

FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1993

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____

Commission file number 1-8519

CINCINNATI BELL INC.

An Ohio
Corporation

I.R.S. Employer
No. 31-1056105

201 East Fourth Street, Cincinnati, Ohio 45202
Telephone Number 513 397-9900

Securities registered pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Shares (par value \$1.00 per share)	New York Stock Exchange
Preferred Share Purchase Rights	Cincinnati Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

At February 28, 1994, 65,094,358 common shares were outstanding.

At February 28, 1994, the aggregate market value of the voting shares owned by non-affiliates was \$1,058,203,575.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No
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Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (SECTION 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

DOCUMENTS INCORPORATED BY REFERENCE

- (1) Portions of the registrant's annual report to security holders for the fiscal year ended December 31, 1993 (Parts I, II and IV)
- (2) Portions of the registrant's definitive proxy statement dated March 14, 1994 issued in connection with the annual meeting of shareholders (Part III)

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PART I

ITEM 1. BUSINESS

GENERAL

Cincinnati Bell Inc. (including its wholly owned subsidiaries, except as the context may otherwise require, the "Company") is incorporated under the laws of Ohio and has its principal executive offices at 201 East Fourth Street,

Cincinnati, Ohio 45202 (telephone number 513 397-9900).

The Company is a holding company engaged in operations through its subsidiaries. The major subsidiaries are Cincinnati Bell Telephone Company ("CBT"), Cincinnati Bell Information Systems Inc. ("CBIS") and MatriXX Marketing Inc. ("MatriXX"). CBT provides telecommunications network services, CBIS designs, markets and manages information systems related to the telecommunications industry, and MatriXX provides telephone marketing and research, fulfillment and data base services. Other subsidiaries include Cincinnati Bell Long Distance Inc. ("CBLD") which provides resale of long distance telecommunications services and products as well as voice mail and paging services, Cincinnati Bell Directory Inc. ("CBD") which provides Yellow Pages and other directory products and services and information and advertising services, and companies having interests in cellular mobile telephone service, the purchase, sale and reconditioning of telecommunications and computer equipment, and the ownership of real estate used by the Company.

CINCINNATI BELL TELEPHONE COMPANY

CBT is engaged principally in the business of furnishing telecommunications network services, mainly local exchange, access and toll telephone service, in four counties in southwestern Ohio, six counties in northern Kentucky and parts of two counties in southeastern Indiana. On December 31, 1993, CBT had approximately 848,000 network access lines in service. The principal cities in which CBT furnishes local service are Cincinnati, Norwood and Hamilton in Ohio and Covington, Newport and Florence in Kentucky. Approximately 98% of CBT's network access lines are in a single local service area. Other communications services offered by CBT include voice, data and video transmission, custom calling services and billing services. In addition, CBT is a sales agent for certain products and services of American Telephone and Telegraph Company ("AT&T") and also sells products of other companies.

CBT's local exchange, access and toll telephone operations are subject to regulation by the regulatory authorities of the states in which it operates with respect to intrastate rates and services, issuance of securities and other matters. CBT is also subject to the jurisdiction of the Federal Communications Commission ("FCC") with respect to interstate rates, services and other matters. The FCC prescribes a uniform system of accounts and the principles and standard procedures used to separate CBT's investments, revenues, expenses, taxes and reserves between those applicable to interstate services under the jurisdiction of the FCC and to intrastate services under the jurisdiction of the state regulatory authorities.

TELEPHONE OPERATIONS. The lines provided by CBT to customer premises can be interconnected with the lines of other telephone companies in the United States and with telephone systems in most other countries. Interconnection is made through the facilities of interexchange carriers and local exchange carriers.

The following table sets forth for CBT the number of network access lines at December 31:

	Thousands				
	1993	1992	1991	1990	1989
Network Access Lines	848	827	808	800	781

Recurring charges for network access lines and other local services for the year ended December 31, 1993 accounted for approximately 45% of CBT revenues and sales.

INTRASTATE RATES. Rates for intrastate services offered by CBT are either

non-regulated by state regulatory authorities in Ohio and Kentucky or regulated by such state regulatory authorities which are The Public Utilities Commission of Ohio (the "PUCO") and the Public Service Commission of Kentucky (the "PSCK"). Approximately 78% of CBT's 1993 revenues and sales was derived from intrastate service. Approximately 83% of 1993 intrastate revenues was derived from Ohio service, approximately 17% was derived from Kentucky service and minor amounts were derived from Indiana and other states service. Of the total 1993 intrastate revenues, local service accounted for approximately 68%, intrastate long distance service and network access accounted for approximately 14% and miscellaneous revenue accounted for approximately 18% of such revenues and sales.

In 1984, the PUCO issued orders providing the format to be employed by local exchange telephone companies in Ohio for setting charges for intrastate access by interexchange carriers. The PUCO determined that the Ohio intrastate access charges should mirror the interstate access charges set by the FCC (see "Interstate Rates"), with the exception that the PUCO did not order mirroring of subscriber line charges or carrier common line charges.

Pursuant to procedures established by the PUCO, local exchange companies are permitted to file plans proposing alternative forms of regulation for competitive services and basic service rates. On March 12, 1993, CBT filed a notice of intent to file an application for approval of an alternative regulation plan and for a threshold rate adjustment. Pursuant to CBT's proposal, services would be categorized into various cells depending on the nature of the services, with varying degrees of pricing flexibility. Also, CBT's proposal requested an across-the-board (with a few noted exceptions) increase of approximately 9% in its rates.

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CBT filed its application on May 4, 1993. On November 25, CBT voluntarily filed several modifications to its initial proposal in response to concerns raised by various intervenors. The initial and modified plans sought a threshold rate increase of \$17.1 million, or approximately a 5.5% increase in annual revenues. On January 31, 1994, the PUCO staff issued its evaluation of CBT's filing and recommended an annual revenue increase in the range of \$6.6 million to \$11.1 million. Thereafter, CBT and the intervenors filed objections to the staff's recommendation. The parties are involved in negotiations to settle the case. In the event that a settlement is not reached, hearings are expected to begin in April 1994.

In 1991, the PSCK issued an order amending its prior format to be used by local exchange companies in Kentucky for setting charges for intrastate access for interexchange carriers. In this order, the PSCK ordered that rates and regulations should mirror those of the FCC with certain exceptions that may be considered for future mirroring based on the merits of each situation.

INTERSTATE RATES. Approximately 22% of CBT's 1993 revenues and sales was derived from interstate and foreign services under FCC tariffs. The FCC has regulatory jurisdiction over services, rates and other matters relating to CBT's interstate operations. The FCC prescribes a uniform system of accounts applicable to telephone companies, separations procedures to be utilized in separating investments, expenses, taxes and reserves between the federal and state regulatory jurisdictions, and depreciation rates for interstate plant and facilities.

The FCC's cost allocation rules specify requirements relative to the allocation of costs between regulated and non-regulated activities, as well as transactions between affiliated entities. CBT's cost allocation manual, setting forth its method for separating regulated and non-regulated activities consistent with the FCC's cost allocation rules, was approved, as modified by the FCC. CBT continues to review its cost allocation manual and to modify it as appropriate to reflect CBT's circumstances.

The FCC also prescribes the rate of return which regulated carriers are authorized to earn on their regulated interstate business. The currently effective authorized rate of return is 11.25%. The FCC has yet to design a valid refund mechanism to replace its automatic refund rule to address instances where earnings exceed authorized levels for any monitoring period. The U.S. Court of Appeals for the District of Columbia Circuit previously found the FCC's automatic refund rule to be arbitrary and capricious. In the absence of FCC action, several complaints were filed pursuant to Section 208 of the Communications Act seeking refunds related to prior access periods in which CBT had allegedly exceeded the authorized rate of return. The FCC has awarded damages in these cases, thereby attempting to achieve the same results that were found improper in the previously overturned FCC rule. Cincinnati Bell has filed appeals to those FCC orders.

CBT receives its principal interstate compensation from access charges paid by interexchange carriers and end users. Specifically, traffic sensitive switched access charges apply on a usage sensitive basis to recover costs associated with the use of CBT's switching and transmission

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facilities. Special access charges recover costs of private line connections. CBT's non-traffic sensitive costs are recovered from subscribers on a flat rate basis (Subscriber Line Charges) and from interexchange carriers on a usage sensitive basis (Carrier Common Line Charges). Effective April 1, 1989, with the final step increase in the Subscriber Line Charges, the cap on residential and single line business Subscriber Line Charges increased to \$3.50. Multi-line customers' Subscriber Line Charges have a \$6.00 cap. The Carrier Common Line rate recovers the remaining non-traffic sensitive costs.

The Regional Bell Operating Companies and certain Tier 1 local exchange carriers have converted to price cap regulation. During 1993, CBT elected to remain under traditional rate of return regulation. However, CBT has filed, and the FCC has approved effective January 15, 1994, CBT's Optional Incentive Regulation tariff which allows CBT to move from traditional rate of return regulation.

COMPETITION. Regulatory, legislative and judicial decisions, new technologies and the convergence of other industries with the telecommunications industry are causes of increasing competition in the telecommunications industry. The range of communications services, the equipment available to provide and access such services and the number of competitors offering such services continue to increase. Federal and state regulators are encouraging changes that promote competition in the industry in the belief that increased competition will drive technological innovation, lower prices and improve service levels.

Other means of communications that permit bypass of CBT's local exchange facilities either completely or partially are available and are growing, although CBT is unable to determine precisely to what extent such bypass may occur. Alternative Access Providers (AAPs), cable companies and wireless providers have all made clear their intent to compete for segments of the local exchange business. AAPs, who initially focused only on interstate private lines, are now gaining credibility and are offering an ever-expanding range of telecommunications services to large business customers, including switched services. Cable companies are upgrading and using their broadband networks to experiment with new video, data and voice services for both residential and business customers, as well as transport for intermediary customers. Wireless providers are testing new technologies, like Personal Communications Service (PCS), to provide an alternative to traditional local service lines. In addition, interexchange carriers are creating new value-added services based on Signaling System 7 and Advanced Intelligent Network technologies, similar to those under development by the local exchange companies. CBT's competitors range from small service bureaus to large interexchange carriers and multi-state cellular companies to joint ventures and other combinations of

telecommunications and other companies.

To stay competitive, CBT has upgraded and will continue to upgrade its telephone plant and network and to explore new services and technologies as sound business judgment dictates. It has constructed several optical fiber rings in and around the metropolitan Cincinnati area to permit it to offer redundancy in telecommunications services for business customers. CBT offers custom calling features that include Caller ID, Call Return, Call Block, Priority Forward, Repeat

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Dialing and Number Privacy. In addition, CBT is attempting to determine the most effective means for it to participate in the PCS technology, the spectrums for which will be auctioned by the FCC in the fall of 1994.

The effect of this competition on CBT will ultimately be determined by federal and state regulatory and legislative actions and the type, quality and cost of CBT's services. CBT continues to position itself in this rapidly changing and convergent environment in order to remain competitive.

CINCINNATI BELL INFORMATION SYSTEMS INC.

CBIS designs, markets and manages information systems and provides software products, consulting services, customer-care systems, billing systems and technical assistance for the global telecommunications industry. CBIS sells the majority of its products and services domestically but also serves clients in Australia, Canada, Japan, Mexico, Switzerland, The Netherlands and the United Kingdom.

Its principal clients are telecommunications carriers, cellular communications providers and their resellers, and owners and operators of private communications networks. CBIS is the leading supplier of billing and customer-care systems for the rapidly growing U.S. cellular telephone industry.

CBIS continues to develop open-systems, client-server architecture for customer-care and billing applications that could serve wireline, wireless and interexchange companies. These new systems form a foundation for more advanced solutions that CBIS expects to deliver to current and future clients. CBIS's new system for the cellular telephone industry is expected to be ready for initial client testing in mid-1994.

The telecommunications information systems and services market is highly competitive. Such competition has increased in recent years and is likely to increase in the future. Some of CBIS's competitors have substantially greater financial and other resources more readily available than CBIS. Competition is based mainly on product quality, performance, price and the quality of customer service. Except for the U.S. cellular telephone market (where CBIS serves cellular companies that have a significant portion of the market), CBIS has small market shares in the other areas of its business and faces vigorous competition.

In late 1993, the Company determined the need to reorganize CBIS. This reorganization focused on two phases. The first phase was the elimination of non-strategic and underperforming operations. This resulted in CBIS taking action to divest its holdings in its federal operation (CBIS Federal), consolidating its foreign data center's operations, and eliminating unprofitable domestic and international activities. The second phase of the plan was to reorganize the remaining operations into strategic business units. These actions began in 1993 and are expected to be completed in 1994.

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MATRIX MARKETING INC.

MATRIX concentrates on servicing business needs in the telephone marketing and related marketing service areas by offering an integrated package of services to its customers including, without limitation, inbound and outbound telephone marketing, marketing research, fulfillment, customer service centers, direct mail, database management and facilities management. MATRIX has seven divisions: Custom Services, Business, Inbound Mountain, Inbound Central, Outbound, International and Research. The Custom Services Division designs customized client solutions for consumer markets with a dedicated staff and services uniquely tailored to the needs of each client. The Inbound Mountain, Inbound Central and Outbound Divisions enable clients to manage high volumes of inbound and outbound customer contacts in an environment of shared resources. The Inbound Mountain, Inbound Central and Outbound Divisions increase market awareness with rapid response to consumer requests for information or service. These divisions handle the needs of packaged goods manufacturers, financial services institutions and telecommunications companies. The Business Division provides sales and customer service personnel who act as the sales arm and/or marketing service representatives for the client. They take orders, sell by telephone and provide information about the client's promotion plans, quantity discounts and new products, both to retailers and distributors. The International Division operates in Europe from its headquarters in Paris and an office in the United Kingdom, offering business-to-business and business-to-customer telephone marketing, including toll-free services, direct response services and facilities management. The Research Division assists MATRIX's clients to find and qualify customers before they offer a new product or service to the market. By offering full-service marketing research, MATRIX can support its clients in their strategic planning and tactical decision-making process.

The telephone marketing agency business in the United States is highly competitive, with MATRIX's competitors ranging in size from very small firms offering special applications or short term projects to large independent firms and "in-house" divisions of potential client companies with size and capabilities equal to those of MATRIX. The telephone marketing agency business in Europe is in the early stages of development. The business is very competitive and overcapacity exists in a market that has not developed very rapidly during the past several years. MATRIX is one of several companies that have a leading position in Europe.

OTHER BUSINESSES

Most of the Company's business other than CBT, CBIS and MATRIX is conducted by other subsidiaries of the Company or by partnerships in which the Company owns an interest.

CBD provides printed Yellow Pages directories and other directory services. In addition, CBD publishes and provides the White Pages directories for CBT. CBD continually evaluates new product offerings in both the print and emerging electronic categories of distribution.

CBLD is a reseller of long distance telecommunications services. CBLD sells high-quality, competitively-priced long distance services to residence customers and small to medium-sized businesses in Ohio, Indiana, Kentucky, Western Pennsylvania and Michigan.

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Cincinnati Bell Supply Company engages in the purchase, sale and reconditioning of telecommunications and computer equipment to customers nationwide.

CBD, CBLD and Cincinnati Bell Supply Company are faced with fierce competition from businesses offering similar products and services. Their

success will be determined by how well they meet the changing market needs of their customers.

Cincinnati Bell Properties Inc. owns certain real estate used by the Company.

The Company (through its wholly owned subsidiary, Cincinnati Bell Cellular Systems Company) is a limited partner with a 45% interest in a limited partnership (of which Ameritech Mobile Phone Service of Cincinnati, Inc. is the general partner) in the cellular mobile telephone service business in the Greater Cincinnati, Columbus and Dayton areas. Cincinnati Bell Cellular Systems Company has commenced a lawsuit against Ameritech Mobile Phone Service of Cincinnati, Inc. asking that the partnership be dissolved. See "Legal Proceedings."

Until January 1, 1994, the Company was a joint venturer with Anixter Bros., Inc. (a materials management firm) in the supply and distribution of telecommunications and electrical equipment and material in Ohio and Kentucky. The term of the joint venture expired as of December 31, 1993, and the joint venture was dissolved as of that date. Anixter Bros., Inc. has continued the business of the joint venture for its benefit, and the Company has commenced a lawsuit against Anixter Bros., Inc. See "Legal Proceedings."

RELATIONSHIP WITH AT&T

The Company and its subsidiaries are parties to several agreements with AT&T and its affiliates pursuant to which the Company and its subsidiaries either purchase equipment, materials, services and advice from AT&T and its affiliates or provide the same to AT&T and its affiliates. As a result of these agreements, during 1993 the Company and its subsidiaries together sold to AT&T and its affiliates approximately \$127,925,000 of goods and services (excluding access line charges) and purchased from AT&T and its affiliates approximately \$64,495,000 of goods and services.

CAPITAL ADDITIONS

The Company has been making large expenditures for construction of telephone plant and investments in its existing subsidiaries and new businesses. By reinvesting in its telephone plant, the Company expects to be able to introduce new products and services, respond to competitive challenges and increase the operating efficiency and productivity of its network. The following is a summary of capital additions for the years 1989 through 1993:

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	(Dollars In Thousands)		
	Telephone Plant Construction	Investments in Existing Subsidiaries and New Businesses	Total Capital Additions
	-----	-----	-----
1993	\$ 111,595	\$ 123,816	\$ 235,411
1992	\$ 94,956	\$ 45,100	\$ 140,056
1991	\$ 115,931	\$ 77,417	\$ 193,348
1990	\$ 127,690	\$ 156,645	\$ 284,335
1989	\$ 142,871	\$ 59,661	\$ 202,532

The total investment in telephone plant increased from approximately \$1,229,539,000 at December 31, 1988 to approximately \$1,430,822,000 at December

31, 1993, after giving effect to retirements but before deducting accumulated depreciation at either date.

Anticipated capital additions in 1994 for the Company including all subsidiaries are approximately \$160,000,000, of which \$95,000,000 is for telephone plant.

EMPLOYEES

At December 31, 1993 the Company and its subsidiaries had approximately 14,700 employees, of whom approximately 18% are covered under collective bargaining agreements with the Communications Workers of America ("CWA"), which is affiliated with the AFL-CIO. Those agreements expire in May 1996 for CBT and September 1996 for CBIS.

The number of employees at December 31, 1993 increased over December 31, 1992. The increase is due to the acquisition of WATS Marketing of America in November 1993.

The Company expects to reduce the number of employees at CBIS as part of its reorganization plan that is expected to be completed in 1994. As part of the reorganization plan, CBIS plans to sell its federal operations which has approximately 1,000 employees.

BUSINESS SEGMENT INFORMATION

The amounts of revenues and sales, operating income, assets, capital additions and depreciation and amortization attributable to each of the business segments of the Company for the year ended December 31, 1993 is set forth in the table relating to business segment information in note (r) of the Notes to the Financial Statements in the Company's annual report to security holders, and such table is incorporated herein by reference.

ITEM 2. PROPERTIES

The property of the Company is principally the telephone plant of CBT, which does not lend itself to description by character and location of principal units. Central office equipment represents 40% of CBT's investment in telephone plant in service; land and buildings (occupied principally by central offices), including capitalized leases, represent 13%; telephone instruments and related wiring and equipment (including private branch exchanges), substantially all of which

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are on the premises of customers, represent 2%; and connecting lines not on customers' premises, the majority of which are on or under public roads, highways or streets and the remainder on or under private property, represent 39%. Other property of the Company is principally computer equipment, computer software, furniture and fixtures.

Substantially all of the installations of central office equipment and garages are located in buildings owned by CBT situated on land which it owns. Some CBT business and administrative offices are in rented quarters, most of which are included in capitalized leases.

The Company owns and occupies a 120,000 square foot building in Erlanger, Kentucky, which is a training and education facility.

CBIS, MATRIX and other Company subsidiaries lease office space in various cities on commercially reasonable terms. Upon the expiration or termination of any such leases, these companies could obtain comparable office space. CBIS also leases some of the computer hardware, computer software and office equipment necessary to conduct its business pursuant to short term leases, some

of which are capitalized leases.

ITEM 3. LEGAL PROCEEDINGS

None, except as described below.

Cincinnati Bell Cellular Systems Company ("CBCSC") is a limited partner in a partnership (of which Ameritech Mobile Phone Service of Cincinnati, Inc. is the general partner) which provides cellular mobile telephone service in the Greater Cincinnati, Dayton and Columbus areas. The partnership operates in a 9,500 square mile area that contains a population of approximately four million people. On February 23, 1994, CBCSC filed an action in the Court of Chancery of the State of Delaware for New Castle County in which CBCSC seeks a dissolution of the limited partnership, the appointment of a liquidating trustee and damages against the general partner. CINCINNATI BELL CELLULAR SYSTEMS COMPANY V. AMERITECH MOBILE PHONE SERVICE OF CINCINNATI, INC., ET AL.

On April 20, 1983, the Company and Anixter Bros., Inc. ("Anixter") formed a joint venture (the "Joint Venture") for the purpose of engaging in the distribution of electrical wire and cable, cable television products and telephone and communications products. The Joint Venture was to continue for approximately ten years, terminating on December 31, 1993. In 1993, several issues arose relating to the operation and the winding up of the Joint Venture. On November 11, 1993, the Company filed a Complaint against Anixter and the Joint Venture in the Court of Common Pleas for Hamilton County, Ohio. In its Complaint, the Company contends that (1) Anixter has refused to compensate the Company for the going concern value of the Joint Venture which Anixter had converted and/or will retain; and (2) Anixter, as the managing partner of the Joint Venture, has failed to account properly for the revenues and expenses of the Joint Venture. On December 14, 1993, Anixter removed the case to the federal district court for the Southern District of Ohio. On December 16, 1993, Anixter filed its Answer and Counterclaim. In its Counterclaim, Anixter alleges that the Company wrongfully

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competed with the Joint Venture. CINCINNATI BELL INC. V. ANIXTER BROS., INC., ET AL.

The Federal Communications Commission has issued orders that require CBT to refund to interexchange carriers certain amounts based on CBT's having exceeded targeted earning levels for interstate access services for the 1987-1988 access period. CBT has appealed the FCC orders, and its appeals have been consolidated with numerous other appeals involving similar issues pending in the U.S. Circuit Court of Appeals for the District of Columbia. MCI TELECOMMUNICATIONS CORP., ET AL. V. FCC AND USA.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of security holders in the fourth quarter of the fiscal year covered by this report.

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EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES OF THE REGISTRANT (DURING 1993).

The names, ages and positions of the executive officers and significant employees of the Company are as follows:

Name	Age	Title
-----	---	-----
	as of 3/31/94)	
Dwight H. Hibbard (a,b,c)	70	Chairman of the Board
John T. LaMacchia (a,b,c)	52	President and Chief Executive Officer
Raymond R. Clark (a)	56	Executive Vice President President and Chief Executive Officer of Cincinnati Bell Telephone Company
Brian C. Henry	37	Executive Vice President and Chief Financial Officer
Sheldon Horing (d)	57	Executive Vice President President and Chief Executive Officer of CBIS
David J. Lahey (e)	55	Executive Vice President Chairman of MATRIX Marketing Inc.
William H. Zimmer III	40	Secretary and Treasurer
Donald E. Hoffman	55	Senior Vice President-Administration of Cincinnati Bell Telephone Company
Scott Aiken	58	Vice President - Public Relations of Cincinnati Bell Telephone Company
James F. Orr (f)	48	President and Chief Executive Officer of MATRIX Marketing Inc.
William D. Baskett III (g)	54	General Counsel and Chief Legal Officer

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- (a) Member of Board of Directors.
- (b) Member of Executive Committee of Board of Directors.
- (c) Mr. Hibbard also served as the Chief Executive Officer ("CEO") until October 1, 1993. Mr. LaMacchia was elected CEO on October 1, 1993. Since October 1, 1993 Mr. Hibbard has continued to serve as Chairman.
- (d) Effective February 4, 1994, Mr. Horing resigned as an executive officer of the Company and as President and Chief Executive Officer of CBIS.
- (e) Effective February 4, 1994, Mr. Lahey was appointed President and Chief Executive Officer of CBIS.
- (f) Effective February 4, 1994, Mr. Orr was appointed Chief Operating Officer of CBIS.
- (g) Mr. Baskett is a significant employee as defined by Item 401(c) of Regulation S-K.

Officers are elected annually but are removable at the discretion of the Board of Directors.

DWIGHT H. HIBBARD, Chairman of the Company since January 1, 1985; Chief Executive Officer of the Company, 1985-September 30, 1993; President of the Company, 1983-1987; Chairman of Cincinnati Bell Telephone Company, 1985-October 31, 1993. Director of The Ohio National Life Insurance Company and Teradyne, Inc.

JOHN T. LAMACCHIA, President and Chief Executive Officer of the Company since October 1, 1993; President of the Company since January 1, 1988; Chief Operating Officer of the Company, 1988-September 30, 1993; Chairman of Cincinnati Bell Telephone Company since November 1, 1993; Chairman of Cincinnati Bell Information Systems Inc. since October 1988 and President, 1983-1987. Director of Multimedia, Inc. and The Kroger Co.

RAYMOND R. CLARK, Executive Vice President of the Company since January 1, 1987; Chief Executive Officer of Cincinnati Bell Telephone Company since January 1, 1988; President since January 1, 1987. Director of Star Banc Corporation and Xtek, Inc.

BRIAN C. HENRY, Executive Vice President and Chief Financial Officer of the Company since March 29, 1993; Vice President and Chief Financial Officer of Mentor Graphics, February 1986 to March 28, 1993.

SHELDON HORING, President and Chief Executive Officer of CBIS, January 1, 1991-February 4, 1994; Executive Vice President of the Company, January 1, 1993-February 4, 1994; President of CBIS Federal from January 1, 1990 to December 31, 1990; AT&T Network Systems Data Networking Vice President from January 1, 1989 to December 30, 1989.

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DAVID J. LAHEY, President and Chief Executive Officer of CBIS since February 4, 1994; Executive Vice President of the Company since January 1, 1993; Chairman of MATRIX Marketing Inc. since January 1, 1993; President and Chief Executive Officer of MATRIX Marketing Inc., February 2, 1989 to December 31, 1992; Senior Vice President - Market Development of Cincinnati Bell Enterprises Inc., April 1, 1988 to February 1, 1989.

WILLIAM H. ZIMMER III, Secretary and Treasurer of the Company since August 1, 1991; Secretary and Assistant Treasurer of the Company, December 1, 1988 to July 31, 1991. Assistant Secretary and Assistant Treasurer of the Company, April 20, 1987 to November 30, 1988.

