ANNOUNCEMENT
22 MAY 2013

CABLE & WIRELESS COMMUNICATIONS PLC
RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Good performance in transformational year

Key Highlights

- Total Group EBITDA of US$905 million – ahead of prior year and outlook
- Continuing Group EBITDA of US$589 million – Panama up 8% in H2 versus H1
- Underlying equity free cash flow up 11%, restated net debt down in H2 to US$1,508 million
- Group strategy progressed significantly through agreed disposals
- Paved way for unified business structure
- Target US$100 million cost reduction and improved Caribbean EBITDA margin
- Recommended final dividend per share of US2.67 cents, full year dividend per share of US4 cents

US$m	*Full year ended 31 March 2013*	*Change*[1]
Including discontinued operations[2]		
Revenue	2,887	2%
EBITDA	905	1%
Net income	178	nm
Adjusted earnings per share	6.6c	2%
Continuing operations		
Revenue	1,942	(3)%
EBITDA	589	1%

[1] Movements in revenue and EBITDA stated at constant currency
[2] Discontinued operations include Macau, the Maldives, the Seychelles, the Channel Islands and Isle of Man, South Atlantic and Diego Garcia
Note: EBITDA and adjusted earnings per share are defined in the footnotes on the following pages, a reconciliation of EBITDA and reconciliation of adjusted earnings per share is provided on pages 23 and 24 respectively

Commenting on the Group results, Tony Rice, Chief Executive of Cable & Wireless Communications Plc, said:

"2012/13 has been a milestone year for Cable & Wireless Communications. The agreements to sell our Monaco & Islands and Macau businesses have reshaped the Group and we have achieved the goal of structural coherence that we set ourselves at the demerger of Cable & Wireless in 2010. The Group is now focused on a single region with low penetration for data services and strong growth potential where we have scale and market leadership. This focus will create a more unified, effective and cost-efficient Group. It will enable us to transform how we operate our businesses as we create an organisation structure and operating model that addresses the demands of a data driven market and can be scaled for growth. We have set a new target to drive US$100 million of savings, 13% of our existing operating expenditure, which will improve margins and cash flow, particularly in our Caribbean business.

"In what was a dynamic and busy year I am pleased with our financial performance. EBITDA finished slightly ahead of expectations, mobile data revenue continued to grow across the Group, benefitting from the investments we made in our networks in 2011/12, and our cash generation saw double digit growth year on year. We begin the 2013/14 year with a strong foundation and a clear direction."

Cable & Wireless Communications Plc
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Outlook

We are focused on both organic and inorganic opportunities to drive growth in EBITDA and cash generation. For continuing operations we expect:

- 2013/14 Group EBITDA to be similar to 2012/13
- US$100 million cost reduction across the Group achieved on a run rate basis within two years
    - Anticipated cash cost to deliver between US$150-200 million
- Caribbean medium term EBITDA margin target of greater than 30%; region with highest proportionate ownership
- Targeted investment in high speed networks leading to capital expenditure of approximately US$300 million in 2013/14
- Dividend for 2013/14 of US4 cents a sustainable level capable of progressive growth

Analysis of Group results

During the period, Cable & Wireless Communications announced that it entered into two significant disposal agreements. As a result, the businesses in the Maldives, the Channel Islands and Isle of Man, the Seychelles, South Atlantic, Diego Garcia and Macau have been treated as discontinued operations within the Group's reported results.

US$m	*Full year ended 31 March 2013*	*Full year ended 31 March 2012*	*% change*
Revenue	**1,942**	**2,032**	**(4)%**
Gross margin	1,387	1,440	(4)%
Operating costs	(798)	(850)	6%
EBITDA[1]	**589**	**590**	**0%**
Depreciation and amortisation	(275)	(277)	1%
Net other operating income/(expense)	4	(11)	nm
Joint ventures and associates	10	26	(62)%
Total operating profit before exceptional items	**328**	**328**	**0%**
Exceptional restructuring expense	(50)	(66)	24%
Exceptional impairment and depreciation	(86)	(244)	65%
Total operating profit	**192**	**18**	**nm**
Finance income	11	10	10%
Finance expense	(152)	(158)	4%
Other non-operating (expense)/income	(16)	13	nm
Profit/(loss) before tax	**35**	**(117)**	**nm**
Income tax	(41)	(49)	16%
Net loss from continuing operations	**(6)**	**(166)**	**96%**
Net profit from discontinued operations	184	192	(4)%
Profit for the year	**178**	**26**	**nm**
Net profit attributable to :			
Owners of the Parent Company	19	(77)	nm
Non-controlling interests	159	103	54%
Balance sheet capital expenditure[2]	(263)	(313)	16%
Operating cash flow[3]	**326**	**277**	**18%**
EPS (including discontinued operations)	0.8c	(3.1)c	
Adjusted EPS[4] (including discontinued operations)	6.6c	6.5c	
Customers in subsidiaries (000s)			
Mobile	3,390	3,774	(10)%
Broadband	366	373	(2)%
Fixed	1,111	1,142	(3)%

[1] EBITDA is defined as earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income/(expense) and exceptional items
[2] Balance sheet capital expenditure excludes transfer of cable assets from inventory
[3] Operating cash flow is defined as EBITDA less balance sheet capital expenditure
[4] Adjusted EPS is before exceptional items, gains/(losses) on disposals, amortisation of acquired intangibles and transaction costs

Cable & Wireless Communications reported revenue, EBITDA and total operating profit before exceptional items from continuing operations of US$1,942 million, US$589 million and US$328 million respectively for the year ended 31 March 2013.

Revenue from continuing operations fell by 4% to US$1,942 million. Mobile revenue for the Group was flat on the prior year as strong mobile data growth of 34%, following increased penetration and usage, was offset by declining voice revenue. Our fixed voice and enterprise, data and other revenues were adversely impacted by declining voice traffic, lower activity levels and a difficult macroeconomic environment.

Group EBITDA was in line with the prior year at US$589 million as improved performance in Monaco, following the disposal of Afinis in the first half, was offset by declines in Panama and in the Caribbean, where EBITDA also reduced despite efficiency gains.

Operating profit before exceptional items was the same as the prior period at US$328 million. During the year we took an exceptional restructuring charge of US$50 million related to efficiency initiatives including the initial steps towards the transformation of engineering operations across the Caribbean. In addition, we took an exceptional non-cash impairment charge of US$86 million in the Eastern Caribbean reflecting the more difficult economic climate we face in those markets.

Net profit for the year increased to US$178 million following lower exceptional charges. Adjusted earnings per share for the year were 2% higher than the prior year at US6.6 cents. The Board has recommended a full year dividend of US4 cents per share.

On a constant currency basis, revenue for the Group was 3% lower and EBITDA was 1% higher than the prior year.

Strategy
The agreed disposals of our Monaco & Islands and Macau businesses saw the completion of a key strategic objective set at demerger. This was to create a more structurally coherent Group which enabled both a platform for synergies as well as growth. We have established the foundation from which to grow a leading regionally focused, full service telecommunications operator centred on the growth markets of pan-America. The region has favourable demographics, GDP growth rates that are in excess of developed markets and communications markets with low levels of data penetration. We are well placed to succeed given our leading market positions, extensive networks and connectivity, good working relationships with governments and partners and strong balance sheet. We plan to grow the business within this region both organically and through acquisitions.

In terms of organic development, we have four key strategic priorities.

1. **Change operating model** – de-layering management, removing the need for a London office and establishing a new combined regional headquarters from which key operational and corporate functions will be based. Unifying our management structure will increase the speed of decision making and put us closer to our operations and customers.

2. **Improve efficiency** – to further increase the focus on cost out, building on progress made in particular in the Caribbean. We are targeting a US$100 million cost reduction across the Group achieved on a run rate basis within two years and a Caribbean EBITDA margin in excess of 30% in the medium term.

3. **Capture data opportunity** – ongoing focus on completing the transition to being a data-led telecommunications provider, capturing the growth opportunities that exist within the region.

4. **Lead in full service provision** – we will continue to invest in and leverage our position as the number one full service operator in pan-America. This will enable the capture of data growth by both extending the range of customers that can be served as well as creating synergies for data delivery through multi-play services.

Our ambition is to grow the business as the leading full service operator in pan-America, with improved margins and increased cash generation enabling greater distributions to shareholders.

Annual results presentation
Cable & Wireless Communications will hold its 2012/13 annual results presentation for analysts and institutional investors at 9:30am BST on Wednesday 22 May 2013.

