

Cable & Wireless Jamaica Limited 1998

Audited Group Results
for the year ended March 31, 1999.

Three Months ended 31st March			Twelve months ended 31st March	
1999 J\$'000	1998 J\$'000		1999 J\$'000	1998 J\$'000
4,196,410	4,061,562	Gross operating revenue	16,690,779	15,141,491
1,344,246	1,276,692	Profit before taxation	5,269,088	4,814,303
328,113	164,530	Taxation	1,793,511	1,675,517
1,016,133	1,112,162	Net profit attributable to stockholders	3,475,577	3,138,786
10.96c	12.00c	Earnings per stock unit	37.49c	33.86c

NOTES:

- 1) Gross operating revenue represents amounts excluding GCT for the provision of domestic and international telecommunications services.
- 2) Earnings per stock unit for 1998 have been restated to reflect the 'one-for-five' bonus issue on December 10, 1998.

AUDITED GROUP RESULTS

Cable & Wireless Jamaica Limited

For the year ended 31 March 1999

- . Customers increased by 70,000.
- . Investment of J\$4.8 billion to support future growth.
- . First phase of the mobile upgrading programme now complete,

Customer service targets exceeded.

President and CEO Errald Miller said:

"Cable & Wireless Jamaica has achieved continued growth through the addition of some 70,000 customers during the year whilst re-organising the company and controlling costs tightly as part of our preparation for the challenges ahead. The company has also exceeded the customer service targets I announced on 14 September 1998, reflecting our commitment to our customers."

Financial Performance

Gross operating revenue for the year increased by 10% to J\$16,691 million and net profit attributable to stockholders increased by 11% to J\$3,476 million. These increases reflect a 15% increase in the company's customer base.

However, the rate of return achieved by the company during the year of 15.55% fell short of the required rate of return specified in the company's licence.

In the twelve months to 31 March 1999, the company invested some J\$4.8 billion to expand its telecommunications network. This investment has supported the net addition of approximately 70,000 new customers (including new mobile users) bringing the total to some 549,000 including 79,000 mobile users. This includes

the addition of approximately 7,000 new customers in rural communities.

Business review

The company's new digital mobile service was launched in Kingston in February and was expanded to cover Montego Bay, Negril, Ocho Rios and Mandeville by the fiscal year end. The digital mobile service will be available in Cooper's Hill and Spanish Town shortly.

Cable & Wireless Jamaica has continued to take actions to improve customer service, particularly through the commissioning of its customer care centre. As a consequence, the company exceeded its targets for the number of calls answered within 20 seconds (92.5% in March 1999 against a target of 90%) and queries resolved on first contact (90% in March 1999 against a target of 75%).

The company has re-organised to focus on lines of business, particularly with the creation of a new Integrated Communications Services division, which will focus on new internet and data-based products and services.
