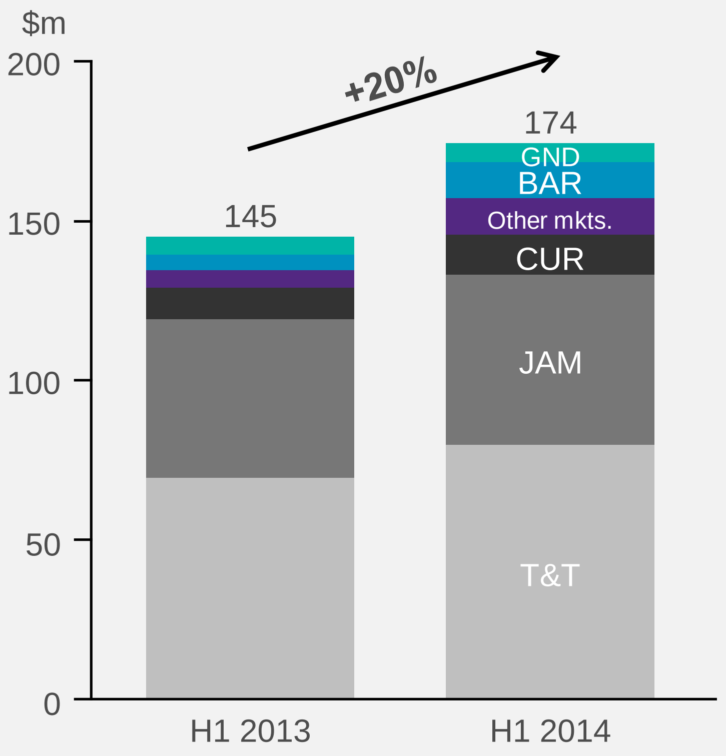
Appendix

Flow's growth has historically been strong, with ample room for continued expansion

