

Centennial Communications

2004 Financial Report



Our Vision:

To be the premier regional provider of telecommunications services,
by tailoring the ultimate customer experience, in the markets we serve.

Selected Five-Year Financial Highlights

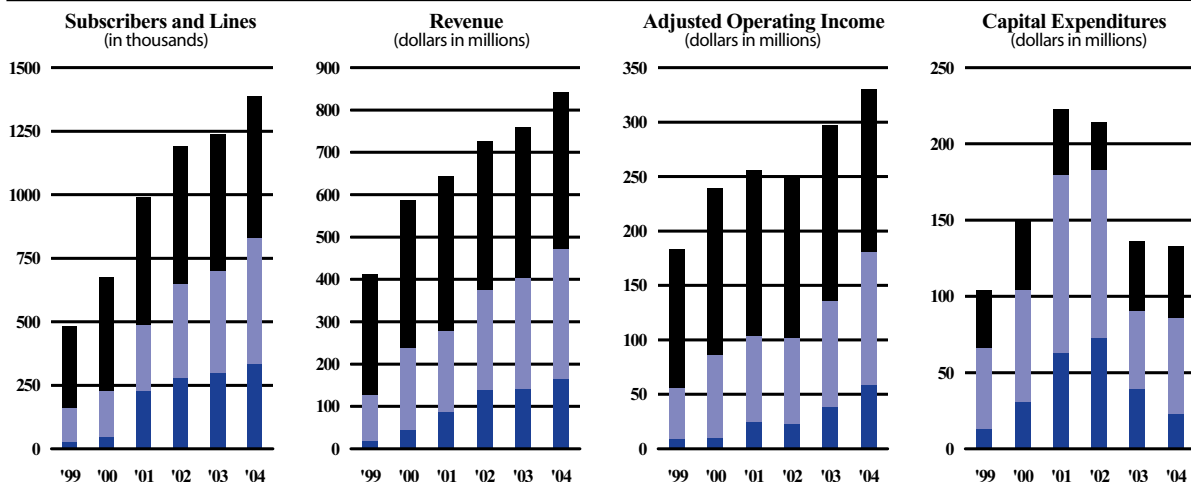
For the Year Ended May 31

(dollars in thousands, except for subscriber data)

	2004	2003	2002	2001	2000
CONSOLIDATED RESULTS					
Revenue	828,841	749,436	718,577	636,008	548,775
Net (loss) income	(22,792)	(111,646)	(79,638)	183,099	17,885
Net (loss) income per share	(0.23)	(1.17)	(0.84)	1.93	0.19
Adjusted Operating Income*	330,516	297,078	248,885	255,850	238,713
Capital Expenditures	132,930	133,109	214,442	222,904	148,552
Total Debt Less Cash Equivalents	1,655,762	1,691,579	1,774,646	1,668,096	1,571,066
U.S. WIRELESS					
Revenue	370,200	355,629	350,724	363,750	349,330
Adjusted Operating Income	149,488	161,122	147,667	152,401	152,917
Subscribers	555,000	538,500	538,500	500,100	445,300
Net Gain - Subscribers	16,500	-	38,400	54,800	124,700
Postpaid Churn	1.9%	2.0%	2.2%	2.2%	2.0%
Penetration	9.1%	8.8%	8.8%	8.4%	7.2%
Monthly revenue per average customer	56	55	56	64	77
Roaming Revenue	54,303	77,632	92,584	108,884	114,790
Capital Expenditures	46,882	44,211	30,664	43,444	44,972
CARIBBEAN WIRELESS					
Revenue	306,212	262,052	236,339	193,004	162,011
Adjusted Operating Income	121,627	96,514	78,706	78,529	75,642
Subscribers	496,200	398,600	366,500	263,000	181,500
Net Gain - Subscribers	97,600	32,100**	103,500	81,500	48,000
Postpaid Churn	2.4%	2.7%	2.6%	2.8%	4.5%
Monthly revenue per average customer	57	58	62	74	86
Capital Expenditures	62,894	50,423	110,382	116,838	72,737
CARIBBEAN BROADBAND					
Revenue	164,735	141,757	139,144	86,017	45,069
Adjusted Operating Income	59,401	39,442	22,512	24,920	10,154
Capital Expenditures	23,154	38,475	73,396	62,622	30,843
Total Access Lines & Equivalents	264,100	222,400	190,200	132,900	48,300
Cable TV Subscribers	73,400	78,200	91,600	93,500	-

*See Investor Relations section of Centennial's Website at www.centennialwireless.com for a discussion of Non-GAAP financial measures.