DONALD E. HOFFMAN, Senior Vice President-Administration of Cincinnati Bell Telephone Company since January 1, 1990; Vice President-Administration of Cincinnati Bell Telephone Company, February 1, 1988 to December 31, 1989; President of Cincinnati Bell Cellular Systems Inc., January 1, 1987 to January 31, 1988.

SCOTT AIKEN, Vice President-Public Relations of Cincinnati Bell Telephone Company since May 13, 1985.

JAMES F. ORR, Chief Operating Officer of CBIS since February 4, 1994; President and Chief Executive Officer of MATRIX Marketing Inc. since January 1, 1993; Vice President Market Development January 1, 1989 to December 31, 1992; Vice President of Crush International Inc. January 1, 1986 to December 31, 1988.

WILLIAM D. BASKETT III, General Counsel and Chief Legal Officer of the Company since July 1993; partner of Frost & Jacobs since 1970.

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PART II

ITEMS 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED SECURITY HOLDER MATTERS.

Cincinnati Bell Inc. (symbol: CSN) common shares are listed on the New York Stock Exchange and on the Cincinnati Stock Exchange. As of February 28, 1994 there were approximately 22,391 holders of record of the 65,094,358 outstanding Common Shares of the Company. The high and low sales prices and dividends declared per common share each quarter for the last two fiscal years are listed below.

Quarter		1st	2nd	3rd	4th
1993	High	\$23	\$24 3/8	\$23 1/2	\$24
	Low	\$16 1/8	\$21	\$19 1/8	\$17 7/8
	Dividend Declared	\$.20	\$.20	\$.20	\$.20
1992	High	\$20 7/8	\$18 3/4	\$17 5/8	\$17 5/8
	Low	\$17 3/8	\$16 1/2	\$16	\$15 3/8
	Dividend Declared	\$.20	\$.20	\$.20	\$.20

ITEMS 6 THROUGH 8.

The information required by these items is included in the registrant's annual report to security holders for the fiscal year ended December 31, 1993 included in Exhibit 13 and is incorporated herein by reference pursuant to General Instruction G(2).

ITEM 9. DISAGREEMENTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

No disagreements with accountants on any accounting or financial disclosure occurred during the period covered by this report.

PART III

ITEMS 10 THROUGH 13.

Information regarding executive officers required by Item 401 of Regulation S-K is furnished in a separate disclosure in Part I of this report under the caption "Executive Officers and Significant Employees of the Registrant" since the registrant did not furnish such information in its definitive proxy statement prepared in accordance with Schedule 14A.

The other information required by these items is included in the registrant's definitive proxy statement dated March 14, 1994 in the last paragraph on page 1, the accompanying notes on page 2 and the last paragraph on page 2, the information under "Election of Directors" on pages 5 through 7, the information under "Share Ownership of Directors and Officers" on pages 4 and 5, the information under, "Compensation Committee Report on Executive Compensation," "Executive Compensation" and "Performance Graphs" on pages 7

through 17, and the information under "Compensation Committee Interlocks and Insider Participation" on page 4. The foregoing is incorporated herein by reference pursuant to General Instruction G(3).

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PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a) Documents filed as a part of the report:

(1) Consolidated Financial Statements:	Page

Report of Management.	*
Report of Independent Accountants	*
Statements:	
Consolidated Statements of Income.	*
Consolidated Statements of Common Shareowners' Equity	*
Consolidated Balance Sheets.	*
Consolidated Statements of Cash Flows.	*
Notes to Financial Statements.	*
(2) Financial Statement Schedules:	
Report of Independent Accountants	25
V - Telephone Plant and Other Property.	26
VI - Accumulated Depreciation.	30
VIII - Valuation and Qualifying Accounts	32

Financial statements and financial statement schedules other than those listed above have been omitted because the required information is contained in the financial statements and notes thereto, or because such schedules are not required or applicable.

- -----
*Incorporated herein by reference to the appropriate portions of the registrant's annual report to security holders for the fiscal year ended December 31, 1993. (See Part II.)

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(3) Exhibits:

Exhibits identified in parentheses below, on file with the Securities and Exchange Commission ("SEC"), are incorporated herein by reference as exhibits hereto.

Exhibit
Number

- (3) (a) Amended Articles of Incorporation effective November 9, 1989. (Exhibit (3) (a) to Form 10-K for 1989, File No. 1-8519).

- (3) (b) Amended Regulations of the Registrant. (Exhibit 3.2 to Registration Statement No. 2-96054).

- (4) (a) Provisions of the Amended Articles of Incorporation and the Amended Regulations of the registrant which define the rights of holders of Common Shares and the Preferred Shares are incorporated by reference to such Amended Articles filed as Exhibit (3) (a) hereto and such Amended Regulations filed as Exhibit (3) (b) hereto.

- (4) (b) (i) Rights Agreement dated as of October 27, 1986 between the Company and Morgan Shareholder Services Trust Company, Rights Agent. (Exhibit (1) to Form 8-A, File No. 1-8519).

- (4) (b) (ii) First Amendment to Rights Agreement, dated as of October 3, 1988, between the Company and Morgan Shareholder Services Trust Company, Rights Agent. (Exhibit (4) (b) (ii) to Form 10-K for 1988, File No. 1-8519).

- (4) (c) (i) Indenture dated June 15, 1990 between Cincinnati Bell Inc. and The Bank of New York, Trustee, in connection with \$75,000,000 of Cincinnati Bell Inc. Ten Year 9.10% Notes Due June 15, 2000. (Exhibit (4) (c) (ii) to Form 10-K for 1990, File No. 1-8519).

Indenture dated December 15, 1992 between Cincinnati Bell Inc., Issuer, and The Bank of New York, Trustee, in connection with \$100,000,000 of Cincinnati Bell Inc. 6.70% Notes Due December 15, 1997. A copy of this Indenture is not being filed because it is similar in all material respects to the Indenture filed as Exhibit (4) (c) (i) above.

Indenture dated July 1, 1993 between Cincinnati Bell Inc., Issuer, and The Bank of New York, Trustee, in connection with \$50,000,000 of Cincinnati Bell, Inc. 7 1/4% Notes Due June 15, 2023. Exhibit 4-A to Form 8-K, date of report July 12, 1993, File No. 1-8519.

- (4) (c) (ii) Indenture dated December 27, 1989 among Cincinnati Bell Telephone Company, Issuer, Cincinnati Bell Inc., Guarantor, and The Bank of New York (Delaware), Trustee, in connection with \$40,000,000 of Cincinnati Bell Telephone Company Guaranteed Ten Year 8 5/8% Notes, Due December 15, 1999. (Exhibit 4(c) (ii) to Form 10-K for 1992, File No. 1-8519).

Indenture dated April 30, 1986 among Cincinnati Bell Telephone Company, Issuer, Cincinnati Bell Inc., Guarantor, and The Bank of New York (Delaware), Trustee, in connection with \$40,000,000 of Cincinnati Bell Telephone Company Guaranteed Ten Year 7.30% Notes, Due April 30, 1996. A copy of this Indenture is not being filed because it is similar in all material respects to

the Indenture filed as Exhibit (4)(c)(ii) above.

(4)(c)(iii) Indenture dated August 1, 1962 between Cincinnati Bell Telephone Company and Bank of New York, Trustee (formerly, The Central Trust Company was trustee), in connection with \$20,000,000 of Cincinnati Bell Telephone Company Forty Year 4 3/8% Debentures, Due August 1, 2002. (Exhibit 4(c)(iii) to Form 10-K for 1992, File No. 1-8519).

Indenture dated October 1, 1958 between Cincinnati Bell Telephone Company and Bank of New York, Trustee (formerly, The Central Trust Company was trustee), in connection with \$25,000,000 of Cincinnati Bell Telephone Company Thirty-Five Year 4 1/2% Debentures, Due October 1, 1993. A copy of this Indenture is not being filed because it is similar in all material respects to the Indenture filed as Exhibit (4)(c)(iii) above.

Indenture dated August 1, 1971 between Cincinnati Bell Telephone Company and Bank of New York, Trustee (formerly The Fifth Third Bank was trustee), in connection with \$50,000,000 of Cincinnati Bell Telephone Company Forty Year 7 3/8% Debentures, Due August 1, 2011. A copy of this Indenture is not being filed because it is similar in all material respects to the Indenture filed as Exhibit (4)(c)(iii) above.

(4)(c)(iv) Indenture dated as of October 27, 1993 among Cincinnati Bell Telephone Company, as Issuer, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee. (Exhibit 4-A to Form 8-K, date of report October 27, 1993, File No. 1-8519).

(4)(c)(v) No other instrument which defines the rights of holders of long term debt of the registrant is filed herewith pursuant to Regulation S-K, Item 601(b)(4)(iii)(A). Pursuant to this regulation, the registrant hereby agrees to furnish a copy of any such instrument to the SEC upon request.

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(10)(ii)(B) Agreement Establishing Cincinnati SMSA Limited Partnership between Advanced Mobile Phone Service, Inc. and Cincinnati Bell Inc. executed on December 9, 1982. (Exhibit (10)(k) to Registration Statement No. 2-82253).

(10)(iii)(A)(1)(i)* Short Term Incentive Plan of Cincinnati Bell Inc., as amended February 3, 1986. (Exhibit (10)(iii)(A)1 to Form 10-K for 1986, File No. 1-8519).

(10)(iii)(A)(1)(ii)* Amendment to Short Term Incentive Plan of Cincinnati Bell Inc. (effective December 5, 1988). (Exhibit (10)(iii)(A)(1)(ii) to Form 10-K for 1988, File No. 1-8519).

(10)(iii)(A)(2)(i)* Cincinnati Bell Inc. Senior Management Long Term Incentive Plan, as amended January 1, 1984. (Exhibit (10)(iii)(A)2 to Form 10-K for 1986, File No. 1-8519).

(10)(iii)(A)(2)(ii)* Amendment to Cincinnati Bell Senior Management Long Term Incentive Plan (effective December 5, 1988). (Exhibit (10)(iii)(A)(2)(ii) to Form 10-K for 1988,

File No. 1-8519).

- (10) (iii) (A) (3) * Cincinnati Bell Inc. Deferred Compensation Plan for Non-Employee Directors, as amended July 1, 1983. (Exhibit (10) (iii) (A) 3 to Form 10-K for 1986, File No. 1-8519).
- (10) (iii) (A) (4) * Cincinnati Bell Inc. Pension Program, as amended effective June 5, 1989. (Exhibit (10) (iii) (A) 4 to Form 10-K for 1989, File No. 1-8519).
- (10) (iii) (A) 5* Cincinnati Bell Inc. 1988 Incentive Award Deferral Plan, as amended (effective November 11, 1988). (Exhibit (10) (iii) (A) 5 to Form 10-K for 1988, File No. 1-8519).
- (10) (iii) (A) (6) (i) * Cincinnati Bell Inc. Senior Management Incentive Award Deferral Plan, as amended January 1, 1984. (Exhibit (10) (iii) (A) 6 to Form 10-K for 1986, File No. 1-8519).
- (10) (iii) (A) (6) (ii) * Amendment to Cincinnati Bell Senior Management Incentive Award Deferral Plan (effective December 5, 1988). (Exhibit (10) (iii) (A) (6) (ii) to Form 10-K for 1988, File No. 1-8519).
- (10) (iii) (A) (7) (i) * Cincinnati Bell Inc. 1984 Stock Option Plan, as amended January 7, 1987. (Exhibit (10) (iii) (A) 7 to Form 10-K for 1986, File No. 1-8519).

* Management contract or compensatory plan required to be filed as an exhibit pursuant to Item 14(c) of Form 10-K.

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- (10) (iii) (A) (7) (ii) * Amendment to Cincinnati Bell 1984 Stock Option Plan (effective December 5, 1988). (Exhibit (10) (iii) (A) (7) (ii) to Form 10-K for 1988, File No. 1-8519).
- (10) (iii) (A) (8) (i) * Executive Employment Agreement dated December 1, 1987 between the Company and Dwight H. Hibbard. (Exhibit (10) (iii) (A) 8 to Form 10-K for 1987, File No. 1-8519).
- (10) (iii) (A) (8) (ii) * Amendment to Executive Employment Agreement dated November 4, 1991 between the Company and Dwight H. Hibbard. (Exhibit (10) (iii) (A) (8) (ii) to Form 10-K for 1991, File No. 1-8519).
- (10) (iii) (A) (8) (iii) * Amendment to Executive Employment Agreement dated February 4, 1994 between the Company and Dwight H. Hibbard.
- (10) (iii) (A) (9) * Executive Employment Agreement dated December 1, 1987 between the Company and John T. LaMacchia. (Exhibit (10) (iii) (A) (10) to Form 10-K for 1987, File No. 1-8519).
- (10) (iii) (A) (10) * Executive Employment Agreement dated December 1, 1987 between the Company and Raymond R. Clark. (Exhibit (10) (iii) (A) 11 to Form 10-K for 1987, File No. 1-8519).

- (10) (iii) (A) (11) * Compensation Agreement between the Company and Sheldon Horing, effective January 1, 1991. (Exhibit (10) (iii) (A) 12 to Form 10-K for 1991, File No. 1-8519).
- (10) (iii) (A) (12) * Employment Agreement dated as of April 1, 1988 between the Company and David J. Lahey. (Exhibit (10) (iii) (A) 16 to Form 10-K for 1991, as amended, File No. 1-8519).
- (10) (iii) (A) (13) * Employment Agreement dated as of February 7, 1994 between the Company and David J. Lahey.
- 10 (iii) (A) (14) * Executive Employment Agreement dated as of March 29, 1993 between the Company and Brian C. Henry.
- 10 (iii) (A) (15) (i) * Employment Agreement dated as of January 1, 1989 between the Company and James F. Orr.
- (10) (iii) (A) (15) (ii) * Amendment to Employment Agreement dated as of June 30, 1993 between the Company and James F. Orr.

- -----
 * Management contract or compensatory plan required to be filed as an exhibit pursuant to Item 14(c) of Form 10-K.

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- 10 (iii) (A) (16) * Employment Agreement dated as of December 31, 1993 between the Company and James F. Orr.
- 10 (iii) (A) (17) * Cincinnati Bell Inc. Executive Deferred Compensation Plan
- (10) (iii) (A) (18) (i) * Cincinnati Bell Inc. 1988 Long Term Incentive Plan. (Exhibit (10) (iii) (A) (12) (i) to Form 10-K for 1988, File No. 1-8519).
- (10) (iii) (A) (18) (ii) * Amendment to Cincinnati Bell Inc. 1988 Long Term Incentive Plan (effective December 5, 1988). (Exhibit (10) (iii) (A) (12) (ii) to Form 10-K for 1988, File No. 1-8519).
- (10) (iii) (A) (19) * Cincinnati Bell Inc. 1988 Stock Option Plan for Non-Employee Directors. (Exhibit (10) (iii) (A) 13 to Form 10-K for 1988, File No. 1-8519).
- (10) (iii) (A) (20) * Cincinnati Bell Inc. 1989 Stock Option Plan. (Exhibit (10) (iii) (A) 14 to Form 10-K for 1989, File No. 1-8519).
- (10) (iii) (A) (21) * Cincinnati Bell Inc. Retirement Plan for Outside Directors.
- (11) Computation of Earnings per Common Share.
- (12) Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Dividends.
- (13) Portions of the Cincinnati Bell Inc. annual report to security holders for the fiscal year ended December 31, 1993 as incorporated by reference including the Selected Financial Data, Management's Discussion and Analysis and Consolidated Financial Statements.
- (21) Subsidiaries of the Registrant.

- (23) Consent of Independent Accountants.
- (24) Powers of Attorney.
- (28) (a) Annual Report on Form 11-K for the Cincinnati Bell Inc. Retirement Savings Plan (formerly the Cincinnati Bell Inc. Savings Plan for Salaried Employees) for the year 1993 will be filed by amendment on or before April 30, 1994.

*Management contract or compensatory plan required to be filed as an exhibit pursuant to Item 14(c) of Form 10-K.

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- (28) (b) Annual Report on Form 11-K for the Cincinnati Bell Inc. Savings and Security Plan for the year 1993 will be filed by amendment on or before April 30, 1994.
- (28) (c) Annual Report on Form 11-K for the MATRIX Marketing Inc. Profit Sharing/401(k) Plan for the year 1993 will be filed by amendment on or before April 30, 1994.

The Company will furnish, without charge, to a security holder upon request, a copy of the documents, portions of which are incorporated by reference (Annual Report to security holders and proxy statement), and will furnish any other exhibit at cost.

(b) Reports on Form 8-K.

- (1) Form 8-K, dated October 26, 1993, reporting that Cincinnati Bell Inc. announced its earnings for the third quarter of 1993.
- (2) Form 8-K, dated October 27, 1993, reporting that Cincinnati Bell Telephone Company had set up its Medium-Term Note program with Morgan Stanley & Co., Incorporated, Merrill Lynch & Co., and Merrill Lynch, Pierce, Fenner & Smith Incorporated.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CINCINNATI BELL INC.

March 29, 1994

By /s/JOHN T. LAMACCHIA

John T. LaMacchia, President
and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

SIGNATURE -----	TITLE -----	DATE -----
JOHN T. LAMACCHIA* -----	Principal Executive Officer; President, Chief Executive Officer and Director	
BRIAN C. HENRY* -----	Principal Accounting and Financial Officer; Executive Vice President and Chief Financial Officer	
Brian C. Henry		
JOHN F. BARRETT* -----	Director	
John F. Barrett		
PAUL W. CHRISTENSEN, JR.* -----	Director	
Paul W. Christensen, Jr.		
RAYMOND R. CLARK* -----	Director	
Raymond R. Clark		
PHILLIP R. COX* -----	Director	
Phillip R. Cox		

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SIGNATURE -----	TITLE -----
WILLIAM A. FRIEDLANDER* -----	Director
William A. Friedlander	
DWIGHT H. HIBBARD* -----	Chairman of the Board and Director
Dwight D. Hibbard	
ROBERT P. HUMMEL, M.D.* -----	Director
Robert P. Hummel, M.D.	
JAMES D. KIGGEN* -----	Director
James D. Kiggen	
DAVID B. SHARROCK* -----	Director
David B. Sharrock	

John T. LaMacchia
as attorney-in-fact and on
his own behalf as President
and Chief Executive Officer
and Director

REPORT OF INDEPENDENT ACCOUNTANTS

To the Shareowners of
Cincinnati Bell Inc.

Our report on the consolidated financial statements of Cincinnati Bell Inc. has been incorporated by reference in this Form 10-K from page 39 of the 1993 annual report of Cincinnati Bell Inc. In connection with our audits of such consolidated financial statements, we have also audited the related financial statement schedules listed in the index on page 16 of this Form 10-K.

In our opinion, the financial statement schedules referred to above, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information required to be included therein.

/s/ COOPERS & LYBRAND

COOPERS & LYBRAND

Cincinnati, Ohio
February 11, 1994

Schedule V - Sheet 1

CINCINNATI BELL INC.
SCHEDULE V - TELEPHONE PLANT AND OTHER PROPERTY

(Thousands of Dollars)

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification	Balance at Beginning of Period	Additions at Cost -Note (a)	Retire-ments -Note (b)	Other Changes	Balance at End of Period
Year 1993					
Land	\$ 4,379	\$ (21)	\$ -	\$ (20)	\$ 4,338
Buildings	140,203	8,496	2,026	(883) (c)	145,790
Central Office Equipment	557,923	63,176	53,124	(57) (c)	567,918

Station Apparatus	28,386	(401)	25,978	-	2,007
Large Private Branch Exchanges (PBX) and Other PBX Terminating Equipment . . .	4,992	589	1,612	-	3,969
Pole Lines	40,172	3,534	470	-	43,236
Aerial and Intrabuilding Cable	191,740	12,068	1,129	-	202,679
Underground Cable	130,615	5,561	666	-	135,510
Buried Cable	91,497	7,358	266	-	98,589
Submarine Cable	-	-	-	-	-
Aerial Wire	3,014	211	78	-	3,147
Conduit Systems	67,203	2,799	42	-	69,960
Furniture, Computers and Office Equipment	54,652	7,665	1,398	(3) (c)	60,916
Vehicles and Work Equipment	27,875	919	1,748	-	27,046
Other Terminating Equipment	106	994	(93)	-	1,193
Public Telephone Equipment	5,497	976	343	-	6,130
Other Communications Equipment	15,304	1,690	922	-	16,072
Capitalized Leases	21,905	5,816	23	(182)	27,516
	-----	-----	-----	-----	-----
Total Telephone Plant in Service (d)	1,385,463	121,430	89,732	(1,145) (c)	1,416,016
Telephone Plant Under Construction . .	23,418	(8,612)	-	-	14,806
	-----	-----	-----	-----	-----
Total Telephone Plant	\$1,408,881	\$112,818	\$ 89,732	\$ (1,145) (c)	\$1,430,822
	-----	-----	-----	-----	-----
Information Systems Property (d) . . .	\$ 175,627	\$ 40,053	\$ 5,763	\$ (1,208) (e)	\$ 208,709
	-----	-----	-----	-----	-----
Other Property (d)	\$ 78,361	\$ 8,597	\$ 1,309	\$ 9,559 (c) (e)	\$ 95,208
	-----	-----	-----	-----	-----

<FN>
The notes on Sheet 4 are an integral part of this Schedule.

Schedule V - Sheet 2

CINCINNATI BELL INC.
SCHEDULE V - TELEPHONE PLANT AND OTHER PROPERTY
(Thousands of Dollars)

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification	Balance at Beginning of Period	Additions at Cost -Note (a)	Retire- ments -Note (b)	Other Changes	Balance at End of Period
Year 1992					
Land	\$ 4,355	\$ 24	\$ -	\$ -	\$ 4,379
Buildings	130,952	10,937	1,665	(21) (c)	140,203
Central Office Equipment	529,902	51,924	23,170	(733) (c)	557,923
Station Apparatus	34,823	1,364	5,400	(2,401) (c)	28,386
Large Private Branch Exchanges (PBX) and Other PBX Terminating Equipment . . .	5,810	808	1,626	-	4,992
Pole Lines	38,629	2,127	584	-	40,172
Aerial and Intrabuilding Cable	183,125	11,216	2,601	-	191,740
Underground Cable	127,643	3,693	721	-	130,615
Buried Cable	85,832	6,096	431	-	91,497
Submarine Cable	-	-	-	-	-
Aerial Wire	2,869	216	71	-	3,014
Conduit Systems	65,121	2,177	95	-	67,203
Furniture, Computers and Office Equipment	55,847	5,566	6,311	(450) (c)	54,652
Vehicles and Work Equipment	26,801	2,688	1,614	-	27,875
Other Terminating Equipment	2,494	214	170	(2,432) (c)	106
Public Telephone Equipment	5,724	250	477	-	5,497
Other Communications Equipment	16,105	(9)	792	-	15,304
Capitalized Leases	21,938	-	-	(33)	21,905
	-----	-----	-----	-----	-----
Total Telephone Plant in Service (d)	1,337,970	99,291	45,728	(6,070) (c)	1,385,463
Telephone Plant Under Construction . .	27,576	(4,158)	-	-	23,418

Total Telephone Plant	\$1,365,546	\$ 95,133	\$ 45,728	\$ (6,070) (c)	\$1,408,881
Information Systems Property (d) .	\$ 160,073	\$ 32,286	\$ 7,407	\$ (9,325) (e) (h)	\$ 175,627
Other Property (d)	\$ 66,640	\$ 10,618	\$ 4,143	\$ 5,246(c) (e)	\$ 78,361

<FN>
The notes on Sheet 4 are an integral part of this Schedule.

CINCINNATI BELL INC.
SCHEDULE V - TELEPHONE PLANT AND OTHER PROPERTY
(Thousands of Dollars)

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification	Balance at Beginning of Period	Additions at Cost -Note (a)	Retirements -Note (b)	Other Changes	Balance at End of Period
Year 1991					
Land	\$ 4,307	\$ 48	\$ -	\$ -	\$ 4,355
Buildings	129,533	3,940	2,521	-	130,952
Central Office Equipment	496,964	54,159	21,221	-	529,902
Station Apparatus	39,967	(570)	4,574	-	34,823
Large Private Branch Exchanges (PBX) and Other PBX Terminating Equipment	8,003	513	2,706	-	5,810
Pole Lines	37,123	1,986	480	-	38,629
Aerial and Intra-building Cable	174,170	11,430	2,475	-	183,125
Underground Cable	122,724	5,795	876	-	127,643
Buried Cable	79,938	6,167	273	-	85,832
Submarine Cable	-	-	-	-	-
Aerial Wire	2,750	224	105	-	2,869
Conduit Systems	63,289	1,927	95	-	65,121
Furniture, Computers and Office Equipment	52,275	6,285	2,713	-	55,847
Vehicles and Work Equipment	25,819	2,848	1,866	-	26,801
Other Terminating Equipment	2,093	435	34	-	2,494
Public Telephone Equipment	5,583	270	129	-	5,724
Other Communications Equipment	16,533	1,034	1,462	-	16,105
Capitalized Leases	19,485	2,874	-	(421) (f)	21,938
Total Telephone Plant in Service (d)	1,280,556	99,365	41,530	(421) (f)	1,337,970
Telephone Plant Under Construction	15,008	12,568	-	-	27,576
Total Telephone Plant	\$1,295,564	\$ 111,933	\$ 41,530	\$ (421) (f)	\$1,365,546
Information Systems Property (d)	\$ 116,164	\$ 57,391	\$ 9,277	\$ (4,205) (c) (e) (g)	\$ 160,073
Other Property (d)	\$ 54,621	\$ 10,143	\$ 2,344	\$ 4,220(c) (e)	\$ 66,640

<FN>
The notes on Sheet 4 are an integral part of this Schedule.

(a) Additions shown include (1) the original cost (estimated if not known) of reused material, which is concurrently credited to Material and supplies, and (2) Interest charged construction. Transfers between the classifications listed are included in this column, except as indicated in

note (c).

- (b) Items of telephone plant when retired or sold are deducted from the property accounts at the amounts at which they are included therein, estimated if not known.
- (c) Transferred (to) from non-telephone company operations.
- (d) The Company's provision for depreciation is based on the remaining life method of depreciation and straight-line composite rates. The remaining life method provides for the full recovery of the investment in telephone plant. The provision for depreciation of information systems property and other property is based on the straight-line method over the estimated useful life.
- (e) Other changes include the following: 1) Reclassification of property and 2) Revaluation of assets acquired during the year as part of a business acquisition in order to record them at their fair value in accordance with APB 16 "Business Combinations".
- (f) Capitalized lease balances were adjusted to remove executory costs that were originally capitalized.
- (g) Includes certain capitalized software costs which were written-down as the result of the information systems segment determination of the need to re-direct the development of some of its software products.
- (h) Includes amounts removed from property accounts related to the reserve set up the prior year for the write down of certain capitalized software costs. The primary product that was reserved for in 1991 was NS/90, a cellular customer billing support system.

