

Cable & Wireless Communications Plc

Caribbean Investor Briefing
1 July 2011

LIME



Disclaimer

This presentation contains forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as anticipate, target, expect, estimate, intend, plan, goal, believe, will, may, should, would, could or other words of similar meaning. Undue reliance should not be placed on any such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and Cable & Wireless Communications Plc's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

There are several factors that could cause actual events to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals. A summary of some of the potential risks faced by Cable & Wireless Communications Plc is set out in the Company's most recent Annual Report.

Forward-looking statements speak only as of the date they are made and Cable & Wireless Communications Plc undertakes no obligation to revise or update any forward-looking statement contained within this presentation or any other forward-looking statements it may make, regardless of whether those statements are affected as a result of new information, future events or otherwise (except as required by the UK Listing Authority, the London Stock Exchange, the City Code on Takeovers and Mergers or by law).

LIME operates across 14 different territories

...we operate a unified business under 'One Caribbean' umbrella



Overview of our business

Operating in the Caribbean for 140 years



Direct employment for more than 4,000 colleagues (incl. 1,200 BTC)



Key financial statistics (incl. BTC)

| | |
|---------|---------|
| Revenue | \$1.2bn |
| EBITDA | \$308m |
| CAPEX | \$190m |



Customers (incl. BTC)

| | |
|-------------|------|
| Fixed Lines | 740k |
| Broadband | 227k |
| Mobile | 1.7m |

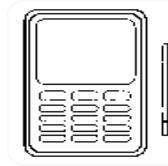
We are the only Regional full-service provider



Telephony



Broadband



Mobile

LIME



Columbus Networks



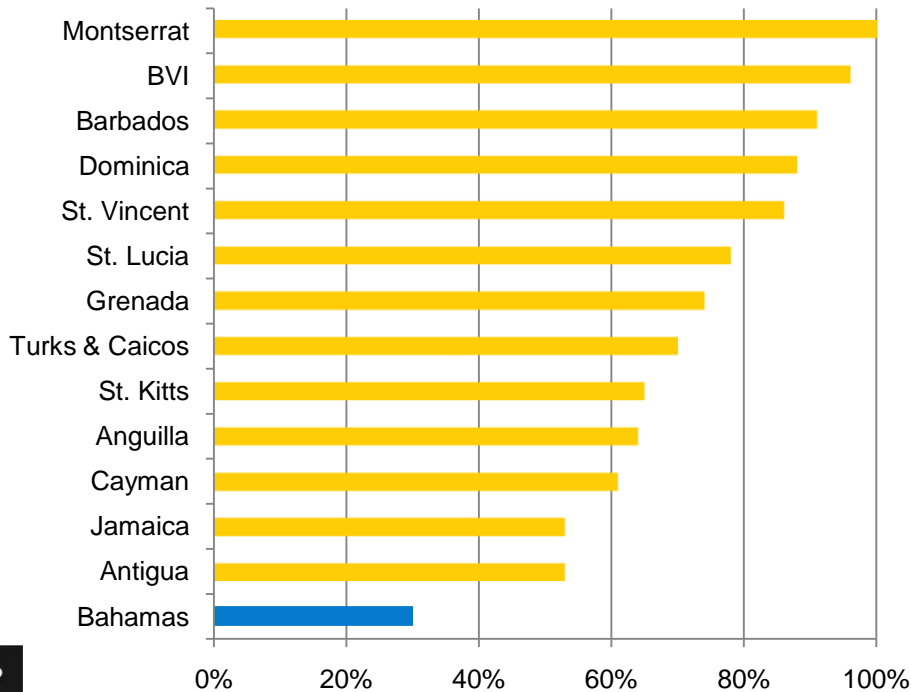
Local Cable Operators



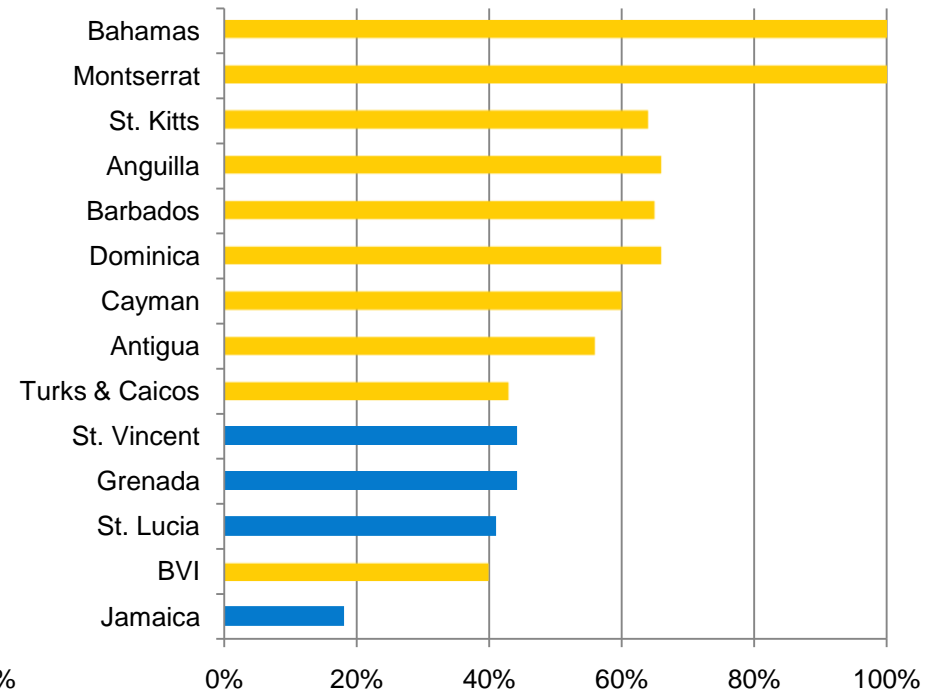
LIME

...and we have clear leadership in most markets

Broadband market share



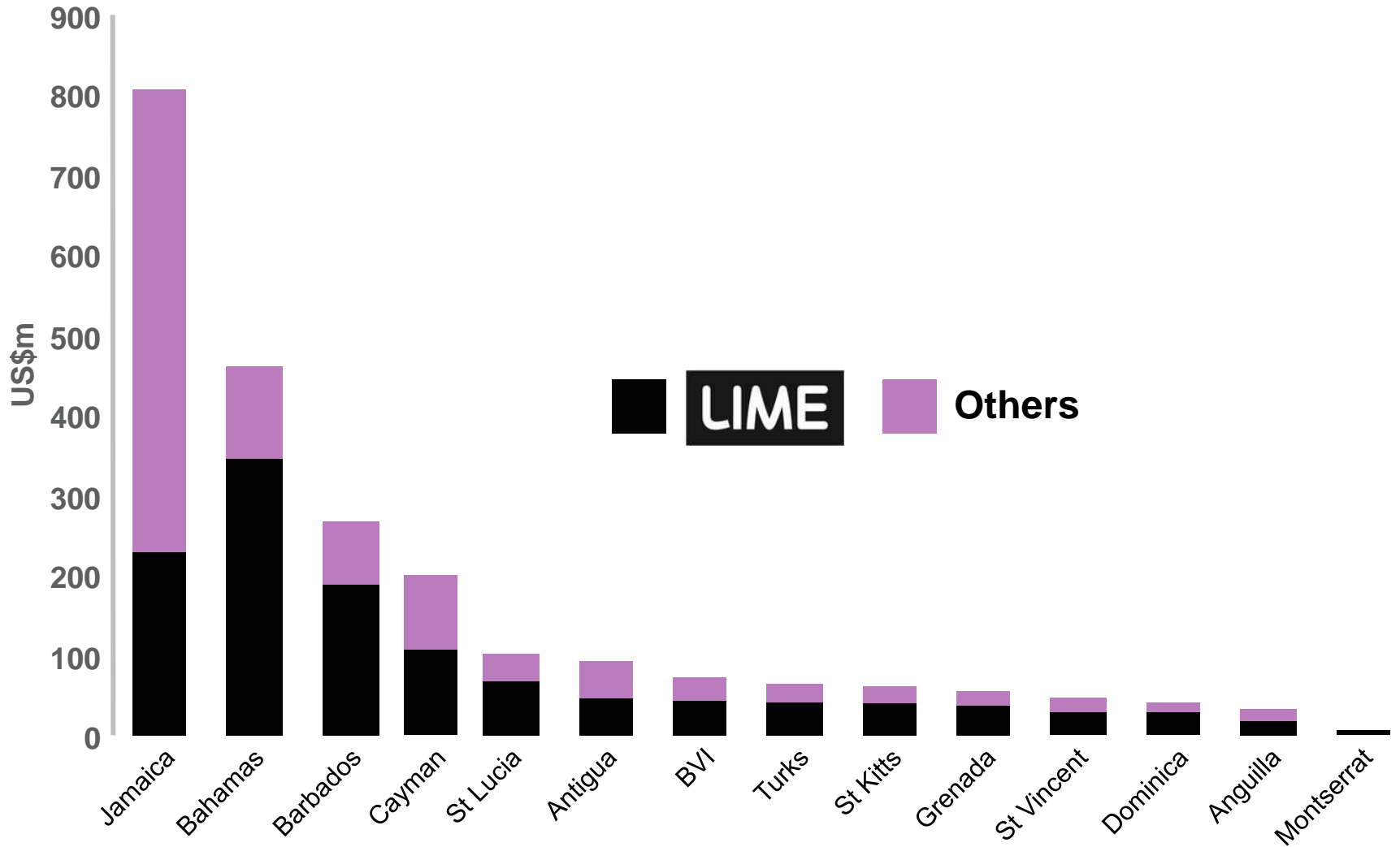
Mobile market share



 **No. 1 in market**

 **No. 2 in market**

There is plenty of room to grow in our existing geographic markets



Contents

- 1. Strategy & One Caribbean (David Shaw)**
- 2. Financials**
- 3. Network for the Future**
- 4. Products and Services**
- 5. Jamaica Turnaround**
- 6. Bahamas**



We have a clear strategy for our business

1 One Caribbean

2 Network for the Future

3 Products and Services Differentiation

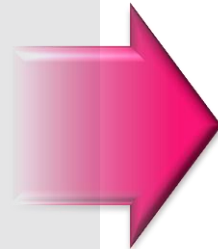
4 Jamaica Turnaround

5 Geographic Expansion

One Caribbean is about achieving efficiencies

Pre 2009

- 13 stand-alone business units
- 13 sales & marketing teams
- 13 network mgt & ops teams
- 13 billing platforms & formats
- 13 credit & collection teams
- 5 contact centres
- 4 bill print vendors
- 3 HR platforms
- 3 financial accounting platforms
- Separate PMO for each project



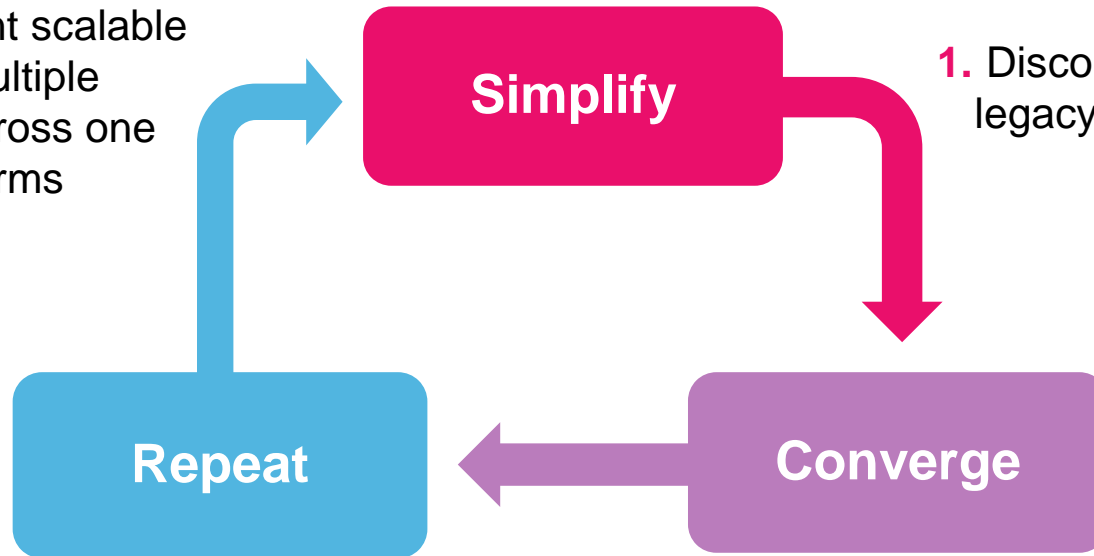
One Caribbean

A unified business with:

