Condensed Consolidated Interim Financial Statements
September 30, 2016

CABLE & WIRELESS
COMMUNICATIONS LIMITED

62-65 Chandos Place
London, United Kingdom
WC2N 4HG

CABLE & WIRELESS COMMUNICATIONS LIMITED

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CABLE & WIRELESS COMMUNICATIONS LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(unaudited)

	September 30, 2016	March 31, 2016 (a)
	in millions	
Assets		
Current assets:		
Cash and cash equivalents	$ 230.7	$ 167.5
Trade and other receivables	595.7	631.8
Loans receivable – related-party (note 14)	86.2	55.9
Inventory and other	23.5	57.9
Total current assets	936.1	913.1
Noncurrent assets:		
Property and equipment, net (note 6)	2,747.7	2,756.3
Goodwill (note 6)	2,122.3	2,143.7
Intangible assets subject to amortization, net (note 6)	802.1	828.2
Other noncurrent assets (notes 3 and 14)	339.3	295.8
Total noncurrent assets	6,011.4	6,024.0
Assets held for sale (note 5)	115.7	154.5
Total assets	7,063.2	7,091.6
Liabilities		
Current liabilities:		
Trade and other payables (note 14)	624.7	696.3
Current tax liabilities	109.6	87.2
Provisions (note 10)	17.4	61.3
Derivative instruments and financial liabilities (notes 3 and 4)	16.3	279.0
Current portion of debt and finance lease obligations (note 7)	121.2	87.4
Total current liabilities	889.2	1,211.2
Noncurrent liabilities:		
Noncurrent debt and finance lease obligations (note 7)	3,397.4	2,941.0
Derivative instruments and financial liabilities (notes 3 and 4)	27.4	691.4
Trade and other payables	283.8	315.1
Deferred tax liabilities	249.9	278.1
Other noncurrent liabilities (notes 10, 11 and 14)	179.3	251.8
Total noncurrent liabilities	4,137.8	4,477.4
Net assets	$ 2,036.2	$ 1,403.0
Owners' equity (note 9):		
Capital and reserves attributable to parent:		
Share capital	$ 221.7	$ 223.8
Share premium	234.5	260.3
Reserves	1,200.0	534.3
Total parent's equity	1,656.2	1,018.4
Noncontrolling interests	380.0	384.6
Total equity	$ 2,036.2	$ 1,403.0

(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

CABLE & WIRELESS COMMUNICATIONS LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS
(unaudited)

	Six months ended September 30,	
	2016	2015 (a)
	in millions	
Revenue (note 16)	$ 1,141.2	$ 1,182.7
Operating costs and expenses:		
Direct costs to provide services (b)	(253.5)	(285.3)
Administrative and selling expenses (notes 9 and 10)	(240.0)	(236.7)
Employee expenses	(187.1)	(185.6)
Network costs	(75.4)	(82.5)
Depreciation, amortization and impairment (notes 4 and 6)	(271.0)	(201.1)
	(1,027.0)	(991.2)
Operating profit	114.2	191.5
Financial income (expense):		
Interest expense (note 12)	(144.7)	(114.7)
Realized and unrealized losses on derivative instruments, net (note 3)	(26.3)	(49.2)
Foreign currency transaction gains (losses), net	6.9	(10.7)
Losses on debt extinguishment (note 7)	(41.8)	(23.2)
Interest income (note 14)	6.9	4.7
Net financial expense	(199.0)	(193.1)
Loss before income taxes	(84.8)	(1.6)
Income tax expense (note 8)	(38.6)	(18.7)
Loss for the period	(123.4)	(20.3)
Profit attributable to noncontrolling interests	(39.0)	(36.0)
Loss attributable to parent	$ (162.4)	$ (56.3)

(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

(b) Direct costs to provide services include interconnect costs, programming costs, equipment sales, managed services project-related costs and third-party network solutions costs.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

CABLE & WIRELESS COMMUNICATIONS LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(unaudited)

	Six months ended September 30, 2016	Six months ended September 30, 2015
	in millions	
Loss for the period	$ (123.4)	$ (20.3)
Other comprehensive income (loss):		
Items that will not be reclassified to profit or loss in subsequent periods:		
Actuarial losses in the value of defined benefit pension plans	(4.1)	(29.0)
Total items that will not be reclassified to profit or loss in subsequent periods	(4.1)	(29.0)
Items that may be classified to profit or loss in subsequent periods:		
Foreign currency translation adjustments	(29.3)	(13.0)
Fair value movements in available-for-sale investments (note 4)	3.4	(1.0)
Total items that may be classified to profit or loss in subsequent periods	(25.9)	(14.0)
Other comprehensive loss (note 8)	(30.0)	(43.0)
Comprehensive loss	(153.4)	(63.3)
Comprehensive income attributable to noncontrolling interests	(41.2)	(37.0)
Comprehensive loss attributable to parent	$ (194.6)	$ (100.3)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN OWNERS' EQUITY
(unaudited)

	Share capital	Share premium	Foreign currency translation	Capital and other reserves	Accumulated deficit	Total parent's equity	Noncontrolling interests	Total owners' equity
					in millions			
Balance at April 1, 2015	$ 223.8	$ 260.3	$ (120.0)	$ 3,724.0	$ (2,952.0)	$ 1,136.1	$ 340.0	$ 1,476.1
Loss for the period	—	—	—	—	(56.3)	(56.3)	36.0	(20.3)
Other comprehensive loss	—	—	(14.0)	(1.0)	(29.0)	(44.0)	1.0	(43.0)
Total comprehensive loss	—	—	(14.0)	(1.0)	(85.3)	(100.3)	37.0	(63.3)
Dividends paid (note 9)	—	—	—	—	(116.0)	(116.0)	(35.0)	(151.0)
Share-based compensation (note 13)	—	—	—	—	2.0	2.0	—	2.0
Balance at September 30, 2015	$ 223.8	$ 260.3	$ (134.0)	$ 3,723.0	$ (3,151.3)	$ 921.8	$ 342.0	$ 1,263.8
Balance at April 1, 2016	$ 223.8	$ 260.3	$ (157.8)	$ 3,723.0	$ (3,030.9)	$ 1,018.4	$ 384.6	$ 1,403.0
Loss for the period	—	—	—	—	(162.4)	(162.4)	39.0	(123.4)
Other comprehensive loss	—	—	(31.5)	3.4	(4.1)	(32.2)	2.2	(30.0)
Total comprehensive loss	—	—	(31.5)	3.4	(166.5)	(194.6)	41.2	(153.4)
Settlement of Columbus Put Option (note 3)	—	—	—	775.7	206.8	982.5	—	982.5
Dividends paid (note 9)	—	—	—	—	(193.8)	(193.8)	(45.8)	(239.6)
Exercise of share-based awards	—	—	—	—	11.9	11.9	—	11.9
Cancellation of treasury shares in connection with the Liberty Global Transaction (note 9)	(2.1)	(25.8)	—	—	31.0	3.1	—	3.1
Share-based compensation and other (note 13)	—	—	—	—	28.7	28.7	—	28.7
Balance at September 30, 2016	$ 221.7	$ 234.5	$ (189.3)	$ 4,502.1	$ (3,112.8)	$ 1,656.2	$ 380.0	$ 2,036.2

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(unaudited)

	Six months ended September 30,	
	2016	2015 (a)
	in millions	
Cash flows from operating activities:		
Cash generated from operations	$ 225.4	$ 141.3
Interest paid	(140.1)	(145.5)
Income taxes paid	(53.5)	(23.0)
Interest received	9.1	2.6
Net cash provided (used) by operating activities	40.9	(24.6)
Cash flows from investing activities:		
Capital expenditures	(239.9)	(264.6)
Sale of available-for-sale investments	19.9	—
Other investing activities	2.2	—
Net cash used by investing activities	(217.8)	(264.6)
Cash flows from financing activities:		
Borrowings of debt	1,284.0	990.0
Repayments of debt and finance lease obligations	(790.0)	(784.0)
Dividends paid to shareholders	(193.8)	(116.0)
Dividends paid to noncontrolling interests	(45.8)	(35.0)
Payment of financing costs and debt premiums	(25.4)	(17.5)
Proceeds from exercise of share-based awards	11.9	—
Net cash provided by financing activities	240.9	37.5
Effect of exchange rate changes on cash	(0.8)	1.0
Net increase (decrease) in cash and cash equivalents	63.2	(250.7)
Cash and cash equivalents:		
Beginning of period	167.5	402.0
End of period	$ 230.7	$ 151.3

(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS - (Continued)
(unaudited)

Reconciliation of loss for the period to cash generated from operations:

	Six months ended September 30,	
	2016	2015 (a)
	in millions	
Loss for the period	$ (123.4)	$ (20.3)
Adjustments for:		
Income tax expense	38.6	18.7
Share-based compensation expense	27.2	5.2
Depreciation, amortization and impairment	271.0	201.1
Interest expense	144.7	114.7
Interest income	(6.9)	(4.7)
Realized and unrealized losses on derivative instruments, net	26.3	49.2
Foreign currency transaction losses (gains), net	(6.9)	10.7
Losses on debt modification and extinguishment	41.8	23.2
Defined benefit pension scheme contributions	(48.1)	(48.0)
Loss (gain) on disposal of property, plant and equipment	(10.8)	0.7
Share of results of joint ventures and affiliates	0.1	1.0
Other	(1.1)	2.8
Operating cash flow before working capital changes	352.5	354.3
Changes in working capital	(127.1)	(213.0)
Cash generated from operations	$ 225.4	$ 141.3

(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

(1) Reporting Entity and Basis of Presentation

On May 16, 2016, pursuant to a scheme of arrangement and following shareholder approvals, a subsidiary of Liberty Global plc (**Liberty Global**) acquired Cable & Wireless Communications Limited, formerly known as Cable & Wireless Plc (**CWC**), for shares of Liberty Global (the **Liberty Global Transaction**). For additional information regarding the Liberty Global Transaction, see note 9.

CWC is a provider of mobile, broadband internet, fixed-line telephony and video services to residential and business customers and managed services to business and government customers, primarily in the Caribbean and Latin America. CWC is a wholly-owned subsidiary of LGE Coral Holdco Limited (**LGE Coral Holdco**), a subsidiary of Liberty Global. In these notes, the terms "CWC," "we," "our," "our company" and "us" may refer, as the context requires, to CWC or collectively to CWC and its subsidiaries.

Our unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (**IAS**) 34, *Interim Financial Reporting* (**IAS 34**) and do not include all of the information required by International Financial Reporting Standards (**IFRS**) as promulgated by the International Accounting Standards Board (**IASB**) (**IASB-IFRS**) for full annual financial statements. In the opinion of management, these financial statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the results of operations for the interim periods presented. The results of operations for any interim period are not necessarily indicative of results for the full year. These unaudited condensed consolidated interim financial statements should be read in conjunction with our consolidated financial statements and notes thereto included in our consolidated financial statements for the year ended March 31, 2016, which were prepared in accordance with IASB-IFRS and include a description of the significant accounting policies followed in these financial statements.

The preparation of condensed consolidated interim financial statements in conformity with IAS 34 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of acquisition-related assets and liabilities, allowances for uncollectible accounts, programming and copyright costs, deferred income taxes and the related recognition of deferred tax assets, loss contingencies, fair value measurements, impairment assessments, capitalization of internal costs associated with construction and installation activities, useful lives of long-lived assets, share-based compensation and actuarial liabilities associated with certain benefit plans. Actual results could differ from those estimates.

Our functional currency is the United States (**U.S.**) dollar. Unless otherwise indicated, convenience translations into U.S. dollars are calculated as of September 30, 2016.