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Schedule VI - Sheet 1

CINCINNATI BELL INC.
 SCHEDULE VI - ACCUMULATED DEPRECIATION
 (Thousands of Dollars)

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Description	Balance at Beginning of Period	Additions Charged to Expenses	Retire-ments	Other Changes -Note (a)	Balance at End of Period
Year 1993					
Telephone Plant	\$ 525,215	\$ 98,575	\$ 89,709	\$ 7,609	\$ 541,690
Information Systems and Other Property	\$ 100,846	\$ 50,328 (c)	\$ 5,665	\$ (29) (b)	\$ 145,480
Year 1992					
Telephone Plant	\$ 475,783	\$ 99,807	\$ 46,987	\$ (3,388)	\$ 525,215
Information Systems and Other Property	\$ 85,817	\$ 26,825	\$ 6,034	\$ (5,762) (d)	\$ 100,846
Year 1991					
Telephone Plant	\$ 426,291	\$ 88,100	\$ 41,456	\$ 2,848	\$ 475,783
Information Systems and Other Property	\$ 56,566	\$ 34,653 (c)	\$ 6,983	\$ 1,581	\$ 85,817

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Schedule VI - Sheet 2

- (a) Comprised principally of (1) proceeds from sales of telephone plant accounted for as required by the FCC and (2) depreciation provision for vehicles and other work equipment charged initially to clearing accounts and apportioned to Maintenance, Telephone Plant and other accounts on the basis of the usage of such equipment. Other, also includes recoveries from retired property.
- (b) Includes accumulated depreciation on assets which were acquired during the year as part of a business acquisition. In accordance with APB 16, the assets have been recorded at their fair value by recording original cost less accumulated depreciation.
- (c) Includes \$17 million and \$10.5 million recorded in 1993 and 1991, respectively to reduce the carrying value of certain capitalized software costs to net realizable value.
- (d) Includes amounts removed from the reserve recorded in the prior year related to the write down of certain capitalized software costs to net realizable value.

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Schedule VIII

CINCINNATI BELL INC.
 SCHEDULE VIII - VALUATION AND QUALIFYING ACCOUNTS
 (Thousands of Dollars)

Description	COL. B	COL. C		COL. D		COL. E
	Balance at Beginning of Period	Additions		Deductions		Balance at End of Period
		(1) Charged to Expenses	(2) Charged to Other Accounts -Note (a)			
Year 1993						
Allowance for doubtful accounts	\$ 6,705	\$ 14,614	\$ 4,121	\$ 11,409 (b)	\$ 14,031	
Accrual for disposal and restructuring . .	\$ 10,545	\$ 35,385	\$ 0	\$ 10,545	\$ 35,385	
Year 1992						
Allowance for doubtful accounts	\$ 4,959	\$ 8,225	\$ 5,140	\$ 11,619 (b)	\$ 6,705	
Accrual for disposal and restructuring . .	\$ 9,991	\$ 10,545	\$ 0	\$ 9,991	\$ 10,545	
Year 1991						
Allowance for doubtful accounts	\$ 4,570	\$ 9,772	\$ 4,306	\$ 13,689 (b)	\$ 4,959	
Accrual for disposal and restructuring . .	\$ 0	\$ 9,991	\$ 0	\$ 0	\$ 9,991	

<FN>
 (a) Primarily includes amounts previously written off which were credited directly to this account when recovered and an allocation of the purchase price for receivables purchased from Interexchange Carriers.
 (b) Primarily includes amounts written off as uncollectible.

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Cincinnati Bell Inc.
201 E. Fourth Street
P.O. Box 2301
Cincinnati, Ohio 45201
(513) 397-7250

John T. LaMacchia
President and
Chief Executive Officer

February 1, 1994

Mr. Dwight H. Hibbard
Chairman of the Board
Cincinnati Bell Inc.
201 East Fourth Street
Cincinnati, OH 45202

Dear Dwight:

You will retire as an employee of Cincinnati Bell Inc. ("CBI") on February 11, 1994. Under the terms of your employment agreement, you were required to maintain your employment until December 31, 1995. The parties specifically waive any breach of the employment agreement resulting from your retirement on February 11. Your retirement does not alter the terms of Section 6(h) of the employment agreement which provides for an income tax supplement if your employment continues after December 31, 1992.

Although you are retiring as an employee of CBI, you have agreed to continue to serve as Chairman, at the pleasure of the Board, for an indefinite period. As a non-employee director, you will be an independent contractor and will be responsible for all taxes and other obligations of independent contractors. In consideration for the services which you will perform as Chairman, you will receive the following benefits:

1. Annual Fee - You will receive an annual fee of \$300,00 for services performed from February 12 of each year to February 11 of the succeeding year. This fee will be prorated if you cease to be Chairman during any compensation period. The fee will be paid in equal amounts on a monthly basis.
2. Directors' Plans - You will be entitled to participate in the Deferred Compensation Plan for Non-Employee Directors and in the 1988 Stock Option Plan for Non-Employee Directors according to the terms of those Plans. You will not participate in the Retirement Plan for Outside Directors.

Dwight H. Hibbard
February 1, 1994
Page Two

3. Perquisites - Except for telephone concession service which you will continue to receive indefinitely as part of our customary CEO retirement package, you will continue to receive the following perquisites which you were receiving as an employee of CBI as long as you continue to serve as Chairman:

- An office
- A secretary (but not necessarily a full-time secretary)
- First class travel for CBI business
- Business travel expenses-lodging, meals and other expenses
- Cellular telephone service
- Payments for tax and financial advice up to a maximum of \$7,000 during each calendar year
- Chauffeur service
- Use of an automobile
- Payments for automobile maintenance
- Club memberships
- Company credit card

We appreciate your continued commitment to CBI. To evidence your agreement as to the terms set forth in this letter, please sign one copy of this letter and return it to me.

Very truly yours,

/s/ John T. LaMacchia
John T. LaMacchia

/s/ Dwight Hibbard

Dwight Hibbard

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made as of the 7th day of February, 1994 between Cincinnati Bell, Inc., an Ohio corporation with its principal place of business in Cincinnati, Ohio ("Employer" or "CBI"), and David J. Lahey, an individual residing in Ohio ("Employee").

WITNESSETH

WHEREAS, Employee wishes to be employed by Employer and Employer wishes to employ Employee, all pursuant to the terms hereof; and

WHEREAS, Employer intends to retain the right to assign this Agreement to any other entity which is part of the same controlled group of corporations, as defined in Section 1563 of the Internal Revenue Code of 1986, as it may from time to time be amended or restated.

NOW, THEREFORE, in consideration of the foregoing premises and the covenants and agreements contained herein, the parties agree as follows:

1. EMPLOYMENT. Employer employs Employee and Employee accepts employment upon the terms and conditions hereinafter set forth. For purposes of this Agreement, Employer shall include any entity to which this Agreement is assigned under Section 13.

2. TERM OF EMPLOYMENT. Employee's employment under this Agreement shall commence on February 7, 1994 and, subject to the early termination provisions of Section 12, shall end on December 31, 1995.

3. DUTIES.

(A) During 1994, Employer agrees to employ Employee and Employee agrees to serve Employer as Executive Vice President of CBI and President and Chief Executive Officer of Cincinnati Bell Information Systems Inc. ("CBIS"). Employee also shall continue to serve Employer in the other capacities in which he was serving Employer on February 6, 1994. Employee shall report to the Chief Executive Officer of CBI.

(i) In connection with performing the services required in Section 3(A), Employee will be provided appropriate office space at the CBI general offices and the CBIS general offices, a top level administrative assistant, a secretary at CBIS and a part time or shared secretary at CBI and travel expenses as described in Section 5 hereof. Any change in such support resources will be agreed upon from time to time by Employee and the President of CBI.

(ii) Employee shall devote his entire time, attention, and energies during 1994 to the performance of his duties under this Agreement. The words "entire time, attention, and energies" are intended to mean that Employee shall devote his full effort during reasonable working hours to the performance of his duties under this Agreement and shall devote at least 40 hours per week to the performance of his duties under this Agreement.

(B) During 1995, Employer agrees to employ Employee and Employee agrees to serve Employer as an executive vice president level employee of CBI. Employee shall undertake such projects as are mutually agreed upon from time to time by the Chief Executive Officer of CBI and Employee. Employee shall report

to the Chief Executive Officer of CBI.

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(i) In connection with performing the services required in Section 3(B), Employee will be provided appropriate office space at the CBI general offices, a part time or shared secretary as needed to perform his assignments and travel expenses as described in Section 5 hereof. Any change in such support resources will be agreed upon from time to time by Employee and the President of CBI.

(ii) Employee shall devote such portion of his time, attention, and energies during 1995 as are required to perform his assignments under this Agreement.

(C) Employee shall not be required to change his current residence; however, Employee shall travel to such areas and places as are reasonably necessary in the performance of his duties.

4. COMPENSATION.

(A) Employee shall receive a base salary (the "Base Salary") of \$16,666.66 per month, subject to proration for any partial month, while Employee remains employed under this Agreement. Such Base Salary, and any other amounts payable hereunder, shall be subject to withholding as required by law.

(B) On at least an annual basis, Employee shall receive a formal performance review and be considered for salary increases and bonuses.

5. EXPENSES. All reasonable and necessary expenses incurred by Employee in the course of the performance of Employee's duties to Employer shall be reimbursable in accordance with Employer's then current travel and expense policies.

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6. BENEFITS.

(A) Employee was granted options to purchase 20,000 common shares of CBI in February, 1993 (the "93 Options") and options to purchase 90,000 common shares of CBI on February 10, 1994, consisting of 20,000 options awarded for duties performed by Employee prior to February 7, 1994 (the "Old Options") and 70,000 options awarded for duties to be performed under this Agreement (the "New Options"). All 110,000 of such options shall be exercisable by Employee at any time during their ten year term as though Employee had remained an employee of Employer during the entire term of such stock options. Part or all of such options may vest upon the occurrence of an event of termination described in Section 12. Employer shall modify the terms of Employee's 1993 and 1994 Options as necessary to conform to the terms of this Agreement.

(B) During the entire term of this Agreement, Employee shall be entitled to participate in all of the various employee benefit plans and programs in which an executive vice president of CBI would be entitled to participate, including Retirement Savings Plan; Deferred Compensation Plan; vacation program; medical and dental plans; life, disability, accidental death, disability and travel insurance; parking at Atrium One; financial consultation and tax preparation up to \$3,000 per year; cellular phone; annual physical; luncheon club dues; and Cincinnati Bell Management Pension Plan. In addition, Employer shall provide Employee with the following benefits: Employee will not participate in Cincinnati Bell Inc. Pension Program.

(1) RETIREE MEDICAL BENEFITS. Upon termination of Employee's employment hereunder in all circumstances except dismissal for cause, Employee shall be entitled to participate in the retiree medical plans then available to

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an employee of CBI at the executive vice president level, who retires after twenty years of service having attained age 60.

(2) LONG TERM DISABILITY PLAN FOR SALARIED EMPLOYEES AND THE SICKNESS AND ACCIDENT DISABILITY BENEFIT PLAN. While Employee remains in the employ of Employer, Employer shall provide Employee with benefits which are at least equivalent to the benefits Employee would have been entitled to receive under the Long Term Disability Plan for Salaried Employees and the Sickness and Accident Disability Benefit Plan (a) assuming that he became eligible to participate in the plans on April 1, 1988, and (b) assuming that he was credited with 25 years of completed service as of April 1, 1988. The benefits payable under this Section 6(B)(2) shall be reduced by any benefits paid under the Long Term Disability Plan for Salaried Employees and the Sickness and Accident Disability Benefit Plan.

(3) AUTOMOBILE. While Employee remains employed hereunder, Employee may choose the use of a Buick Park Avenue automobile or equivalent or an automobile allowance of \$10,000 per year for calendar years 1994 and 1995.

(C) Employee received a restricted stock award of 20,000 common shares of CBI on February 7, 1994. The restrictions on part or all of such shares may lapse upon the occurrence of an event of termination described in Section 12. Employer shall modify the terms of Employee's restricted stock if necessary to conform to the terms of this Agreement.

(D) Notwithstanding anything contained herein to the contrary, the Base Salary otherwise payable to Employee shall be reduced by any benefits paid to Employee by Employer under the Employer's Sickness and Accident Disability Plan and Long Term

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Disability Plan for Salaried Employees or under Section 6(B)(2) above.

7. CONFIDENTIAL INFORMATION AND MATERIALS.

(A) As used herein, the term "confidential information and materials" refers to all information belonging to, used by or in the possession of Employer or any of Employer's subsidiaries now and in the future relating to their present and/or future business strategies, finances, methods of operation, customers, programs, marketing plans, developmental plans, inventions, developments and trade secrets of every kind and character; provided, however, that Employee shall not be obligated to treat as confidential any of the information described in this Section 7(A) which is or becomes publicly available or readily ascertainable from public sources or any information in Employee's possession or knowledge prior to April 1, 1988 and not provided to him by Employer or any of Employer's subsidiaries.

(B) Employee hereby acknowledges that all of the confidential information and materials are and shall continue to be the exclusive proprietary property of Employer, whether or not prepared in whole or in part by Employee and whether or not disclosed to or entrusted to the custody of Employee.

Employee further hereby acknowledges that all confidential information and materials (to which Employee has had access or which Employee has learned during his employment or to which Employee shall hereafter have access or which he shall hereafter learn) have been disclosed to Employee solely by virtue of Employee's employment with Employer and solely for the purpose of assisting him in performing his duties for Employer.

(C) Employee hereby agrees that Employee will not, either during the course of Employee's employment with Employer or at any time thereafter, disclose any confidential information

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or materials of Employer or any of Employer's subsidiaries, in whole or in part, to any person or entity, for any reason or purpose whatsoever, unless Employer shall have given written consent to such disclosure. Employee further agrees that Employee shall not use in any manner other than for and in the course of Employee's furtherance of the business of Employer and Employer's subsidiaries, any confidential information or materials of Employer or any of Employer's subsidiaries for Employee's own purposes or for the benefit of any other person or entity except Employer and Employer's subsidiaries, whether such use consists of the duplication, removal, oral use or disclosure, or the transfer of any confidential information or materials in any manner, or such other unauthorized use in whatever manner, unless Employer shall have given prior written consent to such use.

8. NEW DEVELOPMENTS. Employee agrees that during the term of this Agreement, Employee will promptly disclose to Employer any and all improvements, inventions, developments, discoveries, innovations, systems, techniques, ideas, processes, programs and other things which may be of assistance to Employer or any of Employer's subsidiaries, whether patentable or unpatentable, relating to or arising out of any developments, services or products, or pertaining to in any manner, the business of Employer or any of Employer's subsidiaries, and made or conceived by Employee, alone or with others, while employed by Employer, whether or not conceived or made during his regular working hours (collectively referred to hereinafter as the "New Developments"). Employee further agrees that all New Developments shall be and shall remain the sole and exclusive property of Employer and that Employee shall, upon the request of Employer, and without further compensation, do all lawful things reasonably necessary to ensure Employer's ownership of such New Developments, including without limitation, the execution of any necessary documents assigning and transferring to Employer, or Employer's assigns all of

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Employee's right, title and interest in and to such New Developments, and the rendering of assistance in the execution of all necessary documents required to enable Employer to file and obtain patents, trademarks and copy rights in the United States and foreign countries on any of such New Developments; provided, however, that all expenses relating to the foregoing shall be borne by Employer.

9. SURRENDER OF MATERIAL UPON TERMINATION. Employee hereby agrees that upon cessation of his employment, for whatever reason and whether voluntary or involuntary, he will immediately surrender to Employer all property and other things of value in his possession or in the possession of any person or entity under his control, that are the property of Employer or any of Employer's subsidiaries including, without limitation, all personal notes, drawings, manuals, documents, photographs, or the like, including copies and derivatives thereof, relating directly or indirectly to any confidential information or materials or New Developments, or relating directly or indirectly to the business of Employer or any of Employer's subsidiaries.

10. REMEDIES. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer and the information disclosed to

Employee during and by virtue of his employment, and Employee's commitments and obligations to Employer herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement will cause the non-breaching party irreparable injury and damage, and consequently the non-breaching party shall be entitled to, in addition to all other remedies available to it, injunctive and equitable relief to prevent a breach of this Agreement, or any part of it, and to secure the enforcement of this Agreement.

11. COVENANT NOT TO COMPETE. For a period with a duration equal to the duration of this Agreement (but not less than one

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year if, under Section 12(F), Employee voluntarily terminates this Agreement), and beginning on (i) the date of cessation of Employee's employment under this Agreement, or (ii) the date of the last payment of compensation to Employee, if Employee's employment ceases as a result of a Terminating Disability pursuant to Section 12(A), whether during or at the end of the term of this Agreement, or for whatever time within that period found by a court of competent jurisdiction to be reasonably necessary for the protection of Employer, Employee will not, himself or together with other persons, directly or indirectly, own, manage, operate, join, control or participate in the ownership (other than as an owner of shares in a publicly traded corporation), management, operation or control of or become an employee or consultant of or to any business that engages in the business of providing telemarketing services, any business in which CBIS is engaged or any other business of any type in which Employee is involved on behalf of Employer or any of Employer's subsidiaries immediately prior to the date of termination of this Agreement. This restriction will apply throughout the continental United States and in any foreign jurisdiction in which Employer or any of Employer's subsidiaries operates at the time Employee's employment ceases or whatever geographic scope found by a court of competent jurisdiction to be reasonably necessary for the protection of Employer.

Employee hereby agrees (i) that the restrictions set forth in the paragraph immediately above are founded on valuable consideration and are reasonable in duration and geographic extent in view of the circumstances in which this Agreement is executed and are necessary to protect the legitimate interests of Employer, and (ii) that the remedy at law for any breach of the foregoing covenant will be inadequate and that Employer will be entitled to injunctive relief in the event of any such breach. Nothing herein stated shall be construed as prohibiting Employer from pursuing any other remedies available to it for any such

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breach or threatened breach or for any other breach of this Agreement, including the recovery of damages from Employee.

12. TERMINATION.

(A) Employer or Employee may terminate this Agreement upon Employee's failure or inability to perform the services required hereunder because of any physical or mental infirmity for which Employee receives disability benefits under Employer's Sickness and Accident Disability Benefit Plan and/or Employer's Long Term Disability Plan for Salaried Employees or under Section 6(B)(2) hereof, as the case may be (the "Plans"), over a period of one hundred twenty consecutive working days during any twelve consecutive month period (a "Terminating Disability").

(i) If Employer or Employee elects to so terminate this Agreement in the event of a Terminating Disability, such termination shall be effective immediately upon the giving of written notice by the terminating party to the other.

(ii) Upon termination of this Agreement on account of disability, Employer shall pay Employee his accrued compensation hereunder, whether Base Salary, or otherwise (subject to offset for any amounts received pursuant to the Plans), to the date of termination. For as long as such Terminating Disability may exist, Employee shall continue to be an employee of Employer for all other purposes and Employer shall provide Employee with disability benefits and all other benefits (including continued participation in Employer's medical and dental plans) according to the provisions of the Plans and any other Employer plans in which Employee is then participating. Upon termination of Employee's participation in Employer's medical and dental

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plans Employee shall be immediately eligible to participate in the retiree medical plan described in Section 6(B)(1).

(iv) If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Employee returns to active employment with Employer prior to such a termination, or if such disability exists for less than one hundred twenty consecutive working days, the provisions of this Agreement shall remain in full force and effect.

(B) This Agreement terminates immediately and automatically on the death of Employee, provided, however, that the Employee's estate shall be paid Employee's accrued compensation hereunder whether Base Salary, or otherwise to the date of death and Employee's spouse shall be immediately eligible to participate in the retiree medical plan described in Section 6(B)(1) to the same extent that such Plan provides benefits to the spouses of other retirees who die while participating in the plan.

(C) Employer may terminate this Agreement immediately in the event that Employee is wilfully negligent in the performance of his duties or in the event of Employee's conviction of a criminal act.

(D) Employer may terminate this Agreement upon 60 days written notice for any reason other than those set forth in Section 12(A), (B) or (C). In the event of a Termination under this Section 12(D), Employer shall pay Employee an amount equal to the Base Salary set forth in Section 4 which would otherwise be due Employee over the balance of the term of this Agreement, and all other ancillary and accrued compensation of any type which have or would have accrued over the term of this Agreement. Such amount shall be paid to Employee in 1994 or 1995 at

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Employee's option. In calculating Employee's pension under all qualified defined benefit pension plans maintained by Employer, Employee shall be credited with service and compensation, as though his employment continued under this Agreement until December 31, 1995. In addition, Employee shall be immediately eligible to participate in the retiree medical plan described in Section 6(B)(1).

(E) If Employee resigns within 90 days after a Change in Control of CBI or CBIS, this Agreement shall thereupon terminate. In the case of CBI, "Change in Control" means a change in control as defined in the CBI's 1988 Long Term Incentive Plan. In the case of CBIS, "Change in Control" means a change of ownership in which CBIS ceases to be a wholly owned direct or indirect subsidiary of CBI or a change in which substantially all of the assets of CBIS are sold to another company which is not a wholly owned direct or indirect subsidiary of CBI. Employer or any successor of Employer shall pay to Employee thirty-six (36) times the monthly Base Salary set forth in Section 4, and all other ancillary and accrued compensation of any type which have or would have

accrued over the term of this Agreement. In addition, Employee shall be immediately eligible to participate in the retiree medical plan described in Section 6(B)(1).

(F) Employee may terminate this Agreement upon 60 days written notice. In the event of a Termination under this Section 12(F), Employer shall pay Employee the Base Salary set forth in Section 4 to the date of Termination, and all other ancillary and accrued compensation of any type which have accrued to the date of termination. Such amount shall be paid to Employee in 1994 or 1995 at Employee's option. In addition, Employee shall be immediately eligible to participate in the retiree medical plan described in Section 6(B)(1).

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(G)(i) Upon termination of this Agreement on account of Employee's Terminating Disability, death, or termination by Employee under Section 12(F), there shall become immediately exercisable all stock options granted to Employee prior to February 10, 1994, the 20,000 Old Options granted on February 10, 1994 and a number of the then otherwise unexercisable New Options, rounded up to the nearest whole option, that bears the same ratio to the total number of then unexercisable New Options as the number of days from February 7, 1994 through the date of termination bears to 365.

(ii) Upon termination of this Agreement by Employee under Section 12(F), the restrictions on stock, granted to Employee under Section 6(C), shall terminate and be of no further force and effect as of the date Employee ceases to be an Employee with respect to the number of shares, rounded up to the nearest whole share, that bears the same ratio to the total number of then restricted shares as the number of days from February 7, 1994 through the date of Termination bears to 365.

(iii) Upon termination of this Agreement by CBI under Section 12(D) or by Employee under Section 12(E), all otherwise unexercisable stock options shall be immediately exercisable by Employee and all restrictions on stock granted to Employee under Section 6(C) shall terminate and be of no further force and effect as of the date Employee ceases to be an Employee.

(H) Upon Termination of this Agreement as a result of an event of termination described in this Section 12 and except for Employer's payment of the required payments under this Section 12, all further compensation under this Agreement shall terminate; provided, however, that all qualified deferred

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compensation which Employee may be entitled to receive pursuant to any of Employer's pension or profit sharing plans in which Employee may participate during Employee's employment with Employer shall be paid pursuant to the provisions of such plans at such times as any such amounts become payable to Employee. It is further understood that for purposes of this Section 12, the term "accrued compensation" shall include all non-qualified deferred compensation, of whatever type or form, either previously granted to Employee by Employer or otherwise earned or received by Employee.

(I) The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 7, 8, 9, 10, and 11 hereof, the terms of which shall survive the termination of this Agreement.

13. ASSIGNMENT. As this is an agreement for personal services involving a relation of confidence and trust between Employer and Employee, all rights and duties of Employee arising under this Agreement, and the Agreement itself, are nonassignable by Employee except for the right of his estate to receive any

payment due Employee upon Employee's death. Employer expressly reserves the right to assign this Agreement to any other entity which is part of the same controlled group of corporations, as defined in Section 1563 of the Internal Revenue Code of 1986, as it may from time to time be amended or restated.

14. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered by the sending party personally or by certified mail to Employee at Employee's place of residence as then recorded on the books of Employer or to Employer at its principal office.

15. WAIVER. No waiver or modification of this Agreement or the terms contained herein shall be valid unless in writing and

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duly executed by the party to be charged therewith. The waiver by any party hereto of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by such party.

16. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Ohio.

17. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Employee's employment by Employer on and after February 7, 1994. There are no other contracts, agreements or understandings, whether oral or written, existing between them except as contained or referred to in this Agreement. This Agreement amends and suspends all prior agreements and understandings of the parties with respect to Employee's employment by Employer.

18. SEVERABILITY. In case any one or more of the provisions of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or other unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

19. SUCCESSORS AND ASSIGNS. Subject to the provisions of Section 13 above, this Agreement shall be binding upon Employee, Employer and their successors and assigns. Employer further expressly agrees that in the event Employer shall merge or consolidate with, or be acquired by, any other entity, the continuing entity resulting from such merger, consolidation or acquisition shall be obligated to perform the duties and obligations of Employer as set forth in this Agreement. Employer further agrees that in the event Employer should voluntarily dissolve and liquidate the assets and business of Employer,

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Employer will undertake to have the terms and provisions of this Agreement fulfilled prior to the distribution or disposal of Employer's assets.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

EMPLOYER:

CINCINNATI BELL INC.

By: /S/ JOHN T. LAMACCHIA

John T. LaMacchia, President
and CEO

EMPLOYEE:

/S/ DAVID J. LAHEY

David J. Lahey

EXECUTIVE EMPLOYMENT AGREEMENT

THIS EXECUTIVE EMPLOYMENT AGREEMENT is made as of the 29th day of March, 1993 between Cincinnati Bell Inc. (the "Company") and Brian Craig Henry (the "Executive").

TERM OF EMPLOYMENT

The Executive's employment under this Agreement commences on March 29, 1993 (the "Effective Date") and ends on the fifth anniversary of the Effective Date (the "Expiration Date") unless the Executive's employment is earlier terminated.

POSITION AND DUTIES

1. The Executive will have the position of Executive Vice President and Chief Financial Officer of the Company, being the most senior finance position within the parent organization. Further the Executive will be a member of the Company's Office of the Chairman but will not at this time be proposed for election to the Company's Board of Directors. Whether to propose to the Board the Executive's nomination for election to the Board of Directors will be reconsidered by senior management from time to time.

