

Cable & Wireless Jamaica Limited

UNAUDITED GROUP RESULTS

PERIOD ENDING 31 DECEMBER 2001

Gary Barrow, President, Cable & Wireless Jamaica Limited said: "I am delighted that our sales and marketing effort continues to translate into strong top line growth. We will continue to focus our efforts on further improving our cost efficiency and customer services. Our aggressive transformation exercise continues and several exciting developments are now in progress".

Financial Performance

Gross Operating Revenues for the nine months ended 31st December 2001 increased by 15.3% over the corresponding period last year to J\$17,045m.

The Company continues to grow its Gross Operating Revenues with quarter 3 growth of 16.5% over the corresponding period last year and a quarter 3 growth over quarter 2 within the current year of 7.1 %

Notwithstanding, Profit before Tax for the nine months was 18.5% less than the corresponding period last year, with quarter 3 recording a 32.7% reduction over the corresponding quarter last year. As stated in our previous reports to the Stock Exchange, this was as a result of higher expenditures associated with the Company's continued drive for operational efficiency, improved customer services, and market share retention in an increasingly competitive market place, as well as compliance costs associated with the

new regulatory environment.

The Company's tax charge for the nine months is less than the corresponding period last year, partly on account of the reduced net income attributable to stockholders, and partly because the Company has accounted for the full extent of expected tax credits accruing to it for the tax year ending 31st March 2002.

Business Review

The focus on cost management to realize benefits over the medium to long term continued during the last quarter. The Company also began realizing all the direct and associated benefits of the staff retrenchment programmes that were executed earlier in the year and is constantly reviewing its operations to become more efficient and effective.

On the revenue side of the business, mobile, IP and data continued to meet and exceed growth expectations. Growth in these areas were due primarily to restoration of customer confidence in our mobile offering, innovative pricing and packaging of our IP & data product suite plus targeted customer relationship management initiatives. Revenues on the business' traditional mainstay - international calls, continue to be pressured by illicit operators conducting bypass of the Company's international gateway. The relevant authorities continue to police these activities.

THREE MONTHS ENDED 31st DECEMBER			NINE MONTHS ENDED 31st DECEMBER	
2001 J\$'000	2000 J\$'000		2001 J\$'000	2000 J\$'000
6,120,159	5,255,491	Gross operating revenue	17,044,510	14,783,162
=====	=====		=====	=====
1,455,872	2,165,512	Profit before taxation	3,996,008	4,901,039
<u>318,580</u>	<u>597,126</u>	Taxation	<u>796,249</u>	<u>1,566,881</u>

		Net profit attributable		
1,137,292	1,568,386	to stockholders	3,199,759	3,334,158
=====	=====		=====	=====
7.71c	10.63c	Earnings per stock unit	21.70c	22.61c
=====	=====		=====	=====

NOTE:
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- 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 2000 have been restated to reflect the 'two-for-thirteen' bonus issue on November 21, 2001.
- 3) The prior year has been restated to reflect changes in accounting policies approved by the Board of Directors consequent on the change in the company's regulatory framework. The change has been effected retrospectively as of April 1, 2001 and comparative figures restated accordingly. The changes primarily relate to the treatment of exchange gains and losses on the translation of foreign loans and bank balances, the revaluation of fixed assets and attendant depreciation and the treatment of gains and losses on disposal of such assets.