Accounting policy reclassifications

Certain prior period amounts have been reclassified to conform to the presentation of Liberty Global, including the separate presentation of goodwill. The following table summarizes the changes to our condensed consolidated interim statement of operations for the six months ended September 30, 2015:

	As previously reported	Reclass adjustments	As retrospectively revised
		in millions	
Revenue (a)	$ 1,179.1	$ 3.6	$ 1,182.7
Operating costs before depreciation, amortization and impairment	(782.3)	782.3	—
Direct costs to provide services	—	(285.3)	(285.3)
Employee expenses	—	(185.6)	(185.6)
Network costs	—	(82.5)	(82.5)
Administrative and selling expenses	—	(236.7)	(236.7)
Depreciation, amortization and impairment	—	(201.1)	(201.1)
Depreciation and impairment	(149.3)	149.3	—
Amortization	(51.8)	51.8	—
Other operating expense	(5.4)	5.4	—
Operating profit	190.3	1.2	191.5
Share of results of joint ventures and associates	(1.0)	1.0	—
Total operating profit	189.3	2.2	191.5
Financial income (expense):			
Finance expense	(194.5)	194.5	—
Interest expense	—	(114.7)	(114.7)
Realized and unrealized losses on derivative instruments, net	—	(49.2)	(49.2)
Foreign currency transaction gains (losses), net	—	(10.7)	(10.7)
Losses on debt extinguishment	—	(23.2)	(23.2)
Finance income	3.6	(3.6)	—
Interest income	—	4.7	4.7
Net financial expense	(190.9)	(2.2)	(193.1)
Loss before income taxes	(1.6)	—	(1.6)
Income tax expense	(18.7)	—	(18.7)
Loss for the period	$ (20.3)	$ —	$ (20.3)

(a) Represents the net effect of (i) an increase of $3.2 million related to the change in classification of certain revenue-based telecommunications taxes from contra-revenue to direct costs to provide services, (ii) an increase of $2.7 million related to the change in classification of management fees charged to the U.S. Carve-out Entities, as defined and described in note 14, from a contra-expense in administrative and selling expenses to other income and (iii) a decrease of $2.3 million associated with the change in classification of interest charged on late payments to interest expense.

Director approval

These condensed consolidated interim financial statements were authorized for issue in accordance with a resolution of the board of directors on November 29, 2016 and reflect our consideration of the accounting and disclosure implications of subsequent events through such date.

(2) Accounting Changes and Recent Pronouncements

First-time Application of Accounting Standards

The application of the following accounting standards did not have a material impact on our condensed consolidated interim financial statements:

Standard/ Interpretation	Title	Applicable for fiscal years beginning on or after
IAS 1 (amendments)	Disclosure Initiative	January 1, 2016
IAS 16 / IAS 38 (amendments)	Clarification of Acceptable Methods of Depreciation and Amortization	January 1, 2016

New Accounting Standards, Not Yet Effective

Except for the following accounting standards that are relevant for our company, there were no additional standards and interpretations issued by the IASB that are not yet effective for the current reporting period that we see as relevant for our company. We have not early adopted the accounting standards that are relevant for us.

Standard/ Interpretation	Title	Applicable for fiscal years beginning on or after
IFRS 2 (amendments)	Classification and Measurement of Share-based Payment Transactions	January 1, 2018 (a)
IFRS 9	Financial Instruments	January 1, 2018 (b)
IFRS 15	Revenue from Contracts with Customers	January 1, 2018 (c)
IFRS 15 (amendments)	Clarifications to IFRS 15 Revenue from Contracts with Customers	January 1, 2018 (c)
IFRS 16	Leases	January 1, 2019 (d)
IAS 7 (amendments)	Disclosure Initiative	January 1, 2017 (e)
IAS 12 (amendments)	Recognition of Deferred Tax Assets for Unrealized Losses	January 1, 2017 (e)

(a) In June 2016, the IASB issued amendments to IFRS 2, *Share-based Payments* (**IFRS 2**), which includes new requirements for (i) the accounting of share-based payment transactions with a net settlement feature for withholding tax obligations, (ii) consideration of vesting conditions on the measurement of a cash-settled share based payment transaction and (iii) the accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from a cash-settled to equity-settled award. The amendments to IFRS 2 will require that certain transactions be classified as equity-settled share-based payment transactions. These amendments are effective for annual reporting periods beginning on or after January 1, 2018, while early application is permitted. We are currently evaluating the effect that these amendments to IFRS 2 will have on our consolidated financial statements and related disclosures.

(b) In July 2014, the IASB issued IFRS 9, *Financial Instruments* (**IFRS 9**), which introduces an approach for the classification and measurement of financial assets according to their cash flow characteristics and the business model they are managed in, and provides a new impairment model based on expected credit losses. IFRS 9 also includes new regulations regarding the application of hedge accounting to better reflect an entity's risk management activities, especially with regard to managing non-financial risks. The new standard is effective for annual reporting periods beginning on or after January 1, 2018, while early application is permitted. We are currently evaluating the effect that IFRS 9 will have on our consolidated financial statements and related disclosures.

(c) In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* (**IFRS 15**), which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. IFRS 15 will replace existing revenue recognition guidance in IASB-IFRS when it becomes effective for annual and interim reporting periods beginning after January 1, 2018. Early application is permitted. This new standard permits the use of either the retrospective or cumulative effect transition method. We will adopt IFRS 15 effective January 1, 2018 using the cumulative effect transition method. We are currently evaluating the effect that IFRS 15 will have on our consolidated financial statements and related disclosures. We have not yet determined the effect of the standard on our ongoing financial reporting.

(d) In January 2016, the IASB issued IFRS 16, *Leases* (**IFRS 16**), which supersedes IAS 17 *Leases* (**IAS 17**). IFRS 16 will result in lessees recognizing lease assets and lease liabilities on the statement of financial position with additional disclosures about leasing arrangements and eliminate the classification of leases as either operating leases or finance leases for a lessee. IFRS 16 requires lessees and lessors to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The modified retrospective approach also includes a number of optional practical expedients an entity may elect to apply. IFRS 16 also replaces the straight-line operating lease expense for those lessees applying IAS 17 with a depreciation charge for the lease asset and an interest expense on the lease liability. This change aligns the lease expense treatment for all leases. The new standard is effective for annual reporting periods beginning on or after January 1, 2019, while early adoption is permitted if IFRS 15 is applied. We are currently evaluating the effect that IFRS 16 will have on our consolidated financial statements and related disclosures.

(e) We evaluated the impact of applying these accounting standards on our consolidated financial statements and do not believe the impact of the adoption of these standards to be material.

(3) Derivative Instruments and Financial Liabilities

Derivative Instruments

In general, we seek to enter into derivative instruments to protect against (i) increases in the interest rates on our variable-rate debt and (ii) foreign currency movements with respect to borrowings that are denominated in a currency other than our functional currency. In this regard, we have entered into various derivative instruments to manage interest rate exposure and foreign currency exposure with respect to the U.S. dollar, the British pound sterling (**£**) and the Jamaican dollar (**JMD**). Hedge accounting is not applied to our cross-currency and interest rate swaps. Accordingly, changes in the fair values of our derivative instruments are recorded in realized and unrealized gains or losses on derivative instruments, net, in our condensed consolidated interim statements of operations.

The following table provides details of the fair values of our derivative instrument assets and liabilities:

	September 30, 2016			March 31, 2016		
	Current	Noncurrent	Total	Current	Noncurrent	Total
			in millions			
Assets:						
Embedded derivatives (a)	$ —	$ 44.8	$ 44.8	$ —	$ 30.9	$ 30.9
Liabilities:						
Cross-currency and interest rate derivative contracts (b)	$ 16.3	$ 27.4	$ 43.7	$ —	$ —	$ —
Columbus Put Option	—	—	—	279.0	691.4	970.4
	$ 16.3	$ 27.4	$ 43.7	$ 279.0	$ 691.4	$ 970.4

(a) Our embedded derivative assets are included in other noncurrent assets in our condensed consolidated interim statements of financial position.

(b) We consider credit risk in our fair value assessments. As of September 30, 2016, the fair values of our cross-currency and interest rate derivative contracts that represented liabilities have been reduced by credit risk valuation adjustments aggregating $4.8 million. The adjustments to our derivative liabilities relate to credit risk associated with our own nonperformance. The adjustments take into account offsetting liability or asset positions within a given contract. Our determination of credit risk valuation adjustments generally is based on our and our counterparties' credit risks, as observed in the credit default swap market and market quotations for certain of our debt instruments, as applicable. The changes in the credit risk valuation adjustments associated with our cross-currency and interest rate derivative contracts resulted in a net gain of $4.8 million during the six months ended September 30, 2016. This amount is included in realized and unrealized gains on derivative instruments, net, in our condensed consolidated interim statements of operations. For further information regarding our fair value measurements, see note 4.

The details of our realized and unrealized losses on derivative instruments, net, are as follows:

	Six months ended September 30, 2016	Six months ended September 30, 2015
	in millions	
Cross-currency and interest rate derivative contracts	$ (28.1)	$ —
Embedded derivatives	13.9	(4.7)
Columbus Put Option (a)	(12.1)	(44.5)
Total	$ (26.3)	$ (49.2)

(a) The Columbus Put Option is defined and further described below.

The net cash received or paid related to our derivative instruments is classified as an operating, investing or financing activity in our condensed consolidated interim statements of cash flows based on the objective of the derivative instrument and the classification of the applicable underlying cash flows. For derivative contracts that are terminated prior to maturity, the cash paid or received upon termination that relates to future periods is classified as a financing activity. Our cash outflows related to derivative instruments during the six months ended September 30, 2016 and 2015 were $3.1 million and nil, respectively, and are classified as operating activities in our condensed consolidated interim statements of cash flows.

Counterparty Credit Risk

We are exposed to the risk that the counterparties to our derivative instruments will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of, and concentration of risk with, the respective counterparties. In this regard, credit risk associated with our derivative instruments is spread across a relatively broad counterparty base of banks and financial institutions. Collateral has not been posted by either party under the derivative instruments of our subsidiary borrowing groups.

Cross-currency and Interest Rate Derivative Contracts

Cross-currency Swaps:

The terms of our outstanding cross-currency swap contracts at September 30, 2016, which are held by our wholly-owned subsidiary, Sable International Finance Limited (**Sable**), are as follows:

Final maturity date	Notional amount due from counterparty	Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to counterparty
	in millions			
December 2022	$ 108.3	JMD 13,817.5	—%	8.75%
March 2019	£ 146.7	$ 194.3	8.63%	9.79%

Interest Rate Swaps:

The terms of our outstanding interest rate swap contracts at September 30, 2016, which are held by Sable, are as follows:

Final maturity date	Notional amount	Interest rate due from counterparty	Interest rate due to counterparty
	in millions		
December 2022	$ 800.0	3 mo. LIBOR	1.83%

Embedded Derivatives

In 2014, our wholly-owned subsidiary, Columbus International Inc. (**Columbus**), issued the Columbus Senior Notes (as defined and described in note 7). Pursuant to the terms of the Columbus Senior Notes, we may redeem the Columbus Senior Notes under certain conditions. The redemption terms associated with the Columbus Senior Notes represent an embedded derivative instrument, which is bifurcated and carried at fair value in our condensed consolidated interim statements of financial position. Any gain or loss associated with the recurring valuation of the embedded derivative is recorded in realized and unrealized gains or losses, net, in our condensed consolidated interim statements of operations.

In connection with the issuance of the Sable Senior Notes (as defined and described in note 7), we recorded an embedded derivative associated with the redemption features of the notes, which required bifurcation from the debt instrument. The bifurcated amount is carried at fair value in our condensed consolidated interim statements of financial position. Any gain or loss associated with the recurring valuation of the embedded derivative is recorded in realized and unrealized gains or losses on derivative instruments, net, in our condensed consolidated interim statements of operations.

Financial Liabilities

Columbus Put Option

As part of the acquisition of Columbus in March 2015, we issued 1,557,529,605 consideration shares of $0.05 each to CVBI Holdings (Barbados) Inc, Clearwater Holdings (Barbados) Limited, Columbus Holding LLC and Brendan Paddick (collectively, the "**Principal Vendors**") in proportion to their Columbus shareholding. Each of the Principal Vendors entered into lock-up and put option arrangements in respect of their issued consideration shares until 2019 (the **Columbus Put Option**). Our liability for the Columbus Put Option was valued on initial recognition using the present value technique of the future liability. In connection with the Liberty Global Transaction, the Columbus Put Option was settled through the issuance of Liberty Global and LiLAC shares (each as further described in note 9) and reflected as a capital contribution from our parent company.

A reconciliation of the movements of the Columbus Put Option, held at amortized cost, is as follows:

	Six months ended September 30,	
	2016	2015
	in millions	
Balance at beginning of period	$ 970.4	$ 879.1
Equity settlement	(982.5)	—
Unwinding of discount through loss for the period	12.1	44.5
Balance at end of period	$ —	$ 923.6

(4) Fair Value Measurements

We measure (i) certain of our investments and (ii) our derivative instruments at fair value. The reported fair values of these investments and derivative instruments as of September 30, 2016 likely will not represent the value that will be paid or received upon the ultimate settlement or disposition of these assets and liabilities. In the case of the investments that we measure at fair value, the values we realize upon disposition will be dependent upon, among other factors, market conditions and the forecasted financial performance of the investees at the time of any such disposition. With respect to our derivative instruments, we expect that the values realized generally will be based on market conditions at the time of settlement, which may occur at the maturity of the derivative instrument or at the time of the repayment or refinancing of the underlying debt instrument.