**Includes a reduction of 30,200 subscribers in the twelve months ended May 2003 from the divested Centennial Digital Jamaica operations. All of these subscribers were added in the twelve months ended May 31, 2002.



■ U.S. Wireless

■ Caribbean Wireless

■ Caribbean Broadband



Dear Shareholders,

Fiscal 2004 was a year of significant accomplishment and gratifying financial results for Centennial Communications. Even better, at the start of fiscal 2005, we see a wealth of opportunities to establish Centennial Communications even more firmly as the premier regional telecommunications provider in the markets we serve. Centennial's ability to de-leverage consistently while growing adjusted operating income (AOI)* is the foundation for substantial value creation over time.

Financial Results

Centennial's financial performance during fiscal 2004 reflected the company's fundamental strengths.

Double digit growth. Revenue increased 11% to \$829 million and AOI increased 11% to \$331 million in fiscal 2004. This impressive double-digit growth was achieved even though roaming revenues fell 29%. Roaming revenue accounted for less than 7% of 2004 consolidated revenue.

Impressive margins. All business segments reported significant margins: U.S. Wireless retail operation, 32%;

**See Investor Relations section of Centennial's Website at www.centennialwireless.com for a discussion of Non-GAAP financial measures.*

Caribbean Broadband, 36%; Caribbean Wireless, 40%.

Efficient Use of Capital. Capital expenditures of \$133 million (or only 16% of revenue) supported our growth and profitability.

Impressive returns. Free cash flow (AOI less capital expenditures) reached a record \$198 million for fiscal 2004, up from \$164 million in fiscal 2003, with contributions from Caribbean Wireless and Caribbean Broadband now approaching that of U.S. Wireless.

Enhanced financial flexibility. We consummated refinancing transactions of approximately \$1.6 billion during the year, extending maturities, reducing amortization and affording Centennial enhanced financial flexibility for the long term. By year-end, the ratio of net debt to AOI was at 5 times, compared to 5.7 times at the end of fiscal 2003.

Strategic and Operating Accomplishments

During or after fiscal 2004, we made progress on many fronts. We:

- Announced a definitive agreement to sell our Cable Television operation to the private equity firm of Hick Muse for \$155 million in cash, a transaction that will accelerate our de-leveraging and sharpen our strategic focus.
- Completed a GSM overlay in our Midwest Cluster and began in our Southeast Cluster.
- Announced the exercise of options to purchase spectrum from AT&T Wireless covering approximately 4.1 million POPs contiguous to our existing footprint in Michigan and Indiana. The aggregate exercise price of the spectrum is \$19.5 million. We also announced a definitive agreement to sell the Indianapolis and Lafayette, Indiana portion of this spectrum to Verizon Wireless for \$24 million in

cash. If consummated, the net result of these transactions will be that Centennial will obtain licenses covering approximately 2.2 million incremental POPs, and receive \$4.5 million of cash.

- Announced a \$45 million plan, contingent on the spectrum purchase, to launch service in a 1.4 million POP area that includes Grand Rapids and Lansing, Michigan. This new build bridges a gap in our Midwest cluster and meaningfully strengthens the competitiveness of U.S. Wireless.
- Installed a new and expanded CDMA 1X network in the Dominican Republic and greatly expanded the capacity and coverage of our Puerto Rico wireless network.
- Expanded and refurbished our retail sales and service locations in Puerto Rico and the Dominican Republic.
- Continued to increase the value of the Centennial brand in all our markets, as indicated by our customer research.

Building Our Brand

Centennial's vision is *to be the premier regional provider of telecommunications services by tailoring the ultimate customer experience in the markets we serve*. We build our brand in support of this vision in all our serving areas, tailoring the implementation to the needs of each area. Our ability to tailor by geography is an advantage of our being a regional service provider.