- One leadership team
- 1 Service assurance function
- 1 Programme management office
- 1 HR & 1 Finance shared service centre
- 1 Procurement & supply chain function
- 1 Regional marketing function
- 1 Customer segment function
- 1 CTO Function
- 1 Credit function

Network for the future is about data

3. Implement scalable systems: multiple products across one set of platforms



1. Discontinue costly legacy systems

2. Migrate to all IP NGN and Systems

Products and services is about differentiation

Products

- Wireless broadband
 - “G-Volution” / 4G
 - Launch of iPhone
 - Wi-Fi
- Entertainment
 - LIME TV & Mobile TV
 - Hospitality sector VOD
- Others
 - Security
 - M-Wallet

Services

- Flexible appointment based scheduling of engineers
- Multi-media residential customer contact
- Dedicated contact centres for SME/Corporate and Enterprise/Government
- Enterprise customer executive sponsors
- Self-service

Jamaica turnaround is not only about winning the mobile war

Marketing

Refreshing the brand,
new propositions & distribution

Regulatory

Leveling the regulatory playfield

Investment

Network coverage parity and data

Leadership

New management, intuitive, relationships

Geographic expansion is about entering new markets

Subsea cables

Leveraging the footprint including connecting Cuba

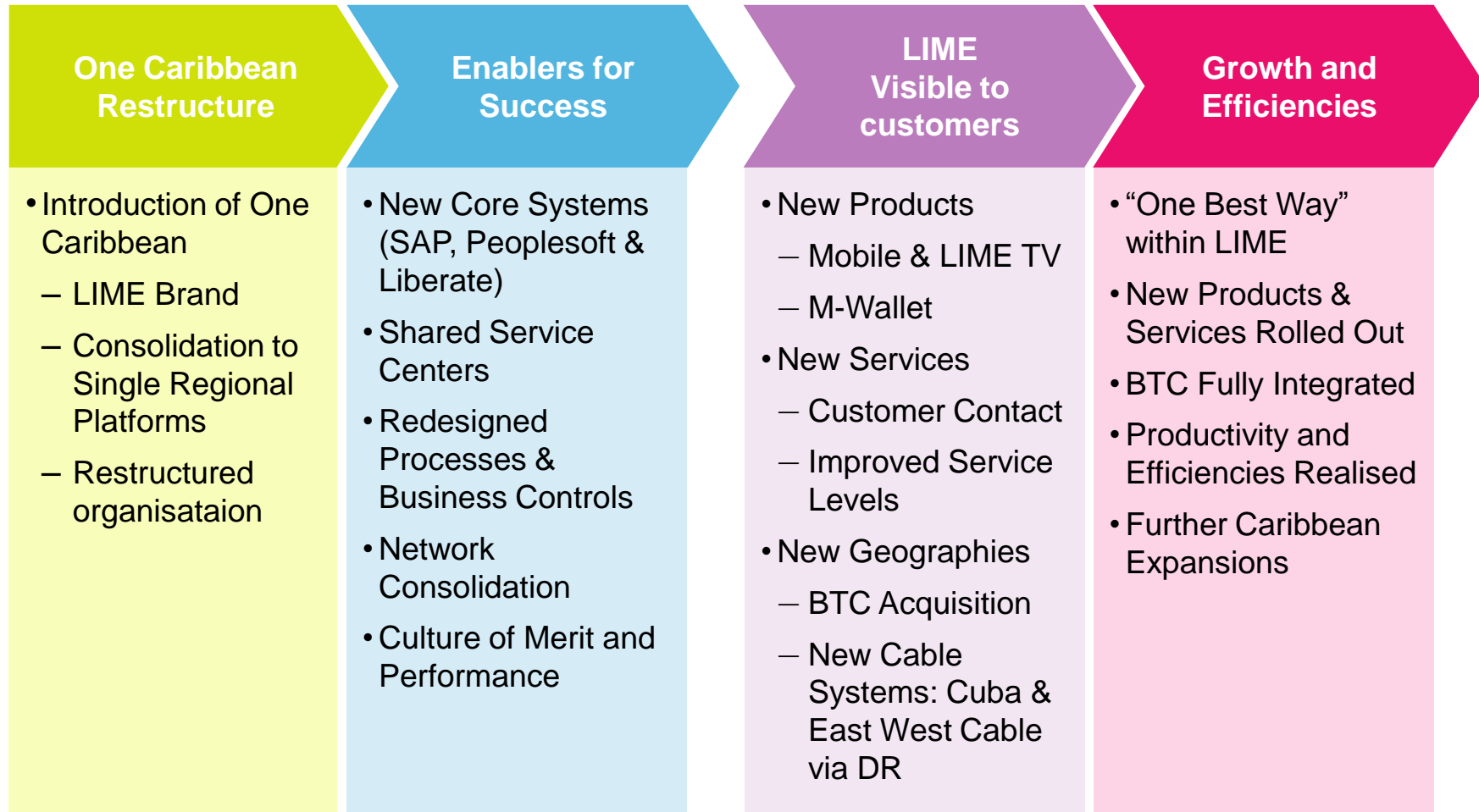
East-West Cable

Expansion of subsea cable system and license to operate in Dominican Republic

Bahamas

Acquisition of BTC

Our Journey since 2009



The transformation is making a big impact across all markets



LIME

LIME

LIME

LIME

LIME

LIME

We will continue to pursue the same strategies

1 **One Caribbean**

2 **Network for the Future**

3 **Products and Services Differentiation**

4 **Jamaica Turnaround**

5 **Geographic Expansion**

Contents

1. Strategy & One Caribbean
2. Financials (Gerard Borely)
3. Network for the Future
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6. Bahamas



It's been a tough couple of years...

\$m

FY 2009/10

FY 2010/11

Revenue

873

850

Mobile

321

302

Broadband & TV

99

105

Fixed

305

278

Enterprise & Data

148

165

Gross Margin

646

614

OPEX

(376)

(385)

EBITDA

270

229

Capex

(114)

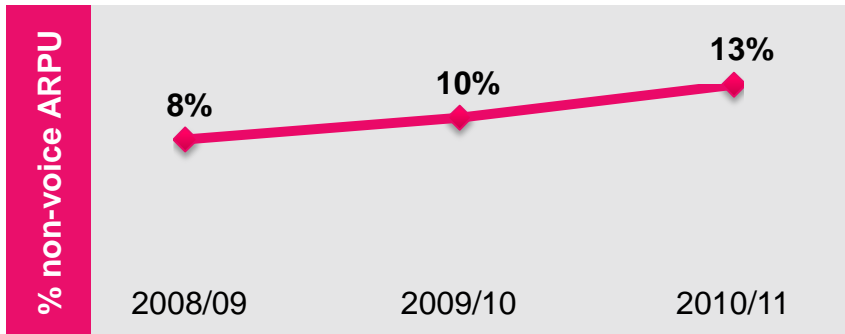
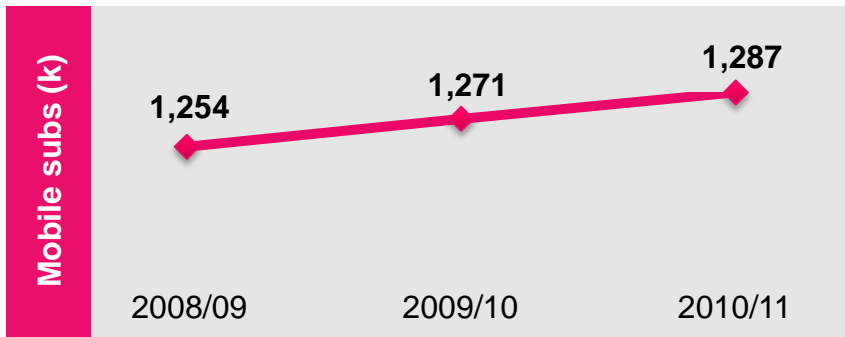
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LIME

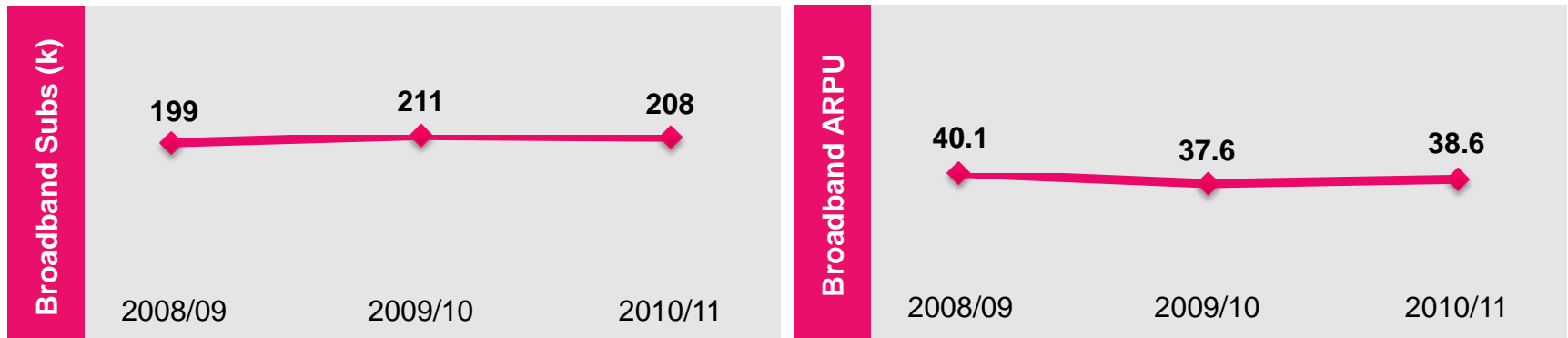
Maintaining control of our costs

| \$m | FY 2009/10 | FY 2010/11 | |
|-------------------------|------------|------------|---|
| Staff Costs | | | Held flat while operating in Unionised environment |
| Network Costs | | | Contained through vendor negotiation & platform management structure |
| Property Costs | | | Utility consumption reduction initiatives & property consolidation against background of 24% oil price increase |
| Advertising & Marketing | | | Targeted increase to support new product launches (eg. Mobile TV) & improved brand perception |
| Other | | | Cost control initiatives in all areas eg. Insurance, Bad Debt, Travel costs |
| TOTAL OPEX | 376 | 385 | |

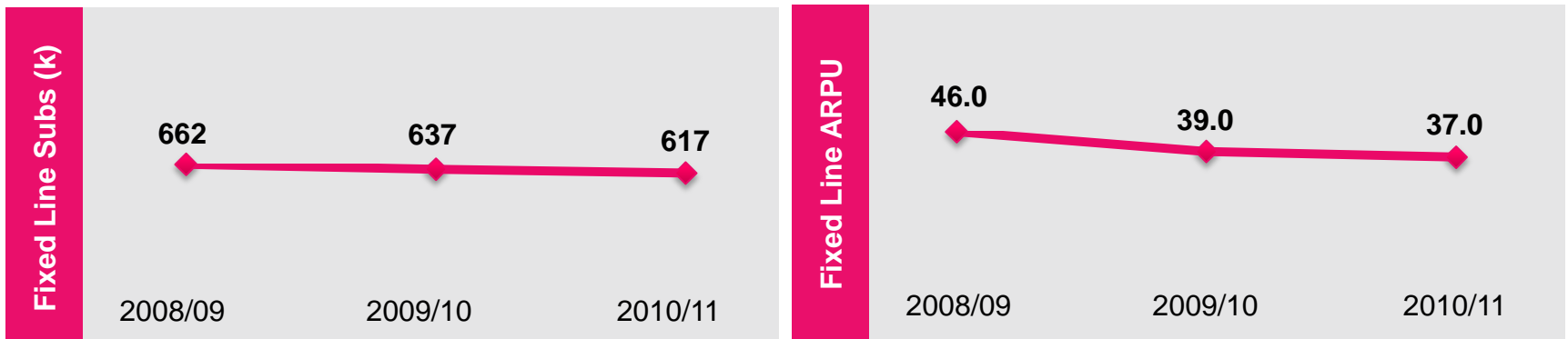
Growth in mobile subscribers and emergence of mobile data revenue...



Broadband revenue growth driven by increased ARPUs, churn relates to competition from cable operator...

