



CABLE BAHAMAS LTD.

2016 THIRD QUARTER REPORT

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of September 30, 2016 | (Expressed in B\$000, unaudited)

	SEP 30, 2016	DEC 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 83,518	\$ 63,001
Trade receivables, net	13,820	15,854
Prepaid expenses and deposits	5,318	3,522
Inventory	10,860	11,594
Other receivables	14,067	9,985
Total current assets	127,583	103,956
NON-CURRENT ASSETS:		
Investment in Dais	5,087	4,172
Property, plant and equipment	354,059	300,628
Deferred tax asset	31,485	31,485
Goodwill	13,074	13,074
Intangible assets	95,024	29,952
Total non-current assets	498,729	379,311
TOTAL	\$ 626,312	\$ 483,267
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable & accrued liabilities	\$ 57,284	\$ 39,060
Deferred income	1,794	1,896
Dividends payable	6,168	2,714
Current portion of other liabilities	1,594	1,462
Current portion of long-term debt	1,600	11,424
Total current liabilities	68,440	56,556
NON-CURRENT LIABILITIES:		
Subscriber deposits	7,686	7,499
Other liabilities	24,227	10,946
Deferred tax liability	31,485	31,485
Long-term debt	97,889	88,065
Preferred shares	232,235	202,810
Total non-current liabilities	393,522	340,805
Total liabilities	461,962	397,361
EQUITY:		
Ordinary share capital	30,354	13,578
Retained earnings	69,631	72,328
Non-controlling interest	64,365	-
Total equity	164,350	85,906
TOTAL	\$ 626,312	\$ 483,267

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended September 30, 2016 with comparatives for September 30, 2015 | (Expressed in B\$000, unaudited)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	SEP 30 2016	SEP 30 2015	SEP 30 2016	SEP 30 2015
REVENUE	\$44,748	\$40,905	\$132,702	\$123,948
OPERATING EXPENSES	(34,849)	(27,970)	(93,379)	(80,816)
	9,899	12,935	39,323	43,132
Depreciation and amortization	(9,668)	(10,069)	(27,774)	(27,313)
OPERATING INCOME	231	2,866	11,549	15,819
Gain on joint venture	-	-	15	-
Loss on disposal of assets	(39)	-	(54)	-
Interest expense	(862)	(1,135)	(3,609)	(3,207)
Dividends on preferred shares	(3,454)	(2,318)	(9,125)	(7,078)
NET AND COMPREHENSIVE (LOSS) INCOME	\$(4,124)	\$(587)	\$(1,224)	\$5,534
Net loss attributable to non-controlling interests	\$(2,669)	\$ -	\$(2,669)	\$ -
Net and comprehensive (loss) income attributable to owners of the parent	\$(1,455)	\$(587)	\$1,445	\$5,534
BASIC EARNINGS PER SHARE	\$(0.09)	\$(0.01)	\$(0.03)	\$0.14
DILUTED EARNINGS PER SHARE	\$(0.09)	\$(0.01)	\$(0.03)	\$0.14

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended September 30, 2016
 (Expressed in B\$000, unaudited)

	ORDINARY SHARE CAPITAL	RETAINED EARNINGS	NON-CONTROLLING INTEREST	TOTAL
Balance at December 31, 2015	\$13,578	\$72,328	\$ -	\$85,906
Net income (loss)	-	1,445	(2,669)	(1,224)
Dividends paid on ordinary shares	-	(4,142)	-	(4,142)
Issuance of ordinary shares	16,776	-	67,034	83,810
Balance at September 30, 2016	\$30,354	\$69,631	\$64,365	\$164,350

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended September 30, 2016 with comparatives for September 30, 2015 | (Expressed in B\$000, unaudited)

	NINE MONTHS ENDED	
	SEP 30, 2016	SEP 30, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	\$ (1,224)	\$ 5,534
Adjustments for:		
Depreciation and amortization	27,774	27,313
Interest expense	3,609	3,207
Dividends on preferred shares	9,125	7,078
Gain on joint venture	(15)	-
Loss on disposal of assets	54	-
Operating cash flow before working capital changes	39,323	43,132
Increase in trade and other receivables, net	(2,048)	(5,867)
Increase in prepaid expenses and deposits	(1,796)	(2,421)
Decrease (increase) in inventory	734	(1,769)
Increase in accounts payable & accrued liabilities	18,224	3,193
Decrease in deferred income	(102)	(267)
Increase in subscriber deposits	187	347
Net cash from operating activities	54,522	36,348
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to investments	(915)	-
Additions to property, plant and equipment	(78,950)	(55,303)
Additions to intangible assets	(67,366)	(1,479)
Net cash used in investing activities	(147,231)	(56,782)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term debt (net)	-	(6,670)
Capital lease obligation & other liabilities	13,413	4,536
Interest paid on long-term debt	(3,609)	(3,207)
Issuance of ordinary shares	83,810	-
Issuance of preference shares	42,735	75,000
Redemption of preferred shares	(13,310)	-
Dividends paid on preferred shares	(5,671)	(2,528)
Dividends paid on ordinary shares	(4,142)	(5,702)
Issuance of share-based option	-	200
Shares repurchased and cancelled	-	(215)
Net cash from financing activities	113,226	61,414
NET INCREASE IN CASH AND CASH EQUIVALENTS	20,517	40,980
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	63,001	30,740
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$83,518	\$71,720

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. These statements also follows the guidelines of IFRS 10, Consolidated Financial Statements and incorporates the financial statements of the 48.25% owned subsidiary NewCo2015 Limited, which was incorporated July 1, 2016, under the laws of The Commonwealth of The Bahamas for the purpose of providing wireless services throughout The Bahamas. Cable Bahamas Ltd has board and management control and as such all startup costs included in NewCo2015 Limited financial statements are included in these consolidated interim financial statements.