Increasingly, brand is a competitive differentiator in the telecommunications industry. Although the concept of brand is well accepted in many industries, it is relatively new to the telecommunications industry with its monopoly franchise heritage. Today, few vestiges of monopoly remain in the telecommunications industry, particularly in the intensely competitive wireless segment. This rapidly esca-

lating competition drives the need to build a brand.

Brand building happens customer by customer and associate by associate. The ultimate customer experience, whether based on trust or respect, depends on millions of great interactions between our associates and our customers. Our team of 3,600 Centennial associates who deliver this experience to our customers is getting better every day.

Our understanding of our customer needs and our ability to improve how we respond to those needs also improves every day. Our vision motivates our world-class team of customer-focused associates.

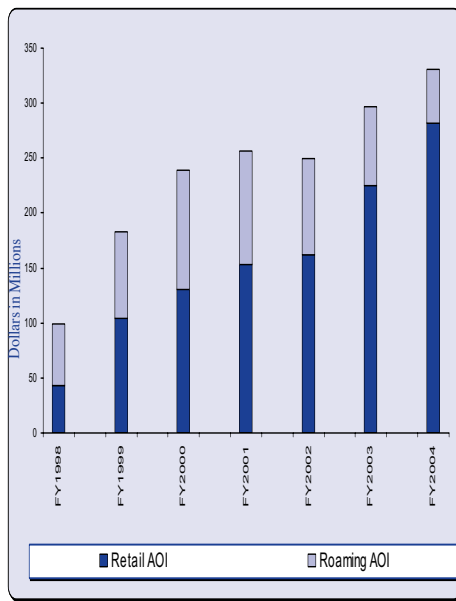
In U.S. Wireless, the attribute customers attach to Centennial is **trust**. We have the Blue Shirt Promises. We are Trusted Advisors. We design processes to prevent surprises on customer bills.

In the Caribbean, a historically underserved region, the attribute customers attach to Centennial is **respect**. Customers think we treat them right. We listen. We care. We even welcome customers to our stores to pay their bills, which may sound obvious, but some of our competitors view this as an inconvenience and charge for in person payments.

Building brand is working for you, our shareholders. Consider the results. We have successfully reduced our dependence on roaming revenue by rapidly growing our retail or end-user revenues and profitability.

Over the past six years, non-roaming AOI has grown at a compound annual growth rate of over 36% since the leveraged recapitalization of the Company.

Retail AOI Compound Annual Growth: 36%



In fiscal 2004, the non-roaming AOI grew \$57 million or 26% on non-roaming revenue growth of \$103 million or 15%. The non-roaming revenue growth of \$103 million was almost double our U.S. Wireless roaming revenue of \$54 million.

In fiscal 2004, the AOI margin on the incremental retail revenue growth was 56% and U.S. Wireless (our incorrectly perceived low growth business) grew its non-roaming AOI to \$101 million from \$89 million the prior year, an increase of 13%.

The Future

We believe a balance of internal growth and de-leveraging creates the best risk-adjusted return for Centennial shareholders. In the future, continued investment in our brand will grow our non-roaming revenue and AOI, while roaming revenue will become increasingly less relevant for Centennial.

We now have the spectrum and footprint to sustain long-term growth in our U.S. Wireless operation. Our

planned Grand Rapids/Lansing new build will improve our footprint competitiveness and expands our U.S. Wireless covered POPs by 23% and our licensed POPs by 37%.