We disclose fair value measurements according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. We record transfers of assets or liabilities into or out of Levels 1, 2 or 3 at the beginning of the quarter during which the transfer occurred. During the six months ended September 30, 2016, no such transfers were made.

All of our Level 2 inputs (interest rate futures, swap rates and certain of the inputs for our weighted average cost of capital calculations) and certain of our Level 3 inputs (forecasted volatilities and credit spreads) are obtained from pricing services. These inputs, or interpolations or extrapolations thereof, are used in our internal models to calculate, among other items, yield curves, forward interest and currency rates and weighted average cost of capital rates. In the normal course of business, we receive market value assessments from the counterparties to our derivative contracts. Although we compare these assessments to our internal valuations and investigate unexpected differences, we do not otherwise rely on counterparty quotes to determine the fair values of our derivative instruments. The midpoints of applicable bid and ask ranges generally are used as inputs for our internal valuations.

In order to manage our interest rate and foreign currency exchange risk, we have entered into various derivative instruments, as further described in note 3. The recurring fair value measurements of these instruments are determined using discounted cash flow models. With the exception of the inputs for the U.S. dollar to Jamaican dollar cross-currency swaps (the **Sable Currency Swap**), most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these instruments. This observable data includes most interest rate futures and swap rates, which are retrieved or derived from available market data. Although we may extrapolate or interpolate this data, we do not otherwise alter this data in performing our valuations. We incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own nonperformance risk and the nonperformance risk of our counterparties. Our and our counterparties' credit spreads represent our most significant Level 3 inputs and these inputs are used to derive the credit risk valuation adjustments with respect to these instruments. As we would not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these instruments, we have determined that these valuations (other than the Sable Currency Swap) fall under Level 2 of the fair value hierarchy. Due to the lack of Level 2 inputs for the Sable Currency Swap valuation, we believe this valuation falls under Level 3 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our cross-currency and interest rate swaps are quantified and further explained in note 3.

As further described in note 7, we have bifurcated an embedded derivative associated with certain redemption terms of our Columbus Senior Notes (as defined and described in note 7). The recurring fair value measurements of this embedded derivative are determined using observable Level 2 data applying a binomial tree/lattice approach based on the Hull-White single factor interest rate term structure model. Under this approach, an interest rate lattice is constructed according to a given short-rate volatility and mean reversion constant as implied by the market at each valuation date.

Fair value measurements are also used in connection with nonrecurring valuations performed in connection with impairment assessments and acquisition accounting. These nonrecurring valuations include the valuation of cash-generating units, customer relationship intangible assets, property and equipment and the implied value of goodwill. The valuation of cash-generating units is based at least in part on discounted cash flow analyses. With the exception of certain inputs for our weighted average cost of capital and discount rate calculations that are derived from third-party pricing services, the inputs used in our discounted cash flow analyses, such as forecasts of future cash flows, are based on our assumptions. The valuation of customer relationships is primarily based on an excess earnings methodology, which is a form of a discounted cash flow analysis. The excess earnings methodology requires us to estimate the specific cash flows expected from the customer relationship, considering such factors as estimated customer life, the revenue expected to be generated over the life of the customer, contributory asset charges, and other factors. Tangible assets are typically valued using a replacement or reproduction cost approach, considering factors such as current prices of the same or similar equipment, the age of the equipment and economic obsolescence. The implied value of goodwill is determined by allocating the fair value of a reporting unit to all of the assets and liabilities of that unit as if the cash-generating unit had been acquired in a business combination, with the residual amount allocated to goodwill. All of our nonrecurring valuations use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy. During the six months ended September 30, 2016, we performed nonrecurring valuations for the purpose of determining the fair value of our investment in Telecommunications Services of Trinidad and Tobago Limited (**TSTT**). We also recorded an impairment of $4.0 million related to certain sub-sea cable system assets, in connection with the fair value established in negotiations to sell these assets to an unrelated third-party. We did not perform any other significant nonrecurring fair value measurements during the six months ended September 30, 2016 and 2015.

The fair values of financial assets and liabilities, together with the carrying amounts shown in our condensed consolidated interim statements of financial position, are as follows:

		September 30, 2016		March 31, 2016	
	Level	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
		in millions			
Assets carried at fair value:					
Derivative instruments (a)	2	$ 44.8	$ 44.8	$ 30.9	$ 30.9
Government bonds	1	37.7	37.7	57.1	57.1
Total assets carried at fair value		$ 82.5	$ 82.5	$ 88.0	$ 88.0
Assets carried at cost or amortized cost:					
Trade and other receivables		$ 798.2	$ 798.2	$ 769.0	$ 769.0
Cash and cash equivalents		230.7	230.7	167.5	167.5
Loan receivable – related-party		86.2	86.2	55.9	55.9
Other current and noncurrent financial assets		27.7	27.7	28.0	28.0
Total assets carried at cost or amortized cost		$ 1,142.8	$ 1,142.8	$ 1,020.4	$ 1,020.4
Liabilities carried at fair value:					
Derivative instruments (b)	2	$ 43.7	$ 43.7	$ —	$ —
Liabilities carried at cost or amortized cost:					
Debt obligations		$ 3,504.6	$ 3,688.1	$ 3,028.4	$ 3,207.0
Accounts payable and other liabilities (including related-party accounts payable)		908.5	908.5	1,011.4	1,011.4
Accrued liabilities (including related-party)		306.3	306.3	400.3	400.3
Columbus Put Option	2	—	—	970.4	970.4
Finance lease obligations		14.0	14.0	—	—
Total liabilities carried at cost or amortized cost		$ 4,733.4	$ 4,916.9	$ 5,410.5	$ 5,589.1

(a) These amounts represent embedded derivative instruments associated with the Columbus Senior Notes and the Sable Senior Notes (each as defined and described in note 7).

(b) These amounts represent our cross-currency and interest rate swaps.

Pre-tax amounts recognized in our condensed consolidated interim statements of operations for September 30, 2016 and 2015 related to our financial assets and liabilities are as follows:

	Interest income	Interest expense	Other statement of operations effects (a)	Impact on loss before income taxes
		in millions		
Six months ended September 30, 2016:				
Derivative assets carried at fair value through our condensed consolidated interim statement of operations	$ —	$ —	$ 14.2	$ 14.2
Assets carried at cost or amortized cost:				
Trade receivables (b)	—	—	29.8	29.8
Loan receivable	(5.5)	—	—	(5.5)
Cash and cash equivalents	(1.4)	—	—	(1.4)
Liabilities carried at fair value	—	6.0	—	6.0
Liabilities carried at cost or amortized cost	—	138.7	12.1	150.8
	$ (6.9)	$ 144.7	$ 56.1	$ 193.9
Six months ended September 30, 2015:				
Derivative assets carried at fair value through our condensed consolidated interim statement of operations	$ —	$ —	$ 4.7	$ 4.7
Assets carried at cost or amortized cost:				
Trade receivables (b)	—	—	12.8	12.8
Loan receivable	(3.6)	—	—	(3.6)
Cash and cash equivalents	(1.1)	—	—	(1.1)
Liabilities carried at fair value	—	11.5	—	11.5
Liabilities carried at cost or amortized cost	—	103.2	44.5	147.7
	$ (4.7)	$ 114.7	$ 62.0	$ 172.0

(a) Except as noted in (b) below, amounts are included in realized and unrealized losses on derivative instruments, net, in our condensed consolidated interim statements of operations.

(b) The other statement of operations effects for trade receivables represent provisions for impairment of trade receivables and are included in administrative and selling expenses in our condensed consolidated interim statements of operations.

A reconciliation of the movements in the valuation basis of our financial instruments measured at fair value is as follows:

	Available-for-sale financial assets	Financial assets at fair value through loss for the period	Financial liabilities at fair value through loss for the period	Total
	in millions			
Balance at April 1, 2016	$ 57.1	$ 30.9	$ —	$ 88.0
Sale of available-for-sale investment	(19.9)	—	—	(19.9)
Novation of interest rate swap	—	—	(18.7)	(18.7)
Fair value gain (loss)	(2.7)	13.9	(28.1)	(16.9)
Fair value gain recognized in other comprehensive loss	3.4	—	—	3.4
Cash payments	—	—	3.1	3.1
Foreign currency translation adjustments	(0.2)	—	—	(0.2)
Balance at September 30, 2016	$ 37.7	$ 44.8	$ (43.7)	$ 38.8

(5) Assets Held for Sale

Assets held for sale include (i) our investment in TSTT and (ii) property, plant and equipment primarily related to the Barbados fiber network, which is being divested as part of the regulatory approval from the Barbados Fair Trading Commission. In connection with our acquisition of Columbus in March 2015, certain conditions were included in the regulatory approval of the transaction from the Telecommunications Authority of Trinidad and Tobago, including the requirement that we dispose of our investment in TSTT within a prescribed timeframe. The details of our assets held for sale are as follows:

	September 30, 2016	March 31, 2016
	in millions	
Investment in TSTT (a)	$ 93.2	$ 128.3
Property, plant and equipment	22.5	26.2
Total	$ 115.7	$ 154.5

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(a) Represents our 49% interest in TSTT. At September 30, 2016, the fair value of our investment in TSTT was determined to be $93.2 million and, accordingly, we recorded an impairment of $35.1 million during the six months ended September 30, 2016. This fair value determination was made using discounted cash flow and precedent transaction methodologies. The key assumptions used in determining the market value of the equity of TSTT were its historical earnings (based on audited financial statements for fiscal years 2016, 2015 and 2014), 5-year projections and industry specific information, including comparable transaction multiples for the telecom industry.

(6) Long-lived Assets

Property and Equipment, Net

Changes during the six months ended September 30, 2016 in the carrying amounts of our property and equipment, net, are as follows:

	Plant and equipment	Other support capital	Land and buildings	Customer premises equipment	Equipment held for use	Assets under construction	Total
				in millions			
Cost:							
April 1, 2016	$ 5,410.9	$ —	$ 488.3	$ —	$ —	$ 269.9	$ 6,169.1
Additions	38.8	1.7	1.7	16.2	2.1	130.7	191.2
Retirements and disposals	(14.9)	(0.3)	—	—	—	—	(15.2)
Transfers between categories	(445.7)	471.3	1.2	83.1	2.5	(112.4)	—
Transfers from (to) intangible assets	(200.9)	—	—	123.2	6.0	(19.3)	(91.0)
Transfers from inventory and other assets	(22.2)	—	1.7	—	35.2	2.0	16.7
Foreign currency translation and other	(43.6)	(1.7)	(7.4)	(0.2)	(1.4)	(1.2)	(55.5)
September 30, 2016	$ 4,722.4	$ 471.0	$ 485.5	$ 222.3	$ 44.4	$ 269.7	$ 6,215.3
Accumulated depreciation:							
April 1, 2016	$ 3,197.0	$ —	$ 215.8	$ —	$ —	$ —	$ 3,412.8
Depreciation	143.5	9.1	9.6	12.1	—	—	174.3
Impairment	4.0	—	—	—	—	—	4.0
Retirements and disposals	(14.9)	(0.3)	—	—	—	—	(15.2)
Transfers between categories	(405.9)	349.9	3.0	53.0	—	—	—
Transfers from (to) intangible assets	(175.6)	—	0.4	102.0	—	—	(73.2)
Foreign currency translation and other	(28.1)	(0.7)	(5.2)	(1.1)	—	—	(35.1)
September 30, 2016	$ 2,720.0	$ 358.0	$ 223.6	$ 166.0	$ —	$ —	$ 3,467.6
Property and equipment, net:							
September 30, 2016	$ 2,002.4	$ 113.0	$ 261.9	$ 56.3	$ 44.4	$ 269.7	$ 2,747.7

During the six months ended September 30, 2016, we recorded non-cash increases to our property and equipment related to assets acquired under finance leases of $16.1 million.