2. The Executive will be provided appropriate office space, a full-time secretary (who may be shared with another executive) and travel expenses as described under EXPENSES.

3. The Executive shall devote the Executive's full business time and efforts to the business of the Company. The Executive may serve as a director or member of a committee of any other corporation or other organization involving no conflict of interest with the interests of the Company and may participate in civic and charitable activities to an extent determined by

the Executive, provided that such service and participation shall not interfere with the Executive's performance of the Executive's duties and responsibilities under this Agreement.

4. The Executive shall move his residence to the Greater Cincinnati area within a reasonable period of time after the Effective Date.

COMPENSATION

1. BASE SALARY--The Executive shall receive a base salary (the "Base Salary") of at least \$270,000 for each calendar year, subject to proration for any partial year, during the term of his employment under this Agreement.

2. BONUSES--in addition to the Base Salary, the Executive shall be eligible to receive the following bonuses:

a. An annual bonus under the Company's Short Term Incentive Plan for each calendar year in which the Executive performs services under this Agreement based on the Executive's performance. The maximum performance bonus payable for a performance period (a calendar year) shall not exceed 250% of the Standard Award described in the Short Term Incentive Plan. For the 1993 performance year the Executive shall receive a minimum performance bonus of \$80,000. Awards of amounts exceeding \$80,000 for 1993 may be made at the discretion of the Company's Board of Directors. For succeeding performance years no minimum amount shall be guaranteed but achievement of at least 100% of all applicable performance goals (WHICH PERFORMANCE GOALS AND ACHIEVEMENT CRITERIA ARE

COMPARABLE TO THOSE OF THE COMPANY'S PRESIDENT AND CHIEF OPERATING OFFICER) shall result in a bonus of at least \$80,000.

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b. A one-time bonus different from (a) above in the amount of \$80,000 shall be paid at the later of the Effective Date or the date the Executive first performs services for the Company.

c. The payment of any bonus paid under the provisions of the Company's Short Term Incentive Plan may be deferred by the Executive under the terms and conditions of the Company's Incentive Award Deferral Plan.

3. SALARY AND BONUS INCREASES--Salary and bonus increases may be awarded at the discretion of the Company's Board of Directors based on the recommendations of the Compensation Committee.

4. EFFECT OF DISABILITY AND OTHER BENEFITS--The Base Salary and bonuses otherwise payable to the Executive shall be reduced by any benefits paid to the Executive by the Company under the Company's Sickness and Accident Disability Plan and Long Term Disability Plan for Salaried Employees.

5. WITHHOLDING--Federal, state and local withholding shall be made on any amounts paid to the Executive or benefits provided for the Executive under this Agreement as required by law.

EXPENSES

All reasonable and necessary expenses incurred by the Executive in the course of the Executive's performance of duties for the Company shall be reimbursable in accordance with the Company's then current travel and expense policies.

MISCELLANEOUS BENEFITS/COMPENSATION/PERQUISITES

1. Options--On April 5, 1993 the Executive shall be granted non-qualified options to purchase 80,000 common shares of the Company. Such options shall be granted under the

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Company's 1988 Long Term Incentive Plan (the "1988 Plan"). The terms of such options are further described in Exhibit A attached hereto and made a part hereof. All options in the initial grant will become immediately exercisable by the Executive in the event of a change of control.

After calendar year 1993, the Executive may participate in the Company's 1988 Plan or any similar stock option plan established by the Company, subject to the actions of the Compensation Committee of the Company's Board of Directors.

2. NON-QUALIFIED RETIREMENT SAVINGS CONTRIBUTIONS--The Company shall compensate the Executive for the period the Executive is not eligible to participate in the Company's Retirement Savings Plan by paying \$14,500 to the Executive on April 6, 1994. Such amount shall be payable to the Executive only if the Executive is continuously employed by the Company from the Effective Date through April 5, 1994. This payment shall not be used in the calculation of any benefits that are otherwise provided by the Company.

3. NON-QUALIFIED PENSION BENEFIT - A supplemental, non-qualified pension will be provided to the Executive by the Company in accordance with the provisions of this Paragraph 3.

a. If the Executive's employment with the Company terminates on or after the Expiration Date and prior to the fifth anniversary of the Expiration Date, the non-qualified pension shall be equal to that portion of the Executive's accrued pension under the Company's Management Pension Plan ("CBMPP") which is attributable to his first five years of service with the Company.

b. If the Executive's employment with the Company terminates on or after the fifth anniversary of the Expiration Date, the non-qualified pension shall be equal to that portion

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of the Executive's accrued pension under CBMPP which is attributable to his first ten years of service with the Company.

c. Notwithstanding the foregoing, if the Executive's employment with the Company terminates after a change in control (as hereafter defined in this Agreement) and prior to the fifth anniversary of the Expiration Date, the Executive shall be entitled to receiving a non-qualified pension equal to that portion of the pension which the Executive would have accrued under CBMPP if the Executive had been employed by the Company throughout the 10-year period ending on the date the Executive's employment terminates and if his average annual compensation for the portion of such 10-year period prior to the Effective Date was equal to his average annual compensation counted for purposes of CBMPP for the period from the Effective Date through the date on which the Executive's employment terminates.

d. The Executive's non-qualified pension under this Paragraph 3 shall be paid at the same time, and in the same form, as the Executive's qualified pension under CBMPP.

e. If the Executive dies during employment, a non-qualified survivor annuity shall be payable to the Executive's spouse equal to the non-qualified survivor annuity (if any) which would have been payable to the Executive's spouse if the Executive had terminated employment on the day preceding the date of his death and elected a survivor annuity option for his non-qualified pension computed in the same manner as a survivor annuity option under CBMPP.

f. Nothing contained in this Paragraph 3 shall be construed to give the Executive any right to continued employment except under the express terms of this Agreement. The

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provisions of this Paragraph 3 shall survive the term of the Executive's employment under this Agreement.

4. AUTOMOBILE--On the Effective Date and through the term of the Executive's employment under this Agreement, the Executive shall be entitled to the use of a vehicle or cash in lieu of a vehicle. The specific provisions relating to this benefit are described in Exhibit B.

5. FINANCIAL CONSULTANT AND TAX RETURN PREPARATION--On and after the Effective Date and through the term of the Executive's employment under this Agreement, the Company shall reimburse the Executive for reasonable financial consulting fees and income tax return preparation fees.

6. COUNTRY CLUB INITIATION FEE--The Company shall provide a single initiation fee at a country club located in the metropolitan Cincinnati, Ohio area, which country club shall be selected by the Executive.

7. RELOCATION ASSISTANCE--The Company shall pay the cost of lodging at the Garfield House in Cincinnati, Ohio (or at a comparable facility if lodging is unavailable at the Garfield House) for a period beginning on the Effective Date and ending on the earlier of the date the Executive's family assumes permanent residence in the Greater Cincinnati area or six months from the Effective Date. In addition the Executive shall be eligible to participate in the Company's Home Acquisition Program, the details of which have previously been supplied to the Executive and which is made a part of this Agreement. The Executive shall not receive any other payments or benefits to compensate the Executive or the Executive's family for the cost of relocation.

STANDARD BENEFITS

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The Executive shall be entitled to receive all benefits that are customarily granted to a Company Executive Vice President, such as FLEXbenefit Program benefits, participation in the Retirement Savings Plan, certain club memberships, physical examinations, vacations, parking, concession telephone service, use of a cellular telephone and participation in a qualified pension plan. The Executive shall receive such benefits subject to the terms and conditions that apply to each benefit, including applicable waiting periods for participation, and required consents of the Compensation Committee of the Company's Board of Directors. Nothing contained in this provision shall permit the Executive to participate in the qualified pension plan prior to the date he would be eligible to participate according to the terms of the plan.

CONFIDENTIAL INFORMATION AND MATERIALS

The Executive will not disclose any confidential information or materials of the Company or its affiliates to third parties.

NEW DEVELOPMENTS

The Executive will disclose any ideas, improvements, innovations, developments and the like to the Company except any that are unrelated to the Company's business.

SURRENDER OF MATERIAL UPON TERMINATION

The Executive will return all property of the Company or its affiliates on termination of the Executive's employment.

REMEDIES

Both parties agree that the services the Executive provides and the information disclosed to the Executive during and by virtue of the Executive's employment are of a special, unique and extraordinary character, that the Executive's commitments and obligations to the Company

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herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement will cause the non-breaching party irreparable injury and damage, and consequently the non-breaching party shall be entitled to, in addition to all other remedies available to him or it, injunctive and equitable relief to prevent a breach of this Agreement, or any part of it, and to secure the enforcement of this Agreement.

COVENANT NOT TO COMPETE

The Executive will not compete with the Company or its affiliates from the Effective Date through two years following the termination of the Executive's employment under this Agreement (or, if later, two years from the date of the last payment of compensation to the Executive if the Executive's employment terminates as a result of a Terminating Disability) or for whatever lesser time within that period found by a court of competent jurisdiction to be reasonably necessary for protection of the Company; provided, however, this restriction shall not apply to any period for which the Executive is not being compensated hereunder except for voluntary termination (not due to a breach by the Company) by the Executive or termination for Cause.

TERMINATION

1. EVENTS OF TERMINATION--The Executive's employment under this Agreement may be terminated without any breach of this Agreement only under the following circumstances:

a. DEATH--The Executive's employment hereunder shall terminate upon his death.

b. DISABILITY--If, as a result of the Executive's incapacity due to physical or mental illness, the Executive is absent from his duties on a full-time basis for the entire period of six consecutive months and, within 30 days after written Notice of Termination (as defined herein)

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is given, does not return to the performance of his duties on a full-time basis, the Company may terminate the Executive's employment under this Agreement.

c. CAUSE--The Company may terminate the Executive's employment under this Agreement for Cause. For purposes of this Agreement, the Company shall have "Cause" to terminate the Executive's employment under this Agreement if the Executive willfully engages in misconduct that is materially injurious to the Company, monetarily or otherwise. For purposes of this paragraph, no act, or failure to act, on the Executive's part, shall be considered "willful" unless willfully done, or willfully omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

d. CHANGE IN CONTROL--If, during the Executive's employment under this Agreement there is a change in control, the Executive may terminate the Executive's employment under this Agreement upon 30 days prior written notice to the Company. For purposes of this Agreement, a "change in control" of the Company shall mean a "change in control" as defined in the Company's 1988 Plan.

2. NOTICE OF TERMINATION--Any termination of the Executive's employment (other than termination by death) shall be communicated by written Notice of Termination to the other party. For purposes of this Agreement, a "Notice of

Termination" shall mean a notice that shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provisions so indicated.

3. DATE OF TERMINATION--"Date of Termination" shall mean:

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a. If the Executive's employment is terminated by death, the date of the Executive's death;

b. If the Executive's employment is terminated on disability, 30 days after Notice of Termination is given (provided that such Notice of Termination is given no sooner than 30 days prior to the end of the consecutive six month period during which the Executive is absent, and provided further that the Executive does not return to the performance of his duties on a full-time basis during such 30 day period);

c. If the Executive's employment is terminated for Cause or on a change in control, the date specified in the Notice of Termination; and

d. If the Executive's employment is terminated for any other reason, a 30 DAYS AFTER Notice of Termination is given.

4. COMPENSATION UPON TERMINATION OR UPON DISABILITY--The Executive shall receive the following compensation on termination of the Executive's employment under this Agreement:

a. DEATH--If the Executive's employment is terminated by death, the Company shall pay the Executive's estate the Executive's full Base Salary through the end of the month in which death occurred at the rate in effect at the time of death, plus any bonus that was awarded to the Executive but was unpaid at the date of the Executive's death. On payment of the amounts described in the preceding sentence, the Company shall have no further obligations to the Executive or the Executive's estate under this Agreement except for amounts accrued but not paid as of the date of the Executive's death and obligations under any employee benefit plans or arrangements.

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b. CAUSE--If the Executive's employment is terminated for Cause, the Company shall pay the Executive the Executive's full Base Salary through the Date of Termination at the rate in effect at the time Notice of Termination is given, plus any bonus which was awarded to the Executive but was unpaid at the time the Notice of Termination is given. On payment of the amounts described in the preceding sentence, the Company shall have no further obligations to the Executive under this Agreement except for amounts accrued but not paid as of the date the Notice of Termination was given and obligations under any employee benefit plans or arrangements.

c. TERMINATION AFTER CHANGE IN CONTROL--If the Executive terminates his employment following a change in control, then the Company shall make a lump sum severance payment to the Executive, in cash, on the fifth day following the

Date of Termination. The amount of the severance payment shall equal the greater of (i) \$810,000 or (ii) three times the Executive's Base Salary on the Date of Termination. On payment of the amount described in the preceding sentence, the Company shall have no further obligations to the Executive under this Agreement except for amounts accrued but not paid as of the date the Notice of Termination was given (including accrued but unpaid bonus amounts and non-qualified pension amounts) and obligations under any employee benefit plans or arrangements.

d. TERMINATION BY THE COMPANY--If the Company terminates the Executive's employment, other than for Cause or disability (it being understood that a purported termination for Cause or on a disability that is disputed and finally determined not to have been proper shall be a termination by the Company) after the second anniversary of the Effective Date, the Company shall pay to the Executive an amount equal to the total Base Salary paid to the

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Executive during the twelve month period preceding the Date of Termination. If the Company terminates the Executives employment, other than for Cause or disability (it being understood that a purported termination for Cause or on a disability that is disputed and finally determined not to have been proper shall be a termination by the Company) before the second anniversary of the Effective Date, the Company shall pay to the Executive an amount equal to the total Base Salary payable to the Executive for the remainder of the term ending on the Expiration Date. Payment of any amount called for under the two previous sentences shall be made within 30 days after termination of the Executive's employment. On payment of such amount, the Company shall have no further obligations to the Executive under this Agreement except for amounts accrued but not paid as of the date the Notice of Termination was given and obligations under any employee benefit plans or arrangements.

5. EFFECT OF PAYMENTS--Upon the Company's payment of the required amounts under this provision, all further compensation under this Agreement shall terminate; provided, however, that all qualified deferred compensation that the Executive may be entitled to receive pursuant to any of the Company's pension or profit sharing plans in which the Executive may participate during the Executive's employment with the Company shall be paid pursuant to the provisions of such plans at such times as any such amounts become payable to the Executive. It is further understood that for purposes of this provision, the term "accrued compensation" shall include all non-qualified deferred compensation, of whatever type or form, either previously granted to the Executive by the Company or otherwise earned by the Executive. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties relating to confidential information and materials, new developments, surrender of material upon

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termination, remedies and covenants not to compete which shall survive the termination of this Agreement.

NOTICES

Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered by the sending party personally or by certified mail to the Executive at the Executive's place of residence as then recorded on the books of the Company or to the Company at its principal office.

GOVERNING LAW

This Agreement shall be governed by the laws of the State of Ohio.

ENTIRE AGREEMENT

This Agreement contains the entire agreement of the parties with respect to the Executive's employment by the Company. There are no other contracts, agreements or understandings, whether oral or written, existing between them except as contained or referred to in this Agreement.

MITIGATION

The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by the Executive as the result of employment by another employer after the Date of Termination or otherwise.

WAIVER AND AMENDMENT

No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by an officer of the Company (other than the Executive) who is at or above the level of senior vice president or such

other officer as may be specifically designated by the board of the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

SEVERABILITY

In case any one or more of the provisions of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or other unenforceability shall not effect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon the Executive, the Company and their successor and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year first above written.

CINCINNATI BELL INC.

By: /S/ JOHN T. LAMACCHIA

/S/ BRIAN CRAIG HENRY

Brian Craig Henry

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made as of the 1st day of January, 1989 between Cincinnati Bell Inc., an Ohio corporation with its principal place of business in Cincinnati, Ohio ("Employer" or "CBI"), and James F. Orr, an individual residing in Ohio ("Employee").

WITNESSETH

WHEREAS, Employer wishes to develop its telemarketing business through a new subsidiary ("Newco");

WHEREAS, Employee has a marketing background and has indicated a desire to work for Employer in developing its telemarketing business;

WHEREAS, Employee wishes to be employed by Employer and Employer wishes to employ Employee, all pursuant to the terms hereof; and

WHEREAS, Employer intends to retain the right to assign this Agreement to any other entity which is part of the same controlled group of corporations, as defined in Section 1563 of the Internal Revenue Code of 1986, as it may from time to time be amended or restated, provided, that upon such assignment CBI will guarantee or otherwise support any payments due hereunder to employee.

NOW, THEREFORE, in consideration of the foregoing premises and the covenants and agreements contained herein, the parties agree as follows:

1. EMPLOYMENT. Employer employs Employee and Employee accepts employment upon the terms and conditions hereinafter set forth. For purposes of this Agreement, Employer

shall include any entity to which this Agreement is assigned under Section 14.

2. TERMS OF EMPLOYMENT. This Agreement shall continue in full force and effect commencing on January 1, 1989 (the "Effective Date") and ending on December 31, 1993 (the "Expiration Date"), unless this Agreement is earlier terminated in accordance with the provisions of Section 13 hereof.

3. DUTIES.

(A) Employer agrees to employ Employee and Employee agrees to serve Employer as Vice President Market Development of Newco. In such position, Employee shall have primary responsibility for developing and implementing a marketing plan for the telemarketing services of Newco, and shall directly supervise all marketing employees and activities.

(B) In connection with performing the services required in Section 3(A), Employee will be provided appropriate office space, a secretary (but not necessarily a full-time secretary), and travel expenses as described in Section 5, hereof. The extent of such support resources will be agreed upon from time to time by Employee and the President of Newco.

(C) Employee shall devote his entire time, attention, and energies to the business of Newco. The words "entire time, attention, and energies" are intended to mean that Employee shall devote his full effort during reasonable

working hours to the business of Newco and shall devote at least 40 hours per week to the business of Newco.

(D) Employee shall not be required to change his current residence; however, Employee shall travel to such areas and places as are reasonably necessary in the performance of his duties.

4. COMPENSATION.

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(A) Employee shall receive a base salary (the "Base Salary") of at least \$150,000 for each calendar year, subject to proration for any partial year, during the term of this Agreement. Such Base Salary, and any other amounts payable hereunder, shall be subject to withholding as required by law.

(B) In addition to the Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement, subject to proration for any partial year during such term. Any Bonus shall be payable after the conclusion of Employer's calendar year in accordance with its regular bonus payment policies. Employee shall receive Bonuses as follows:

Initially, a maximum of \$50,000 per year, based (i) 50% on the results of Newco's earnings (computed as provided in Section 7) results as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI, and (ii) 50% on CBI's earnings results as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI.

At the discretion of the President of Newco, such bonus computation may be revised and based 100% on the results of Newco's revenue and earnings results as compared to its revenue and earnings commitment submitted to and approved by the Board of Directors of CBI. In computing Newco's earnings results or CBI's earnings results, any salaries, bonuses, employee benefit plan obligations, other compensatory amounts or reimbursement for employee expenses for any person who devotes substantially all of his or her time, attention and energy to the

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business of Newco, whether or not paid or accrued by Newco, shall be allocated solely to Newco's earnings results. The earnings results of Newco and CBI shall not be decreased or adjusted by any amount payable to any person who devotes substantially all of his or her time, attention and energy to the business of Newco, whether or not paid or accrued by Newco, for any repurchase of Newco's Class B Common Shares or for the accrual or payment of the Performance Award to Employee or the payment or accrual of a similar award to any other person. At the discretion of the President of Newco, such Bonus computation may be revised and based 100% on the results of Newco's revenue and earnings results as compared to its revenue and earnings commitment submitted to and approved by the Board of Directors of CBI. While the Bonus for each year is to be determined in the sole discretion of the President of Newco, it is understood by the parties that such Bonus generally will be paid in full upon the reasonable satisfaction of the above criteria.

(C) On or before February 1, 1989, Employee shall receive from

Employer a one-time payment of \$30,000 representing a bonus for agreeing to be employed by Employer.

(D) On at least an annual basis, Employee shall receive a formal performance review and be considered for salary and/or bonus increases.

5. EXPENSES.

All reasonable and necessary expenses incurred by Employee in the course of the performance of his duties to Employer shall be reimbursable in accordance with Employer's

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then current travel and expense policies.

6. BENEFITS.

(A) Employee shall be granted options to purchase 2,000 common shares of CBI. Such options shall be granted under CBI's 1988 Long Term Incentive Plan (the "1988 Plan") effective as of the date of the next meeting of the Compensation Committee of the Board of Directors of CBI following the Effective Date. Such options shall further be subject to the terms of the 1988 Plan and to the same terms and conditions as were applied to options granted to Vice Presidents of Cincinnati Bell Telephone Company in 1988. Pursuant to the terms of the 1988 Plan, such options will become immediately exercisable upon a Change in Control, as defined therein.

(B) After calendar year 1989, Employee may participate in CBI's 1988 Plan or any similar stock option plan established by CBI, subject to the actions of the Compensation Committee.

(C) After satisfying the applicable waiting periods and while the Employee remains in the employ of the Employer, Employee shall be entitled to participate in all of the various employee benefit plans in which Vice Presidents of Cincinnati Bell Telephone Company are participating, with the exceptions that Employee shall not receive a cellular telephone or concession telephone service. In addition, Employer shall provide Employee with the following benefits:

(1) SAVINGS PLAN FOR SALARIED EMPLOYEES. Within 30 days of the execution of this Agreement by Employer and Employee, Employer shall compensate Employee for the period he is not eligible to participate in the Savings Plan for Salaried Employees by paying to Employee a sum equal to (a) the amount that Employer would have

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contributed to such Savings Plan for Employee's account if Employee had fully participated therein plus (b) the amount of tax incurred by Employee on such payment.

(2) WELFARE PLANS - GENERAL. In the case of each employee welfare benefit plan in which Vice Presidents of Cincinnati Bell Telephone Company are participating, prior to satisfying any waiting period called for in the plan and while Employee remains in the employ of Employer, Employer shall provide Employee with benefits which are at least equivalent to the benefits Employee would have been entitled to receive under the plan if he had been

eligible to participate in the plans.

(3) LONG TERM DISABILITY PLAN FOR SALARIED EMPLOYEES AND THE SICKNESS AND ACCIDENT DISABILITY BENEFIT PLAN. While Employee remains in the employ of Employer, Employer shall provide Employee with benefits which are at least equivalent to the benefits Employee would have been entitled to receive under the Long Term Disability Plan for Salaried Employees and the Sickness and Accident Disability Benefit Plan (a) assuming that he became eligible to participate in the plans on January 1, 1989 and (b) assuming that he was credited with 25 years of completed service as of January 1, 1989. The benefits payable under this Section 6(B)(3) shall be reduced by any benefits paid under the Long Term Disability Plan for Salaried Employees and the Sickness and Accident Disability Benefit Plan.

(4) LIFE INSURANCE. For the first year of Employee's employment, Employer will at its expense provide Employee with life insurance in the basic amount of \$200,000.

(5) MANAGEMENT PENSION PLAN. Subject to satisfying the applicable waiting period, while Employee remains in the employ of Employer, Employee shall participate in the Management Pension Plan. Employee's accrued benefit under the Plan shall

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vest in accordance with the terms of the Plan. In the event that Employee is employed by Employer on the Expiration Date but has not been credited with five years of service, Employer and Employee agree that an equitable adjustment shall be made.

(D) Notwithstanding anything contained herein to the contrary, the Base Salary and Bonuses otherwise payable to Employee shall be reduced by any benefits paid to Employee by Employer under Employer's Sickness and Accident Disability Plan and Long Term Disability Plan for Salaried Employees or under Section 6(B)(3) above.

7. PERFORMANCE AWARDS.

(A) If the net revenues of Newco from all sources (including Telephone Marketing Services ("TMS"), whether or not contributed to Newco) for its preceding fiscal year equal or exceed \$30,000,000, Employee shall immediately after the end of such fiscal year become entitled at all times thereafter to receive a Performance Award (as defined in Section 7(B)) and the Employee's Performance Award percentage shall be equal to 1%. Employee's Performance Award percentage shall be increased to 2% if the net revenues of Newco from all sources (including TMS, whether or not contributed to Newco) for its preceding fiscal year equal or exceed \$50,000,000. Only net revenues of TMS in excess of the net revenues of TMS for the 12-month period ending June 30, 1988 may be included in calculating the \$30,000,000 and the \$50,000,000 amounts. The Performance Award percentage to which Employee may become entitled under this Section 7(A) shall hereafter be referred to as the "Performance Award Percentage".

(B) Except as otherwise set forth in Section 7(C), upon Employee ceasing to be an employee of Employer, or any other entity described in Section 14, for any reason (the last day of the month preceding such cessation hereafter being referred to as the "Performance

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Award Date"), Employer shall pay a Performance Award to Employee in an amount determined and on the terms as follows:

(i) The Performance Award shall be calculated based upon test period net revenues and test period pre-tax earnings of Newco. For purposes hereof, the test period is the period beginning one year before the Performance Award Date (the date as of which the payment of the Performance Award by Employer will be deemed to occur) and ending on the date one year after the Performance Award Date. Test period net revenues shall equal the total net revenues of Newco for such 24-month period divided by two. Test period pre-tax earnings shall equal the pre-tax earnings for such 24-month period divided by two. In calculating test period pre-tax earnings (or net revenues if such could be affected), no deduction or adjustment shall be made for any repurchases of Newco's Class B Common Shares from any holder of Class B Common Shares or for the payment of the Performance Award to Employee or the payment of a similar award to any other person, but deduction or adjustment shall be made for salaries, bonuses, employee benefit plan obligations, other compensatory amounts or reimbursement for employee expenses for any person who devotes substantially all of his or her time, attention and energy to the business of Newco, whether or not paid or accrued by Newco.

(ii) Net revenues and pre-tax earnings shall be calculated by Employer using Employer's standard accounting principles and practices which shall be in accordance with generally accepted accounting principles ("GAAP"), as employed by Cincinnati Bell Information Systems, Inc. Net revenues shall be defined as gross revenues from sales less uncollectible reserves. Pre-tax earnings shall be defined as gross revenues less all expenses and costs of doing business (including Employee's salary, bonus and benefits),

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except for federal income taxes; provided, however, that no deduction shall be made for any payment of dividends by Newco at any time. For the purposes of calculating net revenues and pre-tax earnings in computing the Performance Award payable by Employer to Employee, interest shall be computed monthly at the prime rate of Employer's primary bank as in effect for the last banking day of each month during the test period, and deducted from gross revenues on the amount by which Employer's capital investments in Newco exceed \$30,000,000 (not including Employer's contribution of TMS to Newco).