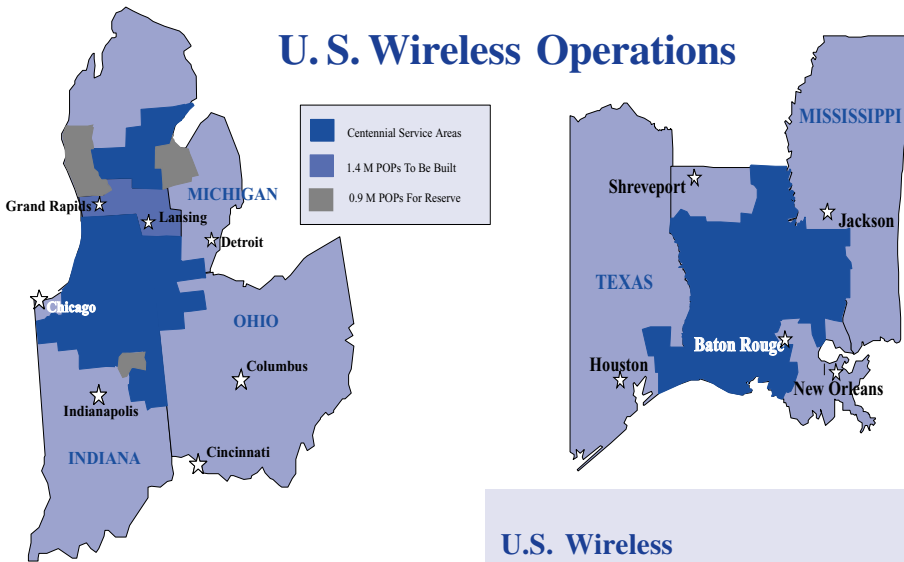
In the future, we also expect that:

- Introductions of new wireless data services will leverage the recent overlay of GSM in U.S. Wireless and the existing CDMA 1X in the Caribbean.
- Network expansions in the Caribbean will improve in building coverage, the new frontier for wireless.
- The integration of our wireless and wireline assets in the Caribbean will create advantages that few of our competitors can match.
- Continuous learning (supported by Centennial University and other initiatives) and the willingness to embrace change by Centennial associates will be the foundation for tailoring the ultimate customer experience.

As we look back at this stellar year and look forward to fiscal 2005, I want to express my gratitude to Centennial's associates, vendors and investors. Your efforts and support made 2004 a resounding success and pave the way for a promising future as the premier regional provider of telecommunications services in the markets we serve.

Michael J. Small
September 2004

U.S. Wireless Operations



Corporate Profile

Centennial Communications Corp., founded in 1988, is a leading regional wireless and broadband telecommunications company serving over one million customers in markets with a combined population of 19.5 million in the United States and the neighboring Caribbean. On May 31, 2004, Centennial had 1,051,200 wireless customers, 73,400 cable TV subscribers, and provided 264,100 lines of voice, data and Internet services.

- In the United States, Centennial is a regional wireless service provider in small cities and rural areas in two geographic clusters covering parts of six states.
- In our Puerto Rico based Caribbean service area, Centennial is a facilities based, fully-integrated communications service provider offering both wireless and broadband voice, data, Internet and video services to businesses and consumers.

U.S. Wireless

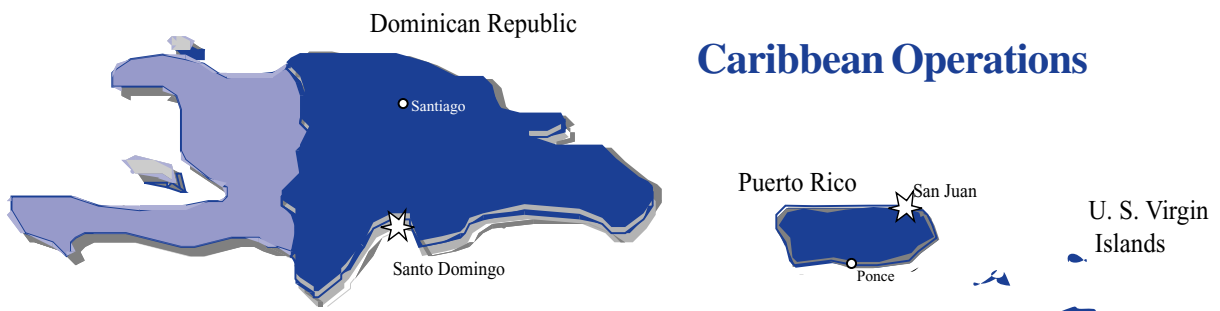
U.S. Wireless operations serve markets with approximately six million people in two clusters. One cluster includes Indiana, Michigan and Ohio; the other includes Louisiana, Mississippi and Texas. Our clusters are comprised of small cities and rural areas that generally have lower penetration levels than major metropolitan areas. Approximately 94 percent of U.S. Wireless' 555,000 wireless customers have digital phones and use its TDMA (Time Division Multiple Access) network. We launched GSM service in the Midwest cluster in November 2003 and expect to launch GSM service in the Southeast cluster by the end of calendar 2004. U.S. Wireless' network encompasses over 767 cell sites and its extensive distribution channels include 110 company-owned retail locations.

