



**CABLE BAHAMAS LTD.**  
2016 FIRST QUARTER REPORT

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As of March 31, 2016  
(Expressed in B\$000, unaudited)

|  | MAR 31, 2016      | DEC 31, 2015      |
|--|-------------------|-------------------|
| <b>ASSETS</b>                          |                   |                   |
| <b>CURRENT ASSETS:</b>                 |                   |                   |
| Cash and cash equivalents              | \$ 71,175         | \$ 63,001         |
| Trade receivables, net                 | 16,810            | 15,854            |
| Prepaid expenses and deposits          | 5,815             | 3,522             |
| Inventory                              | 9,392             | 11,594            |
| Other receivables                      | 16,896            | 9,985             |
| Total current assets                   | 120,088           | 103,956           |
| <b>NON-CURRENT ASSETS:</b>             |                   |                   |
| Investment                             | 4,187             | 4,172             |
| Property, plant and equipment          | 312,515           | 300,628           |
| Deferred tax asset                     | 31,485            | 31,485            |
| Goodwill                               | 13,074            | 13,074            |
| Intangible assets                      | 29,291            | 29,952            |
| Total non-current assets               | 390,552           | 379,311           |
| <b>TOTAL</b>                           | <b>\$ 510,640</b> | <b>\$ 483,267</b> |
| <b>LIABILITIES AND EQUITY</b>          |                   |                   |
| <b>CURRENT LIABILITIES:</b>            |                   |                   |
| Accounts payable & accrued liabilities | \$ 39,323         | \$ 39,060         |
| Deferred income                        | 2,011             | 1,896             |
| Dividends payable                      | 5,550             | 2,714             |
| Current portion of other liabilities   | 1,594             | 1,462             |
| Current portion of long-term debt      | 11,424            | 11,424            |
| Total current liabilities              | 59,902            | 56,556            |
| <b>NON-CURRENT LIABILITIES:</b>        |                   |                   |
| Subscriber deposits                    | 7,627             | 7,499             |
| Other liabilities                      | 11,913            | 10,946            |
| Deferred tax liability                 | 31,485            | 31,485            |
| Long-term debt                         | 88,065            | 88,065            |
| Preferred shares                       | 202,810           | 202,810           |
| Total non-current liabilities          | 341,900           | 340,805           |
| Total liabilities                      | 401,802           | 397,361           |
| <b>EQUITY:</b>                         |                   |                   |
| Ordinary share capital                 | 37,078            | 13,578            |
| Retained earnings                      | 71,760            | 72,328            |
| Total equity                           | 108,838           | 85,906            |
| <b>TOTAL</b>                           | <b>\$ 510,640</b> | <b>\$ 483,267</b> |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the period ended March 31, 2016 with comparatives for March 31, 2015 | (Expressed in B\$000, unaudited)

|                                     | THREE MONTHS ENDED |                 |
|-------------------------------------|--------------------|-----------------|
|                                     | MAR 31, 2016       | MAR 31, 2015    |
| REVENUE                             | \$ 43,680          | \$ 39,912       |
| OPERATING EXPENSES                  | (28,995)           | (25,771)        |
|                                     | 14,685             | 14,141          |
| Depreciation and amortization       | (9,147)            | (7,998)         |
| OPERATING INCOME                    | 5,538              | 6,143           |
| Gain on joint venture               | 15                 | -               |
| Interest expense                    | (1,188)            | (1,253)         |
| Dividends on preferred shares       | (2,835)            | (1,846)         |
| <b>NET AND COMPREHENSIVE INCOME</b> | <b>\$ 1,530</b>    | <b>\$ 3,044</b> |
| <b>BASIC EARNINGS PER SHARE</b>     | <b>\$ 0.04</b>     | <b>\$ 0.07</b>  |
| <b>DILUTED EARNINGS PER SHARE</b>   | <b>\$ 0.04</b>     | <b>\$ 0.08</b>  |

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the period ended March 31, 2016  
(Expressed in B\$000, unaudited)

|                                   | ORDINARY SHARE CAPITAL | RETAINED EARNINGS | TOTAL      |
|-----------------------------------|------------------------|-------------------|------------|
| Balance at December 31, 2015      | \$ 13,578              | \$ 72,328         | \$ 85,906  |
| Net income                        | -                      | 1,530             | 1,530      |
| Dividends paid on ordinary shares | -                      | (2,098)           | (2,098)    |
| Issuance of ordinary shares       | 23,500                 | -                 | 23,500     |
| Balance at March 31, 2016         | \$ 37,078              | \$ 71,760         | \$ 108,838 |

**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the period ended March 31, 2016 with comparatives for March 31, 2015 | (Expressed in B\$000, unaudited)

|   | THREE MONTHS ENDED |                  |
|---|--------------------|------------------|
|   | MAR 31, 2016       | MAR 31, 2015     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                    |                  |
| Net income  | \$ 1,530           | \$ 3,044         |
| Adjustments for:  |                    |                  |
| Depreciation and amortization                               | 9,147              | 7,998            |
| Interest expense  | 1,188              | 1,253            |
| Dividends on preferred shares                               | 2,835              | 1,846            |
| Gain on joint venture                                       | (15)               | -                |
| Operating cash flow before working capital changes          | 14,685             | 14,141           |
| Increase in trade and other receivables, net                | (7,867)            | (1,462)          |
| Increase in prepaid expenses and deposits                   | (2,293)            | (3,473)          |
| Decrease (increase) in inventory                            | 2,202              | (83)             |
| Increase in accounts payable & accrued liabilities          | 263                | 3,460            |
| Increase in deferred income                                 | 115                | 418              |
| Increase (decrease) in subscriber deposits                  | 128                | (53)             |
| Net cash from operating activities                          | 7,233              | 12,948           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |                    |                  |
| Additions to property, plant and equipment                  | (20,249)           | (18,302)         |
| Additions to intangible assets                              | (123)              | (1,057)          |
| Net cash used in investing activities                       | (20,372)           | (19,359)         |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |                    |                  |
| Repayment of long-term debt (net)                           | -                  | (1,228)          |
| Capital lease obligation & other liabilities                | 1,099              | (159)            |
| Interest paid on long-term debt                             | (1,188)            | (1,253)          |
| Issuance of ordinary shares                                 | 23,500             | -                |
| Dividends paid on ordinary shares                           | (2,098)            | (1,900)          |
| Issuance of share based option                              | -                  | 60               |
| Shares repurchased and cancelled                            | -                  | (241)            |
| Net cash from (used in) financing activities                | 21,313             | (4,721)          |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>8,174</b>       | <b>(11,132)</b>  |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>       | <b>63,001</b>      | <b>30,740</b>    |
| <b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>             | <b>\$ 71,175</b>   | <b>\$ 19,608</b> |

**NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

These consolidated interim condensed financial statements are prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies used in the preparation of these interim financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2015.