Intangible Assets Subject to Amortization, Net

Changes during the six months ended September 30, 2016 in the carrying amounts of our finite-lived intangible assets are as follows:

	Customer contracts and relationships	Software	Licensing and operating agreements	Other (a)	Total
			in millions		
Cost:					
April 1, 2016	$ 640.6	$ 364.0	$ 113.2	$ 89.2	$ 1,207.0
Additions	—	22.9	0.6	0.6	24.1
Retirements and disposals	(6.3)	1.9	13.3	(0.8)	8.1
Transfers between categories	17.3	(1.6)	(15.0)	(0.7)	—
Transfers from property, plant and equipment	10.0	78.6	0.7	1.7	91.0
Transfers to other assets	—	—	—	(1.4)	(1.4)
Foreign currency translation and other	(5.0)	(3.4)	(2.3)	(2.8)	(13.5)
September 30, 2016	$ 656.6	$ 462.4	$ 110.5	$ 85.8	$ 1,315.3
Accumulated amortization:					
April 1, 2016	$ 57.1	$ 273.5	$ 39.9	$ 8.3	$ 378.8
Amortization	23.8	23.6	6.6	3.6	57.6
Retirements and disposals	(6.3)	1.9	13.3	(0.8)	8.1
Transfers between categories	19.3	(3.5)	(15.0)	(0.8)	—
Transfers from property, plant and equipment	10.0	62.4	0.7	0.1	73.2
Transfers to other assets	—	—	—	(0.5)	(0.5)
Foreign currency translation and other	(0.1)	(3.3)	(0.4)	(0.2)	(4.0)
September 30, 2016	$ 103.8	$ 354.6	$ 45.1	$ 9.7	$ 513.2
Intangible assets subject to amortization, net:					
September 30, 2016	$ 552.8	$ 107.8	$ 65.4	$ 76.1	$ 802.1

(a) Primarily includes brand names.

Goodwill

During the six months ended September 30, 2016, as a result of foreign currency translation, goodwill decreased by $21.4 million from $2,143.7 million at March 31, 2016 to $2,122.3 million at September 30, 2016.

If, among other factors, (i) our enterprise value or Liberty Global's equity values were to decline significantly or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill and, to a lesser extent, other long-lived assets. Any such impairment charges could be significant.

(7) Debt and Finance Lease Obligations

The U.S. dollar equivalents of the components of our consolidated third-party debt are as follows:

	September 30, 2016		Estimated fair value (c)		Principal amount	
	Weighted average interest rate (a)	Unused borrowing capacity (b)	September 30, 2016	March 31, 2016	September 30, 2016	March 31, 2016
			in millions			
CWC Notes	7.31%	$ —	$ 2,316.3	$ 2,322.0	$ 2,190.3	$ 2,207.1
CWC Credit Facilities	4.89%	364.0	1,371.8	885.0	1,374.4	865.2
Total debt before unamortized premiums, discounts and deferred financing costs	6.38%	$ 364.0	$ 3,688.1	$ 3,207.0	$ 3,564.7	$ 3,072.3

The following table provides a reconciliation of total debt before unamortized premiums, discounts and deferred financing costs to total debt and finance lease obligations:

	September 30, 2016	March 31, 2016
	in millions	
Total debt before unamortized premiums, discounts and deferred financing costs	$ 3,564.7	$ 3,072.3
Unamortized discounts, net	(32.6)	(17.5)
Unamortized deferred financing costs	(27.5)	(26.4)
Total carrying amount of debt	3,504.6	3,028.4
Finance lease obligations	14.0	—
Total debt and finance lease obligations	3,518.6	3,028.4
Current maturities of debt and finance lease obligations	(121.2)	(87.4)
Long-term debt and finance lease obligations	$ 3,397.4	$ 2,941.0

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(a) Represents the weighted average interest rate in effect at September 30, 2016 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin. The interest rates presented represent stated rates and do not include the impact of derivative instruments, deferred financing costs, original issue premiums or discounts and commitment fees, all of which affect our overall cost of borrowing. Including the effects of derivative instruments, original issue premiums or discounts and commitment fees, but excluding the impact of financing costs, our weighted average interest rate on our aggregate variable- and fixed-rate indebtedness was 6.8% at September 30, 2016. For information regarding our derivative instruments, see note 3.

(b) Unused borrowing capacity under the CWC Credit Facilities of $364.0 million includes $282.0 million under the CWC Revolving Credit Facility (as defined and described below), which represents the maximum availability without regard to covenant compliance calculations or other conditions precedent to this borrowing. At September 30, 2016, based on the applicable leverage and other financial covenants, $220.0 million of unused borrowing capacity was available to be borrowed under the CWC Credit Facilities. When the relevant September 30, 2016 compliance reporting requirements have been completed, and assuming no changes from September 30, 2016 borrowing levels, we anticipate that $220.0 million of unused borrowing capacity under the CWC Credit Facilities will continue to be available to be borrowed. Subsequent to September 30, 2016, the CWC Credit Facilities was increased, as further described in note 17.

(c) The estimated fair values of our debt instruments are determined using the average of applicable bid and ask prices (mostly Level 1 of the fair value hierarchy) or, when quoted market prices are unavailable or not considered indicative of fair value, discounted cash flow models (mostly Level 2 of the fair value hierarchy). The discount rates used in the cash flow models are based on the market interest rates and estimated credit spreads of the applicable entity, to the extent available, and other relevant factors. For additional information regarding fair value hierarchies, see note 4.

CWC Notes

The details of our outstanding notes as of September 30, 2016 are summarized in the following table:

CWC Notes	Maturity	Interest rate	Outstanding principal amount: Borrowing currency	Outstanding principal amount: U.S. $ equivalent	Estimated fair value	Carrying value
				in millions		
Columbus Senior Notes (a)	March 30, 2021	7.375%	$ 1,250.0	$ 1,250.0	$ 1,326.5	$ 1,239.1
Sable Senior Notes (b)	August 1, 2022	6.875%	$ 750.0	750.0	780.0	744.9
CWC Senior Notes (c)	March 25, 2019	8.625%	£ 146.7	190.3	209.8	190.3
Total				$ 2,190.3	$ 2,316.3	$ 2,174.3

(a) The Columbus Senior Notes were issued by Columbus. The Columbus Senior Notes include certain redemption terms that represent an embedded derivative. We have bifurcated the embedded derivative from the Columbus Senior Notes and recorded the liability associated with the redemption features at fair value in our condensed consolidated interim statements of financial position. For additional information on the embedded derivative, see note 4.

(b) The Sable Senior Notes were issued by Sable.

(c) The CWC Senior Notes, which are non-callable, were issued by Cable & Wireless International Finance B.V., a wholly-owned subsidiary of CWC.

The CWC Notes contain certain covenants, events of default and change of control provisions, in addition to other terms and conditions, as specified in the applicable indenture. At September 30, 2016, we were in compliance with our consolidated debt-related covenants.

Upon a change in control, we are required to make an offer to each holder of the Columbus Senior Notes to purchase such notes at a price equal to 101% of the principal amount plus accrued and unpaid interest. In connection with the Liberty Global Transaction, on May 23, 2016, we provided such notice of a change in control and offered to purchase for cash any and all outstanding Columbus Senior Notes from each registered holder of the Columbus Senior Notes (the **Offer**). None of the Columbus Senior Notes were redeemed during the Offer period, which expired on June 20, 2016.

Subject to the circumstances described below, the Columbus Senior Notes are non-callable until March 30, 2018 and the Sable Senior Notes are non-callable until August 1, 2018. At any time prior to March 30, 2018, in the case of the Columbus Senior Notes and August 1, 2018, in the case of the Sable Senior Notes, Columbus and Sable may redeem some or all of the applicable notes by paying a "make-whole" premium, which is generally based on the present value of all scheduled interest payments until March 30, 2018 or August 1, 2018 (as applicable) using the discount rate (as specified in the applicable indenture) as of the redemption date, plus 50 basis points, and in the case of the Sable Senior Notes is subject to a minimum 1% of the principal amount outstanding at any redemption date prior to August 1, 2018.

Columbus and Sable (as applicable) may redeem some or all of the Columbus Senior Notes and Sable Senior Notes, respectively, at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the redemption date, as set forth below:

	Redemption price	
	Columbus Senior Notes	Sable Senior Notes
12-month period commencing	March 30	August 1
2018	103.688%	105.156%
2019	101.844%	103.438%
2020	100.000%	101.719%
2021 and thereafter	N.A.	100.000%

CWC Credit Facilities

The CWC Credit Facilities are the senior secured credit facilities of certain of our subsidiaries. The details of our borrowings under the CWC Credit Facilities as of September 30, 2016 are summarized in the following table:

CWC Credit Facility	Maturity	Interest rate	Facility amount (in borrowing currency)	Outstanding principal amount	Unused borrowing capacity (a)	Carrying value (b)
				in millions		
CWC Term Loans	December 31, 2022	LIBOR + 4.75% (c)	$ 800.0	$ 800.0	$ —	$ 784.7
CWC Revolving Credit Facility	July 31, 2021	LIBOR + 3.50% (d)	$ 570.0	288.0	282.0	288.0
CWC Regional Facilities (e)	various dates ranging from 2016 to 2038	3.33% (f)	$ 368.4	286.4	82.0	285.1
Total				$ 1,374.4	$ 364.0	$ 1,357.8

(a) Unused borrowing capacity under the CWC Credit Facilities of $364.0 million includes $282.0 million under the CWC Revolving Credit Facility, which represents the maximum availability without regard to covenant compliance calculations or other conditions precedent to this borrowing. At September 30, 2016, based on the applicable leverage and other financial covenants, $220.0 million of unused borrowing capacity was available to be borrowed under the CWC Credit Facilities. When the relevant September 30, 2016 compliance reporting requirements have been completed, and assuming no changes from September 30, 2016 borrowing levels, we anticipate that $220.0 million of unused borrowing capacity under the CWC Credit Facilities will continue to be available to be borrowed. Subsequent to September 30, 2016, the CWC Credit Facilities was increased, as further described in note 17.

(b) Amounts include the impact of discounts and deferred financing costs, where applicable.

(c) The CWC Term Loans are subject to a LIBOR floor of 0.75%.

(d) The CWC Revolving Credit Facility has a fee on unused commitments of 0.5% per year.

(e) Represents certain amounts borrowed by Cable & Wireless Panama, SA, The Bahamas Telecommunications Company Limited (**BTC**) and Cable & Wireless Jamaica Limited, each a subsidiary of CWC (collectively, the **CWC Regional Facilities**).

(f) Represents a blended weighted average rate for all CWC Regional Facilities.

On May 17, 2016, Sable and Coral-US Co-Borrower LLC (**Coral-US**), a wholly-owned subsidiary of CWC, acceded as borrowers and assumed obligations under the credit agreement dated May 16, 2016 (the **CWC Credit Agreement**), pursuant to which (i) Coral-US entered into the CWC Term Loans and (ii) Sable and Coral-US entered into the CWC Revolving Credit Facility.

A portion of the proceeds from the CWC Term Loans and amounts drawn under the CWC Revolving Credit Facility were used to (i) repay amounts outstanding under the then existing revolving credit facility, (ii) redeem certain senior secured notes issued by Sable and (iii) finance the special dividend payable to CWC shareholders in connection with the Liberty Global Transaction, as further described in note 9. In connection with these transactions, we recognized a loss on debt extinguishment, net, of $41.8 million. This loss includes (a) the write-off of $24.3 million of unamortized deferred financing costs and (b) the payment of $17.5 million of redemption premium.

The CWC Credit Facilities contain certain covenants, events of default and change of control provisions, in addition to other terms and conditions, as specified in the applicable indenture.

For information regarding certain financing transactions entered into subsequent to September 30, 2016 that impacted the CWC Credit Agreement, see note 17.

Maturities of Debt and Finance Lease Obligations

The U.S. dollar equivalents of the maturities of our debt as of September 30, 2016 are presented below (in millions):

Year ending March 31:	
2017 (remainder of current fiscal year)	$ 251.0
2018	241.1
2019	443.8
2020	204.3
2021	1,453.1
2022	389.9
Thereafter	1,730.1
Total maturities	4,713.3
Unamortized discount, net	(32.6)
Unamortized deferred financing costs	(27.5)
Amounts representing interest	(1,148.6)
Total	$ 3,504.6
Current portion	$ 116.6
Noncurrent portion	$ 3,388.0

The U.S. dollar equivalents of the maturities of our finance lease obligations as of September 30, 2016 are presented below (in millions):

Year ending March 31:	
2017 (remainder of current fiscal year)	$ 5.2
2018	8.5
2019	1.0
Total maturities	14.7
Amounts representing interest	(0.7)
Total	$ 14.0
Current portion	$ 4.6
Noncurrent portion	$ 9.4

(8) Income Taxes

Income tax expense attributable to our loss before income taxes differs from the amounts computed using the applicable statutory or "expected" tax rate in the U.K. of 20.0% due to various factors, including changes in valuation allowances, non-deductible or non-taxable interest and other expenses, the tax effect of intercompany financings and international rate differences, among others. There was no income tax expense associated with gains and losses presented within other comprehensive income during any of the periods presented.