(iii) The amount of the Performance Award which Employer shall pay to Employee shall be equal to the sum of the Revenue Component and the Earnings Component, which sum is known as the "Performance Award". The Revenue Component shall equal one-half of the test period net revenues of Newco multiplied by the Employee's Performance Award Percentage. The Earnings Component shall equal one-half of the test period pre-tax earnings of Newco multiplied by each of (a) twelve and (b) the Employee's Performance Award Percentage.

If Newco's test period pre-tax earnings are positive or zero, the Performance Award shall be calculated pursuant to this Section 7(B)(iii) based upon actual test period net revenues and pre-tax earnings as demonstrated by the attached Table 1. Table 1 shall in no way be construed to limit the maximum Performance Award payable to Employee.

If Newco's test period pre-tax earnings are negative, the Performance Award shall be as set forth in one of the last two rows of Table 1 (such rows are referred to as Row 1 and Row 2, respectively) based upon the range in which test period pre-tax earnings losses fall, and (a) to the extent that actual Newco test period net revenues are greater than \$30,000,000 but less than \$50,000,000 (plus the amount of the net revenues of TMS for the

12-month period ending June 30, 1988) and do not exactly correspond with any entry in Row 1 or Row 2, the Performance Award shall be increased by (I) \$.00375 for each additional \$1.00 of net revenues, if Row 1 is applicable or (II) \$.0025 for each additional \$1.00 of net revenues, if Row 2 is applicable, or (b) to the extent that actual Newco test period net revenues are \$50,000,000 or greater (plus the amount of net revenues of TMS for the 12-month period ending June 30, 1988) and do not exactly correspond with any entry in Row 1 or Row 2, the Performance Award shall be increased by (I) \$.0075 for each \$1.00 of net revenues, if Row 1 is applicable or (II) \$.005 for each additional \$1.00 of net revenues, if Row 2 is applicable. In no event shall the Performance Award be less than the minimum specified in Section 7(B)(v).

(iv) At the Performance Award Date, Employer shall compute the Performance Award based upon (a) the actual net revenues and pre-tax earnings of Newco for the preceding 12-month period as specified in Section 7(B)(i) above and (b) Employer's reasonable, good faith estimate of the net revenues and pre-tax earnings of Newco for the 12-month period following the Performance Award Date (the "Subsequent Period"). Unless Employee and Employer otherwise mutually agree, Employer shall pay Employee 80% of such estimated Performance Award no later than 60 days following the Performance Award Date. Thereafter, Employer shall recompute the Performance Award at the end of the Subsequent Period based upon the actual net revenues and pre-tax earnings of Newco for such period. Unless Employee and Employer otherwise mutually agree, no later than 60 days following the end of the Subsequent Period, Employer or Employee, as appropriate, shall pay the other the difference between 80% of the estimated Performance Award originally paid and the final Performance Award computed at the end of the Subsequent Period. In the event of a

disagreement between Employer and Employee as to Employer's determination of the final Performance Award, Employee and Employer shall jointly select a nationally recognized independent accounting firm which shall determine the final Performance Award and such determination shall be binding upon the parties hereto.

(v) Notwithstanding anything to the contrary contained in this Section 7(B), the minimum Performance Award shall be \$300,000.

(C) Employer shall pay any Performance Award earned by Employee pursuant to Section 7(A) and (B), adjusted as set forth in this Section 7(C). If Employee ceases to be an employee of Employer (i) on or before the last day of the two-year period commencing from the Effective Date, no Performance Award shall be paid to Employee; (ii) at any time after the last day of the period described in Section 7(C)(i) but on or before the last day of the three-year period commencing from the Effective Date, Employer shall pay Employee the Performance Award as calculated pursuant to Section 7(B) multiplied by the sum of .50 and one-half times a fraction having as its numerator the number of days elapsed in the current one-year period through the Performance Award Date and having 365 as its denominator; or (iii) at any time after the last day of the period described in Section 7(C)(ii), Employer shall pay Employee the full Performance Award as calculated pursuant to Section 7(B).

(A) As used herein, the term "confidential information and materials" refers to all information belonging to, used by or in the possession of Employer and Newco now and in the future relating to their present and/or future business strategies, finances, methods of operation, customers, programs, marketing plans, developmental plans, inventions,

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developments and trade secrets of every kind and character; provided, however, that Employee shall not be obligated to treat as confidential any of the information described in this Section 8(A) which is or becomes publicly available or readily ascertainable from public sources or any information in Employee's possession or knowledge prior to the Effective Date and not provided to him by Employer or Newco.

(B) Employee hereby acknowledges that all of the confidential information and materials are and shall continue to be the exclusive proprietary property of Employer and Newco, whether or not prepared in whole or in part by Employee and whether or not disclosed to or entrusted to the custody of Employee. Employee further hereby acknowledges that all confidential information and materials (to which Employee has had access or which Employee has learned during his employment or to which Employee shall hereafter have access or which he shall hereafter learn) have been disclosed to Employee solely by virtue of Employee's employment with Employer and solely for the purpose of assisting him in performing his duties for Employer and Newco.

(C) Employee hereby agrees that Employee will not, either during the course of Employee's employment with Employer or at any time thereafter, disclose any confidential information or materials of Employer or Newco, in whole or in part, to any person or entity, for any reason or purpose whatsoever, unless Employer and Newco shall have given their written consent to such disclosure. Employee further agrees that Employee shall not use in any manner other than for and in the course of Employee's furtherance of Employer's and Newco's business, any confidential information or materials of Employer or Newco for Employee's own purposes or for the benefit of any other person or entity except Employer or Newco, whether such use consists of the duplication, removal, oral use or disclosure, or the transfer of any

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confidential information or materials in any manner, or such other unauthorized use in whatever manner, unless Employer and Newco shall have given their prior written consent to such use.

9. NEW DEVELOPMENTS. Employee agrees that during the term of this Agreement, Employee will promptly disclose to Employer and Newco any and all improvements, inventions, developments, discoveries, innovation, systems, techniques, ideas, processes, programs and other things which may be of assistance to Employer or Newco, whether patentable or unpatentable, relating to or arising out of any developments, services or products, or pertaining to in any manner, the business of Employer or Newco, and made or conceived by Employee, alone or with others, while employed by Employer, whether or not conceived or made during his regular working hours (collectively referred to hereinafter as the "New Developments"). Employee further agrees that all New Developments shall be and shall remain the sole and exclusive property of Employer and Newco and that Employee shall, upon the request of Employer or Newco, and without further compensation, do all lawful things reasonably necessary to ensure Employer's or Newco's ownership of such New Developments,

including without limitation the execution of any necessary documents assigning and transferring to Employer, Newco or their assigns all of Employee's right, title and interest in and to such New Developments, and the rendering of assistance in the execution of all necessary documents required to enable Employer or Newco to file and obtain patents, trademarks and copy rights in the United States and foreign countries on any of such New Developments; provided, however, that all expenses relating to the foregoing shall be borne by Employer or Newco.

10. SURRENDER OF MATERIAL UPON TERMINATION. Employee hereby agrees that upon

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cessation of his employment, for whatever reason and whether voluntary or involuntary, he will immediately surrender to Employer or Newco all of Employer's or Newco's property and other things of value in his possession or in the possession of any person or entity under his control, that are the property of Employer or Newco including without limitation all personal notes, drawings, manuals, documents, photographs, or the like, including copies and derivatives thereof, relating directly or indirectly to any confidential information or materials or New Developments, or relating directly or indirectly to the business of Employer or Newco.

11. REMEDIES. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer and Newco and the information disclosed to Employee during and by virtue of his employment, that Employee's commitments and obligations to Employer and Newco herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement will cause the non-breaching party irreparable injury and damage, and consequently the non-breaching party shall be entitled to, in addition to all other remedies available to it, injunctive and equitable relief to prevent a breach of this Agreement, or any part of it, and to secure the enforcement of this Agreement.

12. COVENANT NOT TO COMPETE. For the period ending on the second anniversary of (i) the date of cessation of Employee's employment under this Agreement or (ii) the date of the last payment of compensation to Employee, if Employee's employment ceases as a result of a Terminating Disability pursuant to Section 13(A), whether during or at the end of the term of this Agreement, or for whatever time within that period found by a court of competent jurisdiction to be reasonably necessary for the protection of Employer, Employee will not, himself or together with other persons, directly or indirectly, own, manage, operate, join, control or participate in the ownership, management, operation or control of or become an

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employee of any business that engages in business-to-business telemarketing or any other business of any type in which Employee is involved on behalf of Employer or Newco immediately prior to the date of termination of this Agreement. This restriction will apply throughout the continental United States or whatever geographic scope found by a court of competent jurisdiction to be reasonably necessary for the protection of Employer.

Employee hereby agrees (i) that the restrictions set forth in the paragraph immediately above are founded on valuable consideration and are reasonable. in duration and geographic extent in view of the circumstances in which this

Agreement is executed and are necessary to protect the legitimate interests of Employer, and (ii) that the remedy at law for any breach of the foregoing covenant will be inadequate and that Employer will be entitled to injunctive relief in the event of any such breach. Nothing herein stated shall be construed as prohibiting Employer from pursuing any other remedies available to it for any such breach or threatened breach or for any other breach of this Agreement, including the recovery of damages from Employee.

13. TERMINATION.

(A) Employer or Employee may terminate this Agreement upon Employee's failure or inability to perform the services required hereunder because of any physical or mental infirmity for which Employee receives disability benefits under Employer's Sickness and Accident Disability Benefit Plan and/or Employer's Long Term Disability Plan for Salaried Employees or under Section 6(C) (3) hereof, as the case may be, (the "Plans") over a period of one hundred twenty consecutive working days during any twelve consecutive month period (a "Terminating Disability"). If Employer or Employee elects to so terminate this Agreement in the event of a Terminating Disability, (i) such termination shall be effective immediately

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upon the giving of written notice by the terminating party to the other, (ii) Employer shall pay Employee, but in no event beyond the Expiration Date, (a) his accrued compensation, whether Base Salary, Bonus or otherwise (subject to offset for any amounts received pursuant to the Plans), (b) based upon the date of the one hundred twentieth working day following the occurrence of the Terminating Disability, the greater of (I) \$300,000 or (II) the amount required pursuant to Sections 7(B) and 7(C), and (c) for as long as such Terminating Disability may exist, Employee shall continue to be an employee of Employer and Employer shall provide Employee with disability benefits and all other benefits according to the provisions of the Plans and any other Employer plans in which Employee is then participating. If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Employee returns to active employment with Employer prior to such a termination, or if such disability exists for less than one hundred twenty consecutive working days, the provisions of this Agreement shall remain in full force and effect and the payment of the Performance Award shall ultimately be made as if such disability had never arisen. This Agreement terminates immediately and automatically on the death of Employee, provided, however, that the Employee's estate shall be paid (a) the greater of (I) \$300,000 or (II) the amount required to be paid the Employee pursuant to Sections 7(B) and 7(C), and (b) Employee's accrued compensation hereunder whether Base Salary, Bonus or otherwise to the date of death. In addition, upon Employee's death or Terminating Disability, Employee or his estate shall be entitled to take whatever actions with respect to Employee's stock options as may be permitted by the terms thereof, or by the plan under which such options were granted, upon such death or disability.

(B) Either Employer or Employee may terminate this Agreement upon 30

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days written notice for any reason other than those reasons set forth in Section 13(A). In the event of termination for any reason other than as set forth in Section 13(A), Employer shall pay Employee the greater of (i) the amount required and as determined pursuant to Sections 7(B) and 7(C), or (ii) \$300,000, plus all accrued compensation to the date of such termination, whether Base

Salary, Bonus or otherwise.

(C) Upon Employer's payment of the required payments under this Section 13, all further compensation under this Agreement shall terminate; provided, however, that all qualified deferred compensation to which Employee may be entitled to receive pursuant to any of Employer's pension or profit sharing plans in which he may participate during his employment with Employer shall be paid pursuant to the provisions of such plans at such times as any such amounts become payable to Employee. It is further understood that for purposes of this Section 13, the term "accrued compensation" shall include all non-qualified deferred compensation, of whatever type or form, either previously granted to Employee by Employer or otherwise earned or received by Employee. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 8, 9, 10, 11 and 12 hereof, the terms of which shall survive the termination of this Agreement.

14. ASSIGNMENT. As this is an agreement for personal services involving a relation of confidence and trust between Employer and Employee, all rights and duties of Employee arising under this Agreement, and the Agreement itself, are nonassignable by Employee except for the right of his estate to receive any payments due Employee upon his death. Employer expressly reserves the right to assign this Agreement to any other entity which is part of the same controlled group of corporations, as defined in Section 1563 of the Internal Revenue Code of 1986, as it may from time to time be amended or restated.

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15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered by the sending party personally or by certified mail to Employee at his place of residence as then recorded on the books of Employer or to Employer at its principal office.

16. WAIVER. No waiver or modification of this Agreement or the terms contained herein shall be valid unless in writing and duly executed by the party to be charged therewith. The waiver by any party hereto of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by such party.

17. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Ohio.

18. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Employee's employment by Employer. There are no other contracts, agreements or understandings, whether oral or written, existing between them except as contained or referred to in this Agreement.

19. SEVERABILITY. In case any one or more of the provisions of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or other unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

20. SUCCESSORS AND ASSIGNS. Subject to the provisions of Section 14 above, this Agreement shall be binding upon Employee, Employer and their successors and assigns. Employer further expressly agrees that in the event it shall merge or consolidate with, or be acquired by, any other entity, the continuing entity resulting from such merger, consolidation

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or acquisition shall be obligated to perform the duties and obligations of Employer as set forth in this Agreement. Employer further agrees that in the event it should voluntarily dissolve and liquidate the assets and business of Employer, it will undertake to have the terms and provisions of this Agreement fulfilled prior to the distribution or disposal of Employer's assets.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

EMPLOYER:

CINCINNATI BELL INC.

By: /S/ RAYMOND R. CLARK

12-23-88

EMPLOYEE:

/S/ JAMES F. ORR

12-23-88

TABLE 1: NEWCO PERFORMANCE AWARD

(M = Millions of Dollars)

Test Period Newco Revenues*	30M (1) (3)	40M (1) (3)	50M (1) (4)
	R = .15M	R = .2M	R = .50M

8%	E = .14M	E = .192M	E = .48M
	T = .29M	T = .392M	T = .98M

5%		E = .09M	E = .12M	E = .30M
		T = .24M	T = .32M	T = .80M
3%		E = .054M	E = .072M	E = .18M
		T = .204M	T = .272M	T = .68M
0%		E = 0	E = 0	E = 0
		T = .15M	T = .2M	T = .50M
Less than 0% and higher or equal to -4%	*** Row 1	E = -.0375	E = -.05	E = -.125M
		T = .1125	T = .15M	T = .375M
Lower than -4%	*** Row 2	E = -.075	E = -.10	E = -.25M
		T = .075M	T = .10M	T = .25M

KEY: R = Revenue Contribution to Value
E = Earnings Contribution to Value
T = R + E

- (1) To be increased by the amount of the net revenues of TMS for the 12-month period ending June 30, 1988
- (2) To be increased by the amount of the pre-tax earnings of TMS for the 12-month period ending June 30, 1988
- (3) Assumes 1% Performance Award Percentage
- (4) Assumes 2% Performance Award Percentage

*Test period revenues and pre-tax earnings of Newco, respectively, include those net revenues and pre-tax earnings of TMS whether or not contributed to Newco, in excess of the net revenues and pre-tax earnings of TMS for the 12 months period.

AMENDMENT TO
EMPLOYMENT AGREEMENT

THIS AMENDMENT TO AGREEMENT is made on this 30TH day of JUNE, 1993, between MATRIXX Marketing Inc., an Ohio corporation with its principal place of business in Cincinnati, Ohio ("Employer" or "MATRIXX"), Cincinnati Bell Inc., an Ohio corporation with its principal place of business in Cincinnati, Ohio ("CBI"), and James F. Orr, an individual residing in Ohio ("Employee").

MATRIXX, CBI and Employee previously entered into an employment agreement made as of January 1, 1989 (the "Employment Agreement"). The parties now desire to amend the Employment Agreement, such amendment being supported by full and adequate consideration, and agree that the Employment Agreement shall be modified as follows:

I. The introductory language of Section 7(B) shall be amended and restated as follows:

(B) Except as otherwise set forth in Section 7(C), on the earlier of the Expiration Date or Employee ceasing to be an employee of Employer, or any other entity described in Section 14, for any reason (the last day of the month preceding the Expiration Date or such cessation hereafter being referred to as the "Performance Award Date"), Employer shall pay a Performance Award to Employee in an amount determined and on the terms as follows:

II. Section 7(B)(i) and the introductory language of Section 7(B)(ii) shall be

amended and restated as follows:

(i) The Performance Award shall be calculated based upon test period net revenues and pre-tax earnings of Newco (hereinafter referred to as "MATRIXX" in this Amendment). For purposes hereof, the test period is the period beginning one year before the Performance Award Date (the date as of which the payment of the Performance Award by Employer will be deemed to occur) and ending on the date one year after the Performance Award Date. Test period net revenues shall equal the total net revenues of MATRIXX for such 24-month period divided by two. Test period pre-tax earnings shall equal the pre-tax earnings for such 24-month period divided by two. In calculating test period pre-tax earnings (or net revenues if such could be affected), deduction or adjustment shall be made for salaries, bonuses, employee benefit plan obligations, other compensatory amounts or reimbursement for employee expenses for any person who devotes substantially all of his or her time, attention and energy to the business of MATRIXX, whether or not paid or accrued by MATRIXX.

(ii) Net revenues and pre-tax earnings shall be calculated by Employer using Employer's standard accounting principles and practices which shall be in accordance with generally accepted accounting principles ("GAAP"), as employed by Cincinnati Bell Information Systems Inc. Net revenues shall be defined as gross revenues from sales less uncollectible reserves. Revenues for a particular month, which are earned in a currency other than United States

Dollars, shall be converted to United States Dollars at the average of the daily rates for conversion of the foreign currency into United States Dollars during that month. Conversion rates shall be those published in the Wall Street Journal. Pre-tax earnings shall be defined as gross revenues less all expenses and costs of doing business (including Employee's salary, bonus and benefits), except for federal income taxes; provided, however, that no deduction shall be made for any payment of dividends by MATRIXX at any time. Provided further that, unless the parties agree otherwise, for purposes of determining pre-tax earnings, GAAP "pushdown" accounting rules shall apply in the case of acquisitions. It is agreed for purposes of this calculation that 75 percent of the purchase price, including the value of CBI restricted stock issued in connection with the purchases of ADI and Ameritel, shall be allocated to goodwill and the amortization of goodwill relating to acquired companies shall be deemed to occur over a 40-year period. For the purpose of calculating pre-tax earnings in computing the Performance Award payable to Employee:

III. New Section 7(B) (ii) (a), (b) and (c) shall be added to read as follows:

(a) interest expense shall be computed monthly, on the amount of CBI's Average Daily Outstanding Capital Investment in MATRIXX and its subsidiaries (the "MATRIXX Group"), and deducted from gross revenues. CBI's Daily Outstanding Capital Investment in MATRIXX, for any day, means

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CBI's Capital Investments in the MATRIXX Group, as of such day, reduced by MATRIXX's Cash Flow. CBI's Capital Investment in the MATRIXX Group excludes the first \$30,000,000 of capital invested in MATRIXX and excludes CBI's contribution of TMS to MATRIXX. A portion of all other capital investment shall be included, in the percentage applicable to the year in which the capital investment is made, as set forth below:

YEAR INVESTMENT MADE	PERCENTAGE
-----	-----
1988	100%
1989	100%
1990	100%
1991	65%
1992	35%
1993	0%
1994	0%

MATRIXX's Cash Flow, as of any day, is the sum of the cash removed from the MATRIXX Group by CBI's cash management system, from the date of the Employment Agreement through such day, plus the cash balances of the MATRIXX Group, as of such day, minus the cash advanced to the MATRIXX Group by CBI's cash management system from the date of the Employment Agreement through such day, however, MATRIXX's Cash Flow shall never be less than zero. The payment of intercorporate invoices is not to be treated as cash removed from the MATRIXX Group. CBI's Average Daily Outstanding

Capital Investment in MATRIXX for any month shall be the sum of each day's Daily Outstanding Capital Investment, divided by the number of days in such month. The rate of interest shall be the prime rate of CBI's primary bank minus One Percent (1%).

For example, after exhausting the \$30,000,000 of excluded capital, CBI makes capital investments in MATRIXX of \$40,000,000 in 1990, \$20,000,000 in 1991 and \$30,000,000 in 1992. For March, 1994 the prime rate is Eleven Percent (11%). Prior to March, CBI's cumulative cash removal from the MATRIXX Group was \$11,000,000, and the cumulative cash advanced was \$500,000. No cash is advanced or removed in March. The cash balances of the MATRIXX Group during March are a constant sum of \$200,000. CBI's Capital Investment totals \$63,500,000 (1990 equals 100% of \$40,000,000 invested; 1991 equals 65% of \$20,000,000 invested; 1992 equals 35% of \$30,000,000 invested). MATRIXX's Cash Flow is \$10,700,000 (\$11,000,000 cash removed plus \$200,000 cash balances minus \$500,000 cash advanced). CBI's Average Daily Outstanding Capital Investment is \$52,800,000 (\$63,500,000 Capital Investment minus \$10,700,000 Cash Flow). The March, 1994 interest charge for purposes of computation of the Performance Award is \$440,000 (one month's interest on \$52,800,000 at an annual rate of Ten Percent (10%), which is the March, 1994 prime rate minus One Percent (1)).

(b) foreign currency denominated pre-tax earnings for each month of the test period will be converted into dollars at the average of the daily rates for conversion of the foreign currency into United States Dollars during that month (using rates published in the Wall Street Journal). Capital Investments in, cash advances to and cash repayments by the MATRIXX Group shall be recorded in United States Dollars at the time the investment, cash advance or cash repayment is made even though the funds are transferred to or from a foreign subsidiary of MATRIXX. Foreign currency cash balances of the MATRIXX Group for a particular month shall be valued at the average of the high and low exchange rates for that month, as published in the Wall Street Journal.

(c) no deduction or adjustment shall be made for the payment of the Performance Award to Employee or the payment of a similar award or amount (including a tax gross-up on any such award or amount) to any other person.

IV. New Section 7(B)(vi) shall be added to read as follows:

(vi) If Employee remains in the employ of Employer until the date preceding the Expiration Date by sixty (60) days, Employee and Employer may mutually agree to defer the Performance Award payment by Employer until (a) Employee ceases to be an employee of Employer, or (b) Employee reaches the age of 65, whichever occurs first. If Employee ceases to remain in the employ

of Employer at any time after the Expiration Date and if Employee and Employer have agreed to defer payment of the Performance Award, Employee and Employer may mutually agree to further defer such payment for Employee's Performance Award until a date within three (3) years from the date of such cessation if Employee and Employer agree to such deferral no later than sixty (60) days preceding Employee's last date of employment. The amount of the Performance Award, as calculated pursuant to this Section 7(B), shall bear interest at the rate as utilized in CBI's Executive Deferred Compensation Plan, as set from time to time, from the Expiration Date until the date Employee actually receives such payment under this Section 7(B)(vi). Such payment amount, plus all accrued interest thereon, shall be paid to Employee on such date.

V. In all other respects the terms of the Employment Agreement shall remain as originally executed and as amended, except as necessary for cross-referencing.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to Agreement to be duly executed on the day and year first above written.

EMPLOYER:

MATRIX MARKETING INC.

By: /S/ DAVID J. LAHEY

David J. Lahey, Chairman of the Board

CINCINNATI BELL INC.

By: /S/ J. T. LAMACCHIA

J.T. LaMacchia, President and COO

EMPLOYEE:

/S/ JAMES F. ORR

James F. Orr

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made as of the 31st day of December, 1993 between Cincinnati Bell Inc., an Ohio corporation with its principal place of business in Cincinnati, Ohio ("Employer" or "CBI"), and James F. Orr, an individual residing in Ohio ("Employee").

WITNESSETH

WHEREAS, Employee wishes to be employed by Employer and Employer wishes to employ Employee, all pursuant to the terms hereof; and

WHEREAS, Employer intends to retain the right to assign this Agreement to any other entity which is part of the same controlled group of corporations, as defined in Section 1563 of the Internal Revenue Code of 1986, as it may from time to time be amended or restated.

NOW, THEREFORE, in consideration of the foregoing premises and the covenants and agreements contained herein, the parties agree as follows:

1. EMPLOYMENT. Employer employs Employee and Employee accepts employment upon the terms and conditions hereinafter set forth. For purposes of this Agreement, Employer shall include any entity to which this Agreement is assigned under Section 14.

2. TERMS OF EMPLOYMENT. This Agreement shall continue in full force and effect commencing on December 31, 1993 (the "Effective Date") and ending on December 31, 1998 (the "Expiration Date"), unless this Agreement is earlier terminated in accordance with the provisions of Section 13 hereof.

3. DUTIES.

(A) Employer agrees to employ Employee and Employee agrees to serve Employer as President and Chief Executive Officer of MATRIXX Marketing Inc.

("MATRIXX") or in such other capacity as may be determined from time to time by the President of CBI.

(B) In connection with performing the services required in Section 3(A), Employee will be provided appropriate office space, a secretary and travel expenses as described in Section 5, hereof. The extent of such support resources will be agreed upon from time to time by Employee and the President of CBI.

(C) Employee shall devote his entire time, attention, and energies to the performance of his duties under this Agreement. The words "entire time, attention, and energies" are intended to mean that Employee shall devote his full effort during reasonable working hours to the performance of his duties under this Agreement and shall devote at least 40 hours per week to the performance of his duties under this Agreement.

(D) Employee shall not be required to change his current residence; however, Employee shall travel to such areas and places as are reasonably necessary in the performance of his duties.

4. COMPENSATION.

(A) Employee shall receive a base salary (the "Base Salary") of at least \$225,000 for each calendar year, subject to proration for any partial year, during the term of this Agreement. Such Base Salary, and any other amounts payable hereunder, shall be subject to withholding as required by law.

(B) In addition to the Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year after 1993 during which services are performed under this Agreement, subject to proration for any partial year during such term. Any Bonus for any calendar year shall be payable after the conclusion of such calendar year in accordance with Employer's regular bonus payment policies. Employee shall receive Bonuses

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as follows: for calendar years 1994, 1995 and 1996, a minimum Bonus of \$50,000 per year, based on the results of CBI's earnings results as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI and for calendar years 1997 and 1998, a minimum Bonus of \$50,000 per year, based on the results of CBI's earnings results as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI plus a minimum Bonus of \$70,000 per year, based on the results of MATRIXX's earnings results as compared to its earnings commitment submitted to and approved by the President of CBI.