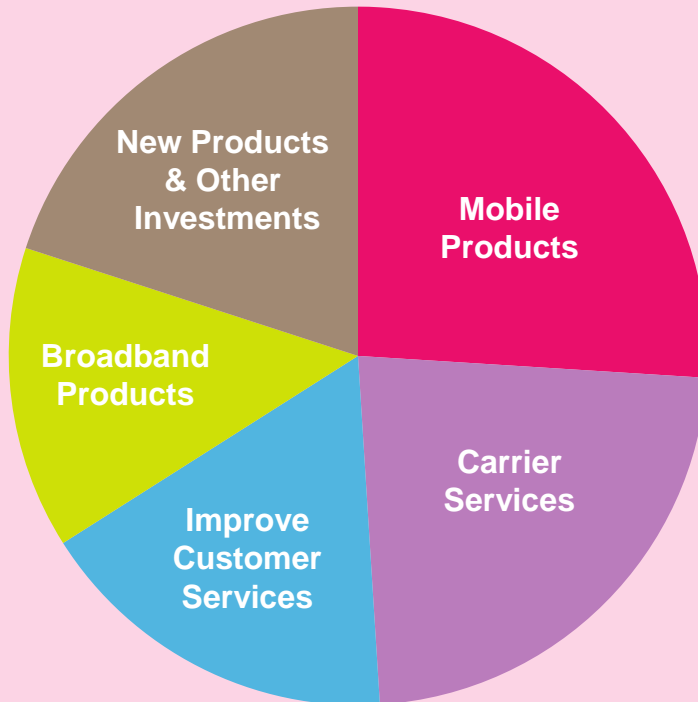


The churn in fixed line has reduced. ARPU decline driven by substitution and VOIP...



Investment geared towards building network for the future...

LIME Investment Profile 2010/11



- Majority of investment in mobile products
- Investment in East-West cable system reflected in Carrier investments
- Big focus on improving customer service and provision of fixed broadband products
- Other investment relate to One Caribbean (e.g. SAP)
- New products include TV

In summary...

- Impact of economic slow down persists
- Inflationary pressures on cost base... costs well contained
- Mobile subscriber growth offset by impact on ARPUs
 - Postpaid resilient
- Fixed services decline decelerating
- Broadband is a growth opportunity as market penetration is low
- Customer focused capex
 - Improving data capability of fixed and mobile networks
 - Better customer service

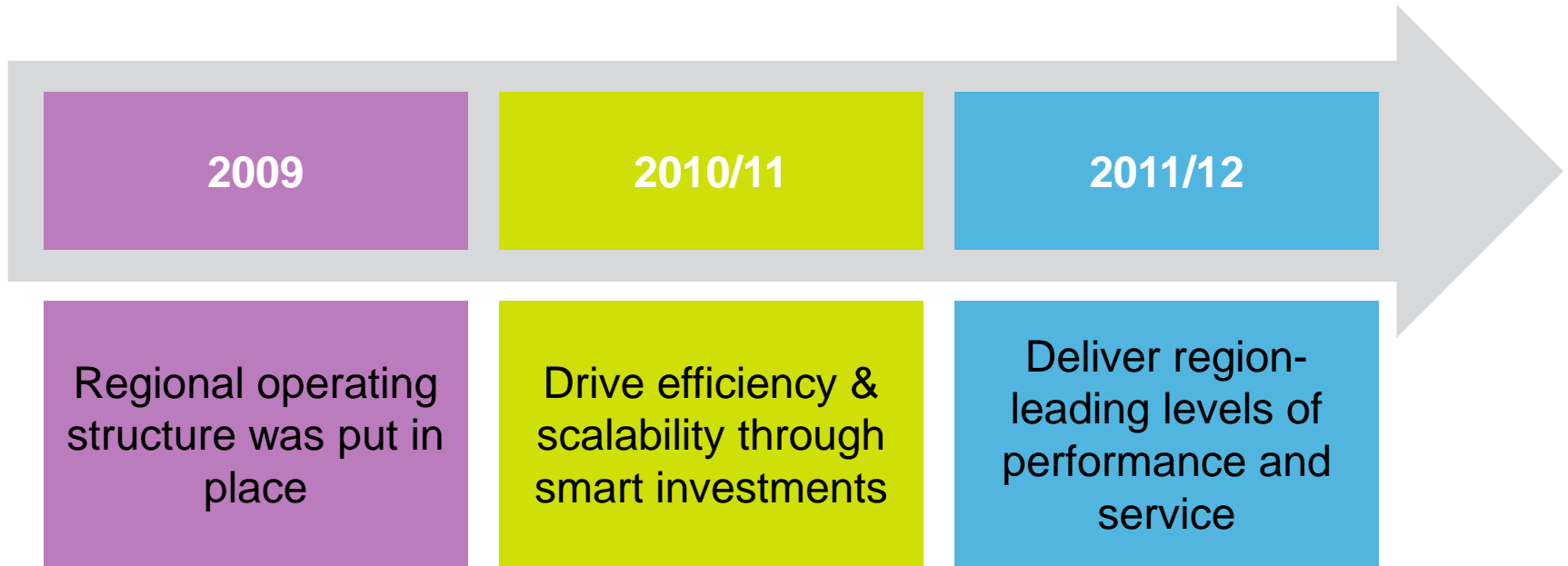
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Last year we told you that

We were mid-way through building a robust & scalable operating platform



**This year we can tell you that
we are well on track...**

We have full operational control under the “One Caribbean” model

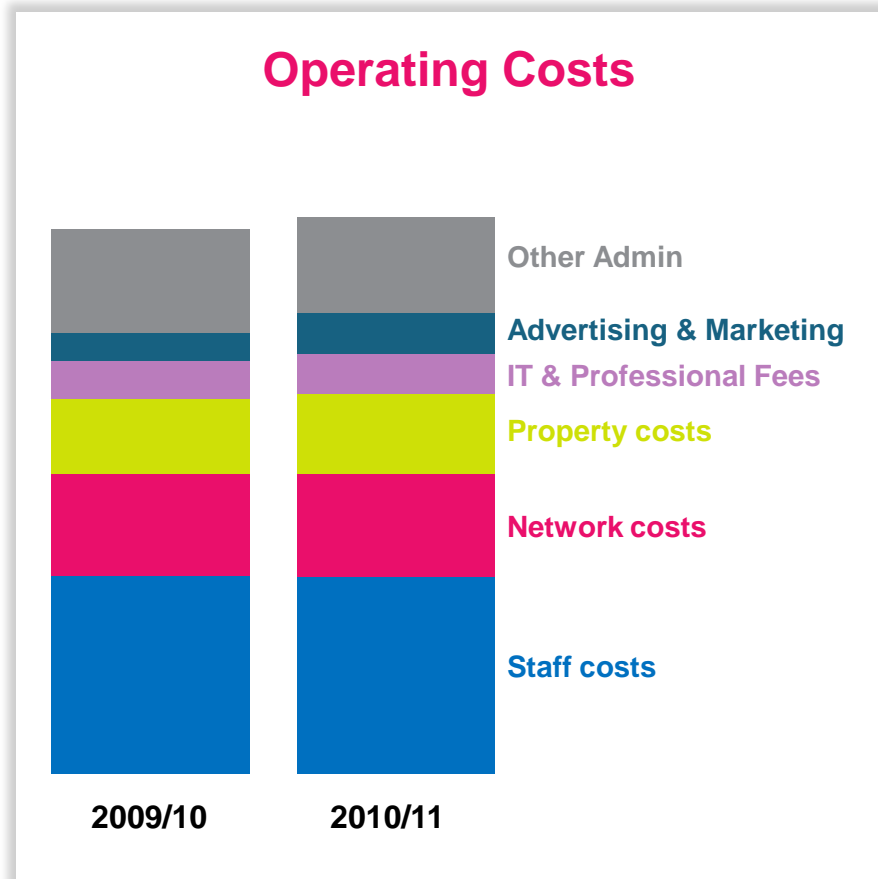
**Cost
Containment**

Delivery

**Network
Upgrades**

**Demand &
Capacity
Planning**

Cost drivers are well understood and managed



- **Staff:** headcount kept flat
- **Network:** License and royalty increases off set by “Simplify, Converge, Repeat” programme
- Fuel unit costs up but usage down 4%
- Contact centre cost per call down 25% and now below benchmarks
- Supply chain tightened (e.g. mobile inventory down from 90 to 45 days)

LIME now has a decent delivery record

90% Delivery of Gold programmes to plan

75% Delivery of Silver programmes to plan

Project Highlights

| Projects | Outcomes |
|---------------------|---|
| East-West cable | 9 months to complete |
| Jamaica 3G phase II | Time, budget & quality |
| St Vincent NGN | Full migration to NGN |
| CRM | Implementation on time (a first!) |
| Retail stores | Refurbishment programme ahead of schedule |
| 8 meg broadband | Ahead of schedule |
| SAP rollout | Completed on time to all businesses by end of 2010/11 |