The presentation will be webcast live on the Cable & Wireless Communications website www.cwc.com. An on-demand version will be available later in the day.

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REVIEW OF CWC OPERATIONS

Income statement – continuing operations

	Panama			Caribbean[1]			Monaco			Other[2]			Total		
	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %
Mobile	323	315	3%	527	531	(1)%	61	64	(5)%	-	-	-	911	910	0%
Broadband & TV	60	60	0%	120	122	(2)%	16	16	0%	-	-	-	196	198	(1)%
Fixed voice	122	136	(10)%	290	323	(10)%	25	27	(7)%	-	(3)	nm	437	483	(10)%
Enterprise, data and other	81	90	(10)%	183	196	(7)%	134	160	(16)%	-	(5)	nm	398	441	(10)%
Revenue	**586**	**601**	(2)**%**	**1,120**	**1,172**	**(4)%**	**236**	**267**	**(12)%**	**-**	**(8)**	**nm**	**1,942**	**2,032**	**(4)%**
Cost of sales	(189)	(199)	5%	(268)	(277)	3%	(97)	(120)	19%	(1)	4	nm	(555)	(592)	6%
Gross margin	**397**	**402**	**(1)%**	**852**	**895**	**(5)%**	**139**	**147**	**(5)%**	**(1)**	**(4)**	**75%**	**1,387**	**1,440**	**(4)%**
Operating costs	(158)	(146)	(8)%	(578)	(611)	5%	(64)	(88)	27%	2	(5)	nm	(798)	(850)	6%
EBITDA[3]	**239**	**256**	**(7)%**	**274**	**284**	**(4)%**	**75**	**59**	**27%**	**1**	**(9)**	nm	**589**	**590**	**0%**
Depreciation and amortisation	(85)	(71)	(20)%	(155)	(170)	9%	(27)	(28)	4%	(8)	(8)	0%	(275)	(277)	1%
Net other operating (expense)/income	-	-	-	(2)	(11)	82%	-	-	-	6	-	nm	4	(11)	nm
Operating profit before joint ventures and exceptional items	**154**	**185**	**(17)%**	**117**	**103**	**14%**	**48**	**31**	**55%**	**(1)**	**(17)**	**94%**	**318**	**302**	**5%**
Capital expenditure[4]	(85)	(125)	32%	(150)	(164)	9%	(15)	(25)	40%	(13)	1	nm	(263)	(313)	16%
Operating cash flow[5]	**154**	**131**	**18%**	**124**	**120**	**3%**	**60**	**34**	**76%**	**(12)**	**(8)**	**(50)%**	**326**	**277**	**18%**
Cash exceptional items	-	(9)	nm	(23)	(59)	61%	-	-	-	(3)	(1)	nm	(26)	(69)	62%
Net cash interest	(12)	(8)	(50)%	(2)	(3)	33%	3	3	0%	(138)	(104)	(33)%	(149)	(112)	(33)%
Cash tax	(81)	(32)	nm	(23)	(25)	8%	(1)	(4)	75%	(6)	(9)	33%	(111)	(70)	(59)%
Headcount[6]	1,466	1,494	(2)%	3,421	3,883	(12)%	316	394	(20)%	146	152	(4)%	5,349	5,923	(10)%

nm represents % change not meaningful

1 *Caribbean includes the Bahamas business in 2011/12 (acquired 6 April 2011)*

2 *Other includes management, royalty and branding fees, the costs of the corporate centre, net UK defined benefit pension charge or credit and intercompany eliminations*

3 *Earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income/(expense) and exceptional items*

4 *Balance sheet capital expenditure excludes transfer of cable assets from inventory*

5 *EBITDA less capital expenditure*

6 *Full time equivalents as at 31 March*

Panama

- Mobile revenue up 3%, strong growth in data penetration
- Data usage more than doubled following launch of high speed mobile data network
- Strong EBITDA conversion, margin greater than 40%

	Year ended 31 Mar 2013	6 months ended 31 Mar 2013	6 months ended 30 Sep 2012	**Year ended 31 Mar 2012**	6 months ended 31 Mar 2012	6 months ended 30 Sep 2011
Subscribers (000s)						
Mobile[1]	**1,842**	1,842	1,785	**2,227**	2,227	2,454
Broadband	**126**	126	127	**132**	132	140
Fixed	**376**	376	381	**389**	389	396
ARPU (US$)[2]						
Mobile	**15.7**	16.3	15.1	**13.4**	13.5	13.2
Broadband	**28.5**	28.8	28.1	**27.3**	27.4	27.2
Fixed	**26.6**	26.9	26.3	**28.8**	27.2	30.3
Revenue (US$m)	**586**	300	286	**601**	293	308
EBITDA (US$m)	**239**	124	115	**256**	129	127
Margin%	**41%**	41%	40%	**43%**	44%	41%

[1] Active subscribers are defined as those having performed a revenue-generating activity in the previous 60 days
[2] ARPU is average revenue per user per month, excluding equipment sales

Revenue at US$586 million was 2% lower than the same period last year as strong mobile growth was offset by lower fixed voice and enterprise, data and other revenues.

Mobile revenue was up 3% to US$323 million. The business maintained market leadership and data penetration of the subscriber base increased to 31%. High data usage, particularly in the prepaid segment due to the availability of short-term flexible plans, resulted in non-voice revenue growth of 47% which more than offset the decline in voice revenue. ARPU grew by 17% as postpaid subscribers were 9% higher and we retained high value prepaid customers whilst promotional activity caused the total number of prepaid subscribers to fluctuate.

Broadband & TV revenue at US$60 million was in line with the same period last year. Our focus remained on the higher ARPU broadband segment and pay TV subscribers grew by 5% on the prior year. The number of pay TV subscribers taking an additional triple-play service increased to 77%.

Fixed voice revenue declined by 10% to US$122 million as mobile competition continued to impact usage and rates.

Enterprise, data and other revenue fell by 10% as a result of delayed government programmes in Panama. During the year we were awarded a government contract to supply, install and support new systems to share documents electronically and a contract to introduce a Hospital Information System to improve administration and patient care in state funded hospitals.

Gross margin as a percentage of revenue was 1% higher than last year as growth in higher margin mobile offset reduced enterprise, data and other revenue which is typically lower margin.

Operating costs at US$158 million were 8% higher than the prior year reflecting higher network costs following the expansion of our mobile network and greater utility costs.

As a result of higher operating costs, EBITDA of US$239 million was 7% lower compared to the prior year, however we saw an increase of 8% in second half performance compared to the first half. EBITDA as a percentage of revenue was 41%.

Our proportionate ownership of Panama EBITDA for the year ended 31 March 2013 was 49%.

Caribbean

- Mobile non-voice revenue growth of 28% following investment in high speed mobile data networks
- Jamaica mobile subscriber growth of 16% year on year
- Continued strong performance in the Bahamas
- Fibre network build out commenced in Barbados and Cayman
- Cost reduction progress – headcount down 12% and Jamaica field force outsourced

	Year ended 31 Mar 2013	6 months ended 31 Mar 2013	6 months ended 30 Sep 2012	**Year ended 31 Mar 2012**	6 months ended 31 Mar 2012	6 months ended 30 Sep 2011
Subscribers (000s)						
Mobile[1]	**1,515**	1,515	1,594	**1,517**	1,517	1,505
Broadband	**223**	223	222	**225**	225	222
Fixed	**701**	701	713	**719**	719	728
ARPU (US$)[2]						
Mobile	**27.6**	27.2	28.0	**28.9**	29.1	28.7
Broadband	**42.1**	42.0	42.1	**42.3**	42.0	42.6
Fixed	**33.9**	33.0	34.9	**37.0**	35.4	38.5
Revenue (US$m)	**1,120**	567	553	**1,172**	596	576
EBITDA (US$m)	**274**	137	137	**284**	152	132
Margin%	**24%**	24%	25%	**24%**	26%	23%

[1] *Active subscribers are defined as those having performed a revenue-generating activity in the previous 60 days*
[2] *ARPU is average revenue per user per month, excluding equipment sales*

Revenue in our Caribbean business at US$1,120 million was down 4% on the prior year, consistent with the decline in the first half of the year.

Mobile revenue of US$527 million was 1% down on the prior year driven principally by lower ARPU. Subscriber numbers were broadly flat on the prior period with growth in Jamaica following regulatory changes which enabled us to improve our competitive positioning, stimulating subscriber and usage growth offset by churn in the Eastern Caribbean. We have seen sustained growth in mobile data usage following the launch of high speed networks in a number of islands during the year and plan to expand on this where commercially viable.