(C) On at least an annual basis, Employee shall receive a formal performance review and be considered for salary and/or bonus increases.

5. EXPENSES.

All reasonable and necessary expenses incurred by Employee in the course of the performance of his duties to Employer shall be reimbursable in accordance with Employer's then current travel and expense policies.

6. BENEFITS.

(A) Subject to approval by the Compensation Committee of the Board of Directors of CBI (the "Compensation Committee"), and while Employee remains employed hereunder, Employee shall be granted options to purchase a minimum of 20,000 common shares of CBI during each of calendar years 1994 through 1998. Such options for any calendar year shall be granted under CBI's 1988 Long Term Incentive Plan (the "1988 Plan") effective as of the date of the first meeting of the Compensation Committee during the calendar year. Such options shall further be subject to the terms of the 1988 Plan and to the same terms and conditions as are applied to options granted to similarly situated employees of CBI in the calendar year in which the option are granted to Employee. Pursuant to the terms of the 1988

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Plan, such options will become immediately exercisable upon a Change in Control, as defined therein.

(B) While the Employee remains in the employ of the Employer, Employee shall be entitled to participate in all of the various employee benefit plans and programs in which similarly situated employees of CBI are participating, including Retirement Savings Plan; Deferred Compensation Plan; vacation program; medical and dental plans; life, disability, accidental death, disability and travel insurance; parking; financial consultation and tax preparation up to \$3,000 per year; cellular phone; annual physical; luncheon

club dues; and Cincinnati Bell Management Pension Plan. In addition, Employer shall provide Employee with the following benefits:

(1) MINIMUM PENSION. If Employee remains employed under this Agreement through December 31, 1998, Employee shall be entitled to receive a monthly pension, commencing at age 55 (or, if he retires later, on the day following the date on which Employee retires from active service) and payable for the joint lives of Employee and his spouse, or if Employee is unmarried at the time payments begin, then for his life, in an amount not less than \$40,000 per year. To the extent that Employee or Employee's spouse is also entitled to receive any benefit under Cincinnati Bell Management Pension Plan ("CBMPP") or any non-qualified pension plan or program maintained by CBI or MATRIX (other than a deferred compensation plan under which Employee's current compensation is reduced in exchange for payments at or after termination of employment), the payments otherwise called for under the first sentence of this Section 6(B)(1) shall be reduced to reflect the value of the benefits payable to Employee and Employee's spouse under CBMPP and each such other non-qualified pension plan or program.

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(2) RETIREE MEDICAL BENEFITS. If Employee remains employed under this Agreement through December 31, 1998, upon his subsequent retirement Employee shall be entitled to participate in the retiree medical plans then available to similarly situated employees of CBI who retire after attaining age 60.

(3) LONG TERM DISABILITY PLAN FOR SALARIED EMPLOYEES AND THE SICKNESS AND ACCIDENT DISABILITY BENEFIT PLAN. While Employee remains in the employ of Employer, Employer shall provide Employee with benefits which are at least equivalent to the benefits Employee would have been entitled to receive under the Long Term Disability Plan for Salaried Employees and the Sickness and Accident Disability Benefit Plan (a) assuming that he became eligible to participate in the plans on January 1, 1989 and (b) assuming that he was credited with 25 years of completed service as of January 1, 1989. The benefits payable under this Section 6(B)(3) shall be reduced by any benefits paid under the Long Term Disability Plan for Salaried Employees and the Sickness and Accident Disability Benefit Plan.

(4) AUTOMOBILE. While Employee remains employed hereunder, Employee shall be given the use of a Buick Park Avenue automobile or its equivalent in accordance with current practice for similarly situated employees of CBI.

(C) Subject to approval by the Compensation Committee, Employee shall receive a restricted stock award of 20,000 common shares of CBI. Such award shall be made under the 1988 Plan effective as of the date of the first meeting of the Compensation Committee in 1994 on the terms set forth in Exhibit A. Such shares shall be further subject to the terms of the 1988 Plan. Pursuant to the term of the 1988 Plan, the restrictions applicable to such shares will immediately lapse upon a Change in Control, as defined therein.

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(D) Notwithstanding anything contained herein to the contrary, the Base Salary and Bonuses otherwise payable to Employee shall be reduced by any benefits paid to Employee by Employer under Employer's Sickness and Accident Disability Plan and Long Term Disability Plan for Salaried Employees or under

Section 6(B)(3) above.

(E) Employer has guaranteed a loan made by The Fifth Third Bank to Employee. On or before January 31, 1994, Employee shall provide Employer with written evidence, satisfactory to it, that Employer has been released from its obligation to guarantee any loan made to Employee by The Fifth Third Bank.

7. AWARDS.

(A) PERFORMANCE AWARD. In recognition of Employee's contribution to Employer and in full payment of Employer's obligation under the Employment Agreement with Employee in effect on December 30, 1993, Employee shall receive a payment of \$2,400,000. This amount shall be reduced by applicable withholding for federal, state and local taxes and by withholding for any other amounts which are required by law or for which withholding has been directed by Employee. Such payment shall be made by December 31, 1993. Employee waives the right to receive any further compensation or bonus for 1993 and certifies that, to the best of his knowledge, MATRIXX' books conform to generally accepted accounting principles.

(B) INCENTIVE AWARD. If the Cumulative Operating Income of MATRIXX and its subsidiaries for the period January 1, 1994 through December 31, 1996 equals or exceeds \$55,800,000, Employee shall receive an Incentive Award. In order to compute the Cumulative Operating Income of MATRIXX: (1) the long term performance award of Employee and other long term incentive awards granted by MATRIXX will not be considered as an operating cost; and (2) the operating income of MATRIXX will be adjusted to offset any changes in accounting practices which would have the effect of reducing or increasing operating income when

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compared to the calculation of operating income under the accounting practices of CBI and MATRIXX which were in effect in 1993. The Incentive Award shall be determined by a formula. Under this formula the Incentive Award will equal \$100,000 if Cumulative Operating Income is \$55,800,000. If Cumulative Operating Income is in excess of \$55,800,000 but less than or equal to \$75,800,000, the Incentive Award will equal \$100,000 plus 1% multiplied by the difference between \$55,800,000 and Cumulative Operating Income. If Cumulative Operating Income is in excess of \$75,800,000, the Incentive Award will equal \$300,000 plus 2% multiplied by the difference between \$75,800,000 and Cumulative Operating Income. The formula for calculating the Incentive Award is illustrated on Exhibit B, attached to this Agreement and made a part hereof. The Incentive Award shall be paid on February 28, 1997. The amount paid as the Incentive Award shall be reduced by applicable withholding for federal, state and local taxes and by withholding for any other amounts which are required by law or for which withholding has been directed by Employee.

8. CONFIDENTIAL INFORMATION AND MATERIALS.

(A) As used herein, the term "confidential information and materials" refers to all information belonging to, used by or in the possession of Employer and MATRIXX now and in the future relating to their present and/or future business strategies, finances, methods of operation, customers, programs, marketing plans, developmental plans, inventions, developments and trade secrets of every kind and character; provided, however, that Employee shall not be obligated to treat as confidential any of the information described in this Section 8(A) which is or becomes publicly available or readily ascertainable from public sources or any information in Employee's possession or knowledge prior to the Effective Date and not provided to him by Employer or MATRIXX.

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(B) Employee hereby acknowledges that all of the confidential information and materials are and shall continue to be the exclusive proprietary property of Employer and MATRIX, whether or not prepared in whole or in part by Employee and whether or not disclosed to or entrusted to the custody of Employee. Employee further hereby acknowledges that all confidential information and materials (to which Employee has had access or which Employee has learned during his employment or to which Employee shall hereafter have access or which he shall hereafter learn) have been disclosed to Employee solely by virtue of Employee's employment with Employer and solely for the purpose of assisting him in performing his duties for Employer and MATRIX.

(C) Employee hereby agrees that Employee will not, either during the course of Employee's employment with Employer or at any time thereafter, disclose any confidential information or materials of Employer or MATRIX, in whole or in part, to any person or entity, for any reason or purpose whatsoever, unless Employer and MATRIX shall have given their written consent to such disclosure. Employee further agrees that Employee shall not use in any manner other than for and in the course of Employee's furtherance of Employer's and MATRIX's business, any confidential information or materials of Employer or MATRIX for Employee's own purposes or for the benefit of any other person or entity except Employer or MATRIX, whether such use consists of the duplication, removal, oral use or disclosure, or the transfer of any confidential information or materials in any manner, or such other unauthorized use in whatever manner, unless Employer and MATRIX shall have given their prior written consent to such use.

9. NEW DEVELOPMENTS. Employee agrees that during the term of this Agreement, Employee will promptly disclose to Employer and MATRIX any and all improvements, inventions, developments, discoveries, innovations, systems, techniques, ideas, processes,

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programs and other things which may be of assistance to Employer or MATRIX, whether patentable or unpatentable, relating to or arising out of any developments, services or products, or pertaining to in any manner, the business of Employer or MATRIX, and made or conceived by Employee, alone or with others, while employed by Employer, whether or not conceived or made during his regular working hours (collectively referred to hereinafter as the "New Developments"). Employee further agrees that all New Developments shall be and shall remain the sole and exclusive property of Employer and MATRIX and that Employee shall, upon the request of Employer or MATRIX, and without further compensation, do all lawful things reasonably necessary to ensure Employer's or MATRIX's ownership of such New Developments, including without limitation the execution of any necessary documents assigning and transferring to Employer, MATRIX or their assigns all of Employee's right, title and interest in and to such New Developments, and the rendering of assistance in the execution of all necessary documents required to enable Employer or MATRIX to file and obtain patents, trademarks and copy rights in the United States and foreign countries on any of such New Developments; provided, however, that all expenses relating to the foregoing shall be borne by Employer or MATRIX.

10. SURRENDER OF MATERIAL UPON TERMINATION. Employee hereby agrees that upon cessation of his employment, for whatever reason and whether voluntary or involuntary, he will immediately surrender to Employer or MATRIX all of Employer's or MATRIX's property and other things of value in his possession or in the possession of any person or entity under his control, that are the property of Employer or MATRIX including without limitation all personal notes, drawings, manuals, documents, photographs, or the like, including copies and

derivatives thereof, relating directly or indirectly to any confidential information or materials or New Developments, or relating directly or indirectly to the business of Employer or MATRIX.

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11. REMEDIES. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer and MATRIX and the information disclosed to Employee during and by virtue of his employment, that Employee's commitments and obligations to Employer and MATRIX herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement will cause the non-breaching party irreparable injury and damage, and consequently the non-breaching party shall be entitled to, in addition to all other remedies available to it, injunctive and equitable relief to prevent a breach of this Agreement, or any part of it, and to secure the enforcement of this Agreement.

12. COVENANT NOT TO COMPETE. For the period ending on the second anniversary of (i) the date of cessation of Employee's employment under this Agreement or (ii) the date of the last payment of compensation to Employee, if Employee's employment ceases as a result of a Terminating Disability pursuant to Section 13(A), whether during or at the end of the term of this Agreement, or for whatever time within that period found by a court of competent jurisdiction to be reasonably necessary for the protection of Employer, Employee will not, himself or together with other persons, directly or indirectly, own, manage, operate, join, control or participate in the ownership, management, operation or control of or become an employee or consultant of or to any business that engages in the business of providing telemarketing services or any other business of any type in which Employee is involved on behalf of Employer or MATRIX immediately prior to the date of termination of this Agreement. This restriction will apply throughout the continental United States and in any foreign jurisdiction in which MATRIX operates at the time Employee's employment ceases or whatever geographic scope found by a court of competent jurisdiction to be reasonably necessary for the protection of Employer.

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Employee hereby agrees (i) that the restrictions set forth in the paragraph immediately above are founded on valuable consideration and are reasonable in duration and geographic extent in view of the circumstances in which this Agreement is executed and are necessary to protect the legitimate interests of Employer, and (ii) that the remedy at law for any breach of the foregoing covenant will be inadequate and that Employer will be entitled to injunctive relief in the event of any such breach. Nothing herein stated shall be construed as prohibiting Employer from pursuing any other remedies available to it for any such breach or threatened breach or for any other breach of this Agreement, including the recovery of damages from Employee.

13. TERMINATION.

(A) Employer or Employee may terminate this Agreement upon Employee's failure or inability to perform the services required hereunder because of any physical or mental infirmity for which Employee receives disability benefits under Employer's Sickness and Accident Disability Benefit Plan and/or Employer's Long Term Disability Plan for Salaried Employees or under Section 6(B) (3) hereof, as the case may be, (the "Plans") over a period of one hundred twenty consecutive working days during any twelve consecutive month period (a "Terminating Disability"). If Employer or Employee elects to so terminate this Agreement in the event of a Terminating Disability, (i) such termination shall

be effective immediately upon the giving of written notice by the terminating party to the other, and (ii) Employer shall pay Employee his accrued compensation hereunder, whether Base Salary, Bonus or otherwise (subject to offset for any amounts received pursuant to the Plans), to the date of termination, and (b) for as long as such Terminating Disability may exist, Employee shall continue to be an employee of Employer and Employer shall provide Employee with disability benefits and all other benefits according to the provisions of the Plans and any other Employer plans in which

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Employee is then participating. If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Employee returns to active employment with Employer prior to such a termination, or if such disability exists for less than one hundred twenty consecutive working days, the provisions of this Agreement shall remain in full force and effect and the payment of the Performance Award shall ultimately be made as if such disability had never arisen. This Agreement terminates immediately and automatically on the death of Employee, provided, however, that the Employee's estate shall be paid Employee's accrued compensation hereunder whether Base Salary, Bonus or otherwise to the date of death. In addition, upon Employee's death or Terminating Disability, Employee or his estate shall be entitled to take whatever actions with respect to Employee's stock options as may be permitted by the terms thereof, or by the plan under which such options were granted, upon such death or disability.

(B) Employer may terminate this Agreement immediately in the event that Employee is wilfully negligent in the performance of his duties or in the event of Employee's conviction of a criminal act.

(C) Employer may terminate this Agreement upon 60 days written notice for any reason other than those set forth in Sections 13(A) and (B). In the event of termination by Employer prior to 1996 for any reason other than as set forth in Section 13(A) or (B), Employer shall pay Employee the greater of (1) two times Employee's Base Salary in effect on the date of termination, or (2) the compensation due Employee under Section 4 over the remainder of the term of this Agreement. In the event of termination by Employer during 1996 for any reason other than as set forth in Section 13(A) or (B), Employer shall pay Employee two times Employee's base salary in effect on the date of termination plus a portion of the restricted stock awarded to Employee under Section 6(C), prorated for the portion of the term of this Agreement

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actually completed, and a portion of the Incentive Award under Section 7(B), calculated as though Employee had continued in Employer's service until December 31, 1996, prorated for the portion of the period December 31, 1993 through December 31, 1996 actually completed by Employee. In the event of termination by Employer after 1996 for any reason other than as set forth in Section 13(A) or (B), Employer shall pay Employee two times Employee's Base Salary in effect on the date of termination.

(D) If Employee resigns prior to the Expiration Date and within 90 days after a Change in Control of CBI or MATRXXX, this Agreement shall thereupon terminate. In the case of CBI, "Change in Control" means a change in control as defined in the 1988 Plan. In the case of MATRXXX, "Change in Control" means a change of ownership in which MATRXXX ceases to be a wholly owned direct or indirect subsidiary of CBI or a change in which substantially all of the assets of MATRXXX are sold to another company which is not a wholly owned direct or indirect subsidiary of CBI. Employer or any successor of Employer shall pay to

Employee (within 30 days after Employee's resignation) an amount equal to the greater of: (i) \$675,000, and (ii) 2.99 times his annual Base Salary in effect immediately prior to the Change in Control.

(E) Upon Employer's payment of the required payments under this Section 13, all further compensation under this Agreement shall terminate; provided, however, that all qualified deferred compensation which Employee may be entitled to receive pursuant to any of Employer's pension or profit sharing plans in which he may participate during his employment with Employer shall be paid pursuant to the provisions of such plans at such times as any such amounts become payable to Employee. It is further understood that for purposes of this Section 13, the term "accrued compensation" shall include all non-qualified deferred compensation, of whatever type or form, either previously granted to Employee by Employer or otherwise earned

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or received by Employee. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 8, 9, 10, 11 and 12 hereof, the terms of which shall survive the termination of this Agreement.

14. ASSIGNMENT. As this is an agreement for personal services involving a relation of confidence and trust between Employer and Employee, all rights and duties of Employee arising under this Agreement, and the Agreement itself, are nonassignable by Employee except for the right of his estate to receive any payments due Employee upon his death. Employer expressly reserves the right to assign this Agreement to any other entity which is part of the same controlled group of corporations, as defined in Section 1563 of the Internal Revenue Code of 1986, as it may from time to time be amended or restated.

15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered by the sending party personally or by certified mail to Employee at his place of residence as then recorded on the books of Employer or to Employer at its principal office.

16. WAIVER. No waiver or modification of this Agreement or the terms contained herein shall be valid unless in writing and duly executed by the party to be charged therewith. The waiver by any party hereto of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by such party.

17. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Ohio.

18. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Employee's employment by Employer on and after December 31, 1993. There are no other contracts, agreements or understandings, whether oral or written, existing between

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them except as contained or referred to in this Agreement. This Agreement amends and suspends all prior agreements and understandings of the parties with respect to Employee's employment by Employer.

19. SEVERABILITY. In case any one or more of the provisions of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or other unenforceability shall not affect any other

provisions hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

20. SUCCESSORS AND ASSIGNS. Subject to the provisions of Section 14 above, this Agreement shall be binding upon Employee, Employer and their successors and assigns. Employer further expressly agrees that in the event it shall merge or consolidate with, or be acquired by, any other entity, the continuing entity resulting from such merger, consolidation or acquisition shall be obligated to perform the duties and obligations of Employer as set forth in this Agreement. Employer further agrees that in the event it should voluntarily dissolve and liquidate the assets and business of Employer, it will undertake to have the terms and provisions of this Agreement fulfilled prior to the distribution or disposal of Employer's assets.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

EMPLOYER:

CINCINNATI BELL INC.

By:/s/ David J. Lahey

David J. Lahey

EMPLOYEE:

/s/ James F. Orr

James F. Orr

EXHIBIT A

RESTRICTED STOCK AWARD
UNDER THE PROVISIONS OF
THE CINCINNATI BELL INC.
1988 LONG TERM INCENTIVE PLAN

Name of Employee: James F. Orr

Award Date: _____
Number of Restricted Shares: 20,000

Pursuant to the provisions of the Cincinnati Bell Inc. 1988 Long Term Incentive Plan (the "Plan"), a copy of which has been delivered to you, the Compensation Committee of the Board of Directors of Cincinnati Bell Inc. (the "Compensation Committee") has granted you an award of 20,000 common shares, par value \$1.00 per share, of Cincinnati Bell Inc. (the "Shares"), on and subject to the terms of the Plan and your agreement to the following terms, conditions and restrictions.

1. SECURITIES SUBJECT TO THIS AGREEMENT. This agreement is made with respect to the Shares and any securities (including additional common shares of Cincinnati Bell Inc. (the "Company")) issued in respect of the Shares, whether by way of a share dividend, a share split, any reorganization or recapitalization of the Company or its stock or any

merger, exchange of securities or like event or transaction as the result of which any security or securities of any kind are issued to you by reason of your ownership of the Shares. Reference herein to the Shares shall include any such securities issued in respect of the Shares.

2. RIGHTS OF OWNERSHIP. Except for the Restrictions (as defined in Section 3 hereof) and subject to the provisions regarding forfeiture set forth in Section 7 hereof, you are the record and beneficial owner of the Shares, with all rights and privileges (including but not limited to the right to vote, to receive dividends and to receive distributions upon liquidation of the Company) appertaining thereto.

3. RESTRICTIONS. Neither the shares nor any interest therein may be transferred or conveyed by you in any manner whatsoever, whether or not for consideration (the "Restrictions"), except upon the passage of time or occurrence of events as specified in Sections 4, 5 and 6 hereof.

4. LAPSE.

(a) The Restrictions shall lapse and be of no further force or effect as to:

(i) 12,000 shares on December 31, 1996

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(ii) 4,000 Shares on December 31, 1997

(iii) 4,000 Shares on December 31, 1998

5. TERMINATION OF RESTRICTIONS - DEATH. In the event of your death while employed by the Company or any of its subsidiaries and on or prior to a Date of Lapse, the Restrictions shall terminate and be of no further force or effect, effective as of the date of death, with respect to the number of Shares (rounded up to the nearest whole Share) that bears the same ratio to the total number of Shares as the number of days from the Date of Grant of the then restricted Shares through the date of your death bears to the number of days from the Date of Grant to the Date of Lapse. Any Shares which remain subject to the Restrictions after the calculations prescribed in the preceding sentences shall be forfeited to the Company as of your date of death. Upon the Restrictions terminating with respect to certain Shares, the executor, administrator or other personal representative of your estate, or the trustee of any trust becoming entitled thereto by reason of your death, may transfer the unrestricted Shares to any person or persons entitled thereto under your will or under your trust or other instrument (or in the absence of any will under the laws of descent and distribution) governing the distribution of your estate in the event of your death.

6. TERMINATION OF RESTRICTIONS - DISABILITY. If you (a) shall become disabled and as a result thereof cease to be an employee of the Company or any of its subsidiaries under and pursuant to applicable disability provisions of any employment contract to which you and the Company or any of its subsidiaries are parties or, (b) shall become disabled to such extent that you are unable to perform the usual duties of your job for a period of 12 consecutive weeks or more and if as the result thereof the Compensation Committee approves the termination of your employment within 12 months following the first day of the 12 consecutive week period on terms that include the right to transfer the Shares free of the Restrictions, then and in either such event the Restrictions shall terminate and be of no further force and effect as of the date you cease to

be an employee in the same manner as prescribed in the event of death outlined in Section 5 above.

7. FORFEITURE. If you cease to be an employee of the Company or any of its subsidiaries, except as provided in Section 4, 5 and 6 hereof, any Shares which remain subject to the Restrictions as of the date such employment terminates shall be at once forfeited to the Company as of the date of such termination of employment (the "Forfeiture Date"). Upon such forfeiture all of your rights in respect of such Shares shall cease automatically and without further action by the Company or you. For the purpose of giving effect to this provision, you have executed and delivered to the Company a stock power with respect to each certificate evidencing any of the Shares, thereby assigning to the Company all of your interest in the Shares. By the execution and delivery of this Agreement, you authorize and empower the Company, in the event of a forfeiture of any of the Shares under this Section 7 to (i) date (as of the Forfeiture Date) those stock powers relating to Shares that remain subject to the Restrictions as of the Forfeiture Date and (ii) present such stock powers and the certificates to which they relate to the Company's transfer agent or other appropriate party of the sole purpose of transferring the forfeited Shares to the Company.

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8. MATTERS RELATING TO CERTIFICATES.

(a) Upon their issuance, the certificates representing the Shares shall be deposited with the Secretary of the Company and shall be released to you only pursuant to the provisions of this Section 8.

(b) Each certificate for Shares issued to you in accordance with this Agreement shall bear the following legend:

"THE SHARES EVIDENCED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS OF A RESTRICTED STOCK AGREEMENT BETWEEN THE REGISTERED HOLDER HEREOF AND CINCINNATI BELL INC., DATED AS OF _____, 1994 AND MAY NOT BE TRANSFERRED BY THE HOLDER, EXCEPT AS PROVIDED BY THE TERMS OF SUCH AGREEMENT, A COPY OF WHICH IS ON DEPOSIT WITH THE SECRETARY OF CINCINNATI BELL INC, AND WHICH WILL BE MAILED TO A SHAREHOLDER OF CINCINNATI BELL INC. WITHOUT CHARGE WITHIN FIVE DAYS AFTER RECEIPT OF A WRITTEN REQUEST."

Upon the lapse or termination of the Restrictions as to any Shares, the certificate evidencing such Shares shall be promptly presented to the Company's transfer agent or other appropriate party with instructions to cause such certificate to be reissued, to the extent appropriate, in your name and without the foregoing legend. Any Shares evidenced by such certificate which remain subject to the Restrictions shall be evidenced by a new certificate, bearing the foregoing legend, which shall be returned to the Company. Upon the lapse or termination of the Restrictions as to any Shares, the stock power or powers held by the Company with respect to such Shares shall be surrendered to you (in exchange, if applicable, for a stock power relating to any Shares which remain subject to the Restrictions).

9. INTERPRETATION. You acknowledge that the Compensation Committee has the authority to construe and interpret the terms of the Plan and Agreement if and when any questions of meaning arises under the Plan or this Agreement, and any such construction or interpretation shall be binding on you, your heirs, executors, administrators, personal representatives and any other persons having or claiming to have an interest in the Shares.

10. WITHHOLDING. In connection with the award of Shares to you and any dividend payments made while such Shares remain subject to restrictions hereunder, the Company will withhold or cause to be withheld from your

salary payments such amounts of tax at such times as may be required by law to be withheld with respect to the Shares and/or dividends, provided that if your salary is not sufficient for such purpose, you shall remit to the Company, on request, the amount required for such withholding taxes. Within 45 days after issuance of the certificates representing the Shares, you shall advise the Company in writing whether or not you have made an election, under Section 83(b) of the Internal Revenue Code of 1986, to include the fair market value of the Shares in your gross income for the calendar year in which the certificates are issued.

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11. NOTICES. All notices and other communications to be given hereunder shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, first class postage prepaid, and addressed as follows:

TO THE COMPANY: Cincinnati Bell Inc.
201 East Fourth Street, 102-200
Cincinnati, Ohio 45202
Attention: Secretary of the Compensation Committee

TO THE EMPLOYEE: _____

or to any other address as to which notice has been given in the manner herein provided.

12. MISCELLANEOUS. This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns. Subject to the provisions of the Plan, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and shall be construed and interpreted in accordance with the laws of the State of Ohio. This Agreement may not be amended except in a writing signed by each of the parties hereto. If any provision of this Agreement shall be deemed to be invalid or void under any applicable law, the remaining provisions hereof shall not be affected thereby and shall continue in full force and effect.

Please indicate your acceptance by signing at the place provided and returning this Agreement.

COMPENSATION COMMITTEE OF
THE BOARD OF DIRECTORS OF
CINCINNATI BELL INC.