Network upgrades position LIME to win in the data world

Mobile: 10 yr old voice network replacement

The Bahamas

Turks & Caicos

Cayman Islands

Jamaica

British Virgin Islands

Anguilla

St Kitts & Nevis

Antigua & Barbuda

Montserrat

Dominica

St Lucia

Barbados

St Vincent & the Grenadines

Grenada

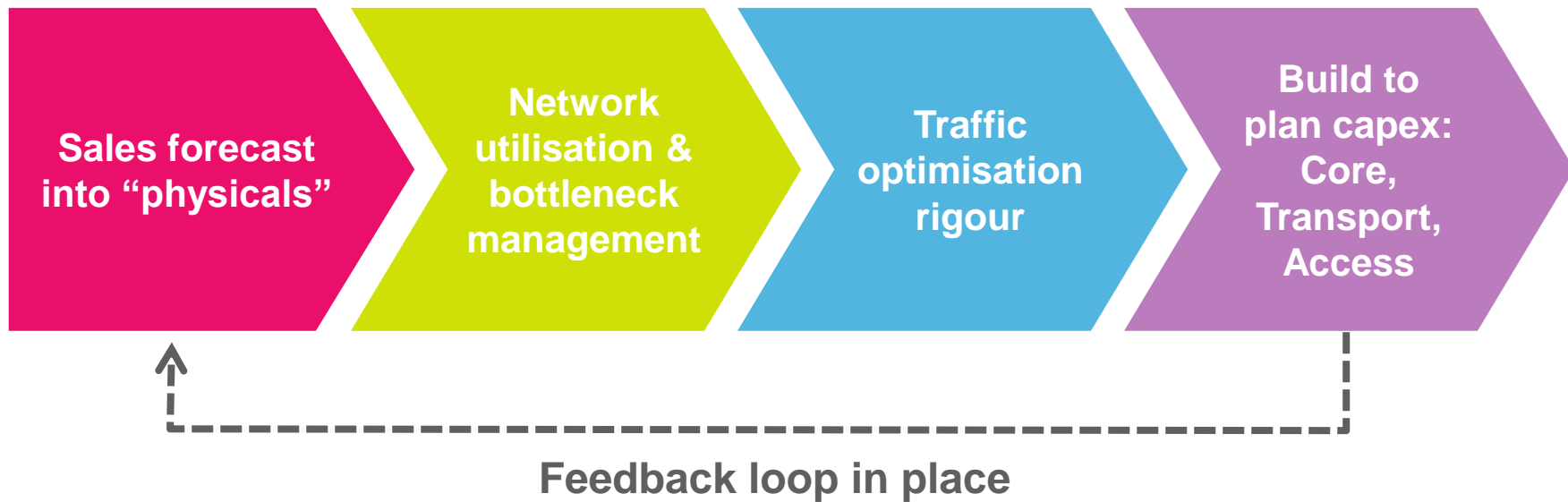
Fixed Broadband

- Investment matched to customer segment
- GPON, 8 meg, 2 meg expansion

Backhaul

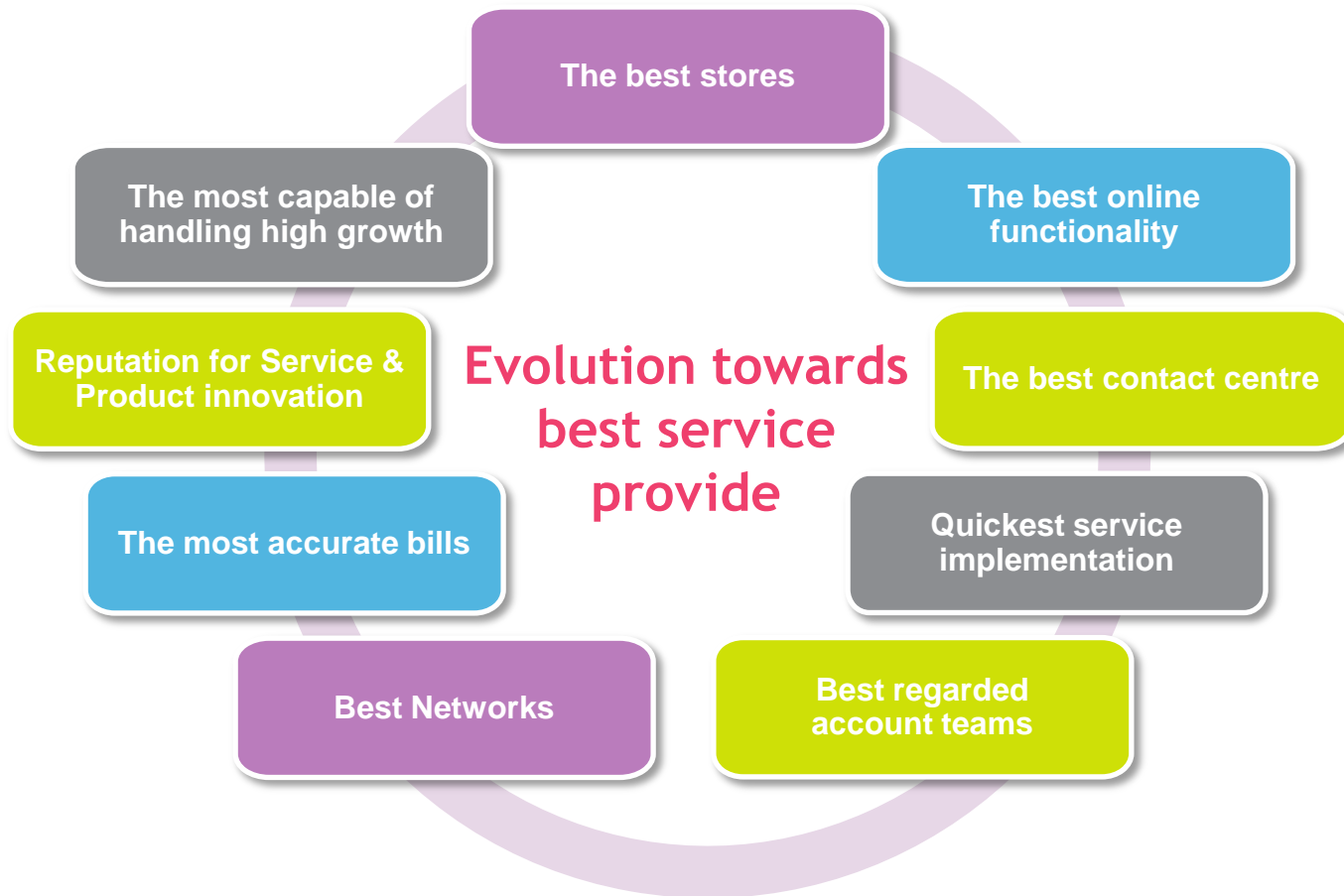
- On island
- Subsea capacity

Demand & capacity planning has significantly improved



Service: Last year we told you

We will be the best service provider across the region



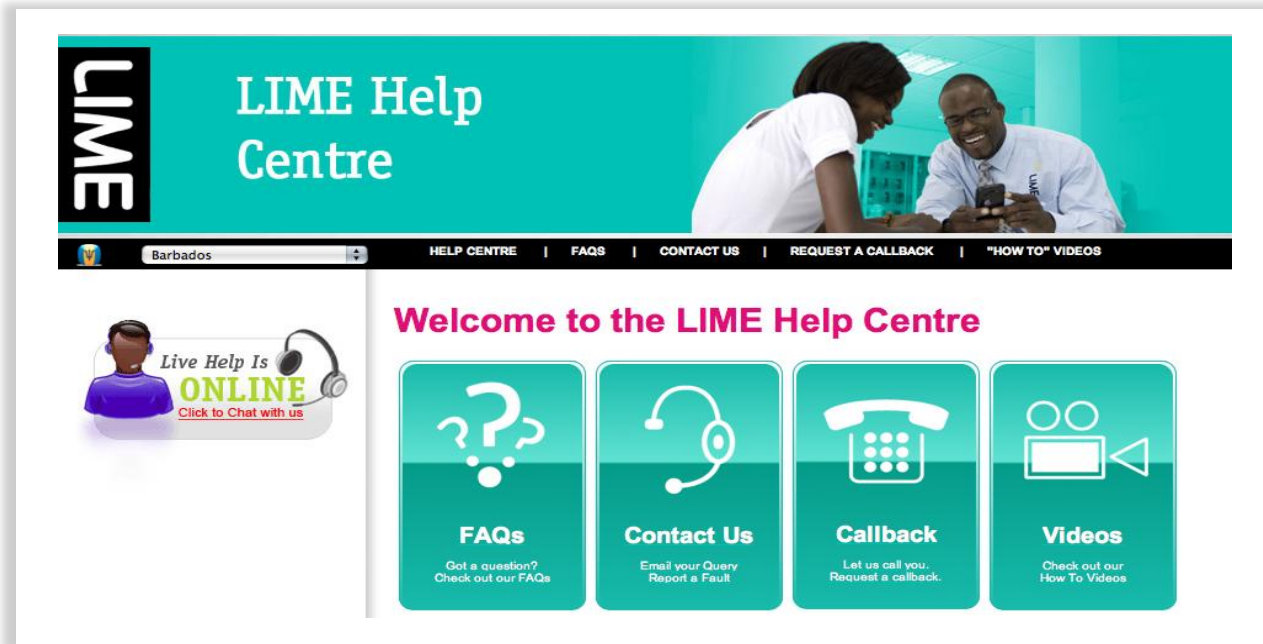
This year we can tell you that we are well on track...

LIME has the better in store customer experience...



- LIME has higher customer in-store customer satisfaction ranking in 10 of the 13 regions surveyed
- Customer satisfaction ranking for LIME were higher in the following areas:
 - Greeting and engagement
 - Products: display & availability
 - Understanding customers' needs

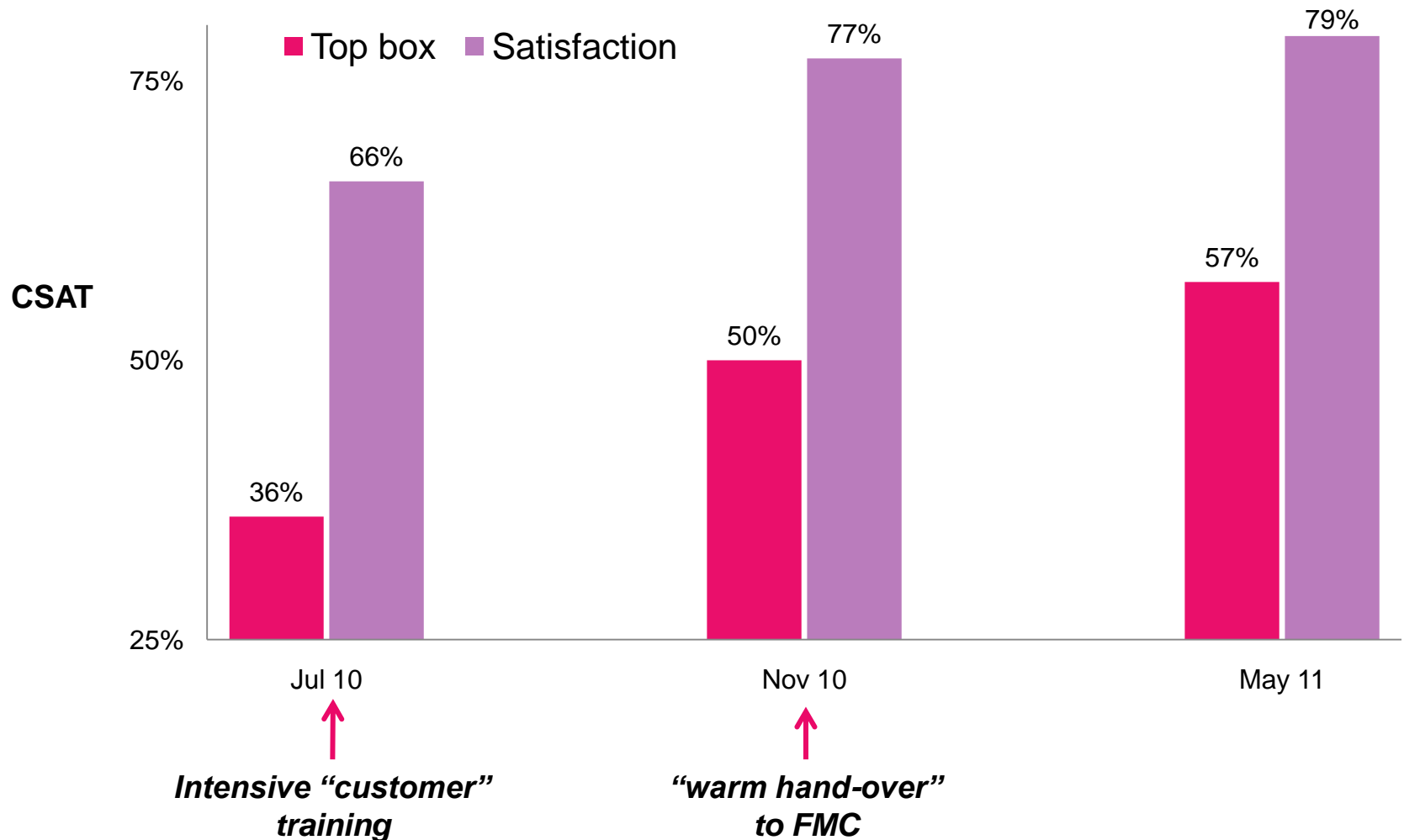
LIME also has the best online functionality...



- Full visibility & customer history
- On-line contact increased 7 fold during first 3 month trial
- Expect to achieve 5% call reduction
- Integration with Social Media



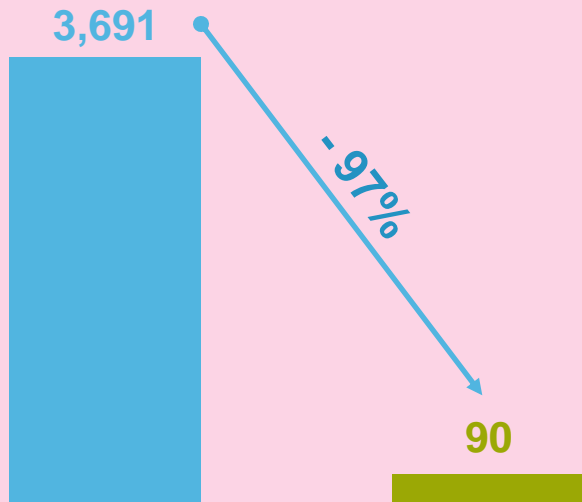
The Contact Centre performance has improved significantly



Network & system performance is increasingly stable...