Broadband & TV revenue was down 2% at US$120 million. We launched LIME TV in Barbados during the year and have signed up over 3,000 subscribers to date with plans to roll out IP based TV services to a number of islands in the coming year.

Fixed voice revenue at US$290 million was 10% down compared to the prior year. Voice substitution continued across the region, although the ARPU and revenue decline this year was mainly influenced by Jamaica where regulatory changes and the introduction of a special telecommunications tax led to lower revenues.

Enterprise, data and other revenue at US$183 million was down 7% on last year due principally to a lower level of cable capacity sales in the period.

Gross margin as a percentage of revenue remained stable.

Operating costs were 5% down compared to the prior year at US$578 million. Across the Caribbean business we have embarked on targeted cost reduction programmes to improve efficiency and build a sustainable operating base. During this year our headcount has reduced by 12% to 3,421 and we have further outsourced our field force technician services in Jamaica. Much of the improvement has come from our Bahamas business which has seen a full year's benefit of the restructuring we undertook following acquisition of the company in 2011.

EBITDA for the Caribbean was US$274 million representing a 4% reduction from the prior year.

Our proportionate ownership of Caribbean EBITDA for the year ended 31 March 2013 was 72%.

Monaco

Revenue at US$236 million was 5% lower than the prior year on a constant currency basis driven primarily by a reduction in transit traffic volumes. Despite the introduction of competition, our mobile customer base grew by 9% as we launched new tariffs and focused on non-voice revenue. This more than offset declining voice revenue and resulted in overall mobile revenue growth of 3% at constant currency. Subscriber growth led to a 7% increase in broadband & TV revenue on a constant currency basis.

Gross margin at US$139 million was 2% higher than the prior year on a constant currency basis as improved mobile gross margin, driven by lower outpayments, offset lower total revenue.

Operating costs of US$64 million were 22% lower at constant currency primarily due to the disposal of Afinis in August 2012.

EBITDA at US$75 million was 39% higher than the prior year at constant currency and 27% higher on a reported basis reflecting lower operating costs.

Other

Other includes management, royalty and branding fees, the costs of the corporate centre, net UK defined benefit pension credit and intercompany eliminations. EBITDA for the year was US$1 million after adjustments to reflect the classification of the Islands and Macau businesses as discontinued operations. This was US$10 million higher than the prior year following a pension credit related to the Cable & Wireless Superannuation Fund (CWSF) and reduced costs in the corporate centre.

Joint ventures and associates

Our share of profit after tax from joint ventures was US$10 million, US$16 million lower than the same period last year primarily due to customer migration costs in TSTT following the introduction of a 4G/HSPA+ high speed mobile data network and the impact of increased competition on Roshan.

		CWC share of revenue		CWC share of profit after tax	
	Effective ownership as at 31 March 2013	**Year ended 31 March 2013**	**Year ended 31 March 2012**	**Year ended 31 March 2013**	**Year ended 31 March 2012**
	%	**US$m**	**US$m**	**US$m**	**US$m**
Trinidad & Tobago (TSTT)	*49%*	227	229	8	13
Afghanistan (Roshan)	*37%*	105	115	-	8
Solomon Telekom	*33%*	15	14	2	5
Others[1]		-	12	-	-
Total		**347**	**370**	**10**	**26**

[1]Includes results of Fintel and Telecom Vanuatu disposed of in the prior period

'000s	**Mobile subscribers[1]**		**Broadband subscribers**		**Fixed line subscribers**	
	As at 31 March 2013	**As at 31 March 2012**	**As at 31 March 2013**	**As at 31 March 2012**	**As at 31 March 2013**	**As at 31 March 2012**
Trinidad & Tobago (TSTT)	839	896	114	112	264	270
Afghanistan (Roshan)	5,601	5,968	-	-	-	-
Solomon Telekom	190	160	1	2	8	8
Total	**6,630**	**7,024**	**115**	**114**	**272**	**278**

[1]Active subscribers are defined as those having performed a revenue-generating activity in the previous 60 days

Capital expenditure

Capital expenditure was US$263 million, excluding cable assets transferred from inventory, 16% lower than last year and representing 14% of revenue. Including discontinued operations, Group capital expenditure was US$347 million and in line with guidance.

Our principal customer facing investments continued to be in 4G/HSPA+ mobile data networks supporting smartphone sales in Panama, The Bahamas, Barbados, BVI, St Lucia and Cayman, selective pay TV investments, and improvements to our fixed broadband network. These fixed broadband investments have included continuing our fibre roll outs in the Caribbean and completing the Next Generation Network in The Bahamas. We have also pursued strategic investments in transmission capacity and cable systems to support both retail and carrier sales. Finally, we continue to advance our billing and customer relationship management systems.

We have now completed our second year of investment in The Bahamas having invested around US$100 million in capital projects during that period. We continue to focus on providing an improved service to our customers and preparing for future market competition.

Pre-exceptional depreciation and amortisation
Depreciation and amortisation at US$275 million remained in line with the pre-exceptional charge in the prior year.

Other Group items

Net other operating income/(expense)
The US$4 million net other operating income received in the year comprised a foreign exchange translation gain of US$8 million related to UK pension schemes partially offset by US$4 million of hurricane related costs in the Caribbean.

Exceptional restructuring costs
Net exceptional items (excluding impairments) of US$50 million related to redundancy and restructuring programmes in the Caribbean. The prior year charge of US$66 million was primarily in respect of restructuring activities in The Bahamas and Panama.

Exceptional impairment and depreciation charges
We recognised a non-cash impairment charge of US$86 million in the year ended 31 March 2013. This was mainly due to the difficult environment in the Eastern Caribbean indicated in our Q3 results. The prior year charge consisted of a non-cash impairment and accelerated depreciation charge of US$244 million primarily due to poor financial performance in Jamaica.

Net finance expense
The US$141 million net finance expense for the Group included finance income of US$11 million (US$10 million in 2011/12) and finance expense of US$152 million (US$158 million in 2011/12). The reduction in finance expense compared to the prior period mainly reflected the absence of the non-cash Monaco put option interest partially offset by foreign exchange losses.

Other non-operating (expense)/income
The US$16 million other non-operating expense reflected the loss on the disposal of Afinis. In the prior year, the income of US$13 million was in respect of gains on disposals.

Income tax expense
The income tax charge for the continuing Group of US$41 million (US$49 million in 2011/12) was in respect of overseas taxes. This charge represented an effective tax rate of 36% pre-exceptional items. Removing the impact of non-deductible interest charged on the Group's central borrowing facilities this charge represented an effective tax rate of 24% pre-exceptional items.

We expect the Group effective tax rate in 2013/14, pre-exceptional items and excluding non-deductible interest charged on the Group's central borrowing facilities, to be around 25%.

Discontinued Operations

Revenue, EBITDA, capital expenditure and operating cash flow bridge

	2012/13 US$m **Continuing**	***2012/13*** *US$m* ***Discontinued***	**2012/13** US$m Total	**2011/12** US$m Total	% change
Revenue	1,942	*945*	2,887	2,875	0%
EBITDA	**589**	***316***	**905**	**901**	**0%**
Capital expenditure[1]	(263)	*(84)*	(347)	(409)	15%
Operating cash flow before exceptional items	**326**	***232***	**558**	**492**	**13%**

[1]*Balance sheet capital expenditure excludes transfer of cable assets from inventory*

Our Islands businesses comprising operations in the Maldives, the Seychelles, the Channel Islands and Isle of Man, South Atlantic and Diego Garcia had a good year with revenue and gross margin up 1% compared to the prior year driven by strong mobile and broadband & TV growth.

Macau achieved another record year of EBITDA performance driven by increased mobile data usage where revenue was up 43% on the prior year and higher mobile roaming revenue.