We recognize the financial statement effects of a tax position when it is more-likely-than-not, based on technical merits, that the position will be sustained upon examination. We are currently undergoing income tax audits in Panama, Trinidad and Tobago, the U.S. and certain other jurisdictions within the Caribbean and Latin America. Any adjustments that might arise from the foregoing examinations are not expected to have a material impact on our consolidated financial position or results of operations. During the next 12 months, it is reasonably possible that the resolution of ongoing examinations by tax authorities as well as expiration of statutes of limitation could result in significant reductions to our unrecognized tax benefits related to tax positions taken as of September 30, 2016. Other than the potential impacts of these ongoing examinations and the expected expiration of certain statutes of limitation, we do not expect any material changes to our unrecognized tax benefits during the next 12 months. No assurance can be given as to the nature or impact of any changes in our unrecognized tax positions during the next 12 months.

(9) Equity

In connection with the Liberty Global Transaction, CWC was delisted from the London Stock Exchange, all issued and outstanding CWC shares (including all shares then held in treasury) were cancelled, and CWC became a private, wholly-owned subsidiary of Liberty Global.

Under the terms of the Liberty Global Transaction, CWC shareholders received, in the aggregate: 31,607,008 Class A Liberty Global Shares, 77,379,774 Class C Liberty Global Shares, 3,648,513 Class A LiLAC Shares and 8,939,316 Class C LiLAC Shares. Further, CWC shareholders received a special dividend in the amount of £0.03 ($0.04 at the transaction date) per CWC share paid pursuant to the scheme of arrangement based on 4,433,222,313 outstanding shares of CWC on May 16, 2016. The special dividend was in lieu of any previously-announced CWC dividend.

The Liberty Global Transaction triggered regulatory approval requirements in certain jurisdictions in which we operate. The regulatory authorities in certain of these jurisdictions, including the Bahamas, Jamaica, Trinidad and Tobago, Seychelles and Cayman Islands, have not completed their review of the Liberty Global Transaction or granted their approval. While we expect to receive all outstanding approvals, such approvals may include binding conditions or requirements that could have an adverse impact on our operations and financial condition.

During the six months ended September 30, 2016, we incurred $52.5 million of direct acquisition costs in connection with the Liberty Global Transaction. These costs, which are included in administrative and selling expenses in our condensed consolidated interim statement of operations, were primarily related to transaction fees and legal, regulatory, accounting and tax advice.

Dividends

During the six months ended September 30, 2016, no dividends were declared or paid other than the $193.8 million special dividend associated with the Liberty Global Transaction. On August 7, 2015, we paid the final dividend of $116.0 million (2.67 cents per share) for the year ended March 31, 2015.

(10) Provisions

A summary of changes in our provisions for liabilities and charges during the six months ended September 30, 2016 and 2015 is set forth in the tables below:

	Restructuring	Network and asset retirement obligations	Legal and other	Total
April 1, 2016	$ 22.8	$ 47.9	$ 57.2	$ 127.9
Additional provisions	13.0	1.0	1.8	15.8
Amounts used	(19.3)	(1.0)	(18.2)	(38.5)
Unused amounts released (a)	(14.2)	(12.2)	(25.0)	(51.4)
Foreign currency translation adjustments and other	—	(0.7)	(0.1)	(0.8)
September 30, 2016	$ 2.3	$ 35.0	$ 15.7	$ 53.0
Current portion	$ 2.3	$ —	$ 15.1	$ 17.4
Noncurrent portion	—	35.0	0.6	35.6
	$ 2.3	$ 35.0	$ 15.7	$ 53.0

	Restructuring	Network and asset retirement obligations	Legal and other	Total
April 1, 2015	$ 97.0	$ 52.0	$ 90.0	$ 239.0
Additional provisions	—	2.0	23.0	25.0
Amounts used	(38.0)	—	(39.0)	(77.0)
Unused amounts released	—	—	(3.0)	(3.0)
Transfers	1.0	1.0	(2.0)	—
September 30, 2015	$ 60.0	$ 55.0	$ 69.0	$ 184.0

(a) In connection with Liberty Global's ongoing review of our accounting estimates following the Liberty Global Transaction, certain legal and restructuring accruals that were originally recorded in prior periods were released. These accrual releases are included in administrative and selling expenses in our condensed consolidated interim statement of operations for the six months ended September 30, 2016.

Our restructuring charges during six months ended September 30, 2016 include employee severance and termination costs related to reorganization and integration activities, primarily associated with the integration of Columbus.

Our network obligations include costs associated with redundant leased network capacity, including break fees in certain network contracts. Cash outflows associated with network obligations are expected to occur over the shorter of the period to exit and the lease contract life.

Our legal and other provisions include amounts relating to specific legal claims against our company, together with amounts in respect of integration activities following the acquisition of Columbus and certain other employee benefits and sales taxes. The timing of the utilization of the provision is uncertain and is largely outside our control, including matters that are contingent upon litigation. During 2015, we received an unfavorable ruling associated with pre-acquisition legal risks of Columbus and were ordered to pay the majority of the Columbus purchase price hold back, a non-competition payment and other amounts (including costs) of approximately $11.0 million in aggregate, substantially all of which were paid during the six months ended September 30, 2015.

(11) Employee Benefit Plans

We operate pension plans for our current and former United Kingdom (**U.K.**) and overseas employees. These plans include both defined benefit plans, where retirement benefits are based on employees' remuneration and length of service, and defined contribution plans, where retirement benefits reflect the accumulated value of agreed contributions paid by, and in respect of, employees. Contributions to the defined benefit plans are made in accordance with the recommendation of independent actuaries who value the plans. Our largest defined benefit plan is the Cable & Wireless Superannuation Fund (**CWSF**) in the U.K.

At September 30, 2016, the CWSF has an IAS 19, *Employee Benefits,* (**IAS 19**) deficit of £66.4 million ($86.1 million), as compared to a deficit of £104.1 million ($135.0 million at the applicable rate) at March 31, 2016. In May 2014, we reached agreement with the trustee of the CWSF (the **CWSF Trustee**) on the actuarial funding valuation as of March 31, 2013. This actuarial review indicated a funding deficit of £109 million ($141.4 million). Cash contributions to the CWSF for 2014 to 2016 remained as agreed following the March 2013 triennial review. During the six months ended September 30, 2016 and 2015, we made payments of £32.5 million ($47.1 million, at the applicable rate) and £31.4 million ($47.1 million, at the applicable rate), respectively. Payments in 2017, 2018 and 2019 will be based on the outcome of the triennial actuarial valuation as of March 31, 2016 and will range from nil up to £23 million ($29.8 million) per year, necessary to fund the scheme by April 2019. The deficit takes into account the recovery funding plan agreed with the CWSF Trustees in May 2014. This funding plan constitutes a minimum funding requirement and the IAS 19 accounting deficit has therefore been calculated in accordance with IFRIC 14, *The Limits on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*.

We have unfunded pension liabilities in the U.K. of £34.5 million ($44.7 million) and £33.9 million ($44.0 million at the applicable rate), respectively, at September 30, 2016 and March 31, 2016. In addition, we have other defined benefit schemes in Jamaica and Barbados that have a net IAS 19 surplus of $23.0 million and $22.0 million, respectively.

(12) Interest Expense

Interest expense is composed of the following:

	Six months ended September 30,	
	2016	2015
	in millions	
Interest expense	$ 138.7	$ 103.2
Amortization of deferred financing costs, premium and discount	6.0	11.5
Total interest expense	$ 144.7	$ 114.7

(13) Share-based Compensation

On May 16, 2015, there was a change of control due to the Liberty Global Transaction, which resulted in the accelerated vesting of certain of our outstanding awards under our restricted and performance share plans. On May 17, 2016, all of these outstanding awards were cancelled and replaced with grants of restricted share units (**RSU**s) under a Liberty Global employee incentive plan (the **Incentive Plan**). In addition, on August 1, 2016 additional RSUs and stock appreciation rights (**SAR**s) were granted to certain of our employees under the Incentive Plan.

Grant date	Award (a)	Number of awards granted	Exercise price	Grant date fair value
May 17, 2016	LiLAC A - RSU	50,732	$ 40.79	$ 2,069,358
	LiLAC C - RSU	124,243	$ 42.79	$ 5,316,358
August 1, 2016	LiLAC A - RSU	82,643	$ 34.85	$ 2,880,109
	LiLAC A - SAR	323,436	$ 34.85	$ 11,271,745
	LiLAC C - RSU	165,309	$ 35.24	$ 5,825,489
	LiLAC C - SAR	646,872	$ 35.24	$ 22,795,769

(a) During the six months ended September 30, 2016 , 8,699 LiLAC A RSUs and 21,312 LiLAC C RSUs were exercised.

We recognized $27.2 million and $5.2 million of share-based compensation expense during the six months ended September 30, 2016 and 2015, respectively, which is included in employee expenses in our condensed consolidated interim statements of operations.

(14) Related-party Transactions

Our related-party transactions consist of the following:

	Six months ended September 30, 2016	Six months ended September 30, 2015
	in millions	
Revenue	$ 5.7	$ 4.0
Operating costs	(2.3)	(1.3)
Included in total operating profit	3.4	2.7
Interest income	4.5	2.5
Included in loss for the period	$ 7.9	$ 5.2

Revenue. These amounts represent (i) certain transactions with joint ventures and associates that arise in the normal course of business, which include fees for the use of our products and services, network and access charges, and (ii) management fees earned for services we provide to the U.S. Carve-out Entities (as defined and described below) to operate and manage their business under a management services agreement (**MSA**). The services that we provide to the U.S. Carve-out Entities are provided at the direction of, and subject to the ultimate control, direction and oversight of, the U.S. Carve-out Entities.

Prior to the closing of our acquisition of Columbus in March 2015, certain then U.S. licensed entities of Columbus (the **U.S. Carve-out Entities**) were transferred to a newly incorporated special purpose entity outside of Columbus, Columbus New Cayman Limited (**Columbus New Cayman**), which is owned by entities controlled by persons who were directors and shareholders of our company through May 16, 2016.

Operating costs. These amounts represent fees associated with the use of joint ventures and associates products and services, network and access charges.

Interest income. Amounts represent interest income on the related-party loans receivable, as further described below.

The following table provides details of our related-party balances:

	September 30, 2016	March 31, 2016
	in millions	
Assets:		
Loans receivable (a)	$ 86.2	$ 55.9
Other current assets (b)	37.0	26.1
Total current assets	123.2	82.0
Non-current assets (c)	55.8	—
Total assets	$ 179.0	$ 82.0
Liabilities:		
Trade and other payables (d)	$ (4.2)	$ —
Total current liabilities	(4.2)	—
Other noncurrent liabilities (e)	(7.3)	—
Total liabilities	$ (11.5)	$ —

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(a) Represents notes receivable from Columbus New Cayman that bear interest at 8.0% per annum. Subject to U.S. Federal Communications Commission approval of the sale of the U.S. Carve-out Entities, ultimately to Liberty Global, these entities will be reacquired by us or another Liberty Global controlled entity at which time the notes receivable are expected to be settled for equity of the U.S. Carve-out Entities.

(b) Represents the net unpaid amount due to us pursuant to ordinary course transactions between us and (i) Columbus New Cayman, including fees charged by us to Columbus New Cayman under the MSA, and (ii) a subsidiary of Liberty Global. These receivables are non-interest bearing and have no stated maturity. These amounts are included in trade and other receivables in our condensed consolidated interim statements of financial position.

(c) Represents a receivable due from LGE Coral Holdco, primarily related to certain fees and taxes we paid on our parent company's behalf.

(d) Amount includes (i) $3.3 million of non-interest bearing payables to LGE Coral Holdco and (ii) deferred revenue of $0.9 million associated with certain indefeasible rights of use (**IRU**s) arrangements with another subsidiary of Liberty Global.

(e) Represents the noncurrent portion of deferred revenue for IRUs, as described in (d) above.

Key Management Personnel. There have been no transactions with the key management personnel of CWC during the six months ended September 30, 2016 or 2015, other than remuneration paid for their services.

(15) Commitments and Contingencies

Commitments

In the normal course of business, we have entered into agreements that commit our company to make cash payments in future periods with respect to network and connectivity commitments, purchases of customer premises equipment, programming contracts, non-cancelable operating leases and other items.

Guarantees and Other Credit Enhancements

In the ordinary course of business, we may provide (i) indemnifications to our lenders, our vendors and certain other parties and (ii) performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

At September 30, 2016, we have provided guarantees of $483.0 million, in aggregate, for financial obligations principally in respect of property and other leases and letters of credit. We are a party to a contingent funding agreement (the **Contingent Funding Agreement**) with the CWSF Trustees, under which they can call for a letter of credit or cash escrow in certain circumstances, such as the breach of certain financial covenants, the incurrence of secured debt above an agreed level or the failure to maintain available commitments under the revolving credit facilities of at least $150.0 million. Letters of credit totaling £100.0 million ($129.7 million) were put in place in connection with the acquisition of Columbus pursuant to the terms of the Contingent Funding Agreement.

