

CABLE AND WIRELESS (AMERICAS) LIMITED

Report and Financial Statements

31 March 2003

**Registered Office:
124 Theobalds Road
London WC1X 8RX**



CABLE AND WIRELESS (AMERICAS) LIMITED

To the Company's Ordinary Shareholders

Elective Regime

On 8 June 1998 the Company passed elective resolutions in accordance with Section 379A of the Companies Act 1985 as amended ("the Act") to dispense with the formalities of:

- the laying of accounts before the Company in general meeting (Section 252 of the Act);
- the holding of annual general meetings (Section 366A of the Act); and
- the obligation to appoint auditors annually (Section 386 of the Act).

Section 253(2) gives members the right to require the laying of accounts before the Company in general meeting. To exercise such right, a member must give notice in writing to that effect deposited at the registered office of the Company within 28 days of the day on which the report and financial statements are sent out in accordance with Section 238(1) of the Act.

CABLE AND WIRELESS (AMERICAS) LIMITED

REPORT AND FINANCIAL STATEMENTS 2003

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CABLE AND WIRELESS (AMERICAS) LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the financial statements for the year ended 31 March 2003.

ACTIVITIES

The principal activity of the Company is to act as an investment holding company. The Company was dormant within the meaning of Section 249AA of the Companies Act 1985 throughout the year. Accordingly, no profit and loss account has been produced and no auditors have been appointed by the Directors.

FUTURE DEVELOPMENTS

As part of the Cable & Wireless Group, Cable and Wireless (Americas) Limited will continue to hold its investment in Cable and Wireless (West Indies) Limited.

RESULTS AND DIVIDENDS

The Company did not trade in the year and had no income or expenditure during the year. The Directors do not recommend payment of a dividend (2002: £nil).

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year, and subsequent to the year end were:

Mr J Cheesewright	(appointed 15 July 2003)
Mr K K Claydon	(resigned 18 July 2003)
Mr J D Fitz	(resigned 27 May 2003)
Mr P M Dickinson	(resigned 20 December 2002)
Mr R E Lerwill	(resigned 5 June 2003)
Mr R F Mortimer	(appointed 15 July 2003)
Mr J M Bolton	(resigned as alternate Director to Mr K K Claydon 18 July 2003)

CABLE AND WIRELESS (AMERICAS) LIMITED

DIRECTORS AND THEIR INTERESTS (cont)

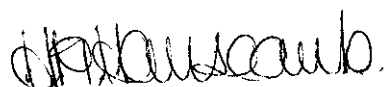
The Directors have no interest in the shares of the Company nor any disclosable interests in any contracts or arrangements with the Company either subsisting at the end of the financial year or entered into since the end of the previous financial year. The Directors who held office at the end of the financial year had the following beneficial interests in the shares of Cable and Wireless plc:

	At 1 April 2002	Shares acquired/options granted	Shares disposed/ options exercised or elapsed	At 31 March 2003	
K K Claydon	16,571	6,519	4,721	18,369	
	7,412	39,780	18,762	28,430	(a)
	131,517	91,000	-	222,517	(b)
	10,782	-	10,782	-	(c)
	4,524	-	-	4,524	(d)
	36,326	-	-	36,326	(e)
	-	45,400	-	45,400	(f)
J D Fitz	6,099	-	-	6,099	
	2,694	-	619	2,075	(a)
	257,398	197,000	-	454,398	(b)
	12,033	-	12,033	-	(c)
	8,261	-	-	8,261	(d)
	58,824	-	-	58,824	(e)
	-	98,100	-	98,100	(f)
J M Bolton	1,014	643	-	1,657	
	3,459	21,134	9,457	15,136	(a)
	27,101	15,000	-	42,101	(b)

The interests of R E Lerwill are shown in the financial statements of the ultimate parent undertaking, Cable and Wireless plc.

All interests are in fully paid Ordinary Shares, unless marked (a) which are options to purchase Ordinary Shares under the C&W Employee Savings Related Share Option Scheme, (b) which are options to purchase Ordinary Shares under the discretionary share option schemes, (c) which are contingent share awards granted on 1 April 1999 under the C&W Performance Share Plan (PSP) 1999, (d) which are contingent share awards granted on 1 April 2000 under the C&W PSP 2000, (e) which are contingent share awards granted on 27 July 2001 under the C&W PSP 2001 or (f) which are contingent share awards granted on 23 May 2002 under the C&W PSP 2002. Full details of the PSP are included in the financial statements of the ultimate parent company.