Caribbean Region

Centennial's Caribbean operations offer service to a population of approximately 13 million people in Puerto Rico, the Dominican Republic and the U.S. Virgin Islands using digital wireless and terrestrial broadband telecommunications technologies. Centennial uses CDMA digital wireless technology that is upgraded for high-speed data in all of its markets in the Caribbean. The company has 1,730 fiber-optic terrestrial route miles and 3,150 miles of coaxial cables installed in the Caribbean. These Caribbean wireless and wireline networks are connected by Centennial's undersea fiber optic capacity to the company's switch in Miami. This shared, all digital network supporting voice, data, Internet and video creates substantial economies of scale and allows the company to efficiently serve high-usage customers. As of May 31, 2004, Centennial's approximately 2,500 employees in the Caribbean were dedicated to providing superior service to 496,200 wireless customers, 73,400 cable TV subscribers, and more than 23,000 Internet and telephony customers using 264,100 lines of voice, data and Internet services.

Welsh, Carson, Anderson & Stowe and an affiliate of The Blackstone Group are controlling shareholders of Centennial. Approximately twenty percent of Centennial's common stock is publicly traded on Nasdaq® under the symbol CYCL.

Caribbean Operations



CORPORATE INFORMATION

Directors

Anthony J. de Nicola

General Partner
Welsh, Carson, Anderson & Stowe

James R. Matthews

General Partner
Welsh, Carson, Anderson & Stowe

Thomas E. McInerney

Chairman of the Board
Centennial
General Partner
Welsh, Carson, Anderson & Stowe

James P. Pellow

Executive Vice President and
Chief Operating Officer
St. John's University

Raymond A. Ranelli

PricewaterhouseCoopers, Retired

Robert D. Reid

Principal
The Blackstone Group

Michael J. Small

Chief Executive Officer
Centennial

David M. Tolley

Principal
The Blackstone Group

J. Stephen Vanderwoude

Chairman & Chief Executive Officer
Madison River Communications

Officers and Management

Michael J. Small

Chief Executive Officer

Thomas J. Fitzpatrick

Chief Financial Officer

Thomas E. Bucks

Chief Accounting Officer

Tony L. Wolk

Senior Vice President, General Counsel

Nancy D. Werner

Vice President, Human Resources

U.S. Wireless

Phillip H. Mayberry

President

Laura J. Hughes

Vice President, Marketing

Donald J. Kincaid

Vice President, Customer Service

Jeffrey L. Shively

Senior Vice President, Engineering

Caribbean Operations

John A. de Armas

President

Thomas R. Cogar, Jr.

Chief Technology Officer

Juan C. Victoria

Chief Information Officer

Raul Salvado

President, Dominican Republic

Charles M. Hollis

Senior Vice President, Wireless Operations

Alvaro Pilar

Vice President, Broadband

Francis P. Hunt

Vice President, Controller

Annual Meeting

The Annual Meeting of Shareholders will be held at 11 a.m., Eastern Standard Time, on Thursday, September 30, 2004:

The Waldorf=Astoria
301 Park Avenue
Sutton Suite
New York, NY 10022

Investor Information and 10-K

To request additional copies of the Company's Annual Report on Form 10-K or to obtain other investor information, contact:

Thomas J. Fitzpatrick
Chief Financial Officer

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www.centennialwireless.com

www.centennialpr.com

www.centennialrd.com

Stock Exchange Listing

The Nasdaq Stock Market®
Ticker Symbol: CYCL

Transfer Agent and Registrar

American Stock Transfer
and Trust Company
59 Maiden Lane
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Independent Auditors

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