

ANNOUNCEMENT
22 JULY 2011

CABLE & WIRELESS COMMUNICATIONS PLC **INTERIM MANAGEMENT STATEMENT**

This interim management statement provides an update on the performance and financial position of the Group since the year ended 31 March 2011. Half-yearly results for the period ending 30 September 2011 are expected to be announced on 3 November 2011.

Current trading / Outlook

For each of our business units including the Bahamas, the trading performance in the first quarter has been satisfactory and remains in line with the outlook indicated at our year-end results on May 25th. The restructuring of the Bahamas, which we acquired at the beginning of the quarter, is progressing well.

Operational Highlights

Panama: Mobile continues to perform well with mobile service revenue higher than the same period last year. We are investing in mobile data as indicated in May and we anticipate the benefits of this to begin to be realised in the second-half of 2011/12. As expected, we have seen fluctuations in low-value promotion-driven prepaid customers but continue to maintain market leadership. Panama also benefitted from strong enterprise revenue with the award of three government projects in April, including a contract to provide a 911 emergency services platform in El Salvador, the business's first 'social telecoms' project outside of Panama.

Caribbean (excluding Bahamas): The Caribbean's first quarter trading was in line with our expectations set out in May at a lower run rate than the same period last year. Mobile subscribers in Jamaica declined as we discontinued certain promotional activities, whereas outside of Jamaica mobile subscribers were in line with the prior year. Mobile ARPUs declined primarily driven by reductions in prepaid usage. Initiatives to improve our market position are underway and we expect these to gather pace during the course of the year. Broadband performed solidly with stronger ARPU due to a combination of price increases and the increased availability of higher bandwidth. The fixed line business rate of decline has slowed and ARPUs remained in line with the same period last year. We have been successful in developing our government / enterprise business and have been awarded some projects, including a contract to supply a wireless broadband network to over 100 schools in St. Vincent & the Grenadines. Operating costs have seen inflationary pressure as expected, with staff costs, utilities and network costs being particularly affected, and we continue to actively manage the situation.

Bahamas: The restructuring of the Bahamas is progressing to plan. The voluntary redundancy programme which was open to all employees has now closed with the uptake in line with our expectations. We have launched new customer initiatives, including the removal of inter-island roaming within The Bahamas, which have been well received.

Macau: Mobile continues to perform strongly benefitting from higher levels of in-bound roaming. Strong demand for smartphones, particularly the iPhone4, has continued boosting handset revenues. The buoyant Macanese economy has helped maintain a healthy level of enterprise revenues.

Monaco & Islands: Mobile services performed well compared to the same period last year as increases in subscribers and in non-voice revenue offset the declines in voice. Fixed line ARPU is higher, and subscribers lower, than the comparative periods which included the lower international voice ARPUs and customers of the recently-disposed Bermuda business.

Financial Position

At 30 June 2011, Group net debt was \$1,260 million, an increase of \$266 million since 31 March 2011. In April, we paid \$210 million for the acquisition of BTC, a further \$55 million was returned to shareholders as part of the share buyback programme.

On 20 July, subsequent to the end of the quarter, we completed the share buyback programme that was announced on 23 February 2011. We acquired 137,488,873 shares which represents 5.158% of the share capital of the company.

Key Performance Indicators

Subscribers (000s) ¹	Panama		
	30 June 11	31 Mar 11	30 Jun 10
Mobile ¹	2,038	2,531	2,336
Broadband	141	141	141
Fixed line	395	398	415
ARPU ²	30 June 11	31 Mar 11	30 Jun 10
Mobile	\$14.0	\$11.8	\$10.6
Broadband	\$27.3	\$27.4	\$28.4
Fixed line	\$30.0	\$30.2	\$30.9

Subscribers (000s) ¹	Caribbean (excluding Bahamas)		
	30 June 11	31 Mar 11	30 Jun 10
Mobile ¹	1,230	1,287	1,339
Broadband	208	208	213
Fixed line	612	617	634
ARPU ²	30 June 11	31 Mar 11	30 Jun 10
Mobile	\$18.6	\$19.5	\$19.4
Broadband	\$39.5	\$39.8	\$36.9
Fixed line	\$36.4	\$37.1	\$36.3

Subscribers (000s) ¹	Macau		
	30 June 11	31 Mar 11	30 Jun 10
Mobile ¹	402	402	397
Broadband	134	133	129
Fixed line	177	177	179
ARPU ²	30 June 11	31 Mar 11	30 Jun 10
Mobile	\$21.0	\$20.3	\$18.9
Broadband	\$33.6	\$33.6	\$30.6
Fixed line	\$35.0	\$36.6	\$37.4

Subscribers (000s) ¹	Monaco & Islands		
	30 June 11	31 Mar 11	30 Jun 10
Mobile ¹	534	526	484
Broadband	53	52	48
Fixed line	128	128	242
ARPU ²	30 June 11	31 Mar 11	30 Jun 10
Mobile	\$34.2	\$37.7	\$37.2
Broadband	\$62.1	\$63.1	\$59.6
Fixed line	\$54.2	\$41.0	\$35.4

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

² ARPU is average revenue per user per month, excluding equipment sales

Cable & Wireless Communications will host a conference call for investors and analysts. The details are:

Date: Friday, 22 July 2011
Time: 7:45 (BST)
Details: Cable & Wireless Communications Plc Q1 IMS
UK: +44 (0)20 7136 2053
US: +1 212 444 0481
Confirmation Code: 5715274

Participants will have to quote the above code when dialling into the conference.

Audio playback of the call will be available shortly after the call finishes until 28 July 2011. The details for the playback are:

UK: +44 (0)20 7111 1244
Replay Access Code: 5715274#

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About Cable & Wireless Communications

Cable & Wireless Communications is a global full-service communications business. We operate leading communications businesses through four regional units – the Caribbean, Panama, Macau and Monaco & Islands. Our services include mobile, broadband and domestic and international fixed line services in most of our markets as well as pay-TV, data centre and hosting, carrier and managed service solutions. Our operations are focused on providing our customers – consumers, businesses, governments – with world-class service. We are the market leader in most products we offer and territories we serve. For further information visit www.cwc.com.

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