Impact of investments in batteries on Network Power Outages*

Minutes of service outage



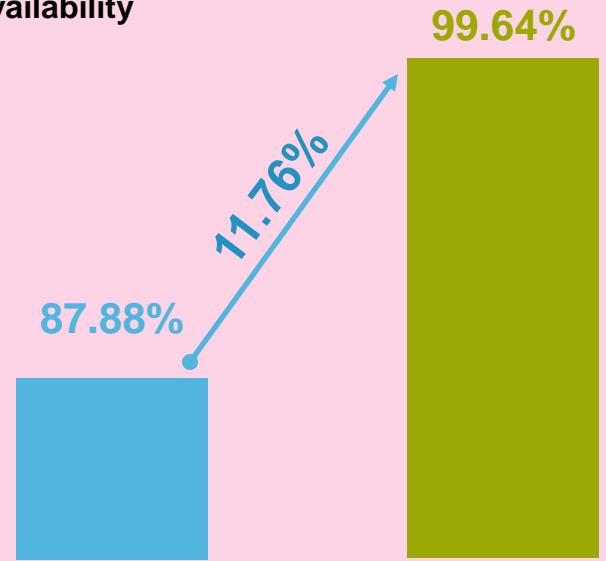
6 Months before investment

6 Months after investments

* Jamaica business unit

Customer Information System Improvement

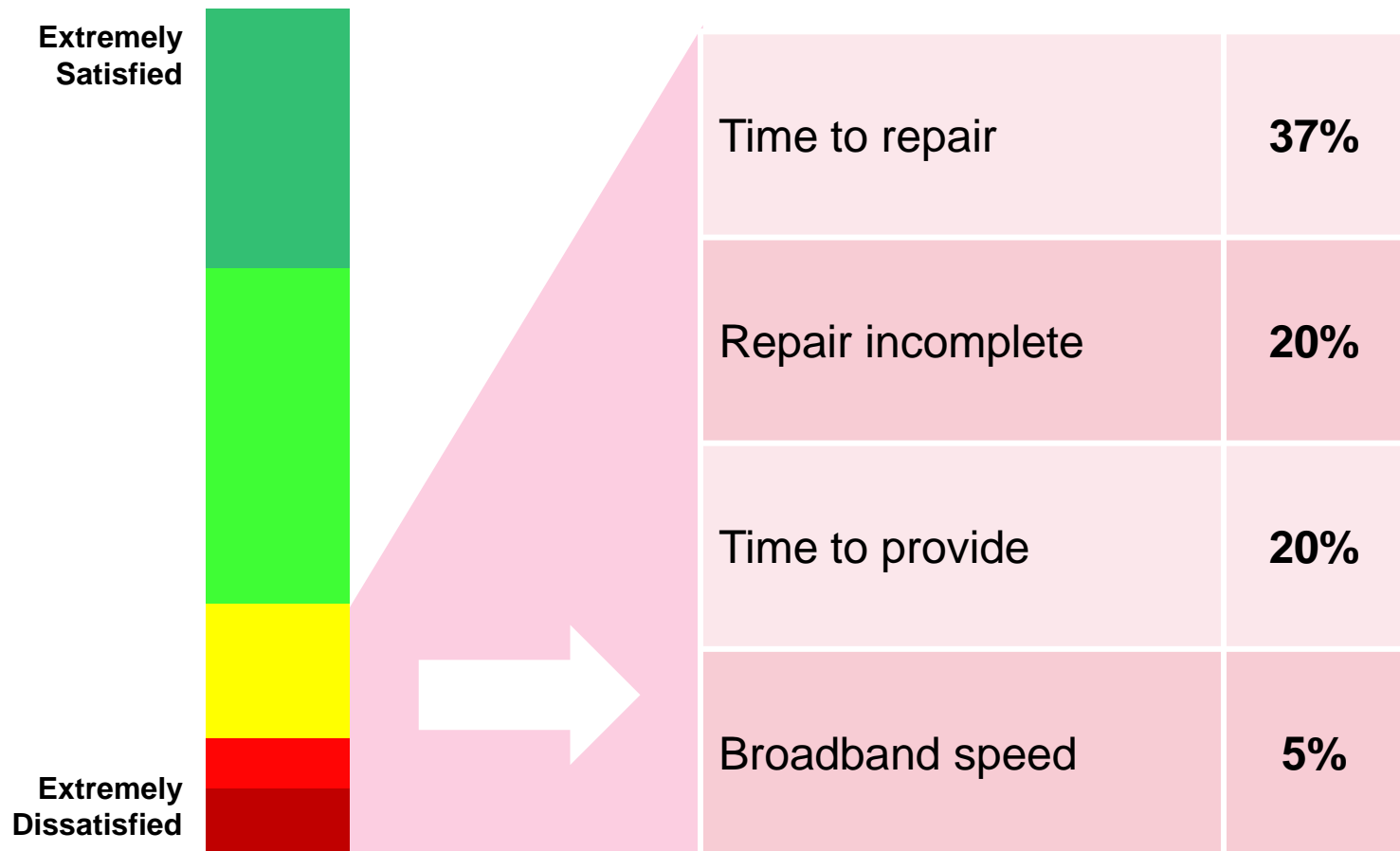
% Availability



Pre Hit Squad

Post Hit Squad

The key remaining service issue to resolve resides with fault resolution...



...addressed via Work Force Management improvements

LIME



Walk in Eleanor's shoes.

"A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption of our work. He is the purpose of it. He is not an outsider in our business. He is a part of it. We are not doing a favor by serving him. He is doing us a favor by giving us an opportunity to do so." Mahatma Gandhi.



Blog

Eleanor tells us how we're doing.



Funnies

Viral videos and comics.



Leaderboard

Check out which BU's have bragging rights!

RECENTLY WRITTEN

- ❖ Jamaica Provide and Repair
- ❖ A little too old for you...
- ❖ Cinderella and her Fairy Godmother
- ❖ Sherwin Penn & Leonardo Robinson
- ❖ Live the Brand



YOUR TWEETS

I found out that

LIME's operational capability will enable future success

Costs well managed

Reliable delivery

Data capable networks

Leading service

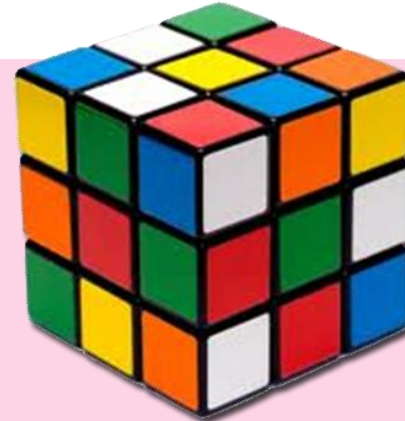
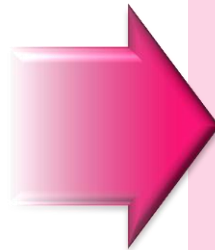
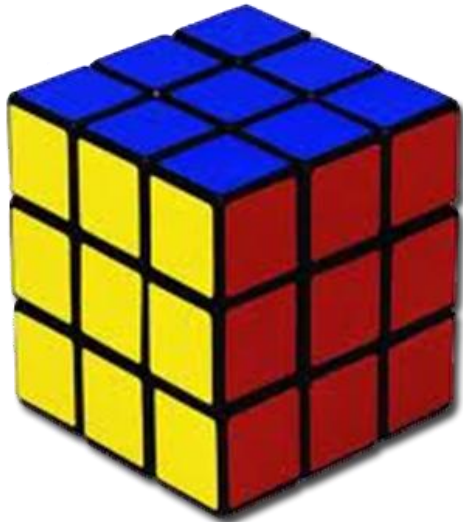
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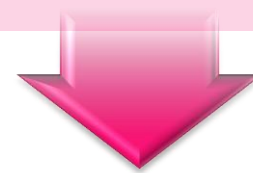


Our Go to Market strategy revolves around Segmentation and Differentiation

Geographic



- CUG for Taxi Drivers / Nurses etc.
- Hotel industry package: VoD, WiFi, tourist mobile SIM
- Wholesale propositions



Pricing plans
Service plans

Vertical

- Industry
- Device
- etc

Horizontal

- Government
- SME
- Residential
- etc

Consumer: build a differentiated retail experience

The region's leading retailer

Experience oriented stores

Broadest physical Distribution: flagships, franchisees, top-up

Cross & up Selling at each Point of contact

Street teams

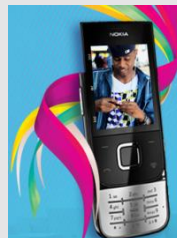
Supported by the region's most loved brand

Community work

Service

Support for our customers

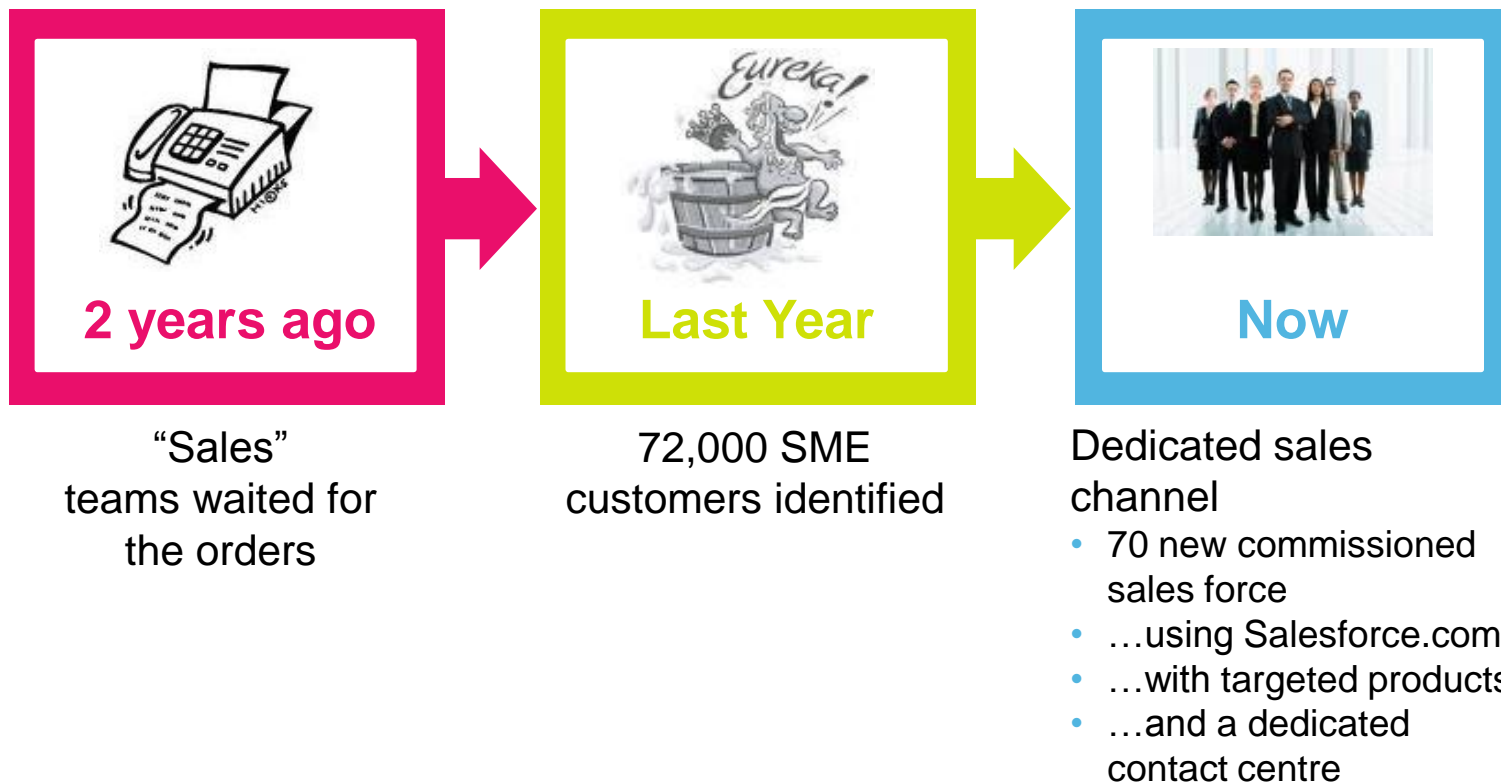
Offering differentiated products and features



Appy Hour



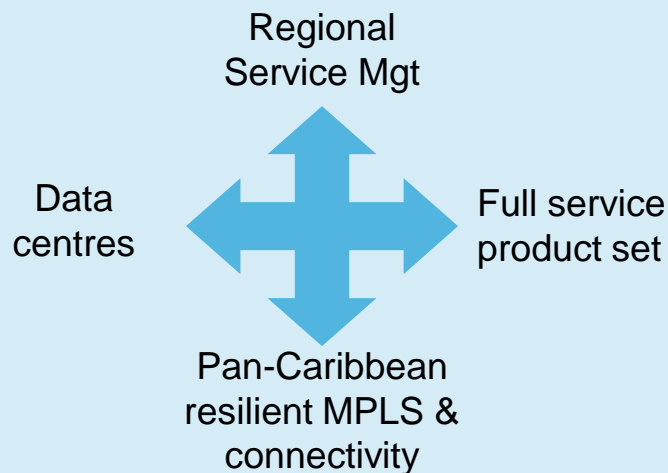
Local Business: attack with a new sales focus



All bar one of our business units have delivered new sales growth

Pan-regional business/enterprise: capitalise on our unique capability

LIME is still the only provider able to deliver a full service across the Caribbean