Group cash flow

	2012/13 US$m Total	2011/12 US$m Total
EBITDA[1]	**589**	**590**
Balance sheet capital expenditure[2]	(263)	(313)
Operating cash flow before exceptional items	**326**	**277**
Movement in working capital and other provisions[3]	(10)	(4)
Net investment income[4]	23	11
Underlying free cash flow	**339**	**284**
Fixed charges		
Income taxes paid[5]	(74)	(70)
Interest paid[6]	(129)	(119)
Dividends paid to non-controlling interests[7]	(106)	(93)
Underlying equity free cash flow from discontinued operations	111	125
Underlying equity free cash flow	**141**	**127**
Underlying equity free cash flow per share	*5.6c*	*5.1c*
Dividends paid to shareholders	(166)	(204)
Net cash flow before one-off items and exceptional items	**(25)**	**(77)**
Non-recurring items and exceptionals		
Cash exceptionals	(26)	(69)
Coupon for sterling unsecured bond redeemed August 2012[6]	(27)	-
Panama tax brought forward[5]	(37)	-
Share buyback	-	(70)
LTIP	-	(9)
Acquisitions and disposals[7]	(4)	(117)
Discontinued operations	(6)	(7)
Net cash flow after one-off items and exceptional items	**(125)**	**(349)**
Net proceeds from borrowings	113	299
Net cash flow	**(12)**	**(50)**

[1] *Earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income and exceptional items*

[2] *Balance sheet capital expenditure excludes transfer of cable assets from inventory*

[3] *Includes movement in capital expenditure accruals*

[4] *Includes dividends received from joint ventures of US$6 million in 2012/13 (US$4 million in 2011/12)*

[5] *Excludes US$37 million impact on timing of payments following change in Panama tax legislation*

[6] *Excludes US$27 million coupon in H1 2012/13 on sterling unsecured bond of £200 million redeemed in August 2012*

[7] *Monaco Telecom dividend paid to minority interest of US$33 million in 2012/13 (US$17 million in 2011/12) has been reallocated to dividends paid to non-controlling interests, but for IFRS purposes is included in acquisitions and disposals*

The Group generated operating cash flow before exceptional items of US$326 million for the year ended 31 March 2013, 18% higher than the prior year as capital expenditure reduced following previous heavy investments in mobile data networks within key markets. There was a net outflow in working capital and provisions whilst investment income of US$23 million included proceeds from the sale of investments, interest received on cash balances and dividends received from joint ventures.

Fixed charges

We paid US$74 million relating to underlying income tax in 2012/13, US$4 million higher than the prior year. Interest of US$129 million was paid on our external borrowings. We paid dividends to non-controlling interests of US$106 million in the period, which was US$13 million higher than the prior year due to increased distributions from Monaco prior to closing of the Islands transaction.

Underlying equity free cash flow of US$141 million, or US5.6 cents per share, was up 11% relative to the prior year driven by reduced capital expenditure. On the current dividend of US4 cents per share this represented underlying cash dividend cover of 1.4 times.

Non-recurring items and exceptionals

The net cash outflow included US$26 million for exceptional items related to redundancy and restructuring programmes in the Caribbean. We also incurred additional borrowing costs of US$27 million due to the timing of refinancing our 2012 sterling unsecured bond. A tax legislation change during 2012/13 in Panama led to the timing of payments being brought forward and as a result there were US$37 million of additional cash tax payments in the year.

Group consolidated cash and debt

	As at 31 March 2013			As at 31 March 2012		
	Subsidiaries	Central	Group	Subsidiaries	Central	Group
	US$m	US$m	US$m	US$m	US$m	US$m
Cash and cash equivalents	**137**	**15**	**152**	**265**	**47**	**312**
Sterling unsecured bonds repayable in 2012	-	-	-	-	(317)	(317)
Sterling unsecured bonds repayable in 2019	-	(224)	(224)	-	(234)	(234)
US$500 million secured bonds due 2017	-	(493)	(493)	-	(492)	(492)
US$400 million secured bonds due 2020	-	(391)	(391)	-	(390)	(390)
US$600 million Revolving Credit Facility (RCF)	-	(360)	(360)	-	-	-
Other central	-	(37)	(37)	-	-	-
Other regional debt facilities	(298)	-	(298)	(274)	-	(274)
Total debt	**(298)**	**(1,505)**	**(1,803)**	**(274)**	**(1,433)**	**(1,707)**
Total reported net (debt)	**(161)**	**(1,490)**	**(1,651)**	**(9)**	**(1,386)**	**(1,395)**
Net cash within assets held for sale						
Attributable to CWC			81			
Attributable to Minorities			62			
Restated net (debt)			**(1,508)**			
Islands disposal proceeds			680			
Macau disposal proceeds			750			
Cash within assets held for sale attributable to minorities			(62)			
Pro forma net (debt)			**(140)**			

During the year the sterling unsecured bonds repayable in August 2012 were redeemed at par using cash balances and drawings on the US$600 million revolving credit facility. The revolving credit facility has a margin of 2.50% over LIBOR and a maturity date of October 2016. As at 31 March 2013, US$360 million of this facility was drawn. Following closing of the Islands transaction on 3 April 2013, all outstanding drawings on the revolving credit facility and US$25 million of other borrowings were repaid.

Pro forma net debt as at 31 March 2013 after receipt of the disposal proceeds for the Islands (including the Seychelles) and Macau businesses was US$140 million. This figure includes an adjustment for net cash attributable to minority interests in the disposed businesses.

Pensions

As at 31 March 2013, the defined benefit section of the Cable & Wireless Superannuation Fund (CWSF) had an IAS 19 deficit of £86 million, compared to a deficit of £81 million as at 31 March 2012.

Cash contributions have been agreed with the trustees in order to eliminate the actuarial deficit, however these payments are subject to the outcome of the actuarial valuation as at March 2013. This future deficit funding constitutes a minimum funding agreement and, in accordance with accounting standards, we are required to account for this within our IAS 19 deficit. The IAS 19 deficit recorded at 31 March 2013 represents the present value of the maximum amount committed under the minimum funding agreement.

The increase in the deficit in the year is mainly due to a fall in the corporate bond rate used to discount liabilities. The AA corporate bond rate used in calculating the pension deficit was 4.5% compared with 4.9% at 31 March 2012.

The fund assets at 31 March 2013 were approximately invested 73% in the bulk annuity policy, 18% in equities, and 9% in bonds, property, swaps and cash.

There are other unfunded pension liabilities in the UK of £30 million (£26 million at 31 March 2012). The Group holds investments in gilts of £24 million to partially back the UK unfunded pension liabilities. Other schemes in Cable & Wireless Communications have a net IAS 19 surplus of US$19 million (US$30 million surplus at 31 March 2012).

Dividend

For the financial year 2012/13 the Board is recommending a final dividend of US2.67 cents per share. This represents two-thirds of our previously announced intention to pay a full year dividend of US4 cents per share.

For 2013/14 the Board has confirmed that, subject to financial and trading performance, it expects to recommend a dividend of US4 cents per share, a sustainable level capable of progressive growth.

Subject to shareholder approval, the final dividend will be paid on 9 August 2013 to ordinary shareholders on the register at the close of business on 31 May 2013.

A currency option and the dividend reinvestment plan will be offered in respect of the final dividend. The default currency for payment is sterling. Shareholders wishing to receive their dividend in US dollars or wishing to participate in the dividend reinvestment plan should make an election using CREST Input Message or return a completed Currency Mandate Form or Dividend Reinvestment Plan Mandate Form to: Equiniti Ltd, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by 12 July 2013. Copies of the mandate forms are available from Equiniti Ltd, UK callers: 0871 384 2104; overseas callers: +44 (0)121 415 7052 or from our website www.cwc.com.

The sterling dividend payment amount per share will be announced on 18 July 2013, and will be based on the prevailing sterling to US dollar exchange rate at 2:00pm BST on that date.

Post balance sheet events

Closing of Islands transaction

On 3 April 2013, CWC completed the sale of the majority of the Islands sub-group to Batelco as part of a transaction described in note 3 of the appendices and received total cash proceeds of US$601 million in respect of these disposals. This represents consideration of US$470 million for the Islands sub-group plus US$31 million of net cash in the disposed businesses attributable to CWC, together with US$100 million in respect of the 25% shareholding in Compagnie Monegasque de Communication SAM (CMC), the holding company of the Group's interest in Monaco Telecom.

In April 2013, the cash proceeds were used by the Group to repay US$360 million of the revolving credit facility and US$25 million of other borrowings.

Strategic alliance with Columbus Networks Ltd

On 13 May 2013, CWC announced it had entered into a strategic alliance with Columbus Networks Ltd to develop its international wholesale capacity business.

Update on disposals

Following receipt of the required consents and approvals the Group completed the sale of its businesses in the Maldives, the Channel Islands and Isle of Man, South Atlantic and Diego Garcia. Regulatory approval for the transfer of CWC's business in the Seychelles has not yet been obtained however we are not aware of anything that would prevent completion of this transfer.

We have had interaction with the Principality of Monaco on the required transfer consents for the remaining 75% of CMC to Batelco and the feedback has not been as positive as we expected. Whilst we continue to liaise with the Principality in relation to the transaction with Batelco, CWC and Batelco are also considering the alternative options available given the uncertainty of receiving the required approvals.

