

Cable & Wireless Jamaica Limited

UNAUDITED GROUP RESULTS

CABLE & WIRELESS JAMAICA LIMITED
UNAUDITED CONSOLIDATED RESULTS
FOR PERIOD ENDED JUNE 30,2000

- Telephone customers increased by 25,000
- Mobile customers increased by 34,000
- Continued strong focus on revenue maximisation and cost control.

President & CEO, Errald Miller said, "The results represent our continued focus on managing revenue and costs, meeting the requirements of the new Telecommunications Act and our Agreement with Government. We have already completed 32,000 of our 100,000 gross lines installed obligation for the year to February 2001. However, we are concerned at the increasing levels of by-pass activity which, if not stopped, could impact upon the delivery of our commitments."

Financial Performance

Gross operating revenue for the three months ended 30th June 2000 increased by 12.7% over the same period last year to J\$4,652 million.

The growth in gross operating revenue compared with the same period last year was due to an increase of 100,459 telephone and mobile customers.

Net profit attributable to stockholders for the three months ended 30th June 2000 increased to J\$1,008 million. It should be noted that the net profit attributable to stockholders in the period to June 1999 reflects a redundancy charge of J\$462 million.

In the three months ended 30th June 2000, the company invested some J\$934 million to expand its telecommunications network. This investment supports the addition of approximately 59,000 new customers bringing the total customers to some 692,000 including 177,000 mobile users. This includes the addition of approximately 8,000 new

customers in rural communities, all reflecting the Company's continued commitment to the country's economy, its citizens, and the environment.

Business Review

The company continues to be actively engaged with the Regulator (OUR) in our implementing the requirements of the new Telecommunications Act 2000. Additionally, it has accelerated its effort with a number of internal initiatives aimed at even further improving its customer services and efficiencies as well as taking the necessary steps in preparation for interconnection with the new competitive entrants.

On 1st June 2000, the Company applied to the Minister of Industry, Commerce and Technology for new rates for certain telecommunications services. The Minister proposed a variation to the rates which the Company accepted on 26th July 2000. The new rates, which include reductions in outgoing international call charges to all destinations and increases in rental and usage charges, will be implemented on 1st September 2000.

NOTE:

What is Bypass

Bypass is where incoming international telephone calls are being routed to Jamaica through unauthorised VSAT and other satellite facilities and connected to CWJ's domestic network principally through certain internet service providers ("ISPs"). This traffic comprises basic voice telephony whereby an overseas caller (principally from the United States) can use any telephone to place a call to any telephone in Jamaica.

CABLE & WIRELESS JAMAICA LIMITED
UNAUDITED CONSOLIDATED RESULTS
FOR THE THREE MONTHS ENDED JUNE 30, 2000

THREE MONTHS ENDED
30th JUNE 30th JUNE

	2000 J\$'000	1999 J\$'000
Gross operating revenue	4,652,239	4,128,781
Profit before taxation	1,542,524	834,575
Taxtion	534,183	296,073
Net profit attributable to stockholders	1,008,314	538,502
Earnings per stock unit	9.20	4.92

NOTE:

- 1) Gross operating revenue represents amounts excluding GCT accruing to the company for the provision of domestic and international telecommunications services.
- 2) Earnings per stock unit for 1999 have been restated to reflect the Two-for-eleven' bonus issue on November 22, 1999.
- 3) In the period to the 30th June 1999 Profit before taxation was arrived at after incurring redundancy costs of J\$462 million.
- 4) These results include those of Jamaica Digiport International Limited a 100% owned subsidiary of Cable & Wireless Jamaica Limited.