**35 pan-Caribbean “enterprises”
+ c.70 regional businesses**

**LIME provides services to 100% of
these businesses**

Our opportunity is to provide more integrated & managed services

*Increasing
pressure to
cut costs...*

*...at same time as
facing a technology
refresh wave...*

*...requiring new
skills and 3rd party
relationships...*

*...provides LIME
with an opportunity
to grow*

Government: there is a common vision that LIME can promote



With some early examples of success:
e.g. in Barbados, Jamaica, Dominica

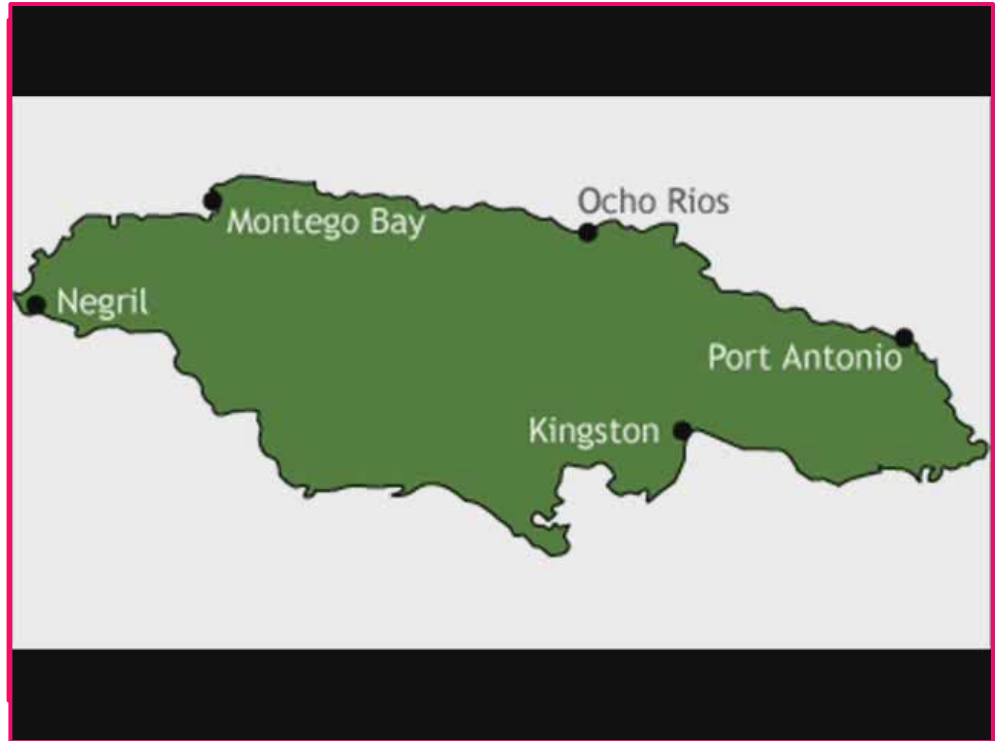
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(Chris Dehring)
6. Bahamas



This is Jamaica

- Highly competitive market particularly in prepaid mobile space
- Outspent 10 to 1 in marketing by Digicel/Claro combined
- Challenging regulatory environment
- US\$800m telecoms market & LIME the only full service telecoms provider



There are 4 elements to the “Win back Jamaica” plan

Marketing

Refreshing the brand,
new propositions & distribution

Regulatory

Leveling the regulatory playfield

Investment

Network coverage parity and data

Leadership

New management, intuitive, relationships



Smart marketing & propositions

Overlord:

- Geographic segmentation to complement BAU marketing
- Portmore (“Normandy”): 300k pop., densely populated, per capita income US\$15-20k
- Workforce of Kingston



- Concentration of events, branding and community activities
- Attack with full suite of services
- Door-to-door sales team
- Expansion of distribution network
- CUGs and community specific propositions

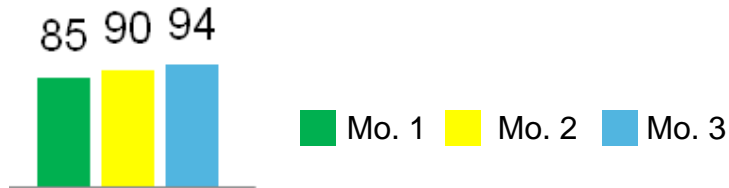
Mobile TV

- “Sexy” new product that heralds a new brand
- Unique & appealing value proposition
- Demonstrative mobile “data” play

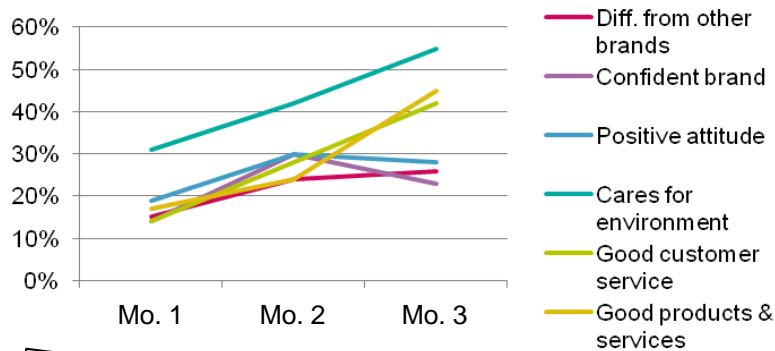


Smart marketing & propositions

LIME – Total Brand Awareness



LIME – Mobile perception



Thousands watch Buju on LIME mobile TV

THOUSANDS of Jamaicans huddled around their LIME Mobile TV phones on Sunday night to witness the broadcast of the Buju Banton and Friends Before the Dawn Concert broadcast live from Miami.

"Just as we predicted, it was a one-in-a-lifetime event on all levels. Not only was it an amazing concert but it was also a spiritual experience for everyone who watched it," said LIME special projects manager Stephen Price.

"Thanks to LIME Mobile TV many of us were able to stay at home and still enjoy the concert and we definitely felt connected with all the fans who were there in Miami to see Buju make his much-anticipated return to the stage."

The concert which also featured appearances by top local and international acts was one of two major live and digital quality on LIME Mobile TV. On Saturday, LIME showed the classic roots reggae showcase, Rebel

announced a mega-sale event, where persons could trade in phones from other networks in exchange for high-end mobile television-enabled phones. The sale caused long lines at LIME outlets across Kingston and St. Catherine where the special was being offered. Price described the promotion as a major success and the customer response was so overwhelming that the company ran out of handsets before the end of the second day of the sale.

"This is just the first of many more exciting offers from LIME," promised Price. "The recent strides we have made with breakthrough technology like Mobile TV are symbolic of the 'E' for moving firmly into the realm of content provision."

In November 2010, LIME launched the Caribbean's first mobile television service in Jamaica which offers

Observer
ON SATURDAY
Vol 19 No 53
SATURDAY, JANUARY 15, 2011
www.jamaicaobserver.com
\$15 40¢ INCLUDED

Under the Dryer
HAPPY HAIR AT THE RITZ

Buju triggers LIME crush
Hundreds flock firm's stores for mobile TV phones

BY KIMMO MATTHEWS
Observer staff reporter
matthewk@jamaicaobserver.com

THE offer of a free high-end mobile TV phone on which owners can watch embattled reggae star Buju Banton's highly anticipated Florida concert live pulled hundreds of people to LIME stores in Kingston yesterday.

The rush, which started from before the stores were opened, eventually resulted in the telecom provider suspending the offer, which it clearly filed the Buju Banton special at mid-afternoon, leaving large numbers of people disappointed.

"It was a really successful promotion," said LIME's Regional Special Projects Manager Stephen Price. "It was overwhelming, really. We did not expect to get to this point. We thought that we had enough phones to last as the customers really came out in their numbers — we are now out of stock and we have to suspend the offer."

Price apologized to customers who were not able to take advantage of the promotion, but explained that the trade-in offer was available when stocks lasted.

"It was a two-day trade-in promotion given customers the opportunity to exchange mobile phones from other networks for a ZTE N950 phone along with the purchase of \$200 credit."

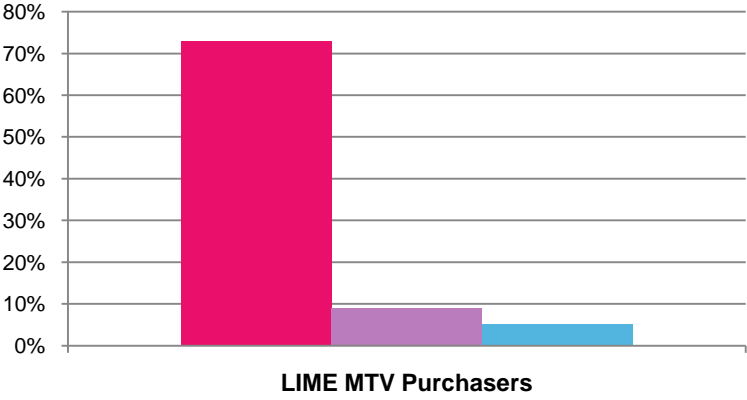
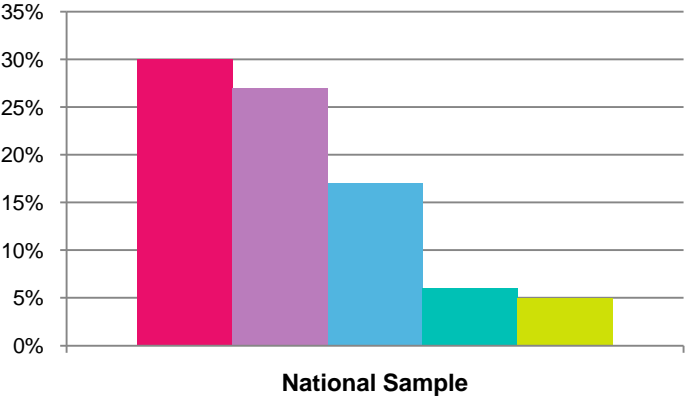
In addition to the offer, LIME is providing exclusive live coverage of Banton's Before the Dawn concert as well as the popular Buju Banton showcase at the Reggae at Pegasus Sports Complex, University of the West Indies. Owners of the mobile TV phones will be able to watch both concerts, the company said.

LIME had last month launched its mobile TV phone service and recently saw the Buju Banton concert as a great plug for the product, given the overwhelming public response to the show on live

Back to LIME on Page 4

New propositions can have an impact

What's the most exciting thing to happen to mobile phones in Jamaica?



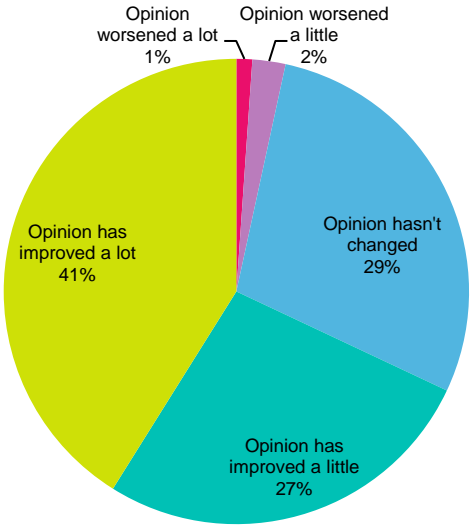
NOTE:

- Mobile TV available in Kingston & St. Catherine only
- 65% of the national sample were aware of the LIME MTV product
- 54% of the national sample were aware of the Buju promotion.