In addition, we have given guarantees and indemnities in relation to a number of business disposals. Generally, liability has been capped at no more than the value of the sales proceeds, although some uncapped indemnities have been given. In relation to the April 2013 disposal of our interests in operations primarily in the Maldives, the Channel Islands and Isle of Man, South Atlantic and Diego Garcia to Batelco International Group Holding Limited, we provided a guarantee for up to $300.0 million in respect of tax-related claims. This guarantee expires in April 2020. We also provided indemnities to the purchaser in respect of the May 2014 disposal of Monaco Telecom SAM. We also give warranties and indemnities in relation to certain agreements including facility sharing agreements, certain of which do not contain liability caps.

Legal and Regulatory Proceedings and Other Contingencies

COTT claim. In 2015, a claim was filed against a subsidiary of Columbus by the Copyright Music Organization of Trinidad and Tobago (**COTT**) for damages of copyright infringement related to musical works transmitted by the subsidiary. We have recorded a provision based on our best estimate of the potential liability associated with this claim. While we generally expect that the amounts required to satisfy this contingency will not materially differ from the estimated amount we have accrued, no assurance can be given that the resolution of the COTT claim will not result in a material impact on our results of operations, cash flows or financial position.

Other regulatory Issues. Video distribution, broadband internet, fixed-line telephony and mobile businesses are regulated in each of the countries in which we operate. The scope of regulation varies from country to country. Adverse regulatory developments could subject our businesses to a number of risks. Regulation, including conditions imposed on us by competition or other authorities as a requirement to close acquisitions or dispositions, could limit growth, revenue and the number and types of services offered and could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing restrictions, interconnect and other access obligations, and restrictions or controls on content, including content provided by third parties. Failure to comply with current or future regulation could expose our businesses to various penalties.

In addition to the foregoing items, we have contingent liabilities related to matters arising in the ordinary course of business, including (i) legal proceedings, (ii) issues involving value-added taxes (**VAT**) and wage, property and other tax issues and (iii) disputes over interconnection, programming, copyright and channel carriage fees. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our results of operations, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

(16) Segment Reporting

Generally, we identify our segments on a geographical basis and, in certain cases, on a product basis. Each country in which we operate is generally treated as an operating segment. The aggregation of operating segments into their reporting segments reflects (i) the similar economic and regulatory characteristics within each of those segments, (ii) the similar nature of its products and services and (iii) its customers. In certain cases, we may elect to include an operating segment in our segment disclosure that does not meet the above-described criteria for a reportable segment. We evaluate performance and make decisions about allocating resources to our operating segments based on financial measures such as revenue and Adjusted Segment EBITDA (as defined below). In addition, we review non-financial measures such as subscriber growth, as appropriate.

"**EBITDA**" is defined as profit before net financial expense, income taxes and depreciation, amortization and impairment. As we use the term, "**Adjusted Segment EBITDA**" is defined as EBITDA before share-based compensation, provisions and provision releases related to significant litigation and other operating items. Other operating items include (a) gains and losses on the disposition of long-lived assets, (b) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, (c) other acquisition-related items, such as gains and losses on the settlement of contingent consideration, (d) restructuring provisions or provision releases and (e) share of results of joint ventures and associates. Our internal decision makers believe Adjusted Segment EBITDA is a meaningful measure because it represents a transparent view of our recurring operating performance that is unaffected by our capital structure and allows management to (1) readily view operating trends, (2) perform analytical comparisons and benchmarking between segments and (3) identify strategies to improve operating performance in the different countries in which we operate. A reconciliation of total segment Adjusted Segment EBITDA to our loss for the period is presented below.

We have five reportable segments that provide mobile, fixed-line telephony, broadband internet, video and managed services to residential and business customers.

As of September 30, 2016, our reportable segments are as follows:

- The Caribbean
- Panama
- BTC
- Networks and LatAm
- Seychelles

Our reportable segments set forth above, other than Networks and LatAM, derive their revenue primarily from communications services, including mobile, fixed-line telephony, broadband internet, video and business-to-business (**B2B**) services. Our Networks and LatAm segment primarily derives its revenue from broadband connectivity solutions to businesses and government institutions. At September 30, 2016, our operating segments provide broadband communications and other services in over 30 countries, primarily in the Caribbean and Latin America.

Performance Measures of Our Reportable Segments

The amounts presented below represent 100% of each of our reportable segment's revenue and Adjusted Segment EBITDA:

	Six months ended September 30,			
	Revenue		Adjusted Segment EBITDA	
	2016	2015 (a)	2016	2015 (a)
	in millions			
Caribbean	$ 530.3	$ 547.9	$ 183.0	$ 211.3
Panama	311.6	322.0	124.5	115.1
BTC	147.6	162.0	47.6	53.0
Networks and LatAm	140.4	132.7	71.1	56.4
Seychelles	29.4	27.0	11.3	10.0
	1,159.3	1,191.6	437.5	445.8
Corporate and intersegment eliminations	(18.1)	(8.9)	(26.1)	(43.7)
Total	$ 1,141.2	$ 1,182.7	$ 411.4	$ 402.1

(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

The following table provides a reconciliation of total Adjusted Segment EBITDA to loss for the period:

	Six months ended September 30, 2016	Six months ended September 30, 2015 (a)
	in millions	
Total Adjusted Segment EBITDA	$ 411.4	$ 402.1
Share-based compensation	(27.2)	(5.2)
Depreciation, amortization and impairment	(271.0)	(201.1)
Other operating items, net (included in administrative and selling expenses):		
Direct acquisition costs	(52.5)	—
Legal provisions releases (b)	23.5	—
Restructuring provision releases (provisions), net (b)	19.3	(2.6)
Gain (loss) on disposal of property, plant and equipment	10.8	(0.7)
Share of results of joint ventures and associates	(0.1)	(1.0)
Operating profit	114.2	191.5
Financial income (expense):		
Interest expense	(144.7)	(114.7)
Realized and unrealized losses on derivative instruments, net	(26.3)	(49.2)
Foreign currency transaction gains (losses), net	6.9	(10.7)
Losses on debt extinguishment	(41.8)	(23.2)
Interest income	6.9	4.7
Net financial expense	(199.0)	(193.1)
Loss before income taxes	(84.8)	(1.6)
Income tax expense	(38.6)	(18.7)
Loss for the period	$ (123.4)	$ (20.3)

(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

(b) In connection with Liberty Global's ongoing review of our accounting estimates following the Liberty Global Transaction, certain legal and restructuring accruals that were originally recorded in prior periods were released.

Property, Equipment and Intangible Asset Additions of our Reportable Segments

The property, equipment and intangible asset additions of our reportable segments (including capital additions financed under finance lease arrangements) are presented below and reconciled to the capital expenditure amounts included in our condensed consolidated interim statements of cash flows. For additional information concerning capital additions financed under finance lease arrangements, see note 6.

	Six months ended September 30,	
	2016	2015
	in millions	
Caribbean	$ 95.9	$ 138.8
Panama	39.4	40.0
BTC	36.9	63.4
Networks and LatAm	18.9	25.2
Seychelles	1.4	7.3
Corporate	22.8	8.4
Total property, equipment and intangible asset additions	215.3	283.1
Assets acquired under finance leases	(16.1)	—
Changes in current liabilities related to capital expenditures	40.7	(18.5)
Total capital expenditures	$ 239.9	$ 264.6

Revenue by Major Category

Our revenue by major category is as follows:

	Six months ended September 30,	
	2016	2015 (a)
	in millions	
Subscription revenue (b):		
Video	$ 86.1	$ 93.6
Broadband internet	108.6	111.4
Fixed-line telephony	60.4	60.8
Product subscription revenue	255.1	265.8
Mobile	341.9	344.6
Total subscription revenue	597.0	610.4
Other revenue (c)	544.2	572.3
Total	$ 1,141.2	$ 1,182.7

(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

(b) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service. As a result, changes in the standalone pricing of our cable and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(c) Other revenue includes, among other items, managed services, wholesale, interconnect and mobile handset sales revenue.

Geographic Segments

The revenue of our geographic segments is set forth below:

	Six months ended September 30,	
	2016	2015 (a)
	in millions	
Panama	$ 322.2	$ 335.4
Jamaica	158.1	155.6
The Bahamas	147.1	161.9
Barbados	113.8	127.1
Trinidad and Tobago	81.8	87.7
Seychelles	29.4	27.0
All other countries	288.8	288.0
Total	$ 1,141.2	$ 1,182.7

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(a) As retrospectively revised for changes in accounting policy. For further information, see note 1.

(17) Subsequent Events

In October 2016, Sable and Coral-US entered into an agreement with additional lenders under the CWC Credit Agreement increasing the aggregate commitments under the CWC Revolving Credit Facility from $570 million to $625 million. Other than with respect to the increase in aggregate commitments, the terms of the CWC Revolving Credit Facility were not modified.

In November 2016, Sable and Coral-US entered into a $300.0 million term loan facility (the **Term B-1B Loan Facility**) in accordance with the terms of the CWC Credit Agreement. The loan under the Term B-1B Loan Facility constitutes an increase to the existing Term B-1 Loan under (and as defined in) the CWC Credit Agreement. The final maturity date for the Term B-1B Loan Facility matures on December 31, 2022 and bears interest at a rate of LIBOR plus 4.75%, subject to a LIBOR floor of 0.75%. The net proceeds from the Term B-1B Loan Facility will be used to prepay amounts outstanding under the CWC Revolving Credit Facility and for general corporate purposes.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis, which should be read in conjunction with our March 31, 2016 annual report, is intended to assist in providing an understanding of our financial condition, changes in financial condition and results of operations and is organized as follows:

- *Forward-looking Statements.* This section provides a description of certain factors that could cause actual results or events to differ materially from anticipated results or events.
- *Overview.* This section provides a general description of our business and recent events.
- *Material Changes in Results of Operations.* This section provides an analysis of our results of operations for the six months ended September 30, 2016 and 2015.
- *Material Changes in Financial Condition.* This section provides an analysis of our corporate and subsidiary liquidity, condensed consolidated interim statements of cash flows and contractual commitments.

The capitalized terms used below have been defined in the notes to our condensed consolidated interim financial statements. In the following text, the terms "we," "our," "our company" and "us" may refer, as the context requires, to CWC or collectively to CWC and its subsidiaries.

Unless otherwise indicated, convenience translations into U.S. dollars are calculated as of September 30, 2016.

Forward-looking Statements

Certain statements in this quarterly report constitute forward-looking statements. To the extent that statements in this quarterly report are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In particular, statements under *Management's Discussion and Analysis of Financial Condition and Results of Operations* may contain forward-looking statements, including statements regarding our business, product, foreign currency and finance strategies, our property and equipment additions (including with respect to network extensions), subscriber growth and retention rates, competitive, regulatory and economic factors, the timing and impacts of proposed transactions, the maturity of our markets, the anticipated impacts of new legislation (or changes to existing rules and regulations), anticipated changes in our revenue, costs or growth rates, our liquidity, credit risks, foreign currency risks, target leverage levels, our future projected contractual commitments and cash flows and other information and statements that are not historical fact. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. In addition to the risk factors described in our March 31, 2016 annual report, the following are some but not all of the factors that could cause actual results or events to differ materially from anticipated results or events:

- economic and business conditions and industry trends in the countries in which we operate;
- the competitive environment in the industries in the countries in which we operate, including competitor responses to our products and services;
- fluctuations in currency exchange rates and interest rates;
- instability in global financial markets, including sovereign debt issues and related fiscal reforms;
- consumer disposable income and spending levels, including the availability and amount of individual consumer debt;
- changes in consumer television viewing preferences and habits;
- consumer acceptance of our existing service offerings, including our cable television, broadband internet, fixed-line telephony, mobile and business service offerings, and of new technology, programming alternatives and other products and services that we may offer in the future;
- our ability to manage rapid technological changes;
- our ability to maintain or increase the number of subscriptions to our cable television, broadband internet, fixed-line telephony and mobile service offerings and our average revenue per household;

- our ability to provide satisfactory customer service, including support for new and evolving products and services;
- our ability to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers;
- the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital;
- changes in, or failure or inability to comply with, government regulations in the countries in which we operate and adverse outcomes from regulatory proceedings;
- government intervention that opens our broadband distribution networks to competitors;
- our ability to obtain regulatory approval and satisfy other conditions necessary to close acquisitions and dispositions, and the impact of conditions imposed by competition and other regulatory authorities in connection with acquisitions;
- our ability to successfully acquire new businesses and, if acquired, to integrate, realize anticipated efficiencies from and implement our business plan with respect to the businesses we have acquired or we expect to acquire;
- changes in laws or treaties relating to taxation, or the interpretation thereof, in the U.K., U.S. or other countries in which we operate;
- changes in laws and government regulations that may impact the availability and cost of capital and the derivative instruments that hedge certain of our financial risks;
- the ability of suppliers and vendors to timely deliver quality products, equipment, software, services and access;
- the availability of attractive programming for our video services and the costs associated with such programming, including retransmission and copyright fees payable to public and private broadcasters;
- uncertainties inherent in the development and integration of new business lines and business strategies;
- our ability to adequately forecast and plan future network requirements, including the costs and benefits associated with our network extension programs;
- the availability of capital for the acquisition and/or development of telecommunications networks and services;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire;
- the leakage of sensitive customer data;
- the outcome of any pending or threatened litigation;
- the loss of key employees and the availability of qualified personnel;
- changes in the nature of key strategic relationships with partners and joint venturers; and
- events that are outside of our control, such as political unrest in international markets, terrorist attacks, malicious human acts, natural disasters, pandemics and other similar events.

