

# CABLE & WIRELESS JAMAICA LIMITED 1998

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## UNAUDITED GROUP RESULTS

### FOR THE NINE MONTHS ENDED 31 DECEMBER 1998

- . Customers increased by 50,000.
- . J\$2.6 billion invested to support future growth.
- . First phase of J\$970 million mobile upgrading programme nearing completion.

Errald Miller, President and CEO, said:

"Cable & Wireless Jamaica continues to add thousands of new customers each month. At the same time, the company's customer service thrust has shown significant, positive results in the drive to achieve world class standards in the shortest possible time."

#### Financial Performance

Gross operating revenue for the nine months to 31 December 1998 increased by 13% to J\$12,494 million and profit before taxation increased by 11% to J\$3,925 million. These increases reflect an 18% increase in the company's customer base.

Net profit attributable to stockholders rose to J\$2,459 million, reflecting the increase in profit before taxation and the anticipated tax credit on a proposed bonus issue of shares.

In the nine months to 31 December 1998, the company invested J\$2.6 billion to build its telecommunications network. This investment has resulted in the net addition of 50,000 new customers (including new mobile customers), bringing the total to 534,000 including 77,000 mobile customers. This includes the addition of approximately 5,760 new customers in rural

communities.

#### Business review

The company's new digital mobile service will be operational in Kingston on 19 February and elsewhere in Jamaica on 19 March. The company achieved one of its best months for customer activation in December 1998, adding over 4,000 customers to its network. We are also undertaking refurbishment of the mobile customer care centres across Jamaica in order to enhance the quality of service offered to our customers.

In order to improve further the quality of service offered to our customers, Cable & Wireless Jamaica has:

- introduced additional payment facilities, including the recently-introduced arrangements for payment of customers' bills at Victoria Mutual Building Society; and
- launched a pilot programme for payment of customers' bills using debit and credit cards at certain customer offices.

The company has also completed its InTouch voicemail roll-out to all single line residential customers island-wide.

The company continues to make good progress in ensuring that its computer systems will be Year 2000 compliant.

### **UNAUDITED GROUP RESULTS**

**FOR THE NINE MONTHS ENDED DECEMBER 31, 1998**

THREE MONTHS ENDED  
31st DECEMBER

NINE MONTHS ENDED  
31st DECEMBER

1998	1997		1998	1997
\$'000	\$'000		\$'000	\$'000
<u>4,217,917</u>	<u>3,768,885</u>	Gross operating revenue	<u>12,494,369</u>	<u>11,079,929</u>
<u>1,466,117</u>	<u>1,084,484</u>	Profit before taxation	<u>3,924,842</u>	<u>3,537,611</u>
<u>515,752</u>	<u>463,960</u>	Taxation	<u>1,465,398</u>	<u>1,510,987</u>
<u>950,365</u>	<u>620,524</u>	Net profit attributable	<u>2,459,444</u>	<u>2,026,624</u>
<u>10.25c</u>	<u>6.69c</u>	to stockholders	<u>26.53c</u>	<u>21.86c</u>
		Earnings per stock unit		

NOTE:

- 1) Gross operating revenue represents amounts excluding GCT for the provision of domestic and international telecommunications services.
  - 2) Earnings per stock unit for 1997 have been restated to reflect the 'one-for-five' bonus issue on December 10, 1998.
  - 3) Had the anticipated tax credit on the proposed bonus issue of shares not been accrued for, the net profit attributable to stockholders for the nine months ended 31 December 1998 would have increased by 9% over the prior year to J\$2,211 million.
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