We are making good progress towards obtaining the approvals required for completion of the Macau disposal. We continue to expect the transaction to close between July and October 2013.

Appendices

Extracts from the financial statements and additional information:

Operating performance information

EXTRACTS FROM THE FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2013	**2012/13**			2011/12*		
Continuing operations	**Pre-Exceptional items US$m**	**Exceptional items US$m**	**Total US$m**	Pre-Exceptional items US$m	Exceptional items US$m	Total US$m
Revenue	**1,942**	**–**	**1,942**	2,032	–	2,032
Operating costs before depreciation and amortisation	**(1,353)**	**(50)**	**(1,403)**	(1,442)	(66)	(1,508)
Depreciation	**(221)**	**(86)**	**(307)**	(228)	(232)	(460)
Amortisation	**(54)**	**–**	**(54)**	(49)	(12)	(61)
Other operating income	**11**	**–**	**11**	2	–	2
Other operating expense	**(7)**	**–**	**(7)**	(13)	–	(13)
Group operating profit/(loss)	**318**	**(136)**	**182**	302	(310)	(8)
Share of profits of joint ventures and associates	**10**	**–**	**10**	26	–	26
Total operating profit/(loss)	**328**	**(136)**	**192**	328	(310)	18
(Loss)/gain on sale of businesses	**(16)**	**–**	**(16)**	13	–	13
Finance income	**11**	**–**	**11**	10	–	10
Finance expense	**(152)**	**–**	**(152)**	(158)	–	(158)
Profit/(loss) before income tax	**171**	**(136)**	**35**	193	(310)	(117)
Income tax (expense)/credit	**(61)**	**20**	**(41)**	(59)	10	(49)
Profit/(loss) for the year from continuing operations	**110**	**(116)**	**(6)**	134	(300)	(166)
Discontinued operations						
Profit for the year from discontinued operations	**184**	**–**	**184**	192	–	192
Profit/(loss) for the year	**294**	**(116)**	**178**	326	(300)	26
Profit/(loss) attributable to:						
Owners of the Parent Company	**127**	**(108)**	**19**	158	(235)	(77)
Non-controlling interests	**167**	**(8)**	**159**	168	(65)	103
Profit/(loss) for the year	**294**	**(116)**	**178**	326	(300)	26
Earnings/(loss) per share attributable to the owners of the Parent Company during the year (cents per share)[1]						
– basic			**0.8**			(3.1)
– diluted			**0.8**			(3.1)
Loss per share from continuing operations attributable to the owners of the Parent Company during the year (cents per share)						
– basic			**(3.4)**			(7.8)
– diluted			**(3.4)**			(7.8)
Earnings per share from discontinued operations attributable to the owners of the Parent Company during the year (cents per share)						
– basic			**4.2**			4.7
– diluted			**4.2**			4.7

**The results of Islands sub-group and Macau has been presented in discontinued operations (note 3)*
[1]Includes discontinued operations

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013	2012/13	2011/12
	US$m	US$m
Profit for the year	**178**	26
Other comprehensive (expense)/income for the year:		
Actuarial losses in the value of defined benefit retirement plans	**(38)**	(72)
Exchange differences on translation of foreign operations	**5**	(68)
Fair value gain on available-for-sale financial assets	**4**	5
Other comprehensive expense for the year	**(29)**	(135)
Income tax relating to components of other comprehensive income	**1**	2
Other comprehensive expense for the year, net of tax	**(28)**	(133)
Total comprehensive income/(expense) for the year	**150**	(107)
Total comprehensive (expense)/income attributable to:		
Owners of the Parent Company	**(10)**	(186)
Non-controlling interests	**160**	79

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2013	31 March 2013 US$m	31 March 2012 US$m
Assets		
Non-current assets		
Intangible assets	**485**	528
Property, plant and equipment	**1,367**	1,786
Investments in joint ventures and associates	**253**	253
Available-for-sale financial assets	**58**	55
Other receivables	**66**	55
Deferred tax assets	**30**	5
Retirement benefit assets	**28**	40
	2,287	2,722
Current assets		
Trade and other receivables	**484**	602
Inventories	**31**	103
Cash and cash equivalents	**152**	312
Financial assets at fair value through profit or loss	**–**	18
	667	1,035
Assets held for sale	**716**	–
	1,383	1,035
Total assets	**3,670**	3,757
Liabilities		
Current liabilities		
Trade and other payables	**622**	832
Borrowings	**86**	460
Financial liabilities at fair value	**258**	251
Provisions	**85**	61
Current tax liabilities	**142**	203
	1,193	1,807
Liabilities held for sale	**235**	–
	1,428	1,807
Net current liabilities	**(45)**	(772)
Non-current liabilities		
Trade and other payables	**27**	31
Borrowings	**1,717**	1,247
Deferred tax liabilities	**29**	30
Provisions	**32**	37
Retirement benefit obligations	**185**	189
	1,990	1,534
Net assets	**252**	416
Equity		
Capital and reserves attributable to the owners of the Parent Company		
Share capital	**133**	133
Share premium	**97**	97
Reserves	**(479)**	(307)
	(249)	(77)
Non-controlling interests	**501**	493
Total equity	**252**	416

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2013	Share capital US$m	Share premium US$m	Foreign currency translation and hedging reserve US$m	Capital and other reserves US$m	Retained earnings US$m	Total US$m	Non-controlling interests US$m	Total equity US$m
Balance at 1 April 2011	133	97	108	3,516	(3,488)	366	445	811
(Loss)/profit for the year	–	–	–	–	(77)	(77)	103	26
Net actuarial losses recognised (net of tax)	–	–	–	–	(67)	(67)	(3)	(70)
Exchange differences on translation of foreign operations	–	–	(47)	–	–	(47)	(21)	(68)
Fair value movements in available-for-sale financial assets	–	–	–	5	–	5	–	5
Total comprehensive (expense)/income for the year	–	–	(47)	5	(144)	(186)	79	(107)
Own shares purchased	–	–	–	–	(66)	(66)	–	(66)
Equity share-based payments	–	–	–	–	11	11	–	11
Dividends	–	–	–	–	(202)	(202)	–	(202)
Transfers to retained earnings	–	–	–	(200)	200	–	–	–
Total dividends and other transactions with Cable & Wireless Communications Plc shareholders	–	–	–	(200)	(57)	(257)	–	(257)
Dividends paid to non-controlling interests	–	–	–	–	–	–	(166)	(166)
Purchase of non-controlling interest	–	–	–	–	–	–	135	135
Total dividends and other transactions with non-controlling interests	–	–	–	–	–	–	(31)	(31)
Balance at 31 March 2012	133	97	61	3,321	(3,689)	(77)	493	416
Profit for the year	–	–	–	–	19	19	159	178
Net actuarial losses recognised (net of tax)	–	–	–	–	(34)	(34)	(3)	(37)
Exchange differences on translation of foreign operations	–	–	1	–	–	1	4	5
Fair value movements in available-for-sale financial assets	–	–	–	4	–	4	–	4
Total comprehensive income/(expense) for the year	**–**	**–**	**1**	**4**	**(15)**	**(10)**	**160**	**150**
Equity share-based payments	–	–	–	–	4	4	–	4
Dividends	–	–	–	–	(166)	(166)	–	(166)
Transfers to retained earnings	–	–	(30)	(4)	34	–	–	–
Total dividends and other transactions with Cable & Wireless Communications Plc shareholders	**–**	**–**	**(30)**	**(4)**	**(128)**	**(162)**	**–**	**(162)**
Dividends paid to non-controlling interests	–	–	–	–	–	–	(152)	(152)
Total dividends and other transactions with non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**(152)**	**(152)**
Balance at 31 March 2013	**133**	**97**	**32**	**3,321**	**(3,832)**	**(249)**	**501**	**252**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2013	2012/13 US$m	2011/12* US$m
Cash flows from operating activities		
Cash generated – continuing operations (page 19)	**540**	483
Cash generated – discontinued operations	**302**	332
Income taxes paid – continuing operations	**(111)**	(70)
Income taxes paid – discontinued operations	**(28)**	(20)
Net cash from operating activities	**703**	725
Cash flows from investing activities		
Finance income	**7**	7
Other income	**–**	1
Dividends received	**6**	4
Decrease in available-for-sale financial assets	**10**	–
Proceeds on disposal of property, plant and equipment	**4**	3
Purchase of property, plant and equipment	**(236)**	(231)
Purchase of intangible assets	**(16)**	(53)
Proceeds on disposal of subsidiaries and joint ventures (net of cash disposed)	**(6)**	27
Acquisition of subsidiaries (net of cash received)	**(33)**	(165)
Net cash used in continuing operations	**(264)**	(407)
Discontinued operations	**(85)**	(102)
Net cash used in investing activities	**(349)**	(509)
Net cash flow before financing activities	**354**	216
Cash flows from financing activities		
Dividends paid to the owners of the Parent Company	**(166)**	(204)
Dividends paid to non-controlling interests	**(73)**	(76)
Repayments of borrowings	**(760)**	(583)
Finance costs	**(156)**	(119)
Proceeds from borrowings	**882**	895
Purchase of own shares	**–**	(70)
Net cash used in continuing operations	**(273)**	(157)
Discontinued operations	**(93)**	(109)
Net cash used in financing activities	**(366)**	(266)