The broadband distribution and mobile service industries are changing rapidly and, therefore, the forward-looking statements of expectations, plans and intent in this quarterly report are subject to a significant degree of risk. These forward-looking statements and the above-described risks, uncertainties and other factors speak only as of the date of this quarterly report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based. Readers are cautioned not to place undue reliance on any forward-looking statement.

Overview

We are a subsidiary of Liberty Global that provides mobile, broadband internet, fixed-line telephony and video services to residential and business customers and managed services to business and government customers. We primarily operate in the Caribbean and Latin America, providing consumer, B2B and networks services across 18 countries. In addition, we deliver B2B and provide wholesale services over our sub-sea and terrestrial networks that connect over 30 markets across the region. Our primary markets include Panama, Jamaica, the Bahamas, Barbados and Trinidad and Tobago.

We are experiencing significant competition in all of our markets. In the Bahamas, where we have been the only provider of mobile services, competition will increase significantly once commercial mobile services are launched by a competitor, which is expected to occur before the end of 2016. In addition, in certain of our markets, we are experiencing increase regulatory intervention that would, if implemented, facilitate increased competition.

Our services:

- *Mobile.* We are the leader in many of the mobile markets in which we operate. Through our newly upgraded network infrastructure we enable customers to enjoy leading, 'always on' mobile and mobile data services to make calls, send and/or receive messages, and access the internet.

- *Broadband Internet.* Our high-speed broadband internet service is the leader in most of the broadband markets that we serve. We deliver super-fast broadband internet to homes, workplaces and public spaces.

- *Fixed-line Telephony.* We are the leading fixed-line telephony service provider in substantially all of the markets in which we operate. Our mobile and fixed-line convergence capability gives us a strategic advantage, enabling us to provide customers with superior network quality experience.

- *Video.* We are the leader in many of the video markets in which we operate.

- *Business Solutions.* Our business solutions unit focuses on delivering a broad range of services to our business and government customers. These services include (i) installation of telecoms and IT systems, (ii) managing services on our customers' behalf, (iii) providing secure data storage services in a limited number of our markets and (iv) using telecoms services to assist governments to improve efficiency and help lower their cost of delivering public services in areas such as healthcare, emergency services calling platforms, CCTV surveillance and online education.

- *Wholesale Solutions.* We own the most extensive sub-sea and terrestrial fiber optic cable network in the Caribbean and Latin America, spanning more than 42,000 kilometers across the region, which we use to serve our own customers and sell capacity and other services to third-party telecommunications operators.

At September 30, 2016, we (i) provided services to 3,466,300 mobile subscribers and (ii) owned and operated networks that passed 1,827,100 homes and served 1,858,600 revenue generating units (**RGU**s), consisting of 428,300 video subscribers, 631,700 broadband internet subscribers and 798,600 fixed-line telephony subscribers.

We added a total of 22,700 RGUs on an organic basis during the six months ended September 30, 2016, as compared to 33,800 RGUs that we added on an organic basis during the corresponding prior-year period. The organic RGU growth during the six months ended September 30, 2016 is primarily attributable to the net effect of (i) an increase of 12,000 broadband internet RGUs, (ii) an increase of 11,400 direct-to-home (**DTH**) RGUs, (iii) an increase of 7,000 fixed-line telephony RGUs, (iv) a decrease of 6,600 enhanced video RGUs and (v) a decrease of 1,100 basic video RGUs.

We lost 37,400 mobile subscribers on an organic basis during the six months ended September 30, 2016, as compared to 92,000 subscribers that we added on an organic basis during the corresponding prior-year period. The organic decline during the six months ended September 30, 2016 includes the net effect of (i) a decrease in prepaid mobile subscribers of 48,600 and (ii) an increase in postpaid mobile subscribers of 11,200.

Material Changes in Results of Operations

Revenue

The details of our revenue are as follows:

	Six months ended September 30,		Decrease		Organic increase (decrease)
	2016	2015 (a)	$	%	%
	in millions				
Subscription revenue (b):					
Video	$ 86.1	$ 93.6	$ (7.5)	(8.0)	(4.1)
Broadband internet	108.6	111.4	(2.8)	(2.5)	(0.9)
Fixed-line telephony	60.4	60.8	(0.4)	(0.7)	6.9
Fixed-line subscription revenue	255.1	265.8	(10.7)	(4.0)	(0.2)
Mobile (c)	341.9	344.6	(2.7)	(0.8)	0.1
Total subscription revenue	597.0	610.4	(13.4)	(2.2)	—
Other revenue (c) (d)	544.2	572.3	(28.1)	(4.9)	(4.3)
Total	$ 1,141.2	$ 1,182.7	$ (41.5)	(3.5)	(2.1)

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(a) As retrospectively revised. For further information, see note 1 to our condensed consolidated interim financial statements.

(b) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service. As a result, changes in the standalone pricing of our cable and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(c) Mobile subscription revenue excludes mobile interconnect revenue of $55.3 million and $66.0 million during the six months ended September 30, 2016 and 2015, respectively. Mobile interconnect revenue and mobile handset sales are included in other revenue.

(d) Other revenue includes, among other items, managed services, wholesale, interconnect and mobile handset sales revenue.

Total revenue. Our consolidated revenue decreased $41.5 million during the six months ended September 30, 2016, as compared to the corresponding period in 2015. Excluding the effects of foreign currency translation effects (**FX**), our consolidated revenue decreased $24.8 million or 2.1%.

Subscription revenue. The details of the decrease in our consolidated subscription revenue during the six months ended September 30, 2016, as compared to the corresponding period in 2015, are set forth below (in millions):

Increase (decrease) in fixed-line subscription revenue due to change in:	
Average number of RGUs	$ 8.6
Average monthly subscription revenue per average RGU (**ARPU**)	(9.2)
Total decrease in fixed-line subscription revenue	(0.6)
Increase in mobile subscription revenue	0.5
Total organic decrease in subscription revenue	(0.1)
Impact of FX	(13.3)
Total	$ (13.4)

Excluding the effects of FX, our consolidated fixed-line subscription revenue decreased $0.6 million or 0.2% during the six months ended September 30, 2016, as compared to the corresponding period in 2015. This decrease is attributable to (i) an increase from fixed-line telephony services of $4.2 million or 6.9%, attributable to the net impact of (a) an increase in the average number of fixed-line telephony RGUs and (b) lower ARPU from fixed-line telephony services, (ii) a decrease from video services of $3.8

million or 4.1%, attributable to the net effect of (1) lower ARPU from video services and (2) an increase in the average number of video RGUs, and (iii) a decrease from broadband internet services of $1.0 million or 0.9%, attributable to the net effect of (A) lower ARPU from broadband internet services and (B) an increase in the average number of broadband internet RGUs.

Excluding the effects of FX, our consolidated mobile subscription revenue increased $0.5 million or 0.1% during the six months ended September 30, 2016, as compared to the corresponding period in 2015. This increase is primarily due to an increase in mobile customers.

Other revenue. Excluding the effects of FX, our consolidated other revenue decreased $24.7 million or 4.3% during the six months ended September 30, 2016, as compared to the corresponding period in 2015. This decrease is largely attributable to (i) lower project-related revenue from managed services and (ii) lower wholesale revenue. In addition, our other revenue was adversely impacted by the fact that, effective April 1, 2016, we began recognizing revenue on a cash, rather than accrual, basis with respect to two of our more significant B2B customers due primarily to unfavorable collection experience and unfavorable macroeconomic factors. These decreases were partially offset by increases in managed services revenue from information technology solutions and complex connectivity.

For information regarding the competitive environment in which we operate, see *Overview* above.

Operating Costs and Expenses

The details of our operating costs and expenses are as follows:

	Six months ended September 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Direct costs to provide services (a)	$ 253.5	$ 285.3	$ (31.8)	(11.1)	(9.4)
Administrative and selling expenses (b)	240.0	236.7	3.3	1.4	3.3
Employee expenses (c)	187.1	185.6	1.5	0.8	1.7
Network costs (d)	75.4	82.5	(7.1)	(8.6)	(7.0)
Operating costs before depreciation, amortization and impairment	$ 756.0	$ 790.1	$ (34.1)	(4.3)	(2.8)

(a) Excluding the effect of FX, our direct costs to provide services decreased $26.8 million or 9.4%, primarily attributable to the net effect of (i) lower equipment sales, (ii) lower mobile handset costs in Panama and the Bahamas and (iii) an increase in interconnect costs in Jamaica due to higher B2B activity.

(b) Excluding the effect of FX, our administrative and selling expenses increased $7.7 million or 3.3%, primarily attributable to the net effect of (i) an increase in direct acquisition costs, primarily related to transaction fees and legal, regulatory, accounting and tax advice in connection with the Liberty Global Transaction, (ii) a net decrease associated with certain legal and restructuring accruals and accrual releases, (iii) an increase in bad debt expense, (iv) a decrease associated with a gain on sale of property, plant and equipment, (v) an increase in travel costs and (vi) lower integration costs.

(c) Excluding the effect of FX, our employee expenses increased $3.1 million or 1.7%, primarily due to the net effect of (i) an increase in share-based compensation expense due to accelerated vesting of certain awards in connection with the Liberty Global Transaction, (ii) a decrease in staffing levels, primarily related to restructuring activities associated with the integration of Columbus, and (iii) a decrease in incentive compensation costs.

(d) Excluding the effect of FX, our network costs decreased $5.8 million or 7.0% primarily due to (i) the impact of higher network costs in the prior-year period associated with the integration of Columbus's network and (ii) lower network support costs, primarily in Panama.

Depreciation, amortization and impairment

Depreciation, amortization and impairment expense increased $69.9 million or 34.8% during the six months ended September 30, 2016, as compared to the corresponding period in 2015. Excluding the effect of FX, depreciation, amortization and impairment expense increased $71.9 million or 35.8% primarily due to (i) impairment charges of $39.1 million recorded during the 2016 period, including a $35.1 million charge related to the write-down of TSTT, (ii) an increase associated with property, equipment and intangible asset additions, (iii) an increase associated with the acquisition of Columbus and (iv) an increase related to accelerated depreciation of certain assets.

If, among other factors, (i) our enterprise value or Liberty Global's equity values were to decline significantly or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill and, to a lesser extent, other long-lived assets. Any such impairment charges could be significant.

Financial income (expense)

Our financial income (expense) primarily includes interest expense, interest income, realized and unrealized gains or losses on our derivative instruments, foreign currency transaction gains or losses and losses on debt extinguishment. As further described below, we recorded total financial expense, net, of $199.0 million and $193.1 million during the six months ended September 30, 2016 and 2015, respectively.

Interest expense

Interest expense increased $30.0 million or 26.2% during the six months ended September 30, 2016, primarily due to higher average outstanding debt balances. For additional information regarding our outstanding indebtedness, see note 7 to our condensed consolidated interim financial statements.

It is possible that the interest rates on (i) any new borrowings could be higher than the current interest rates on our existing indebtedness and (ii) our variable-rate indebtedness could increase in future periods. As further discussed in note 3 to our condensed consolidated interim financial statements, we use derivative instruments to manage our interest rate risks.