watch • talk • click

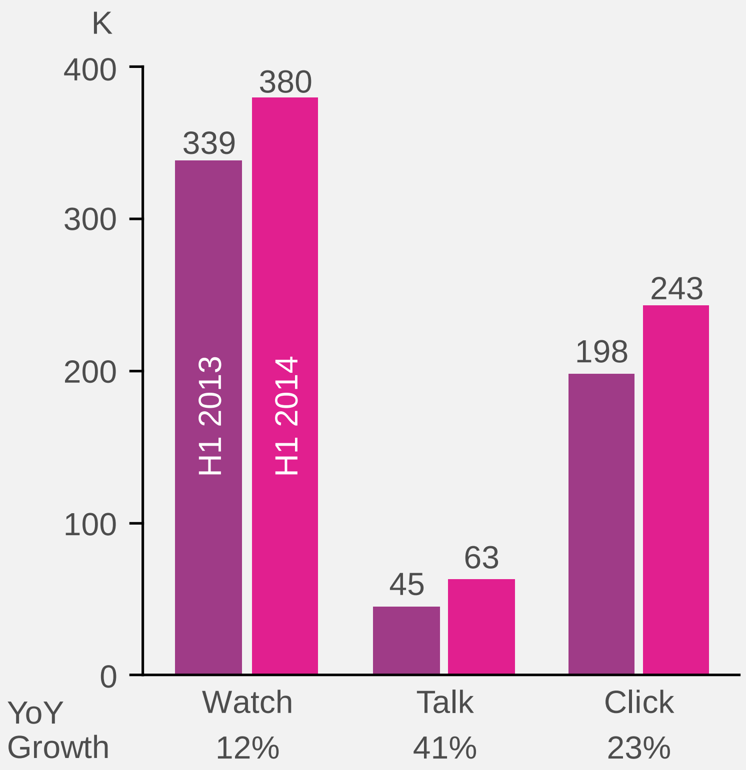
Revenue by country

Revenue



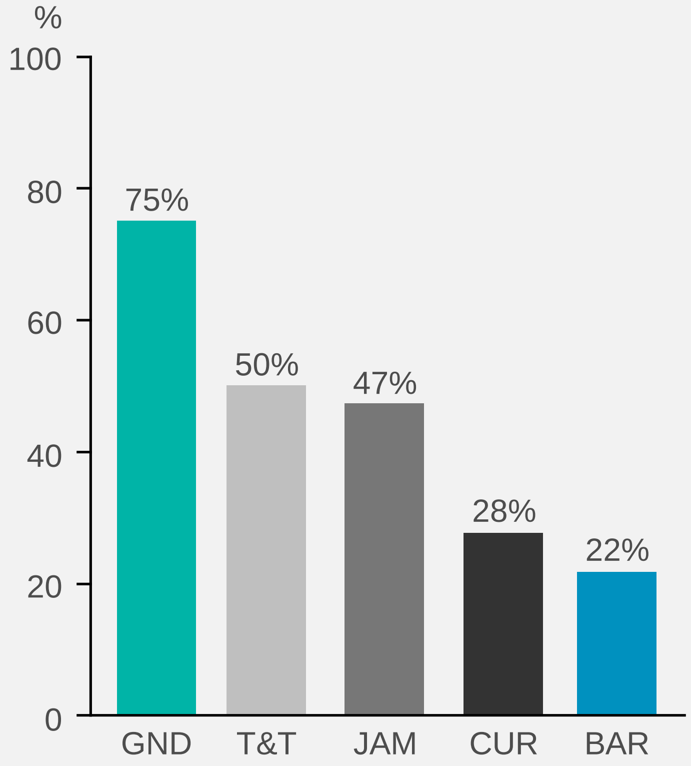
RGUs by product line

Revenue Generating Units (RGUs)



Video penetration

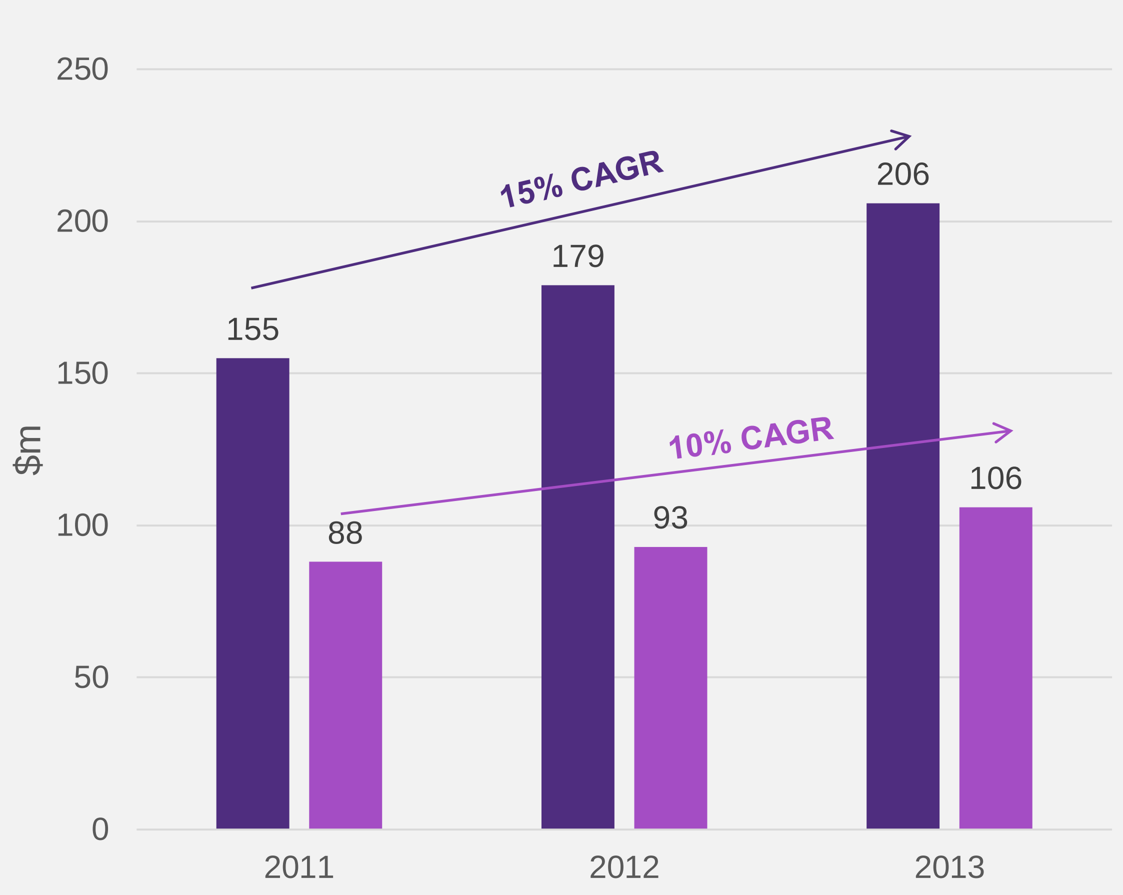
Video penetration rate



Source: Columbus Q2 2014 Financial Results

Columbus Networks has delivered sustained double-digit revenue and EBITDA growth

Columbus Networks historical revenue[1] and EBITDA (2011-13)