Net decrease in cash and cash equivalents – continuing operations	**(108)**	(151)
Net decrease in cash and cash equivalents – discontinued operations	**96**	101
Cash and cash equivalents at 1 April	**312**	379
Exchange losses on cash and cash equivalents	**(3)**	(17)
Cash and cash equivalents at 31 March	**297**	312

**The results of Islands sub-group and Macau has been presented in discontinued operations (note 3)*

Consolidated statement of cash flows
for the year ended 31 March 2013

The reconciliation of loss for the year to net cash generated was as follows:

Continuing operations	**2012/13 US$m**	2011/12* US$m
Loss for the year	**(6)**	(166)
Adjustments for:		
Tax expense	**41**	49
Depreciation	**221**	228
Amortisation	**54**	49
Impairment and accelerated depreciation	**86**	244
Loss/(gain) on sale of businesses	**16**	(13)
Loss on disposal of property, plant and equipment	**–**	1
Finance income	**(11)**	(10)
Finance expense	**152**	158
Other income and expenses	**(10)**	6
Increase/(decrease) in provisions	**21**	(1)
Employee benefits	**(5)**	(1)
Defined benefit pension scheme other contributions	**(7)**	(7)
Share of post-tax results of joint ventures and associates	**(10)**	(26)
Operating cash flows before working capital changes	**542**	511
Changes in working capital (excluding effects of acquisition and disposal of subsidiaries)		
Decrease/(increase) in inventories	**2**	(12)
Decrease in trade and other receivables	**16**	18
Decrease in payables	**(20)**	(34)
Cash generated from continuing operations	**540**	483

**The results of Islands group and Macau has been presented in discontinued operations (note 3)*

ADDITIONAL INFORMATION

1 Significant accounting policies and principles

Whilst the financial information included in this announcement has been prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS), this announcement does not itself contain sufficient information to comply with IFRS. The Group's 2012/13 Annual Report and Accounts are prepared in compliance with IFRS.

The accounting policies applied by the Group in this announcement are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 March 2013.

The financial information in this announcement represents non-statutory accounts within the meaning of Section 435 of the Companies Act 2006. The auditors have reported on the statutory accounts for the year ended 31 March 2013. Their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. These accounts will be sent to the Registrar of Companies following the Company's Annual General Meeting. A separate dissemination announcement in accordance with the Disclosure and Transparency Rules (DTR) 6.3 will be made when the annual report and audited financial statements are available on the Group's website.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2 Shares outstanding at year end and weighted average number of shares

	At 31 March 2013 ’000	At 31 March 2012 ’000
Number of shares in issue	**2,665,612**	2,665,612
Shares held in treasury	**(137,489)**	(137,489)
Shares held by employee share ownership trust	**(31,818)**	(36,199)
Number of shares outstanding	**2,496,305**	2,491,924
Weighted average number of shares outstanding during the year used for the EPS calculation	**2,493,814**	2,505,712

3 Discontinued operations

Year ended 31 March 2013

i) Monaco & Islands

At a General Meeting on 9 January 2013, shareholders of the Group approved the sale of the Monaco & Islands operating segment to Batelco International Group Holding Limited (“Batelco”). The significant aspects of this transaction are described below:

- We entered into an agreement to sell the Islands sub-group, (including the Group's interests in operations in the Maldives, the Channel Islands and Isle of Man, South Atlantic, Diego Garcia and the Seychelles), for US$580 million on a cash and debt free basis. The sale of the Islands sub-group, with the exception of the Seychelles for which regulatory approval has not yet been obtained, was completed post year end on 3 April 2013;
- We also agreed to sell a 25% interest in Compagnie Monegasque de Communication SAM (CMC), the holding company of the Group's interests in Monaco Telecom, for US$100 million. The sale was completed on 3 April 2013;

- As part of the transaction we have an option to sell the remaining 75% of CMC shares to Batelco for US$345 million subject to regulatory approval from the Principality of Monaco; and
- On 3 April 2013 we issued Batelco with a put option over the 25% of CMC shares ("the CMC put option"). The CMC put option enables Batelco to require the Group to repurchase the 25% CMC shareholding for US$100 million in the event that the regulatory approval from the Principality of Monaco is not granted within 12 months of 3 April 2013. Batelco can exercise this put option between 18 and 19 months from 3 April 2013.

The approval required from the Principality of Monaco means that Monaco does not meet the definition of a disposal group held for sale and does not meet the criteria to be classified as a discontinued operation as at 31 March 2013. The results of Monaco Telecom are now disclosed separately in their own operating segment.

The Islands sub-group has been classified as a disposal group held for sale and also as a discontinued operation as at 31 March 2013, as it represents a separate major geographical area of operations. The comparative consolidated income statement and cash flow statement have been restated. The results of the Islands sub-group were previously recorded in the Monaco & Islands operating segment.

ii) Macau

At a General Meeting on 28 February 2013, shareholders of the Group approved the sale of the Macau operating segment for US$750 million to CITIC Telecom International Holdings Limited. This sale is expected to take place following receipt of the necessary legal and regulatory approvals.

The Macau operating segment has been classified as a disposal group held for sale and also as a discontinued operation as at 31 March 2013, as it represents a separate major geographical area of operations. The comparative consolidated income statement and cash flow statement have been restated. The results of Macau were previously recorded in the Macau operating segment.

The results of all discontinued operations are shown below:

Year ended 31 March 2013	**Islands sub-group US$m**	**Macau US$m**	**Total discontinued operations US$m**
Revenue	321	624	945
Expenses	(243)	(479)	(722)
Profit before tax	**78**	**145**	**223**
Tax	(14)	(17)	(31)
Profit after tax	**64**	**128**	**192**
Gain/(loss) recognised on the re-measurement of the assets less costs to sell	-	-	-
Profit for the year	**64**	**128**	**192**
Disposal costs			(8)
			184

Year ended 31 March 2012	**Islands sub-group US$m**	**Macau US$m**	**Total discontinued operations US$m**
Revenue	319	524	843
Expenses	(231)	(391)	(622)
Profit before tax	**88**	**133**	**221**
Tax	(13)	(16)	(29)
Profit for the year	**75**	**117**	**192**

The financial position of the Islands sub-group and of Macau as at 31 March 2013 was as follows:	Islands sub-group as at 31 March 2013 US$m	Macau as at 31 March 2013 US$m	Disposal groups held for sale at 31 March 2013 US$m
Assets			
Intangible assets	**64**	**1**	**65**
Property, plant and equipment	**259**	**113**	**372**
Investments in joint ventures and associates	**5**	**–**	**5**
Deferred tax assets	**1**	**1**	**2**
Retirement benefit assets	**1**	**–**	**1**
Trade and other receivables	**57**	**47**	**104**
Inventories	**8**	**14**	**22**
Cash and cash equivalents	**57**	**88**	**145**
Assets held for sale	**452**	**264**	**716**
Liabilities			
Trade and other payables	**80**	**94**	**174**
Borrowings	**2**	**–**	**2**
Provisions	**9**	**1**	**10**
Current tax liabilities	**12**	**22**	**34**
Deferred tax liabilities	**4**	**–**	**4**
Retirement benefit obligations	**–**	**11**	**11**
Liabilities held for sale	**107**	**128**	**235**

4 Provisions

	Property US$m	Redundancy costs US$m	Network and asset retirement obligations US$m	Legal and other US$m	Total US$m
At 1 April 2012	5	7	35	51	98
Additional provisions	–	53	3	5	61
Amounts used	(3)	(24)	–	(1)	(28)
Unused amounts released	–	(1)	(2)	(2)	(5)
Effect of discounting	–	–	1	2	3
Exchange differences	–	(1)	(1)	–	(2)
Transfers to assets held for sale	–	–	(8)	(2)	(10)
At 31 March 2013	**2**	**34**	**28**	**53**	**117**
Provisions – current	**2**	**34**	**5**	**44**	**85**
Provisions – non-current	–	–	**23**	**9**	**32**

The net expense recognised through profit or loss from movements in provisions relating to discontinued operations at 31 March 2013 was US$nil (31 March 2012 – net release of US$2 million).