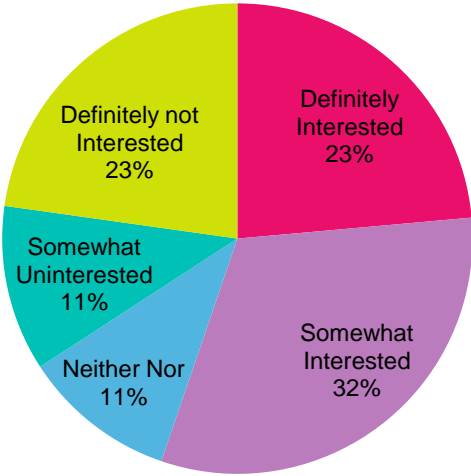
■ Digicel Jus Buss ■ LIME MTV ■ Claro Clarorific ■ 4G ■ Facebook

■ LIME MTV ■ Internet ■ Video Calling

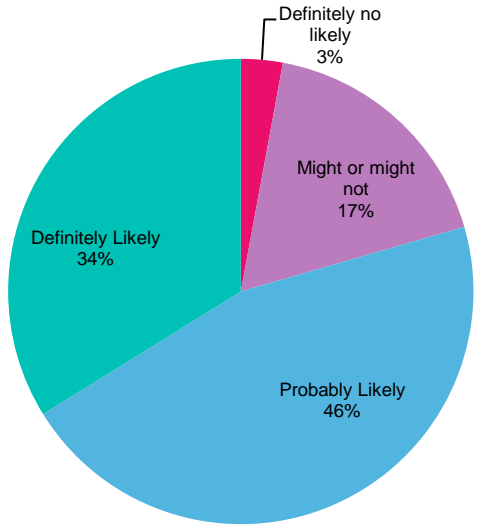
Mobile TV impact on LIME brand



Interest in mobile TV



Intend to purchase mobile TV



Jamaica regulatory update

Leveling the playfield...

| Regulatory Focus | Details |
|-----------------------------------|--|
| Fixed to Mobile Termination Rates | <ul style="list-style-type: none"> • Dominant competitor sets our retail price & termination price for calls to their network • Termination charges on a per minute basis as opposed to per second |
| One Mobile Termination Rate | <ul style="list-style-type: none"> • Dominant competitor has set a high termination rate |
| Mobile Cross-Net Charges | <ul style="list-style-type: none"> • Dominant competitor charges excessive cross-net rates |
| Retail / Wholesale Pricing | <ul style="list-style-type: none"> • Dominant competitor on-net retail rates below MTR to other carriers |
| Mobile Number Portability | <ul style="list-style-type: none"> • Dominant competitor resistant |

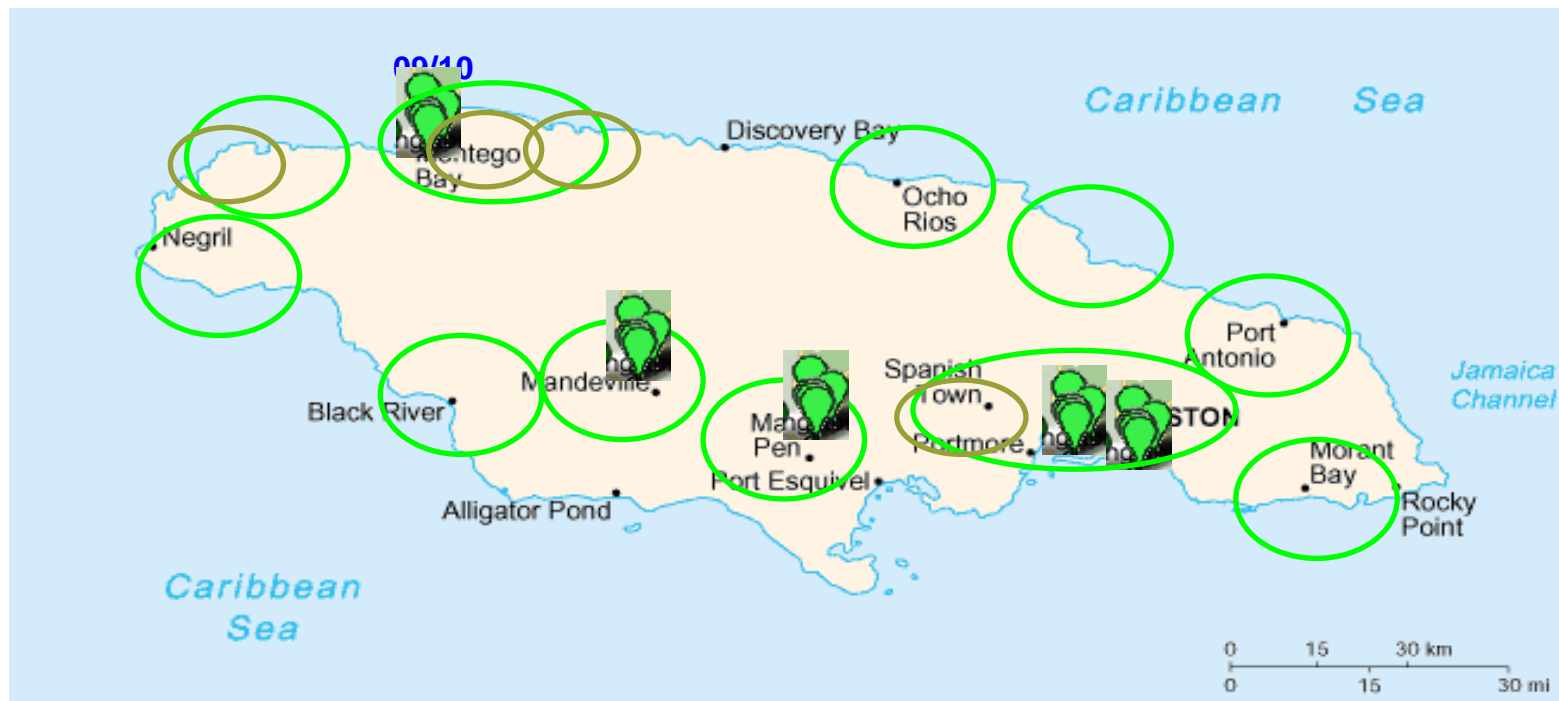
Jamaica network investment update

Improved mobile coverage

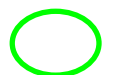
| Phase | Details |
|---------|---|
| Phase 1 | Claro site-share agreement/last year |
| Phase 2 | Build 70 new sites (co-location) \$35m capex to deliver: <ul style="list-style-type: none">• Mobile 3G<ul style="list-style-type: none">• Portmore• Spanish Town• North Coast• Main route to Kingston |

Jamaica network investment update

Broadband expansion...



Flow



MSAN



GPON

Expand Overlord outside of Portmore

Pay TV

- IPTV launch Christmas 2011 in Jamaica & Barbados
- Very competitive on price and quality
- Optimal mix of international & local channels
- Reduce churn on fixed line and broadband
- Complete the 4 pronged pace attack: L-I-M-E
- 3 screen strategy



“Win back Jamaica” plan

Marketing

Refreshing the brand,
new propositions & distribution

Regulatory

Leveling the regulatory playfield

Investment

Network coverage parity and data

Leadership

New management, intuitive, relationships



Contents

1. Strategy & One Caribbean
2. Financials
3. Network for the Future
4. Products and Services
5. Jamaica Turnaround
6. Bahamas (David Shaw)



The BTC provides an opportunity for LIME to expand to a major market in CARICOM and one of the most stable economies in the region...

Transaction complete

- \$210m for 51%
- 3+ years before mobile market liberalised
- Completion on 6 April 2011

Economy

- Population 345k
- GDP / capita \$22k

Market

- Mobile – sole provider to 2014
- Fixed – competition from Cable Bahamas

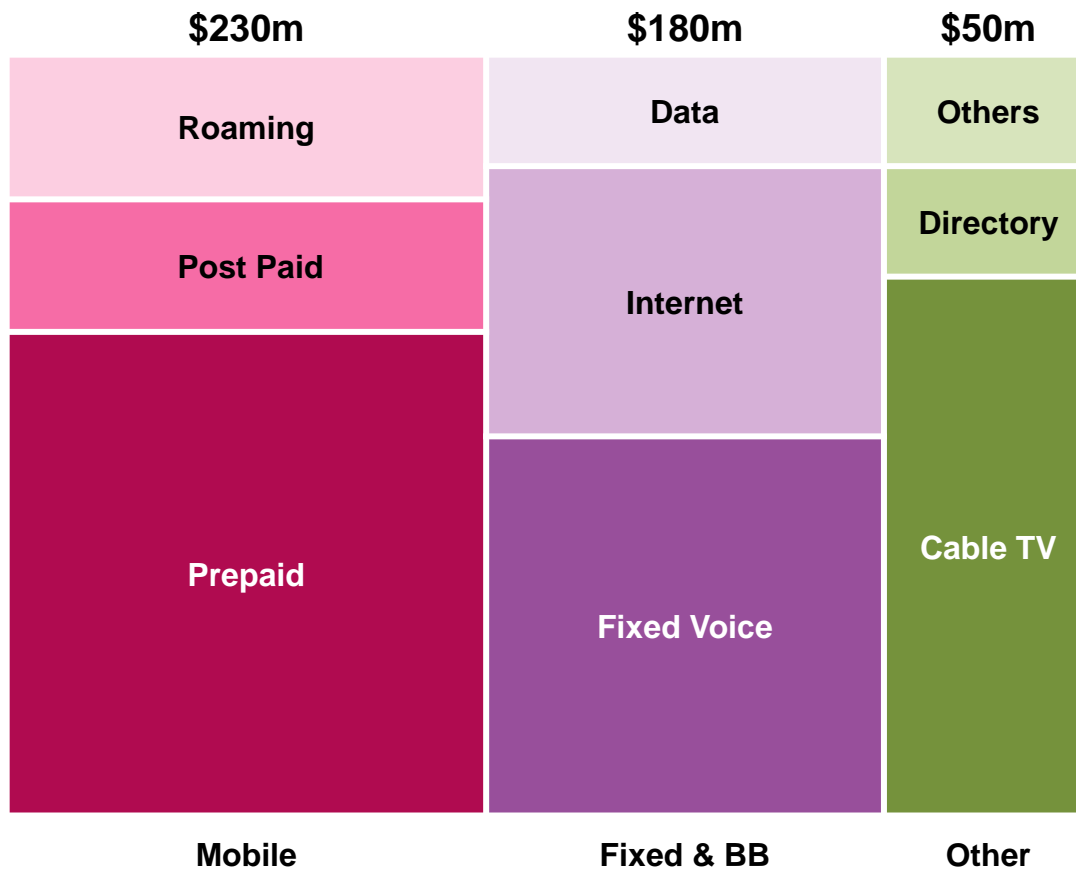
12 months ended
December 2010¹

| | |
|--------------------------|---------------|
| Revenue | \$343m |
| Mobile | 67% of total |
| Fixed | 22% of total |
| Broadband | 7% of total |
| Other | 4% of total |
| Gross margin % | 81% |
| Opex % of revenue | 58% |
| EBITDA | \$79m |
| % of revenue | 23% |

¹Unaudited figures

²IMF 2010 estimates

Telecom market in Bahamas contributes approx 6% of GDP and grew last fiscal at annualized 3% rate...