Realized and unrealized losses on derivative instruments, net

Our realized and unrealized gains or losses on derivative instruments include (i) unrealized changes in the fair values of our derivative instruments that are non-cash in nature until such time as the derivative contracts are fully or partially settled and (ii) realized gains or losses upon the full or partial settlement of the derivative contracts. The details of our realized and unrealized losses on derivative instruments, net, are as follows:

	Six months ended September 30, 2016	Six months ended September 30, 2015
	in millions	
Cross-currency and interest rate derivative contracts (a)	$ (28.1)	$ —
Embedded derivatives	13.9	(4.7)
Settlement of the Columbus Put Option	(12.1)	(44.5)
Total	$ (26.3)	$ (49.2)

(a) The loss during the six months ended September 30, 2016 includes a net gain of $4.8 million resulting from changes in our credit risk valuation adjustments.

For additional information concerning our derivative instruments, see note 3 to our condensed consolidated interim financial statements.

Foreign currency transaction gains (losses), net

We recognized foreign currency transaction gains (losses), net, of $6.9 million and ($10.7 million) during the six months ended September 30, 2016 and 2015, respectively. These amounts primarily relate to the remeasurement of monetary assets and liabilities that are denominated in currencies other than the underlying functional currency of the applicable entity. Unrealized foreign currency transaction gains or losses are computed based on period-end exchange rates and are non-cash in nature until such time as the amounts are settled.

Losses on debt extinguishment

We recognized losses of debt extinguishment of $41.8 million and $23.2 million during the six months ended September 30, 2016 and 2015, respectively. The loss during 2016 includes (i) the write-off of $24.3 million of unamortized deferred financing costs and (ii) the payment of $17.5 million of redemption premium. The loss during 2015 includes (a) the write-off of $17.3 million of unamortized deferred financing costs and (b) the write-off of $5.9 million of unamortized premium.

Interest income

We recognized interest income of $6.9 million and $4.7 million during the six months ended September 30, 2016 and 2015, respectively. These amounts primarily relate to interest on our loans receivable and cash and cash equivalents.

Income tax expense

Income tax expense attributable to our loss before income taxes for the six months ended September 30, 2016 differs from the amounts computed using the applicable income tax rate as a result of the following factors (in millions):

Computed expected tax benefit (expense) (a)	$ 17.0
Change in valuation allowances	(41.5)
Tax effect of intercompany financing	10.9
Non-deductible or non-taxable interest and other expenses	(22.6)
International rate difference	(5.0)
Other, net	2.6
Total income tax expense	$ (38.6)

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(a) The statutory or "expected" tax rate is the U.K. rate of 20.0%. During 2015, the U.K. enacted legislation that will change the corporate income tax rate from the current rate of 20.0% to 19.0% in April 2017 and 18.0% in April 2020. Substantially all of the impact of these rate changes on our deferred tax balances was recorded in fiscal 2015/16 when the change in law was enacted. During the six months ended September 2016, the U.K. enacted legislation that will further reduce the corporate income tax rate in April 2020 from 18.0% to 17.0%. The impact of this rate change on our deferred tax balances was recorded this quarter.

For additional information regarding our income taxes, see note 8 to our condensed consolidated interim financial statements.

Loss for the period

We reported a loss for the period of $123.4 million and $20.3 million during the six months ended September 30, 2016 and 2015, respectively.

Gains or losses associated with (i) changes in the fair values of derivative instruments, (ii) movements in foreign currency exchange rates and (iii) the disposition of assets are subject to a high degree of volatility and, as such, any gains from these sources do not represent a reliable source of income. In the absence of significant gains in the future from these sources or from other non-operating items, our ability to achieve earnings from continuing operations is largely dependent on our ability to increase our Adjusted Segment EBITDA to a level that more than offsets the aggregate amount of our (a) share-based compensation expense, (b) depreciation, amortization and impairment, (c) interest expense, (d) other financial income or expenses and (e) income tax benefit or expense.

Subject to the limitations included in our various debt instruments, we expect that Liberty Global will continue to cause our company to maintain our debt at current levels relative to our "EBITDA" metric specified by our debt agreements (**Covenant EBITDA**). As a result, we expect that we will continue to report significant levels of interest expense for the foreseeable future.

Profit attributable to noncontrolling interests

We reported profit attributable to noncontrolling interests of $39.0 million and $36.0 million during the six months ended September 30, 2016 and 2015, respectively. Profit or loss attributable to noncontrolling interests includes the noncontrolling interests' share of the results of our operations, primarily in Panama, the Bahamas, Jamaica and Barbados.

Material Changes in Financial Condition

Sources and Uses of Cash

Cash and cash equivalents

We are a holding company that is dependent on the capital resources of our subsidiaries to satisfy our liquidity requirements at the corporate level. Although our consolidated operating subsidiaries generate cash from operating activities, each of our significant operating subsidiaries is included within one of our two "borrowing groups." These borrowing groups include the respective restricted parent and subsidiary entities within CWC and Columbus. Our borrowing groups accounted for all of our consolidated cash and cash equivalents at September 30, 2016. The terms of the instruments governing the indebtedness of these borrowing groups restrict our ability to access the liquidity of these subsidiaries. In addition, our ability to access the liquidity of these and other subsidiaries may be limited by tax and legal considerations, the presence of noncontrolling interests, foreign currency exchange restrictions and other factors.

At September 30, 2016, we had $230.7 million of consolidated cash and cash equivalents, of which $78.0 million was held by Columbus.

Liquidity of CWC

Our sources of liquidity at the parent level include dividend income received on our investments and, subject to certain tax and legal considerations, our unrestricted subsidiaries' cash and cash equivalents and investments.

The ongoing cash needs of CWC include (i) corporate general and administrative expenses and (ii) required funding of employee benefit plans. From time to time, CWC may also require cash in connection with (a) the funding of loans or distributions to LGE Coral Holdco (and ultimately to Liberty Global or other Liberty Global subsidiaries), (b) the satisfaction of contingent liabilities or (c) acquisitions and other investment opportunities. No assurance can be given that funding from Liberty Global or other Liberty Global subsidiaries, our subsidiaries or external sources would be available on favorable terms, or at all.

In addition, the amount of cash we receive from our subsidiaries to satisfy U.S. dollar-denominated liquidity requirements is impacted by fluctuations in exchange rates. In this regard, the strengthening (weakening) of the U.S. dollar against these currencies will result in decreases (increases) in the U.S. dollars received from the applicable subsidiaries to fund U.S. dollar-denominated liquidity requirements.

Liquidity of our subsidiaries

In addition to cash and cash equivalents, the primary sources of liquidity of our subsidiaries are cash provided by operations, in the case of Sable, any borrowing availability under the CWC Revolving Credit Facility and borrowings available under the CWC Regional Facilities. At September 30, 2016, we had aggregate borrowing capacity of $220.0 million available under the CWC Revolving Credit Facility and $82.0 million under the CWC Regional Facilities. For information regarding limitations on the borrowing availability of the CWC Revolving Credit Facility, see note 7 to our condensed consolidated interim financial statements.

The liquidity of our subsidiaries is generally used to fund capital expenditures, debt service requirements and other liquidity requirements that may arise from time to time. For additional information regarding our consolidated cash flows, see the discussion under *Condensed Consolidated Interim Statements of Cash Flows* below. Our subsidiaries may also require funding in connection with (i) the repayment of outstanding debt, (ii) acquisitions and other investment opportunities or (iii) distributions or loans to CWC (and ultimately to Liberty Global or other Liberty Global subsidiaries). No assurance can be given that any external funding would be available to our subsidiaries on favorable terms, or at all.

Capitalization

At September 30, 2016, the outstanding principal amount of our consolidated debt, together with our finance lease obligations, aggregated $3,578.7 million, including $121.2 million that is classified as current in our condensed consolidated interim statement of financial position and $3,207.7 million that is not due until 2021 or thereafter.

Our ability to service or refinance our debt and to maintain compliance with our leverage covenants is dependent primarily on our ability to maintain or increase our Covenant EBITDA and to achieve adequate returns on our property, equipment and intangible asset additions and acquisitions. Our ability to maintain or increase cash from our operations will depend on our future operating performance, which is in turn dependent, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control. In addition, our ability to obtain additional debt financing is limited by the leverage covenants contained in our and our subsidiaries' various debt instruments. In this regard, if our Covenant EBITDA were to decline, we could be required to repay or limit our borrowings under the CWC Revolving Credit Facility in order to maintain compliance with applicable covenants. No assurance can be given that we would have sufficient sources of liquidity, or that any external funding would be available on favorable terms, or at all, to fund any such required repayment.

We believe that our cash and cash equivalents, the cash provided from the operations of our subsidiaries and any available borrowings under the CWC Revolving Credit Facility will be sufficient to fund our currently anticipated working capital needs, capital expenditures and debt service requirements during the next 12 months, although no assurance can be given that this will be the case. However, as our maturing debt grows in later years, we anticipate that we will seek to refinance or otherwise extend our debt maturities. No assurance can be given that we will be able to complete these refinancing transactions or otherwise extend our debt maturities. In this regard, it is not possible to predict how political and economic conditions, sovereign debt concerns or any adverse regulatory developments could impact the credit markets we access and, accordingly, our future liquidity and financial position. However, (i) the financial failure of any of our counterparties could (a) reduce amounts available under committed credit facilities and (b) adversely impact our ability to access cash deposited with any failed financial institution and (ii) tightening of the credit markets could adversely impact our ability to access debt financing on favorable terms, or at all. In addition, sustained or increased competition, particularly in combination with adverse economic or regulatory developments, could have an unfavorable impact on our cash flows and liquidity.

Condensed Consolidated Interim Statements of Cash Flows

Summary. Our condensed consolidated interim statements of cash flows for the six months ended September 30, 2016 and 2015 are summarized as follows:

	Six months ended September 30, 2016	Six months ended September 30, 2015	Change
		in millions	
Net cash provided (used) by operating activities	$ 40.9	$ (24.6)	$ 65.5
Net cash used by investing activities	(217.8)	(264.6)	46.8
Net cash provided by financing activities	240.9	37.5	203.4
Effect of exchange rate changes on cash	(0.8)	1.0	(1.8)
Net increase (decrease) in cash and cash equivalents	$ 63.2	$ (250.7)	$ 313.9

Operating Activities. The change in net cash provided (used) by our operating activities is primarily attributable to the net effect of (i) an increase in cash provided by our Adjusted Segment EBITDA and related working capital items, (ii) a decrease in cash due to higher payments for taxes, (iii) an increase in cash due to higher interest payments received and (iv) an increase in cash due to lower interest paid.

Investing Activities. The decrease in net cash used by our investing activities is primarily attributable to (i) a decrease in cash used of $24.7 million related to lower capital expenditures and (ii) a decrease in cash used of $19.9 million related to higher proceeds on available-for-sale investments.

The capital expenditures that we report in our condensed consolidated interim statements of cash flows do not include amounts that are financed under finance lease arrangements. Instead, these amounts are reflected as non-cash additions to our property, equipment and intangible assets when the underlying assets are delivered, and as repayments of debt when the principal is repaid. In this discussion, we refer to (i) our capital expenditures as reported in our condensed consolidated interim statements of cash flows, which exclude amounts financed under finance lease arrangements, and (ii) our total property, equipment and intangible asset additions, which include our capital expenditures on an accrual basis and amounts financed under finance lease arrangements. For further details regarding our property, equipment and intangible asset additions and our debt, see notes 6 and 7, respectively, to our condensed consolidated interim financial statements.

A reconciliation of our consolidated property, equipment and intangible asset additions to our consolidated capital expenditures as reported in our condensed consolidated interim statements of cash flows is set forth below:

	Six months ended September 30,	
	2016	2015
	in millions	
Property, equipment and intangible asset additions	$ 215.3	$ 283.1
Changes in liabilities related to capital expenditures (including related-party amounts)	40.7	(18.5)
Assets acquired under finance leases	(16.1)	—
Capital expenditures	$ 239.9	$ 264.6

The decrease in our property, equipment and intangible asset additions is largely due to timing of capital projects.

Financing Activities. The increase in net cash provided by our financing activities is attributable to the net effect of (i) an increase in cash provided of $288.0 million related to higher net borrowings of debt (ii) a decrease in cash provided of $77.8 million and $10.8 million, respectively, for dividends paid to shareholders and noncontrolling interests, (iii) an increase in cash provided of $11.9 million due to proceeds received on the exercise of certain share-based awards and (iv) a decrease in cash provided of $7.9 million due to higher payments for financing costs and debt premiums.

Contractual Commitments

For information concerning our debt and finance lease obligations, see note 7 to our condensed consolidated interim financial statements. For information concerning our commitments, see note 15 to our condensed consolidated interim financial statements.

In addition to the commitments set forth in note 15, we have significant commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information regarding projected cash flows associated with derivative instruments, see *Projected Cash Flows Associated with Derivative Instruments* below. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during the six months ended September 30, 2016 and 2015, see note 3 to our condensed consolidated interim financial statements.