Columbus Networks historical revenue and EBITDA (HoH)

Revenue EBITDA

[1] Excludes CWC revenue from JV assets. Pre inter-segment eliminations of $2m in 2011, $2m in 2012 and $8m in 2013

Note: EBITDA is defined as earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income/expense and exceptional items

Source: Columbus Q2 2014 Financial Results

Reconciliation of Columbus Historic EBITDA

	Year ended 31 December			Six month period ended 30 June	
	2011 $m	2012 $m	2013 $m	2013 $m	2014 $m
Total operating profit	**74**	**85**	**104**	**49**	**48**
Add back					
- depreciation and amortisation	74	82	96	46	52
- share of loss of associates	-	1	2	1	-
- other operating expenses	13	10	12	5	17
- exceptional items	1	7	2	1	1
EBITDA	**162**	**185**	**216**	**102**	**118**

Note: EBITDA is defined as earnings before interest, tax, depreciation, amortisation, net other operating and non-operating income/expense and exceptional items. The table above shows the reconciliation of EBITDA to Columbus's reported total operating profit for the periods indicated

Reconciliation of Columbus Segmental Historic EBITDA

	Year ended 31 December 2011				Year ended 31 December 2012				Year ended 31 December 2013			
	Networks $m	Flow $m	Eliminations & Adjustments $m	**Total**	Networks $m	Flow $m	Eliminations & Adjustments $m	**Total**	Networks $m	Flow $m	Eliminations & Adjustments $m	**Total**
Profit/(loss) after tax	**44**	**25**	**(78)**	**(9)**	**47**	**34**	**(95)**	**(14)**	**58**	**44**	**(111)**	**(9)**
Add back												
- tax	5	3	2	**10**	7	9	2	**18**	6	8	3	**17**
- net finance expense	-	-	73	**73**	-	-	81	**81**	-	-	96	**96**
- depreciation and amortisation	36	38	-	**74**	38	44	-	**82**	41	55	-	**96**
- share of loss of associate	-	-	-	**-**	-	-	1	**1**	-	-	2	**2**
- other operating expense	3	4	6	**13**	-	2	8	**10**	-	2	10	**12**
- exceptional operating costs	-	1	-	**1**	1	-	6	**7**	1	1	-	**2**
EBITDA	88	71	3	**162**	93	89	3	**185**	106	110	-	**216**

Note: EBITDA is defined as earnings before interest, tax, depreciation, amortisation, net other operating and non-operating income/expense and exceptional items. The table above shows the reconciliation of EBITDA by segment and in total to Columbus's reported profit/(loss) after tax for the periods indicated

Reconciliation of Columbus Segmental Half Year EBITDA

	Six month period ended 30 June 2013				Six month period ended 30 June 2014			
	Networks $m	Flow $m	Eliminations & Adjustments $m	Total	Networks $m	Flow $m	Eliminations & Adjustments $m	Total
Profit/(loss) after tax	**31**	**17**	**(52)**	**(4)**	**28**	**27**	**(136)**	**(81)**
Add back								
- tax	2	3	1	**6**	2	7	-	**9**
- net finance expense	-	-	47	**47**	-	-	120	**120**
- depreciation and amortisation	20	26	-	**46**	23	29	-	**52**
- share of loss of associate	-	-	1	**1**	-	-	-	**-**
- other operating expense	-	1	4	**5**	4	3	10	**17**
- exceptional operating costs	1	-	-	**1**	-	1	-	**1**
EBITDA	54	47	1	**102**	57	67	(6)	**118**