Property
Provision has been made for dilapidation costs and for the lower of the best estimate of the unavoidable lease payments or cost of exit in respect of vacant properties. Unavoidable lease payments represent the difference between the rentals due and any income expected to be derived from the vacant properties being sublet. The provision is expected to be used over the shorter of the period to exit and the lease contract life.

Redundancy
Provision has been made for the total employee related costs of redundancies announced prior to the reporting date. Amounts provided for and spent during the periods presented primarily relate to the restructuring programmes associated with the demerger and regional transformation activities. The provision is expected to be used within one year.

Network and asset retirement obligations
Provision has been made for the best estimate of the unavoidable costs associated with redundant leased network capacity. The provision is expected to be used over the shorter of the period to exit and the lease contract life.

Provision has also been made for the best estimate of the asset retirement obligation associated with office sites, technical sites, mobile cell sites, domestic and subsea cabling. This provision is expected to be used at the end of the life of the related asset on which the obligation arises.

Legal and other
Legal and other provisions include amounts relating to specific legal claims against the Group together with amounts in respect of certain employee benefits and sales taxes.

5 Reconciliation of non-GAAP measures

Reconciliation of operating profit to EBITDA

Continuing operations	2012/13 US$m	2011/12 US$m
Total operating profit	**192**	18
Depreciation and amortisation	**275**	277
Net other operating (income)/expense	**(4)**	11
Share of profit after tax of joint ventures and associates	**(10)**	(26)
Exceptional items	**136**	310
EBITDA	**589**	590

The Group uses EBITDA as a key performance measure as it reflects the underlying operational performance of the businesses. EBITDA is not a measure defined under IFRS. It is calculated as earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income and expense and exceptional items.

Reconciliation of basic Earnings Per Share (EPS) to Adjusted EPS

	Continuing Group		Total Group	
	2012/13 US cents	2011/12 US cents	**2012/13 US cents**	2011/12 US cents
Loss per share attributable to owners of the Parent Company	**(3.4)**	(7.8)	**0.8**	(3.1)
Exceptional items[1]	**4.3**	9.4	**4.3**	9.4
Amortisation of acquired intangibles[1]	**0.3**	0.4	**0.4**	0.5
Transaction costs and loss/(gain) on disposal of businesses	**0.7**	(0.3)	**1.1**	(0.3)
Adjusted EPS attributable to owners of the Parent Company	**1.9c**	1.7c	**6.6c**	6.5c
Weighted average number of shares (million)	**2,494**	2,506	**2,494**	2,506

[1] *Excluding amounts attributable to non-controlling interests*

Adjusted EPS is before exceptional items, transaction costs, gain/loss on disposal of businesses and amortisation of acquired intangibles.

Reconciliation of Return on Invested Capital (ROIC)

Continuing operations	**2012/13 US$m**	2011/12 US$m
Total pre-exceptional operating profit	**328**	328
Average total assets	**3,714**	3,702
Average current liabilities	**(1,618)**	(1,522)
Average invested capital	**2,096**	2,180
Average adjusted invested capital[1]	**1,801**	1,779
Return on Invested Capital	**18.2%**	18.4%

[1] *Average adjusted invested capital for continuing operations is after deducting deferred tax assets; retirement benefit assets; the goodwill balance attributable to the Monaco Telecom put option (less the current portion of the related put option financial liability); interest bearing current assets; total assets and current liabilities for discontinued operations; and adding back interest bearing current liabilities.*

The Group uses ROIC to measure the effectiveness of our capital investments.

ROIC is not a measure defined under IFRS. We define ROIC as total operating profit before exceptional items divided by average adjusted invested capital.

ROIC is calculated on the basis of continuing operations. During the period, the Group has continued to refine its use of ROIC and we now calculate on the basis of average, rather than opening, invested capital and on a pre tax basis. Prior year figures have been re-presented on the same basis.

2012/13 CWC CONSTANT CURRENCY[1] RESULTS DETAIL

	Panama			Caribbean[2]			Monaco			Other[3]			Total		
	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %	2012/13 US$m	2011/12 US$m	Change %
Mobile	323	315	3%	527	528	0%	61	59	3%	-	-	-	911	902	1%
Broadband & TV	60	60	0%	120	121	(1)%	16	15	7%	-	-	-	196	196	0%
Fixed voice	122	136	(10)%	290	318	(9)%	25	26	(4)%	-	(1)	nm	437	479	(9)%
Enterprise, data and other	81	90	(10)%	183	194	(6)%	134	149	(10)%	-	(8)	nm	398	425	(6)%
Revenue	**586**	**601**	**(2)%**	**1,120**	**1,161**	**(4)%**	**236**	**249**	**(5)%**	**-**	**(9)**	**nm**	**1,942**	**2,002**	**(3)%**
Cost of sales	(189)	(199)	5%	(268)	(273)	2%	(97)	(113)	14%	(1)	5	nm	(555)	(580)	4%
Gross margin	**397**	**402**	**(1)%**	**852**	**888**	**(4)%**	**139**	**136**	**2%**	**(1)**	**(4)**	**75%**	**1,387**	**1,422**	**(2)%**
Operating costs	(158)	(146)	(8)%	(578)	(606)	5%	(64)	(82)	22%	2	(5)	nm	(798)	(839)	5%
EBITDA[4]	**239**	**256**	**(7)%**	**274**	**282**	**(3)%**	**75**	**54**	**39%**	**1**	**(9)**	nm	**589**	**583**	**1%**
Depreciation and amortisation	(85)	(71)	(20)%	(155)	(168)	8%	(27)	(26)	(4)%	(8)	(9)	11%	(275)	(274)	0%
Net other operating (expense)/income	-	-	-	(2)	(12)	83%	-	-	-	6	-	nm	4	(12)	nm
Operating profit before joint ventures and exceptional items	**154**	**185**	**(17)%**	**117**	**102**	**15%**	**48**	**28**	**71%**	**(1)**	**(18)**	**94%**	**318**	**297**	**7%**
Capital expenditure[5]	(85)	(125)	32%	(150)	(162)	7%	(15)	(23)	35%	(13)	1	nm	(263)	(309)	15%

nm represents % change not meaningful

1 *Prior year comparison translated at current year rates*

2 *Caribbean includes the Bahamas business in 2011/12 (acquired 6 April 2011)*

3 *Other includes management, royalty and branding fees, the costs of the corporate centre, net UK defined benefit pension charge or credit and intercompany eliminations*

4 *Earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income/(expense) and exceptional items*

5 *Balance sheet capital expenditure excludes transfer of cable assets from inventory*

H2 2012/13 CWC reported results detail

	Panama			Caribbean[1]			Monaco			Other[2]			Total		
	H2 12/13	H2 11/12	Change	H2 12/13	H2 11/12	Change	H2 12/13	H2 11/12	Change	H2 12/13	H2 11/12	Change	H2 12/13	H2 11/12	Change
	US$m	US$m	%	US$m	US$m	%	US$m	US$m	%	US$m	US$m	%	US$m	US$m	%
Mobile	164	159	3%	265	265	0%	29	30	(3)%	-	-	-	458	454	1%
Broadband & TV	30	30	0%	60	60	0%	8	8	0%	-	-	-	98	98	0%
Fixed voice	61	64	(5)%	141	154	(8)%	12	12	0%	-	(3)	nm	214	227	(6)%
Enterprise, data and other	45	40	13%	101	117	(14)%	63	76	(17)%	-	(5)	nm	209	228	(8)%
Revenue	**300**	**293**	**2%**	**567**	**596**	**(5)%**	**112**	**126**	**(11)%**	-	**(8)**	**nm**	**979**	**1,007**	**(3)%**
Cost of sales	(96)	(93)	(3)%	(142)	(146)	3%	(42)	(58)	28%	(1)	4	nm	(281)	(293)	4%
Gross margin	**204**	**200**	**2%**	**425**	**450**	**(6)%**	**70**	**68**	**3%**	**(1)**	**(4)**	**75%**	**698**	**714**	**(2)%**
Other operating costs	(80)	(71)	(13)%	(288)	(298)	3%	(32)	(46)	30%	(1)	3	nm	(401)	(412)	3%
EBITDA[3]	**124**	**129**	**(4)%**	**137**	**152**	**(10)%**	**38**	**22**	**73%**	**(2)**	**(1)**	**nm**	**297**	**302**	**(2)%**
Depreciation and amortisation	(47)	(34)	(38)%	(79)	(90)	12%	(16)	(14)	(14)%	(3)	(4)	25%	(145)	(142)	(2)%
Net other operating income/(expense)	-	-	-	(1)	(1)	0%	-	-	-	8	(3)	nm	7	(4)	nm
Operating profit before joint ventures and exceptional items	**77**	**95**	**(19)%**	**57**	**61**	**(7)%**	**22**	**8**	**nm**	**3**	**(8)**	**nm**	**159**	**156**	**2%**
Capital expenditure[4]	(48)	(54)	11%	(103)	(116)	11%	(10)	(17)	41%	(9)	1	nm	(170)	(186)	9%
Operating cash flow[5]	76	75	1%	34	36	(6)%	28	5	nm	(11)	-	nm	127	116	9%
Cash exceptional items	-	(3)	nm	(12)	(30)	60%	-	-	-	(1)	(11)	91%	(13)	(44)	70%