Dated: _____

By: _____
Senior Vice President - Administration

Dated: 12/14/93

/s/ James F. Orr

Accepted and Agreed

3 YEAR INCENTIVE PLAN
AWARD FORMULA

(J.F. ORR)

CUMULATIVE OPERATING INCOME (MILLIONS)	AWARD AMOUNT (\$000)
0 - 55.79	0
AT 55.80	100
55.81- 75.80	100-300 (1)
>75.80	300 + (2)

(1) THE INCENTIVE AWARD IS CALCULATED BY ADDING 1% OF THE EXCESS CUMULATIVE OPERATING INCOME OVER \$55,800,000 TO THE BASE AMOUNT OF \$100,000.

(2) THE INCENTIVE AWARD IS CALCULATED BY ADDING 2% OF THE EXCESS CUMULATIVE OPERATING INCOME OVER \$75,800,000 TO THE BASE AMOUNT OF \$300,000. IF CUMULATIVE OPERATING INCOME IS IN EXCESS OF \$75,800,000, THERE IS NO CAP ON THE AMOUNT OF THE INCENTIVE AWARD WHICH MAY BE PAID.

CINCINNATI BELL INC.

EXECUTIVE

DEFERRED COMPENSATION PLAN

(As adopted effective January 1, 1994)

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CINCINNATI BELL INC.
EXECUTIVE
DEFERRED COMPENSATION PLAN

(As adopted effective January 1, 1994)

SECTION 1

NAME AND PURPOSE OF PLAN

1.1 NAME. The plan set forth herein shall be known as the Cincinnati Bell Inc. Executive Deferred Compensation Plan (the "Plan").

1.2 PURPOSE. The purpose of the Plan is to provide deferred compensation for a select group of officers and highly compensated employees of Cincinnati Bell Inc. and its Affiliates.

SECTION 2

GENERAL DEFINITIONS; GENDER AND NUMBER

2.1 GENERAL DEFINITIONS. For purposes of the Plan, the following terms shall have the meanings hereinafter set forth unless the context otherwise

requires:

2.1.1 "Accounts" means, collectively, all outstanding Cash Deferral Accounts, Share Deferral Accounts and Company Matching Accounts maintained for a Key Employee.

2.1.2 "Beneficiary" means the person or entity designated by a Key Employee, on forms furnished and in the manner prescribed by the Committee, to receive any benefit payable under the Plan after the Key Employee's death. If a Key Employee fails to designate a beneficiary or if, for any reason, such designation is not effective, his "Beneficiary" shall be his surviving spouse or, if none, his estate.

2.1.3 "CBI" means Cincinnati Bell Inc.

2.1.4 "CBI Shares" means common shares of CBI.

2.1.5 "Company" means CBI, each corporation which is a member of a controlled group of corporations (within the meaning of section 414(b) of the Code, as modified by section 415(h) of the Code) which includes CBI, each trade or business (whether or not incorporated) which is under common control (within the meaning of section 414(c) of the Code as modified by section 415(h) of the Code) with CBI, each member of an affiliated service group

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(within the meaning of section 414(m) of the Code) which includes CBI and each other entity required to be aggregated with CBI under section 414(o) of the Code.

2.1.5 "Code" means the Internal Revenue Code of 1986 as such Code now exists or is hereafter amended.

2.1.6 "Committee" means the Compensation Committee of the Board of Directors of CBI.

2.1.8 "Employee" means any person who is an employee of a Company.

2.1.9 "Key Employee" means, with respect to any calendar year, an Employee who is employed at a level equivalent to senior vice president or above during the calendar year.

2.2 GENDER AND NUMBER. For purposes of the Plan, words used in any gender shall include all other genders, words used in the singular form shall include the plural form, and words used in the plural form shall include the singular form, as the context may require.

SECTION 3

DEFERRALS; COMPANY MATCH

3.1 ELECTION OF DEFERRALS.

3.1.1 Subject to such rules as the Committee may prescribe, a Key Employee may elect to defer up to 75% of his Basic Salary for any calendar year (or such larger percentage of his Basic Salary as may be prescribed by the Committee) by completing a deferral form and filing such form with the Committee prior to January 1 of such calendar year (or such earlier date as may be prescribed by the Committee). Notwithstanding the foregoing, if an Employee first becomes a Key Employee after January 1, 1994, such Key Employee may elect to defer a permissible percentage of his Basic Salary for the remainder of the calendar year by completing and signing a deferral form provided by the

Committee and filing such form with the Committee within 30 days of the date on which he first becomes a Key Employee. Any election under the preceding sentence shall be effective as of the first payroll period beginning after the date the election is filed. For purposes of the Plan, "Basic Salary" means the basic salary payable to a Key Employee by a Company.

3.1.2 Subject to such rules as the Committee may prescribe, a Key Employee may elect to defer up to 100% (not less than \$1,000) or a specific dollar amount (not less than \$1,000) of any Cash Award payable during a calendar year by completing a deferral form and filing such form with the Committee prior to January 1 of such calendar year (or such earlier date as may be prescribed by the Committee). For purposes of the Plan, "Cash Award" means an award or bonus payable in cash to a Key Employee by a Company, including a cash award

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under the Cincinnati Bell Inc. 1988 Long Term Incentive Plan or the Cincinnati Bell Inc. Short Term Incentive Plan.

3.1.3 Subject to such rules as the Committee may prescribe, a Key Employee may elect to defer up to 100% (not less than the equivalent of \$1,000) of a Share Award payable during a calendar year by completing a deferral form and filing such form with the Committee prior to January 1 of such calendar year (or such earlier date as may be prescribed by the Committee). For purposes of the Plan, "Share Award" means an award under the Cincinnati Bell Inc. 1988 Long Term Incentive Plan which is payable in the form of CBI Shares, except that shares awarded under such plan as restricted shares shall not be considered "Share Awards" for purposes of the Plan.

3.2 CHANGING DEFERRALS. Subject to such rules as the Committee may prescribe, a Key Employee who has elected to defer a portion of his Basic Salary, Cash Award or Share Award may change the amount of his deferral from one permissible amount to another, effective as of any January 1, by completing and signing a new deferral form and filing such form with the Committee prior to such January 1 (or such earlier date as may be prescribed by the Committee).

3.3 SUSPENDING DEFERRALS.

3.3.1 Subject to such rules as the Committee may prescribe, a Key Employee who has elected to defer a portion of his Basic Salary may suspend such election, as of the first day of any payroll period, by completing and signing a form provided by the Committee and filing such form with the Committee prior to the first day of such payroll period. A Key Employee who has suspended his election for deferrals in accordance with this Section 3.3.1 may again elect to defer a portion of his Basic Salary, effective as of any January 1 following the six month period beginning on the effective date of the suspension, by completing and signing a new deferral form and filing such form with the Committee prior to such January 1 (or such earlier date as may be prescribed by the Committee).

3.3.2 A Key Employee's election to defer a portion of a Cash Award or Share Award for a calendar year may not be revoked during the calendar year.

3.4 COMPANY MATCH. As of each day on which Basic Salary or Cash Award deferrals are credited, under Section 4.1, to the Cash Deferral Account of a Key Employee who is not a participant in the Cincinnati Bell Inc. Pension Program ("Deferral Date"), there shall also be credited to such Key Employee's Company Matching Account under Section 4.3, an amount computed in accordance with the provisions of this Section 3.4.

3.4.1 To the extent that the Key Employee's aggregate non-deferred Basic Salary and Cash Awards for the calendar year through the Deferral Date are not in excess of \$150,000, the Company match to be credited to such Key Employee's Company Matching Account on the

Deferral Date shall be 4% of the Basic Salary and Cash Awards deferred on the Deferral Date (or such lesser percentage as may be prescribed by the Committee).

3.4.2 To the extent that the Key Employee's aggregate non-deferred Basic Salary and Cash Awards for the calendar year through the Deferral Date exceed \$150,000, the Company match to be credited to such Key Employee's Company Matching Account on the Deferral Date shall be the lesser of (a) 66-2/3% of the Basic Salary and Cash Award deferred on the Deferral Date (or such lesser percentage as may be prescribed by the Committee) or (b) 4% of that portion of the Key Employee's Basic Salary and Cash Award paid or deferred on the Deferral Date (or such lesser percentage as may be prescribed by the Committee).

SECTION 4

MAINTENANCE AND VALUATION OF ACCOUNTS

4.1 CASH DEFERRAL ACCOUNTS. There shall be established for each Key Employee who has elected to defer a portion of his Basic Salary or Cash Award under Section 3.1.1 or 3.1.2 a separate Account, called a Cash Deferral Account, which shall reflect the amounts deferred by the Key Employee and the assumed investment thereof. Subject to such rules as the Committee may prescribe, any amount deferred by a Key Employee under Section 3.1.1 or 3.1.2 shall be credited to the Key Employee's Cash Deferral Account as of the day on which such deferred amount would have otherwise been paid to the Key Employee and shall be assumed to have been invested in the investments designated by the Key Employee on a form provided by and filed with the Committee.

4.2 SHARE DEFERRAL ACCOUNTS. There shall be established for each Key Employee who has elected to defer all or a portion of his Share Award under Section 3.1.3 a separate Account, called a Share Deferral Account, which shall reflect the amounts deferred by the Key Employee under Section 3.1.3 and the assumed investment thereof. Subject to the such rules as the Committee may prescribe, the amounts deferred by a Key Employee under Section 3.1.3 shall be credited to the Key Employee's Share Deferral Account as of the day on which such amount would have otherwise been paid to the Key Employee. Amounts credited to a Key Employee's Share Deferral Account shall be assumed to have been invested exclusively in CBI Shares.

4.3 COMPANY MATCHING ACCOUNTS. There shall be established for each Key Employee who is entitled to a Company match under Section 3.4 a separate Account, called a Company Matching Account, which shall reflect the Company match to be credited on behalf of the Key Employee under Section 3.4 and the assumed investment thereof. The amount of the Company's match shall be credited to the Key Employee's Company Matching Account as of the day on which the deferred Basic Salary or Cash Award to which the Company match relates would have otherwise been paid to the Key Employee. Amounts credited to a Key Employee's Company Matching Account shall be assumed to have been invested in the investments designated by the Key Employee on a form provided by and filed with the Committee.

4.4 VALUATION. As soon as practical following the end of each calendar year, each Key Employee or, in the event of his death, his Beneficiary, shall be furnished a statement as of December 31 showing the then balance of the Key

Employee's Accounts, the total credits to such Accounts during the preceding calendar year, and, if amounts credited to any such Accounts are assumed to have been invested in securities, a description of such securities including the number of shares assumed to have been purchased by the amounts credited to such Accounts.

4.5 CBI SHARES. To the extent Key Employee's Accounts are assumed to have been invested in CBI Shares:

4.5.1 Whenever any cash dividends are paid with respect to CBI Shares, additional amounts shall be credited to the Key Employee's Accounts as of the dividend payment date. The additional amount to be credited to each account shall be determined by multiplying the per share cash dividend paid with respect to the CBI Shares on the dividend payment date by the number of assumed CBI Shares credited to the Key Employee's Accounts on the day preceding the dividend payment date. Such additional amount credited to the Key Employee's Accounts shall be assumed to have been invested in additional CBI Shares on the day on which such dividends are paid.

4.5.2 If there is any change in CBI Shares through the declaration of a stock dividend or a stock split or through a recapitalization resulting in a stock split, or a combination or a change of shares, the number of shares assumed to have been purchased for each Account shall be appropriately adjusted.

4.5.3 Whenever CBI Shares are to be valued for purposes of the Plan, the value of each such share shall be the average of the high and low price per share as reported on the composite tape on the last business day preceding the date as of which the distribution is made or, if no sales were made on that date, on the next preceding day on which sales were made.

SECTION 5

DISTRIBUTION

5.1 GENERAL. Except as otherwise provided in Section 5.5, no amount shall be paid with respect to a Key Employee's Accounts while he remains an Employee. Unless the Committee otherwise provides, all payments with respect to a Key Employee's Accounts shall be made by the Company which otherwise would have paid the Basic Salary, Cash Award or Share Award deferred by the Key Employee.

5.2 TERMINATION OF EMPLOYMENT. A Key Employee may elect to receive the amounts credited to his Accounts in up to ten annual installment payments, commencing on the first business day of March of the calendar year following the calendar year in which he ceases to

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be an Employee. If a Key Employee fails to make such election, the amounts credited to the Key Employee's Accounts shall be paid to the Key Employee in two annual installments with the first installment being made on the first business day of March of the calendar year following the calendar year in which the Key Employee ceases to be an Employee.

5.2.1 The amount of each annual installment payable under this Section 5.2 shall be, at the election of the Key Employee, either (1) a specific dollar amount specified by the Key Employee (not less than \$50,000 or more than \$1,000,000), or (2) a fraction of the amounts credited to the Key Employee's Accounts as of the installment payment date, the numerator of which is 1 and the denominator of which is equal to the total number of installments remaining to be paid (including the installment to be paid on the subject installment payment date). If a Key Employee elects (2) above and the amount of any annual installment is less than \$50,000 or more than \$1,000,000, it shall be increased to \$50,000 or reduced to \$1,000,000, as the case may be; provided that if the

remaining amount credited to the Accounts on any annual installment date is less than \$50,000, the payment shall be the amount necessary to reduce the amount credited to the Account to \$0.

5.2.2 Any election under this Section 5.2 must be made prior to the effective date of the Key Employee's termination and within the time prescribed by the Key Employee's Company but in no event later than four months prior to the effective date of the Key Employee's termination. When the consent of the Committee, and subject to such rules as the Committee may prescribe, a Key Employee may elect (a) to receive the amounts credited to his Accounts in up to 120 monthly installments and (b) to accelerate the time at which any payment may be made (to a date not earlier than the date on which he ceases to be an Employee).

5.2.3 In its discretion, the Committee may condition the right to receive payments with respect to a portion or all of a Key Employee's Company Matching Account on the Key Employee's completing a minimum period of service prior to the date on which he ceases to be an Employee. To the extent that a Key Employee has not satisfied any applicable service requirement prior to the date on which he ceases to be an Employee (other than by reason of his death), he shall not be entitled to receive any payment with respect to his Company Matching Account.

5.3 DEATH. If a Key Employee ceases to be an Employee by reason of his death, or if a Key Employee dies after ceasing to be an Employee but before the amounts credited to his Accounts have been paid, the amounts credited to the Key Employee's Accounts shall be paid to the Key Employee's Beneficiary in one lump sum as of the first business day of the third quarter following the date of the Key Employee's death; provided, however, that if the Key Employee has elected to have his Accounts distributed in installments and if he dies after distribution has commenced, the remaining installments shall be paid to the Beneficiary as they become due.

5.4 FORM OF PAYMENT. Payments with respect to assumed investments other than CBI Shares shall be made in cash. Payments with respect to assumed investments in CBI Shares shall be made in CBI Shares or cash, in the discretion of the Committee.

5.5 CHANGE IN CONTROL. If a Change in Control of CBI occurs, each Key Employee's Plan Accounts shall be paid to him in one lump sum as of the day next following the date on which such Change in Control occurred. A "Change in Control of CBI" shall be deemed to have occurred if (i) a tender offer shall be made and consummated for the ownership of 30% or more of the outstanding voting securities of CBI; (ii) CBI shall be merged or consolidated with another corporation and as a result of such merger or consolidation less than 75% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of CBI, other than affiliates (within the meaning of the Securities Exchange Act of 1934) of any party to such merger or consolidation, as the same shall have existed immediately prior to such merger or consolidation; (iii) CBI shall sell substantially all of its assets to another corporation which is not a wholly owned subsidiary; (iv) a person within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on January 1, 1994) of the Securities Exchange Act of 1934, shall acquire 20% or more of the outstanding voting securities of CBI (whether directly, indirectly, beneficially or of record), or a person, within the meaning of Section 3(a)(9) or Section 13(d)(3) (as in effect on January 1, 1994) of the Securities Exchange Act of 1934 controls in any manner the election of a majority of the directors of CBI; or (v) within any period of two consecutive

years after January 1, 1994, individuals who at the beginning of such period constitute CBI's Board of Directors cease for any reason to constitute at least a majority thereof, unless the election of each director who was not a director at the beginning of such period has been approved in advance by directors representing at least two-thirds of the directors then in office who were directors at the beginning of the period. For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3(d)(1)(i) (as in effect on January 1, 1994) pursuant to the Securities Exchange Act of 1934.

SECTION 6

ADMINISTRATION OF THE PLAN

6.1 GENERAL. The general administration of the Plan and the responsibility for carrying out its provisions shall be placed in the Committee.

6.2 EXPENSES. Expenses of administering the Plan shall be shared by each Company participating in this Plan in such proportions as may be determined by CBI.

6.3 COMPENSATION OF COMMITTEE. The members of the Committee shall not receive compensation for their services as such, and, except as required by law, no bond or other security need be required of them in such capacity in any jurisdiction.

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6.4 RULES OF PLAN. Subject to the limitations of the Plan, the Committee may, from time to time, establish rules for the administration of the Plan and the transaction of its business. The Committee may correct errors, however arising, and, as far as possible, adjust any benefit payments accordingly. The determination of the Committee as to the interpretation of the provisions of the Plan or any disputed question shall be conclusive upon all interested parties.

6.5 AGENTS AND EMPLOYEES. The Committee may authorize one or more agents to execute or deliver any instrument. The Committee may appoint or employ such agents, counsel (including counsel of any Company), auditors (including auditors of any Company), physicians, clerical help and actuaries as in the Committee's judgment may seem reasonable or necessary for the proper administration of the Plan.

6.6 INDEMNIFICATION. East Company participating in the Plan shall indemnify each member of the Committee for all expenses and liabilities (including reasonable attorney's fees) arising out of the administration of the Plan, other than any expenses or liabilities resulting from the Committee's own gross negligence or willful misconduct. The foregoing right of indemnification shall be in addition to any other rights to which the members of the Committee may be entitled as a matter of law.

SECTION 7

FUNDING OBLIGATION

No Company shall have any obligation to fund, either by the purchase of CBI Shares or the investment in any account or by any other means, its obligation to Key Employees hereunder. If, however, a Company does elect to allocate assets to provide for any such obligation, the assets allocated for such purpose shall be assets of the Company subject to claims against the Company, including claims of the Company's creditors, to the same extent as are other corporate assets, and the Key Employees shall have no right or claim against the assets so

allocated, other than as general creditors of the Company.

SECTION 8

AMENDMENT AND TERMINATION

The Committee or CBI may, without the consent of any Key Employee or Beneficiary, amend or terminate the Plan at any time; provided that no amendment shall be made or act of termination taken which divests any Key Employee of the right to receive payments under the Plan with respect to amounts theretofore credited to the Key Employee's Accounts.

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SECTION 9

NON-ALIENATION OF BENEFITS

No Key Employee or Beneficiary shall alienate, commute, anticipate, assign, pledge, encumber or dispose of the right to receive the payments required to be made by any Company hereunder, which payments and the right to receive them are expressly declared to be nonassignable and nontransferable. In the event of any attempt to assign or transfer any such payments or the right to receive them, no Company shall have any further obligation to make any payments otherwise required of it hereunder.

SECTION 10

MISCELLANEOUS

10.1 DELEGATION. The Committee may delegate to any Company, person or committee certain of its rights and duties hereunder. Any such delegation shall be valid and binding on all persons and the person or committee to whom or which authority is delegated shall have full power to act in all matters so delegated until the authority expires by its terms or is revoked by the Committee, as the case may be. Unless the Committee otherwise provides, each Company shall have and may exercise, with respect to its Key Employees, the powers reserved to the Committee in Sections 3, 4, 5.1 and 5.2.

10.2 APPLICABLE LAW. The Plan shall be governed by applicable federal law and, to the extent not preempted by applicable federal law, the laws of the State of Ohio.

10.3 SEPARABILITY OF PROVISIONS. If any provision of the Plan is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and the Plan shall be construed and enforced as if such provision had not been included.

10.4 HEADINGS. Headings used throughout the Plan are for convenience only and shall not be given legal significance.

10.5 COUNTERPARTS. The Plan may be executed in any number of counterparts, each of which shall be deemed an original. All counterparts shall constitute one and the same instrument, which shall be sufficiently evidenced by any one thereof.

IN WITNESS WHEREOF, Cincinnati Bell Inc. has caused its name to be subscribed on the _____ day of December, 1993.

CINCINNATI BELL INC.

By/s/ PAUL W. CHRISTENSEN, JR.

Exhibit 11
to
Form 10-K for 1993

CINCINNATI BELL INC.
COMPUTATION OF EARNINGS (LOSS) PER SHARE
(Dollars in thousands, except per share amounts; shares in thousands)

	1993	1992	1991
	-----	-----	-----
Income (loss) before extraordinary charges	\$(56,795)	\$38,937	\$42,710
Extraordinary charges, net of income tax benefit.	--	(3,690)	--
Net income (loss).	\$(56,795)	\$35,247	\$42,710
Preferred dividend requirements.	2,248	4,350	4,350
Income (loss) applicable to common shares.	\$(59,043)	\$30,897	\$38,360
Weighted average number of common shares outstanding	63,296	61,914	61,334
Common share conversions applicable to common share options	74	41	108
Total number of shares for computing primary earnings (loss) per share.	63,370	61,955	61,442
Average contingent issues of common shares from convertible preferred shares.	1,531	3,158	3,158
Total number of shares for computing fully diluted earnings (loss) per share.	64,901	65,113	64,600

Earnings (Loss) per Common Share

As Reported

Income (loss) before extraordinary charges	\$ (.93)	\$.56	\$.63
Extraordinary charges.	--	(.06)	--
Net income (loss).	\$ (.93)	\$.50	\$.63

Primary

Income (loss) before extraordinary charges . .	\$ (.93)	\$.56	\$.62
Extraordinary charges.	--	(.06)	--
Net income (loss).	\$ (.93)	\$.50	\$.62

Fully Diluted

Income (loss) before extraordinary charges . .	\$ (.88)	\$.60	\$.66
Extraordinary			

charges.	--	(.06)	--	-----	-----	-----
Net income (loss).		\$ (.88)	\$.54	\$.66	-----	-----
		-----	-----	-----	-----	-----

Earnings (loss) per share amounts for the years ended December 31, 1993, 1992 and 1991 as reported in the Consolidated Statements of Income are based on the weighted average number of common shares outstanding for the respective periods. Primary and fully diluted earnings (loss) per share amounts are not shown in the Consolidated Statements of Income as they differ from the reported earnings (loss) per share amounts by less than three percent or are antidilutive.

Exhibit 12
to
Form 10-K for 1993

CINCINNATI BELL INC.
COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED
CHARGES AND PREFERRED DIVIDENDS

(Thousands of Dollars)

		1993	1992	1991	1990	1989
1.	Earnings					
	(a) Income (loss) before Income Taxes, adjusted for undistributed income and losses from partnerships	\$ (53,789)	\$ 55,580	\$ 68,734	\$137,226	\$132,157
	(b) Interest Expense	45,760	46,158	52,839	45,254	31,394
	(c) One-third of Rental Expense	23,665	22,521	20,820	17,425	13,312
		\$ 15,636	\$124,259	\$142,393	\$199,905	\$176,863
2.	Fixed Charges					
	(a) Interest Expense	\$ 45,760	\$ 46,158	\$ 52,839	\$ 45,254	\$ 31,394
	(b) Preferred Dividends	3,458	6,591	6,591	6,591	6,591
	(c) One-third of Rental Expense	23,665	22,521	20,820	17,425	13,312
		\$ 72,883	\$ 75,270	\$ 80,250	\$ 69,270	\$ 51,297
3.	Ratio of Earnings to Combined Fixed Charges and Preferred Dividends (1 divided by 2)	N/M	1.65	1.77	2.89	3.45

<FN>

N/M - Not meaningful as earnings are inadequate to cover the fixed charges by \$57,247.

Exhibit 13
To Form 10-K for 1993
Cincinnati Bell Inc.

SELECTED FINANCIAL AND OPERATING DATA

Dollars in Thousands Except Per Share Amounts	1993	1992	1991	1990	1989
RESULTS OF OPERATIONS					
Revenues and sales (d)	\$1,089,637	\$1,101,448	\$1,064,687	\$ 996,025	\$ 887,081
Costs and expenses (d,e)	1,108,370	1,010,258	946,823	822,547	728,451
Operating income (loss)	(18,733)	91,190	117,864	173,478	158,630
Other income (expense) - net	9,405	10,947	4,250	8,157	5,168
Interest expense	45,760	46,158	52,839	45,254	31,394
Income (loss) before income taxes and extraordinary charges	(55,088)	55,979	69,275	136,381	132,404
Income taxes	1,707	17,042	26,565	45,387	38,045
Income (loss) before extraordinary charges	(56,795)	38,937	42,710	90,994	94,359
Extraordinary charges, net of income tax benefit	--	(3,690)	--	--	--
Net income (loss)	(56,795)	35,247	42,710	90,994	94,359
Preferred dividend requirements	2,248	4,350	4,350	4,350	4,350
Income (loss) applicable to common shares	\$ (59,043)	\$ 30,897	\$ 38,360	\$ 86,644	\$ 90,009
Earnings (loss) per common share	\$ (.93)	\$.50	\$.63	\$ 1.44	\$ 1.50
Dividends declared per common share (a)	\$.80	\$.80	\$.80	\$.76	\$.68
Weighted average number of common shares outstanding (000)	63,296	61,914	61,334	60,282	59,993
Pre-tax profit percent	(5.1)%	5.1%	6.5%	13.7%	14.9%
After tax profit percent	(5.2)%	3.2%	4.0%	9.1%	10.6%
Effective tax rate	3.1 %	30.4%	38.3%	33.3%	28.7%

FINANCIAL POSITION					
Telephone plant investment at cost	\$1,430,822	\$1,408,881	\$1,365,546	\$1,295,564	\$1,221,050
Total assets	\$1,664,090	\$1,632,521	\$1,743,134	\$1,656,426	\$1,393,329
Debt maturing within one year	\$ 112,029	\$ 192,962	\$ 172,840	\$ 140,167	\$ 73,591
Long-term debt	522,888	350,069	445,237	437,038	362,182
Preferred shares subject to mandatory redemption	--	60,000	60,000	60,000	60,000
Common shareowners' equity	515,615	568,883	581,594	578,610	516,114
Total capitalization	\$1,150,532	\$1,171,914	\$1,259,671	\$1,215,815	\$1,011,887

Dollars in Thousands Except Per Share Amounts	1988	1987	1986	1985	1984	1983
RESULTS OF OPERATIONS						
Revenues and sales (d)	\$ 730,258	\$ 635,035	\$ 533,838	\$ 487,089	\$ 447,417	\$ 428,150
Costs and expenses (d,e)	584,732	509,128	418,567	379,829	348,265	322,416
Operating income (loss)	145,526	125,907	115,271	107,260	99,152	105,734
Other income (expense) - net	850	(1,870)	136	231	2,154	(288)
Interest expense	28,846	25,279	18,436	19,596	21,365	19,535

Income (loss) before income taxes and extraordinary charges	117,530	98,758	96,971	87,895	79,941	85,911
Income taxes	33,195	34,405	38,743	36,290	31,587	36,272
Income (loss) before extraordinary charges	84,335	64,353	58,228	51,605	48,354	49,639
Extraordinary charges, net of income tax benefit	--	--	--	--	--	--
Net income (loss)	84,335	64,353	58,228	51,605	48,354	49,639
Preferred dividend requirements	1,945	--	--	--	103	660
Income (loss) applicable to common shares	\$ 82,390	\$ 64,353	\$ 58,228	\$ 51,605	\$ 48,251	\$ 48,979
Earnings (loss) per common share	\$ 1.31	\$ 1.00	\$.89	\$.78	\$.72	\$.66
Dividends declared per common share (a)	\$.56	\$.48	\$.44	\$.39	\$.37	\$.35
Weighted average number of common shares outstanding (000)	62,702	64,050	65,610	66,426	67,236	73,773
Pre-tax profit percent	16.1%	15.6%	18.2%	18.0%	17.9%	20.1%
After tax profit percent	11.5%	10.1%	10.9%	10.6%	10.8%	11.6%
Effective tax rate	28.2%	34.8%	40.0%	41.3%	39.5%	42.2%

FINANCIAL POSITION						
Telephone plant investment at cost	\$1,229,539	\$1,195,066	\$1,115,459	\$1,078,808	\$1,027,664	\$ 988,559
Total assets	\$1,276,586	\$1,154,240	\$ 993,734	\$ 949,696	\$ 895,335	\$ 878,081
Debt maturing within one year	\$ 1,684	\$ 330	\$ 824	\$ 1,694	\$ 1,345	\$ 500
Long-term debt	322,619	319,303	210,146	210,137	211,443	214,052
Preferred shares subject to mandatory redemption	60,000	--	--	--	--	2,500
Common shareowners' equity	483,761	448,772	423,229	395,370	373,539	372,688
Total capitalization	\$ 868,064	\$ 768,405	\$ 634,199	\$ 607,201	\$ 586,327	\$ 589,740

SELECTED FINANCIAL AND OPERATING DATA

Cincinnati Bell Inc.