By order of the Board of Directors.



H M HANSCOMB
Assistant Secretary

Date: 26 January 2004

CABLE AND WIRELESS (AMERICAS) LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 March 2003

During the current or prior year the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit nor loss or any other recognised gains or losses in the current or prior year.

CABLE AND WIRELESS (AMERICAS) LIMITED

BALANCE SHEET

31 March 2003

	Note	2003 £000	2002 £000
FIXED ASSETS			
Investments	3	251,607	251,607
CURRENT ASSETS			
Debtors	4	227,216	227,216
CREDITORS: amounts falling due within one year			
	5	(227,216)	(227,216)
NET ASSETS		<u>251,607</u>	<u>251,607</u>
CAPITAL AND RESERVES			
Called up share capital	6	1,004	1,004
Share premium account	7	<u>250,603</u>	<u>250,603</u>
EQUITY SHAREHOLDER'S FUNDS		<u>251,607</u>	<u>251,607</u>

The Directors confirm that:

- (a) for the year ended 31 March 2003 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985 from the requirement to have its accounts audited; and
- (b) members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for (a) ensuring the Company keeps accounting records which comply with section 221 of the Companies Act 1985; and (b) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year; and of its profit or loss for the financial year, in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

The financial statements on pages 4 to 7 were approved by the Board of Directors on 26 January 2004 and signed on their behalf by:

J. Cheeswright

J CHEESEWRIGHT
Director

CABLE AND WIRELESS (AMERICAS) LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 March 2003

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards and on the historical cost basis.

The Company has taken advantage of the exemption to prepare consolidated financial statements under Section 228 of the Companies Act 1985, on the grounds that it is a wholly-owned subsidiary undertaking of Cable and Wireless plc, a company registered within the European Union. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared on the going concern basis. The Directors have reviewed the financial position of the Company, including the arrangements with group undertakings, and believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

Fixed asset investments

Fixed asset investments are stated at cost less amounts written off in respect of any impairments.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The Company had no employees during the year (2002: nil). The Directors did not receive any emoluments from the Company (2002: £nil).

3. INVESTMENTS HELD AS FIXED ASSETS

				Shares in subsidiaries £000
At 1 April 2002 and 31 March 2003				251,607
Interests in subsidiaries:				
Name	Country of incorporation	Type and percentage holding	Nature of business	
Cable and Wireless (West Indies) Limited	England	100% Ordinary shares	Telecommunications	

CABLE AND WIRELESS (AMERICAS) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 March 2003

4. DEBTORS

	2003 £000	2002 £000
Interest free loan to subsidiary undertaking	227,216	227,216

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £000	2002 £000
Interest free loan from parent undertaking	227,216	227,216

6. CALLED UP SHARE CAPITAL

	2003 £000	2002 £000
Authorised 2,000,000 ordinary shares of £1 each	2,000	2,000
Allotted, called up and fully paid 1,003,543 ordinary shares of £1 each	1,004	1,004

7. MOVEMENT ON RESERVES

	£000
Share premium at 1 April 2002 and 31 March 2003	250,603

8. RELATED PARTY TRANSACTIONS

Under Financial Reporting Standard 8, the Company is exempt from the requirement to disclose transactions with entities that are part of the Cable & Wireless group, or investees of the group qualifying as related parties, as all of the Company's voting rights are controlled within that group. There are no material transactions with any other related parties.

9. CASH FLOW STATEMENT

Under Financial Reporting Standard 1 (revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A cash flow statement is included in the financial statements of Cable and Wireless plc.

10. ULTIMATE PARENT COMPANY

The Directors consider that the Company's ultimate parent undertaking and controlling party is Cable and Wireless plc, registered in England and Wales. A copy of Cable and Wireless plc's published consolidated financial statements can be obtained from The Secretary, Cable and Wireless plc, 124 Theobalds Road, London WC1X 8RX. No other group accounts include the results of the Company.