nm represents % change not meaningful

1 *Caribbean includes the Bahamas business in 2011/12 (acquired 6 April 2011)*

2 *Other includes management, royalty and branding fees, the costs of the corporate centre, net UK defined benefit pension charge and intercompany eliminations*

3 *Earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income/(expense) and exceptional items*

4 *Balance sheet capital expenditure excludes transfer of cable assets from inventory*

5 *EBITDA less balance sheet capital expenditure*

H2 2012/13 CWC constant currency[1] results detail

	Panama[2]			Caribbean[3]			Monaco			Other[4]			Total		
	H2 12/13 US$m	H2 11/12 US$m	Change %	H2 12/13 US$m	H2 11/12 US$m	Change %	H2 12/13 US$m	H2 11/12 US$m	Change %	H2 12/13 US$m	H2 11/12 US$m	Change %	H2 12/13 US$m	H2 11/12 US$m	Change %
Mobile	164	159	3%	265	262	1%	29	29	0%	-	-	-	458	450	2%
Broadband & TV	30	30	0%	60	60	0%	8	8	0%	-	-	-	98	98	0%
Fixed voice	61	64	(5)%	141	151	(7)%	12	13	(8)%	-	(1)	nm	214	227	(6)%
Enterprise, data and other	45	40	13%	101	115	(12)%	63	75	(16)%	-	(8)	nm	209	222	(6)%
Revenue	**300**	**293**	**2%**	**567**	**588**	**(4)%**	**112**	**125**	**(10)%**	-	**(9)**	**nm**	**979**	**997**	**(2)%**
Cost of sales	(96)	(93)	(3)%	(142)	(143)	1%	(42)	(58)	28%	(1)	5	nm	(281)	(289)	3%
Gross margin	**204**	**200**	**2%**	**425**	**445**	**(4)%**	**70**	**67**	**4%**	**(1)**	**(4)**	**75%**	**698**	**708**	**(1)%**
Other operating costs	(80)	(71)	(13)%	(288)	(294)	2%	(32)	(45)	29%	(1)	2	nm	(401)	(408)	2%
EBITDA[5]	**124**	**129**	**(4)%**	**137**	**151**	**(9)%**	**38**	**22**	**73%**	**(2)**	**(2)**	**0%**	**297**	**300**	**(1)%**
Depreciation and amortisation	(47)	(34)	(38)%	(79)	(89)	11%	(16)	(14)	(14)%	(3)	(5)	40%	(145)	(142)	(2)%
Net other operating income/(expense)	-	-	-	(1)	(2)	50%	-	-	-	8	(2)	nm	7	(4)	nm
Operating profit before joint ventures and exceptional items	**77**	**95**	**(19)%**	**57**	**60**	**(5)%**	**22**	**8**	**nm**	**3**	**(9)**	**nm**	**159**	**154**	**3%**
Capital expenditure[6]	(48)	(54)	11%	(103)	(115)	10%	(10)	(16)	38%	(9)	1	nm	(170)	(184)	8%

nm represents % change not meaningful

1 *Prior year comparison translated at current year rates*

2 *As these currencies are US dollar denominated or linked to the US dollar, there is no difference between the reported and constant currency changes*

3 *Caribbean includes the Bahamas business in 2011/12 (acquired 6 April 2011)*

4 *Other includes management, royalty and branding fees, the costs of the corporate centre, net UK defined benefit pension charge and intercompany eliminations*

5 *Earnings before interest, tax, depreciation and amortisation, net other operating and non-operating income/(expense) and exceptional items*

6 *Balance sheet capital expenditure excludes transfer of cable assets from inventory*

KPI DETAIL

	2009/10				2010/11				2011/12				2012/13			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Subscribers (000s)																
Panama																
Mobile[1]	1,994	1,788	2,382	2,460	2,336	2,501	2,306	2,531	2,038	2,454	2,347	2,227	1,656	1,785	1,744	1,842
Broadband	125	127	130	135	141	142	140	141	141	140	133	132	129	127	125	126
Fixed line	417	418	415	415	415	405	401	398	395	396	393	389	386	381	378	376
Caribbean[2]																
Mobile[1]	1,284	1,279	1,289	1,271	1,339	1,332	1,323	1,287	1,529	1,505	1,450	1,517	1,491	1,594	1,623	1,515
Broadband	200	204	207	211	213	210	207	208	223	222	223	225	221	222	223	223
Fixed line	651	645	640	637	634	624	617	617	735	728	722	719	714	713	706	701
ARPU (US$)[3]																
Panama																
Mobile	11.9	13.4	13.6	10.8	10.6	10.5	11.3	11.8	14.0	12.4	13.1	13.9	14.4	15.9	15.8	16.7
Broadband	29.3	30.9	30.7	30.0	28.4	28.1	27.1	27.4	27.3	27.2	27.4	27.5	27.2	29.0	28.6	29.0
Fixed line	35.2	35.2	33.9	32.7	30.9	30.9	30.4	30.2	30.0	30.6	27.8	26.6	26.2	26.5	27.0	26.7
Caribbean[2]																
Mobile	21.9	20.9	21.5	21.1	19.4	18.5	19.6	19.5	28.4	29.1	28.9	29.3	28.3	27.7	27.2	27.2
Broadband	38.5	37.9	37.3	36.8	36.9	38.7	38.8	39.8	42.5	42.7	41.5	42.4	41.7	42.6	42.3	41.7
Fixed line	39.7	39.8	38.5	37.7	36.3	37.8	37.0	37.1	38.3	38.8	37.6	33.3	35.4	34.3	32.9	33.2

[1] *Active subscribers are defined as those having performed a revenue-generating activity in the previous 60 days*

[2] *Caribbean does not include the Bahamas business in 2009/10 and 2010/11 (acquired 6 April 2011)*

[3] *ARPU is average revenue per user per month, excluding equipment sales*

EXCHANGE RATES

	Actual rates for year ended 31 March 2013	Actual rates for year ended 31 March 2012	Percentage change US dollar appreciation /(depreciation)
Sterling : US dollar			
Average	0.6330	0.6260	1.1%
Period end	0.6562	0.6263	4.8%
Euro : US dollar			
Average	0.7786	0.7225	7.8%
Period end	0.7694	0.7506	2.5%
Seychelles rupee : US dollar			
Average	13.31	12.75	4.4%
Period end	11.76	14.09	(16.5)%
Jamaican dollar : US dollar			
Average	90.01	85.78	4.9%
Period end	97.63	86.78	12.5%
Maldivian rufiyaa : US dollar			
Average	15.36	15.29	0.5%
Period end	15.33	15.36	(0.2)%
US dollar : sterling			
Average	1.5798	1.5974	
Period end	1.5239	1.5967	

Cable & Wireless Communications EBITDA by currency

	2012/13	
	EBITDA	**EBITDA**
	US$m	**% of total**
US dollar, pegged or linked	495	84%
Euro	74	13%
Jamaican dollar	20	3%
Total	**589**	**100%**

Important disclaimer

This announcement 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' plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

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

Forward-looking statements speak only as of the date they are made and Cable & Wireless Communications undertakes no obligation to revise or update any forward-looking statement contained within this announcement, 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).