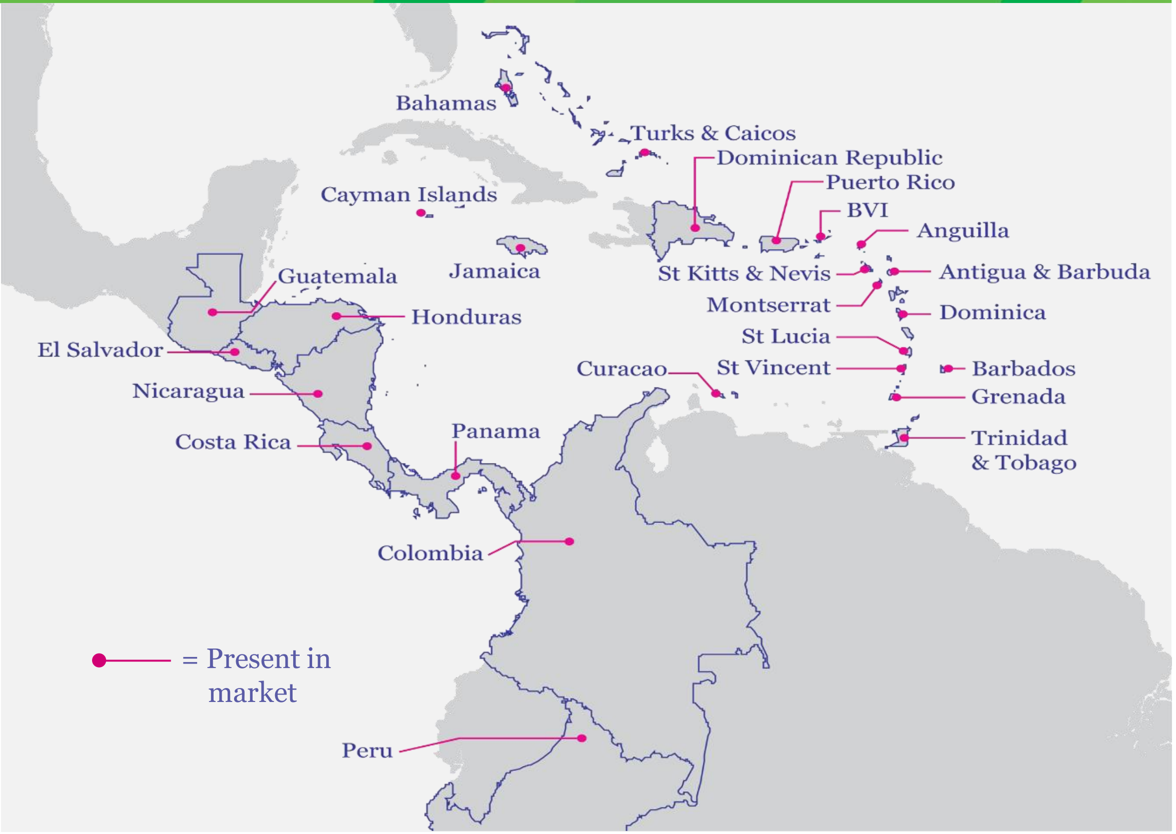
Note: EBITDA is defined as earnings before interest, tax, depreciation, amortisation, net other operating and non-operating income/expense and exceptional items. The table above shows the reconciliation of EBITDA by segment and in total to Columbus's reported profit/(loss) after tax for the periods indicated

Next steps / timetable to completion

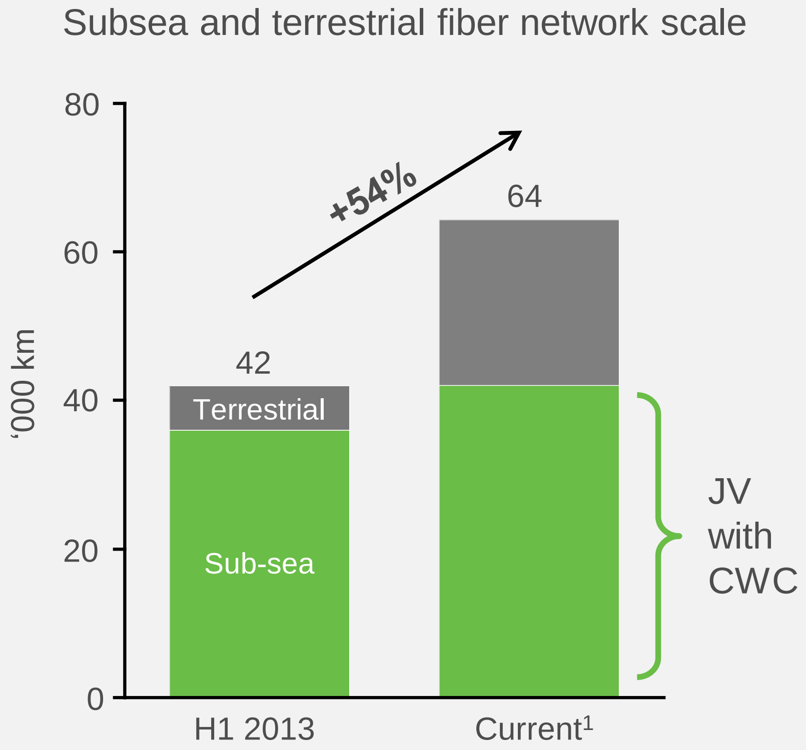
Date	Action
November 2014	1 Transaction announcement 2 Placing of new shares 3 Bondholders consent 4 Posting of circular
December 2014	5 Shareholder vote (General Meeting)
Q1 2015	6 Closing following consents in: • Barbados • Jamaica • Trinidad • US (HSR)