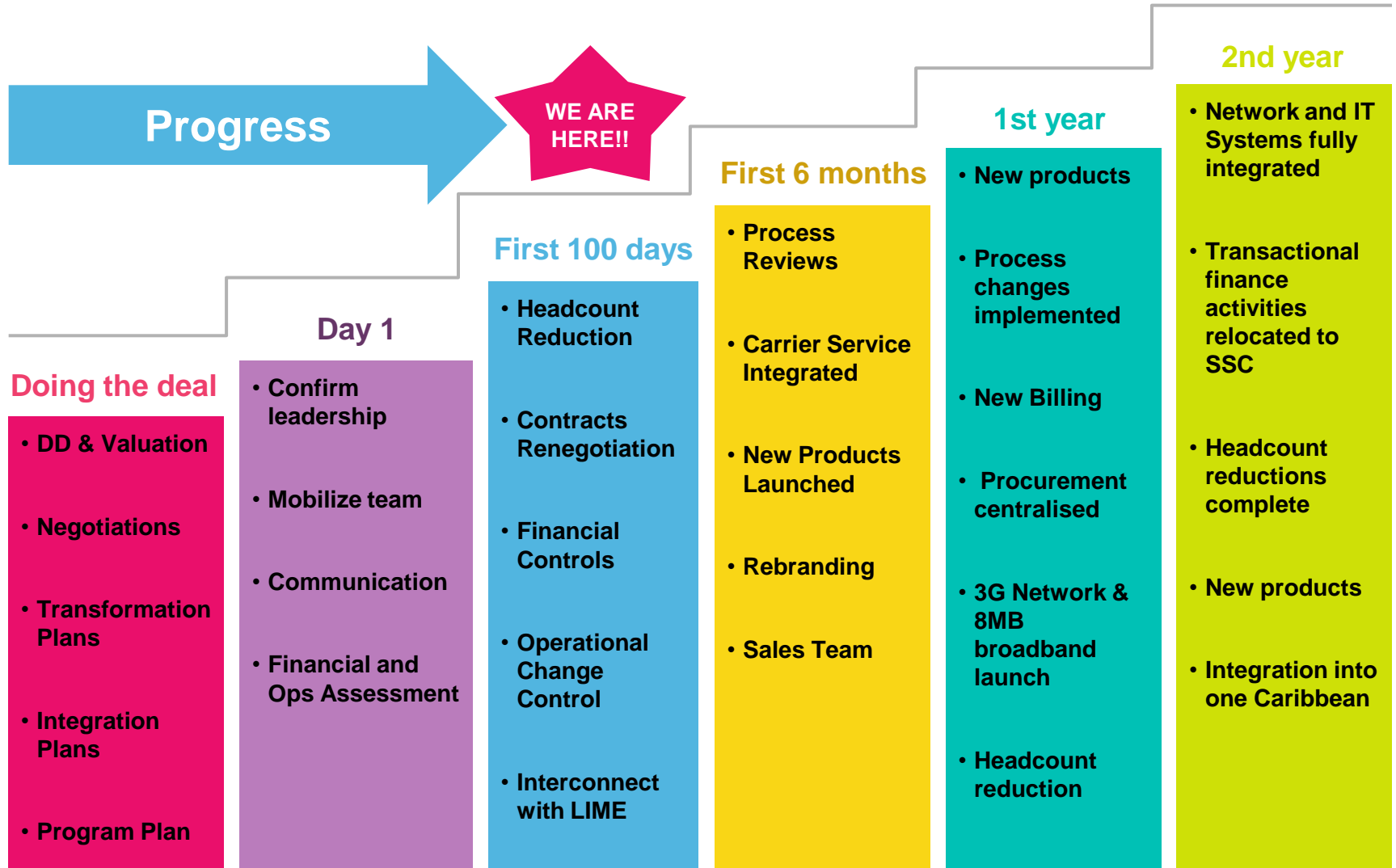


Telecom Market Overview

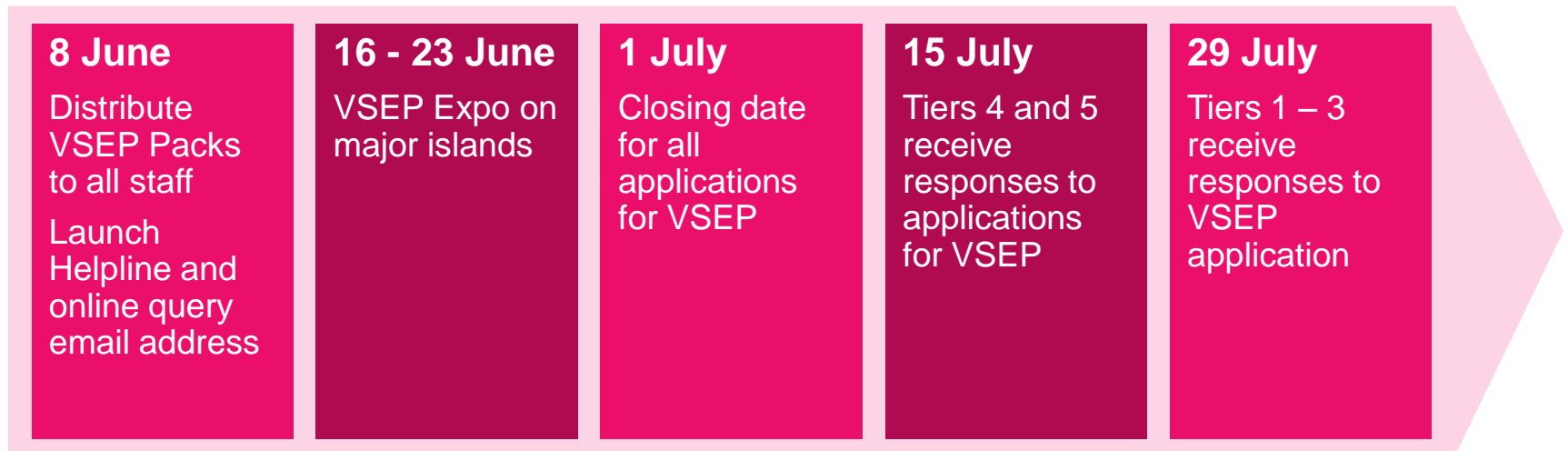
- Market Size \$460m
- Growth 3% (2010)
- Penetration:
 - Mobile 110% Pop
 - Fixed 140% HH
 - Broadband 70% HH
 - Cable 50% HH

We have made good progress on our integration plans...

Transformation & integration plans to be delivered in 18-24 months

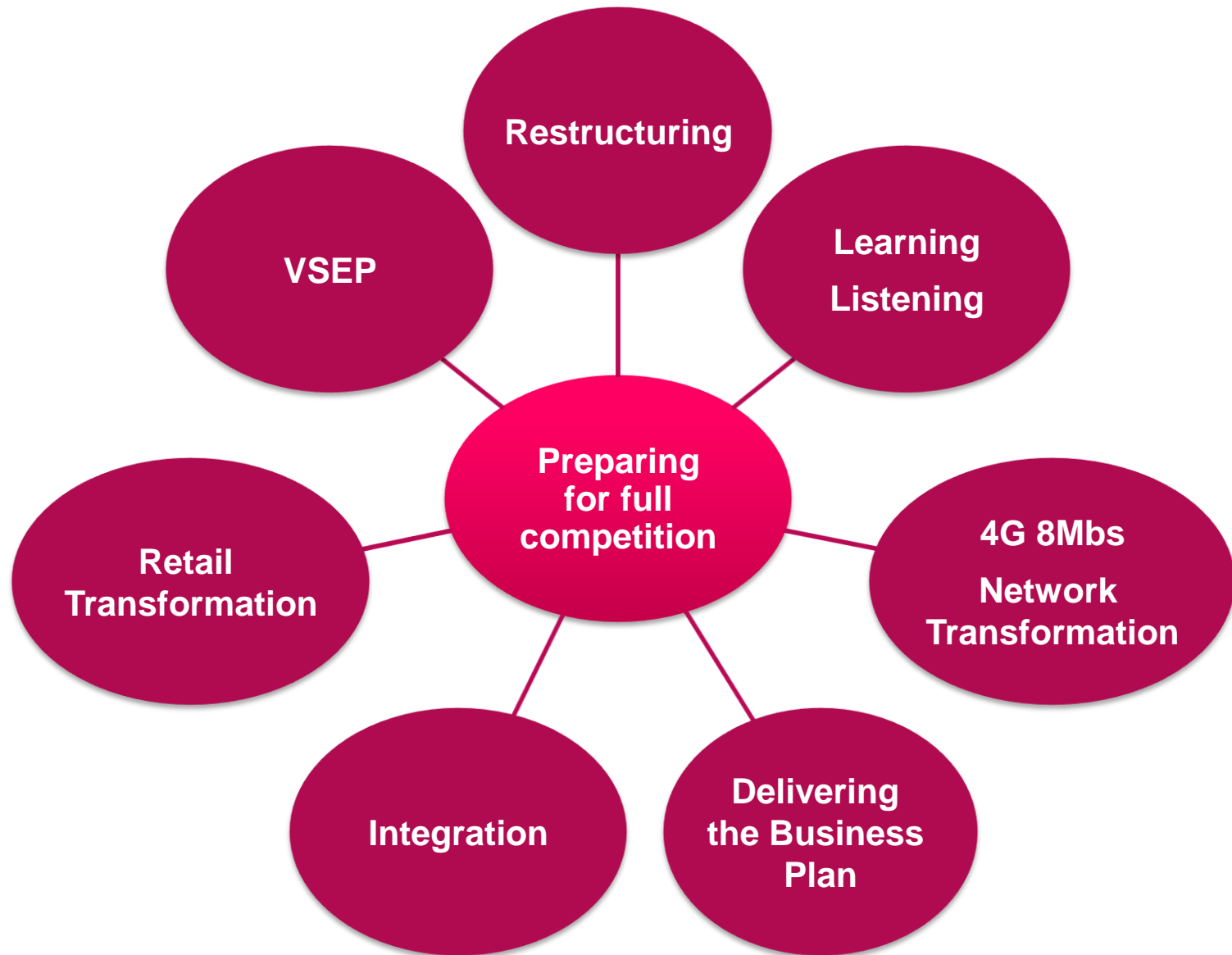


VSEP is going to plan, with no adverse reputational impact

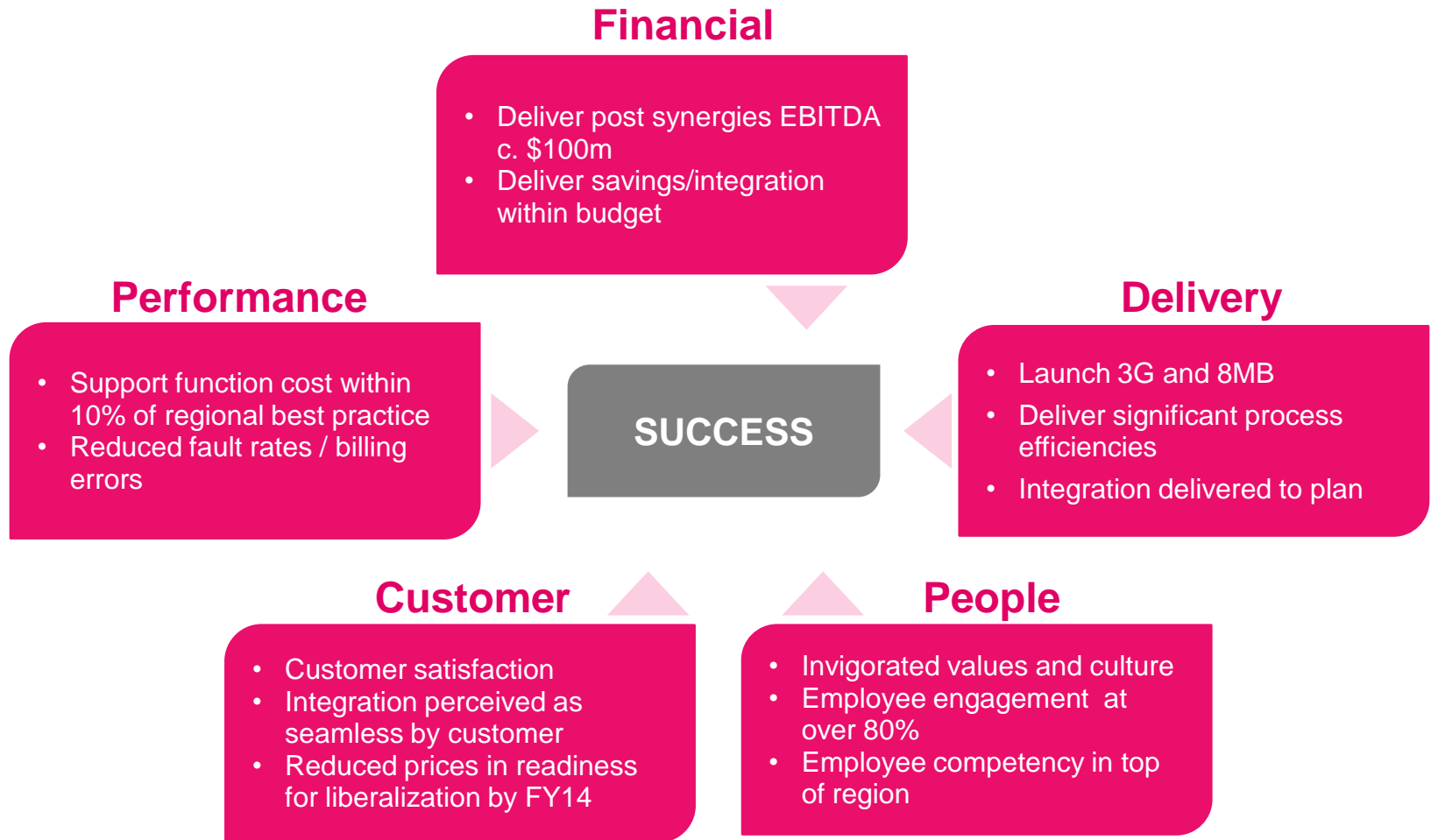


VSEP is on track to be executed on target and within budget, with no adverse reputational impact

We are happy to report progress across the entire organization...



And we continuously measure and monitor our successes...



LIME



Summary

1

One Caribbean

2

Network for the Future

3

Products and Services Differentiation

4

Jamaica Turnaround

5

Geographic Expansion

Cable & Wireless Communications Plc

Caribbean Investor Briefing
1 July 2011

LIME