Both CWC and Columbus operate in under-penetrated markets offering attractive growth

Combined group has focused geographical presence



Growing subsea and terrestrial capacity



[1] Current includes Flow terrestrial fibre

Combined retail and B2B business well placed to capture future data growth

Subsea network positioned to capitalise on increased backhaul demand

Cost: Circa $85m run-rate cost synergies by year three

Costs synergy driver	Description	Estimated synergies (Annual)
Overlapping market operations	Rationalise local admin, back-office, and facilities Consolidate brands and marketing spend Renegotiate vendor rates Harmonise IT systems/roles Improve customer care support costs	~$35m EBITDA
Network operations	Transition to Columbus' fixed networks - Accelerate legacy networks de-commissioning - Reduce truck rolls - Eliminate duplicate maintenance Renegotiate maintenance fees Consolidate network and service operating centres	~$30m EBITDA
Other operating costs	Leverage central support of non-overlapping markets Eliminate incremental overhead	~$15m EBITDA
TV content COGS	Leverage Columbus' rates and increased scale	~$5m EBITDA

Capex: Circa $145m in synergies – 10% of combined spend

Capex synergy driver	Description	Estimated synergies (3-yr totals)
Network (Fixed & TV)	Leverage Columbus' fibre network to avoid duplicative spend Integrate TV infrastructure Achieve rate reductions due to greater scale Combine transmission layers Accelerate copper network de-commissioning and property rationalisation	~$145m
Overlapping markets (Retail and B2B)	*Jamaica* · *Barbados* · *North Cluster* · *South Cluster* · *T&T* · *Panama* · *Colombia* · *El Salvador* · *Nicaragua* · *Peru*	
Non-overlapping markets (Retail and B2B)	*Cayman (CWC)* · *Bahamas (CWC)* · *Curacao (Columbus)*	

Note: Estimated synergies would result from avoiding unnecessary duplication

Revenue: Retail and B2B/B2G commercial upside provides additional value to the business

Business	Opportunity	Description
Retail	Gain share of wallet with existing customers by cross / upselling	Cross-sell product portfolio Create improved value proposition Utilise multi-product offering to improve customer satisfaction and reduce churn
	Improve value of CWC TV offering for current subscribers	Leverage Columbus' fixed network to improve current CWC TV offering Improved speed to market
	Reduce quality-related churn	Improve mobile and fixed network quality by leveraging existing fixed network infrastructure, resulting in reduced churn rates for existing customers
B2B/B2G	Optimise Business Solution offering	Provide more complete end-to-end solutions, reducing churn at lower cost-to-serve
	Accelerated speed to market	Enter new markets that leverage existing fibre networks and MNC customer relationships (Ecuador/Peru) Access Colombia, Costa Rica and Guatemala via fibre backhaul and metro-nets

Vendor equity is structured to incentivise retention, but allows short liquidity windows

Put window (2 weeks after prelims)	**Put amount[1] $m**	**% of vendor equity**	**% of total CWC equity[4]**
May 2016	279	24.4	8.8
May 2017	279	24.4	8.8
May 2018	347	30.3	10.9
May 2019	240	21.0	7.5

- Annual put option can be exercised in two weeks following preliminary results each year
  - If not exercised, shares can be sold in market during following two months (subject to orderly marketing provisions)
- Fixed put strike price of $0.7349[1] at signing
- Tax implications for vendors of put exercise
- Shares to be voted in-line with CWC Board recommendation[2]
- Lock-up expires following 2019 sale period
  - If shares are sold outside permitted period after 2017, all future puts are cancelled
- Governance
  - One Board representative for each of John Risley, Brendan Paddick and John Malone
  - Vendor Board seat entitlement removed following expiry of puts if holding < 10%[3]

[1] Based on 15 day VWAP of 46p and GBP / USD exchange rate of 1.5979
[2] Exception if resolution is to implement a scheme of arrangement in respect of a takeover offer that has been recommended by the CWC Board
[3] Other than Brendan Paddick
[4] Adjusted for the placing of new shares

Cable&Wireless Communications

Transforming CWC:

Acquisition of Columbus International Inc.

Cable & Wireless Communications Plc

6 November 2014