Dollars in Thousands Except Per Share Amounts	1993	1992	1991	1990	1989
OTHER DATA					
Total capital additions (including acquisitions)	\$ 235,411	\$ 140,056	\$ 193,348	\$ 284,335	\$ 202,532
Telephone plant construction	\$ 111,595	\$ 94,956	\$ 115,931	\$ 127,690	\$ 142,871
Common shareowners	22,478	23,010	22,244	20,530	19,173
Ratio of earnings to combined fixed charges and preferred dividends (b)	(c)	1.65	1.77	2.89	3.45
Access minutes of use (000)					
Interstate	2,132,281	1,985,239	1,852,207	1,788,449	1,685,110
Intrastate	887,769	836,018	793,037	782,679	720,301
Network access lines	848,000	827,000	808,000	800,000	781,000
Total employees	14,700	11,200	12,100	11,800	11,000
CBT employees	3,400	3,700	3,800	4,200	4,300
Network access lines per CBT employee	249	224	213	190	182
Market price per share					
High	\$ 24.375	\$ 20.875	\$ 25.375	\$ 27.875	\$ 35.000
Low	\$ 16.125	\$ 15.375	\$ 17.875	\$ 18.625	\$ 20.000
Close	\$ 18.000	\$ 17.125	\$ 19.375	\$ 23.250	\$ 27.250

Dollars in Thousands Except Per Share Amounts	1988	1987	1986	1985	1984	1983
OTHER DATA						
Total capital additions (including acquisitions)	\$ 201,354	\$ 196,989	\$ 112,236	\$ 110,311	\$ 66,530	\$ 49,674
Telephone plant construction	\$ 76,268	\$ 87,269	\$ 78,358	\$ 86,311	\$ 59,280	\$ 49,674
Common shareowners	18,500	18,003	17,109	16,435	16,950	17,320
Ratio of earnings to combined fixed charges and preferred dividends (b)	3.77	4.19	5.16	4.88	4.25	4.42
Access minutes of use (000)						
Interstate	1,558,533	1,444,253	1,344,669	1,291,228	1,158,373	n/a
Intrastate	672,646	609,644	502,458	462,009	409,059	n/a
Network access lines	763,000	748,000	727,000	714,000	700,000	687,000
Total employees	9,800	5,900	5,300	5,100	4,900	5,000
CBT employees	4,100	4,300	4,300	4,400	4,400	4,700
Network access lines per CBT employee	186	174	169	162	159	146
Market price per share						
High	\$ 23.500	\$ 13.438	\$ 11.938	\$ 7.063	\$ 5.375	\$ 5.188
Low	\$ 10.625	\$ 9.688	\$ 6.844	\$ 5.281	\$ 4.391	\$ 4.078
Close	\$ 21.875	\$ 12.375	\$ 10.250	\$ 6.906	\$ 5.313	\$ 5.078

<FN>

- (a) Dividends declared per common share for 1985 exclude a special dividend of \$.03 which was a one-time payment declared by the Company to accommodate a change in the schedule of its regular dividend payments.
- (b) For the purpose of this ratio: (i) Earnings have been calculated by adding to Income before income taxes and extraordinary charges, adjusted for undistributed income and losses of partnerships, the amount of interest expense and the portion of rentals representative of the interest factor; (ii) Fixed charges comprise total interest expense, such portion of rentals representative of the interest factor and preferred dividend requirements.
- (c) Earnings before income taxes were inadequate to cover fixed charges by \$57,247 for the year ended December 31, 1993.
- (d) Certain CBIS reimbursable costs previously recorded as revenues have been reclassified as a reduction of operating expenses. This reclassification decreased revenues and operating expenses, but had no effect on operating income (loss) or net income (loss) for all periods presented. In addition to this reclassification, certain prior year amounts have been reclassified to be consistent with the 1993 presentation.
- (e) Included in costs and expenses for 1993, 1992 and 1991 are approximately \$102 million, \$11 million and \$10 million for special charges (see note (b) of Notes to Financial Statements).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THE COMPANY

Cincinnati Bell Inc. (the "Company") is a holding company whose subsidiaries operate in four principal areas: telephone operations, information systems, marketing services and other telecommunications. Segment data are reported for telephone operations, information systems and marketing services. The telephone operations segment includes Cincinnati Bell Telephone Company ("CBT"), the information systems segment is comprised of Cincinnati Bell Information Systems Inc. ("CBIS") and the marketing services segment is represented by MATRIX Marketing Inc. Other telecommunications includes Cincinnati Bell Directory, Cincinnati Bell Long Distance Inc. and Cincinnati Bell Supply.

This discussion should be read in conjunction with the consolidated financial statements and the accompanying notes.

RESULTS OF OPERATIONS

The Company's consolidated net loss for 1993 was \$56.8 million compared to net income of \$35.2 million in 1992 and \$42.7 million in 1991. The 1993 loss per common share was \$.93 compared to earnings per common share of \$.50 in 1992 and \$.63 in 1991. The 1993 results include approximately \$102 million of special charges for the divesting of CBIS Federal and restructuring CBIS that reduced

net income by approximately \$88 million, or \$1.39 per common share.

Revenues and sales decreased to \$1,089.6 million from \$1,101.4 million in 1992. This represents a decrease of 1 percent compared to an increase of 3 percent in 1992. The decrease was primarily the result of CBT's sale of the residential equipment leasing and PhoneCenter store businesses to AT&T in February 1993 and CBIS's completion of the Nippon Telegraph and Telephone ("NTT") project in 1992.

Total costs and expenses increased to \$1,108.4 million from \$1,010.3 million in 1992. This was an increase of 10 percent compared to an increase of 7 percent in 1992. The increase in expenses can be directly attributed to CBIS which recorded approximately \$102 million of special charges in the fourth quarter 1993. In addition to the special charges, CBIS recorded significant write-downs of capitalized software costs to net realizable value and other costs and expenses related to the termination of certain contracts and products.

Certain reimbursable costs previously recorded as revenues in the information systems segment have been reclassified as a reduction of operating expenses. The reclassification had no effect on operating income (loss) or net income (loss) for all periods presented.

SPECIAL CHARGES - CBIS OPERATIONS

In late 1993, the Company determined the need to reorganize CBIS, its information systems subsidiary. The reorganization focused on two phases. The first phase was the elimination of non-strategic and under-performing operations. This resulted in CBIS taking action to divest its holdings in its federal operation (CBIS Federal), consolidating its foreign data center operations, and eliminating domestic and international activities. The second phase of the plan was to reorganize the remaining operations into strategic business units. This change will allow the CBIS organization to better serve its clients, align accountability with responsibility, and narrow its focus on customer care and billing systems for the converging telecommunications market while reducing staffing levels. These actions began in 1993 and are expected to be completed in 1994.

These actions taken by CBIS resulted in recording special charges amounting to approximately \$102 million for restructuring the operations of CBIS. The decision to sell CBIS Federal resulted in charges of \$86 million that include the expected loss on the sale, projected operating losses through estimated date of sale, and other sale related expenses. CBIS Federal provides information services to governmental agencies and employees approximately 1,000 employees.

In addition to the charges related to the sale of CBIS Federal, CBIS also recorded approximately \$16 million of charges for restructuring the remainder of its operations. The charges include employee severance costs of approximately \$4 million, \$6 million of fixed asset write-offs, and \$6 million in costs associated with discontinuing unprofitable domestic and international business ventures. Included in the \$102 million of special charges are approximately \$68 million of charges that do not require future cash outlays. The write-off of approximately \$63 million of unamortized goodwill accounted for the majority of the non-cash charges.

The net assets of the operations to be disposed or discontinued consist of \$26 million of net current assets as of December 31, 1993. These amounts consist primarily of accounts receivable, property, plant and equipment and related liabilities. Included in the Consolidated Statements of Income for the year ended December 31, 1993 are \$67.4 million of

revenues and \$88.6 million of expenses related to the operations to be disposed or discontinued.

The Company expects that future financial results will benefit from the actions taken by CBIS to reorganize its operations. The exclusion of operating losses

and other costs recognized by CBIS in 1993 related to CBIS Federal and other under-performing operations will help to restore profitability to CBIS. It is currently estimated that 1994 operating income could be increased up to \$10 million, net of increased software product development costs, as a result of the above actions.

In the fourth quarter 1992, CBIS recorded special charges totaling approximately \$11 million for the consolidation of its European operations. Included in these charges were write-offs of fixed assets, lease termination payments, employee severance and relocation costs and estimated operating losses.

In the fourth quarter 1991, the Company recorded special charges of approximately \$10 million to expense special termination benefits related to an early retirement incentive package, employee costs for involuntary separations and other related costs. Of this amount, \$6 million was recorded at CBIS.

CHANGES IN REVENUES AND SALES
TELEPHONE OPERATIONS

	Increase (Decrease)			
	Thousands of Dollars			
	1993		1992	
Local service	\$ 10,677	4 %	\$ 6,876	2 %

In 1993, the increase in revenues was attributable to an increase in access lines, greater sales of advanced calling features, increased use of directory assistance services and higher public telephone revenues.

In 1992, the increase was caused primarily by access line growth and greater sales of advanced calling features.

Access lines increased by 21,000 or 2.5 percent to 848,000 from 827,000 in 1992 compared to an increase of 19,000 or 2.4 percent in 1992 over 1991.

	Increase (Decrease)			
	Thousands of Dollars			
	1993		1992	
Network access	\$ (6,702)	(5)%	\$ 12,022	10 %

During 1993, CBT recorded a \$6.6 million reduction in interstate access revenues as the result of orders from the Federal Communications Commission ("FCC"). The FCC orders involved complaints against CBT alleging that CBT had exceeded targeted earnings levels for interstate access services for the 1987-1988 monitoring period. Other decreases were caused by reductions in July, 1992 and 1993 in rates for common carrier access. Partially offsetting the decreases were increases in end user charges from access line growth and increases in multi-line rates.

The increase in 1992 was the result of increased common carrier access and end

user charges, transport services provided to independent carriers and settlements, which more than offset common carrier access rate reductions in July 1992.

	Increase (Decrease)		Thousands of Dollars	
	1993		1992	
Long distance	\$ 8,297	25 %	\$ (2,733)	(8) %

The increase in 1993 was caused primarily by higher settlements and increased IntraLATA message toll revenues.

In 1992, lower settlement revenues was the principal cause for the decrease.

	Increase (Decrease)		Thousands of Dollars	
	1993		1992	
Other	\$ (31,200)	(28) %	\$ (35,005)	(24) %

The primary reason for the 1993 decrease was significant reductions in residential equipment leasing and PhoneCenter store revenues. These businesses were sold to AT&T Consumer Products in February 1993 and were responsible for approximately \$24 million of the decrease in revenues. Billing and collection revenues decreased primarily as the result of AT&T's decision to perform certain functions in-house in 1992. Revenues from CBT owned leasing business telecommunications equipment decreased in 1993 as CBT discontinued this service and commission revenues were lower from concluding certain business activities. Partially

offsetting the decreases were increases from new services offered, maintenance contracts and sales of used equipment.

In 1992, the decrease was caused by decreases in billing and collection revenues primarily from AT&T, lower commission revenues from reduced sales and leases of equipment and less lease revenues. In addition, lower sales of material and merchandise also contributed to the decrease. Partially offsetting the decreases were lower provisions for uncollectibles, discounts and allowances.

INFORMATION SYSTEMS

	Increase (Decrease)		Thousands of Dollars	
	1993		1992	

\$ (18,217) (6)% \$ 39,036 14 %

Professional and consulting revenues decreased in 1993 from 1992 as a result of the completion of the NTT project in 1992. Also contributing to the decrease were lower federal government contract revenues resulting from a decision in late 1992 by the Internal Revenue Service ("IRS") not to renew an automated data processing support contract. Partially offsetting the decreases were increased revenues from international contracts for the customization of telecommunications software and data processing revenues for increased business with existing customers.

The increase in 1992 was caused primarily from data processing revenues for increased business with existing customers, partially offset by a decrease in professional and consulting revenues caused by the completion of the NTT project.

Because of the decision to sell CBIS Federal and discontinue certain other unprofitable business ventures, revenues for 1994 will be lower than 1993. In addition, data processing revenues from card billing services provided to AT&T are expected to decline significantly in 1994. The negative impact should be partially offset by growth in CBIS' core business.

MARKETING SERVICES

Increase (Decrease)			
Thousands of Dollars			
1993		1992	
\$ 21,217	25 %	\$ 1,953	2 %

The acquisition of WATS Marketing of America ("WATS Marketing") in November 1993 accounted for \$11.9 million of the increase in 1993 and will continue to contribute significant revenue increases in 1994. The remaining increase was from increased volume of business from new and existing customers. The increases were partially offset by a decrease caused from the completion of a major telephone marketing contract at the end of 1992.

The increase in 1992 was principally the result of increased volume of business from new and existing customers. Partially offsetting the increase was lower foreign telephone marketing revenues from the termination of lower profit margin contracts.

OTHER TELECOMMUNICATIONS

Increase (Decrease)			
Thousands of Dollars			
1993		1992	
\$ 4,117	4 %	\$ 14,612	14 %

The increases in 1993 and 1992 were principally caused by increased revenues in the long distance business from expansion into new market areas and additional product offerings. The directory and supply businesses also contributed to the increase in 1992 because of higher sales.

CHANGES IN COSTS AND EXPENSES

Operating Expenses

Increase (Decrease)		Thousands of Dollars	
-----		-----	
1993		1992	
-----		-----	
\$ (5,859)	(1) %	\$ 51,006	9 %

One of the significant reasons for the decrease in 1993 was the result of fewer expenses related to the NTT project at CBIS that was completed in 1992. Costs also were lower in 1993 because of reduced work on government contracts at CBIS Federal. Additionally, the selling of the residential equipment leasing and PhoneCenter store businesses in early 1993, reduced cost of sales and operating expenses. Employee costs were lower in 1993 as the result of workforce reductions primarily at CBT and a change in CBT vacation policy.

Even though operating expenses decreased overall in 1993, there were several increases. CBIS recorded charges of \$5.1 million to withdraw from certain unprofitable international contracts and products. Product development expenses increased approximately \$15.6 million in 1993 over the prior year. The acquisition of WATS Marketing in November 1993, also

contributed to the increase in costs over the prior period. The adoption of Statement of Financial Accounting Standards ("SFAS") SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", in 1993 increased expenses by approximately \$6 million over the 1992 expense. Other reasons for increases in 1993 were increased provisions for inventory losses primarily at Cincinnati Bell Supply and various other costs.

Expenses for 1994 will be increased by the full-year effects for the acquired WATS Marketing and the absence of the one-time benefit of the change in the CBT vacation policy. Cost and expenses related to the businesses to be disposed and the withdrawal from unprofitable ventures will help to decrease 1994 amounts.

During 1993, CBT revised its vacation policy for management and non-management employees to be on an equivalent basis with the Company's other subsidiaries. The policy changed the period in which the employees earn vacation. The change in vacation policy decreased operating expenses and plant and building services expenses by approximately \$6.2 million in 1993 compared to 1992.

The increase in 1992 was attributable to higher product development expenses of approximately \$7.6 million at CBIS, greater expenses related to revenue generation efforts and increased advertising costs. Also included were increases in employee costs and consulting fees. Partially offsetting the increases were decreased expenses associated with the NTT project.

PLANT AND BUILDING SERVICES

Increase (Decrease)
Thousands of Dollars

	1993		1992
	\$ (8,879)	(5) %	\$ 3,943 2 %

Lower employee costs resulting from CBT workforce reductions was a significant reason for the decrease in 1993. The CBT vacation policy change and a reduction in supplies and expensed purchases of equipment also contributed to the 1993 decrease. Partially offsetting the decreases were increases in expenses in 1993 over 1992 caused by higher office lease costs, increased telecommunications costs related to higher marketing service revenues, and the inclusion of the inclusion of the acquired WATS Marketing expenses.

In 1992, the increase was caused principally from increases in office lease costs. The increases were partially offset by lower employee costs from a reduction of employees at CBT

and lower telecommunications costs directly related to a major telephone marketing contract.

DEPRECIATION AND AMORTIZATION

Increase (Decrease)
Thousands of Dollars

	1993		1992
	\$ 21,492	16 %	\$ 5,173 4 %

The increase in 1993 was mainly the result of charges made in the third and fourth quarters by CBIS to reduce the carrying value of certain capitalized software to net realizable value. These charges increased amortization of software costs by approximately \$17 million. The remaining increase was attributed to the acquisition of WATS Marketing and higher investment in property, plant and equipment.

In 1992, the increase was caused by federal and state depreciation rate reprercriptions at CBT and higher investment in property, plant and equipment. Partially offsetting the increases was a decrease resulting from the reduction of the carrying value of capitalized software costs to net realizable value in June 1991.

TAXES OTHER THAN INCOME TAXES

Increase (Decrease)
Thousands of Dollars

	1993		1992
--	------	--	------

\$ 273 - \$ 2,759 3 %

The increase in 1992 was caused by property taxes increasing as a result of higher rates and amounts of property, plant and equipment and gross receipts taxes increasing from higher revenue subject to taxes. Partially offsetting the increase was a decrease in payroll taxes resulting from workforce reductions.

CHANGES IN OTHER INCOME (EXPENSE) - NET

Increase (Decrease) Thousands of Dollars	
1993	1992
\$ (1,542) (14)%	\$ 6,697 158 %

The decrease in 1993 included the recording of \$4.2 million in provisions for losses related to an investment in and loans to an international distributor of CBIS products and services. Other decreases were from lower interest charged construction and the effect of recording interest income in 1992 from IRS tax refunds. Mainly offsetting the decreases was an

increase from the difference between the gain on the 1993 sale by CBT of its residential equipment and PhoneCenter store business to AT&T and the gain recognized in 1992 for an amendment to CBT's marketing agency relationship with AT&T.

For the past ten years, the Company has been a partner in the Anixter-Cincinnati joint venture with Anixter Bros., Inc. This joint venture sold equipment and material to CBT. According to the terms of the partnership agreement, the partnership was terminated at the end of 1993. The Company's share of the profits from this partnership for 1993 was \$2.7 million, which is expected to be discontinued in 1994.

The increase in 1992 was primarily the result of a gain from an amendment to CBT's marketing agency relationship with AT&T and the effect of the Company's write-off of its investment in AT&E Corporation in 1991. There were higher amounts of interest charged construction and lower foreign exchange losses in 1992 compared to 1991.

CHANGES IN INTEREST EXPENSE

Increase (Decrease) Thousands of Dollars	
1993	1992
\$ (398) (1)%	\$ (6,681) (13)%

The decrease in 1993 was primarily caused by decreasing interest rates and the

effect of long-term refinancing activities in 1992 to take advantage of lower interest rates. Mostly offsetting the decreases was \$4.2 million of interest expense which CBT recorded related to the FCC orders to refund interstate access revenues.

In 1992, the decrease was caused primarily by decreasing interest rates, lower average debt outstanding and the absence in 1992 of interest expense related to a 1991 federal tax settlement.

Interest expense in 1994 is expected to increase over 1993 as a consequence of higher total debt levels and a higher weighted average interest rate. The Company issued \$170 million of long-term debt, mostly in late 1993 at long-term interest rates that were higher than short-term debt rates that the Company used as financing during most of 1993.

CHANGES IN INCOME TAXES

Increase (Decrease)	
Thousands of Dollars	
1993	1992
\$ (15,335) (90)%	\$ (9,523) (36)%

The decrease in 1993 was principally the result of lower U. S. income before taxes. The decision to sell CBIS Federal resulted in losses which did not create income tax benefits.

The decrease in 1992 was attributable to lower U.S. income before taxes, the realization of research and development and foreign sales corporation tax benefits and higher amortization of investment tax credits.

OTHER FINANCIAL INFORMATION

The Financial Accounting Standards Board has issued SFAS No. 112, "Employers' Accounting for Postemployment Benefits". Implementation of SFAS 112 is required in 1994. SFAS 112 requires the accrual of the obligation for benefits provided to former or inactive employees, their beneficiaries and covered dependents after employment but before retirement. These benefits include workers' compensation, disability benefits and health care coverage for a limited time. SFAS 112 will change the Company's current method of accounting for postemployment benefits from recognizing costs as benefits are paid to accruing the expected costs of providing these benefits. The Company estimates that the adoption of SFAS 112 will increase result in a one-time charge of approximately \$5 million in the first quarter 1994. Preliminary estimates indicate that the on-going expense recognized under SFAS 112 will not be significantly different from that recorded under existing methods.

REGULATORY MATTERS

In November 1993, CBT filed modifications to its proposed alternative regulation plan with the Public Utilities Commission of Ohio ("PUCO"). CBT's original proposal was filed in May 1993. CBT filed its request under alternative regulation guidelines that were approved by the PUCO in January 1993, to give regulated telephone companies the flexibility to price services competitively and bring services to the market more quickly. The request only applies to Ohio and Indiana customers. It has not been filed in Kentucky. The May 1993 filing included a request to raise the prices of most regulated local services by

approximately 9 percent and if approved in its entirety, the proposal would yield about \$17 million in new revenue annually from business and residence customers.

There is no assurance that the request, in whole or in part, will be

approved or when any increase would be effective.

CBT presently gives accounting recognition to the actions of regulators where appropriate, as prescribed by SFAS No. 71, Accounting for the Effects of Certain Types of Regulation". Under SFAS 71, CBT records certain assets and liabilities because of the actions of regulators. Amounts charged to operations for depreciation expense reflect estimated useful lives and methods prescribed by regulators rather than those that might otherwise apply to unregulated enterprises. In the event CBT determines that it no longer meets the criteria for following SFAS 71, the accounting impact to CBT would be an extraordinary non-cash charge to operations of an amount which would be material. Criteria that give rise to the discontinuance of SFAS 71 include increasing competition, which restricts CBT's ability to establish prices to recover specific costs and a significant change in the manner in which rates are set by regulators from cost-based regulation to another form of regulation. CBT periodically reviews these criteria to ensure that continuing application of SFAS 71 is appropriate.

FINANCIAL CONDITION

Cash provided by operating activities in 1993 was \$198.1 million compared to \$268.7 million in 1992. The 1992 amount included almost \$100 million of non-recurring cash receipts related to the completion of the NTT project and was the primary explanation of the \$70.6 million decrease between 1992 and 1993. Lower cash payments for interest and income taxes in 1993 helped to partially offset the decrease in cash from operating activities. In September 1993, the Company and First Data Corporation announced an agreement in principle for the Company to acquire First Data's telephone marketing subsidiary, WATS Marketing of America. The finalized agreement was signed in November 1993. The cost of the acquisition was \$67.8 million, which included the purchase price of \$63 million and \$4.8 million of related acquisition costs and working capital adjustments. The purchase was financed by the issuance of short-term debt. The agreement contains provisions which could increase the purchase price up to \$87.5 million, if certain conditions are met.

Investing activities used \$72.2 million more cash in 1993 compared to 1992. Capital expenditures were \$234.3 million and \$147.2 million for 1993 and 1992, respectively. The 1993 capital expenditures include the acquisition of WATS Marketing mentioned above. Included in the capital expenditures were capitalized software costs of \$26.2 million and \$14.8 million, respectively. In 1994, capital expenditures are expected to be approximately \$160 million of which \$95 million is for telephone property, plant and equipment.

Financing activities provided \$29.8 million in 1993 while using \$123.9 million in 1992. In 1993, debt increased as a result of less cash available from operating activities and additional cash needed for the acquisition of WATS Marketing. In 1992, debt decreased as a result of using NTT project cash collections to reduce outstanding debt.

The Company was authorized by its Board of Directors to purchase up to 1,000,000 common shares in open market transactions through December 1993. The Company acquired 281,000 common shares for \$5.5 million during 1993 under this program.

The Company's debt to capitalization ratio at December 31, 1993 was 55.2 percent compared to 46.3 percent at December 31, 1992. The increase was caused by a decrease in equity resulting primarily from the special charges and an increase in debt.

In May 1993, CBT filed a shelf registration with the Securities Exchange

Commission for the issuance of up to \$120 million of guaranteed debt securities. Pursuant to the shelf registration, CBT issued the \$120 million during November and December 1993 with various interest rates and redemption and maturity dates. The debt securities are guaranteed by the Company on a subordinated basis. The net proceeds from the sale were used, in part, to reduce CBT' outstanding indebtedness which was incurred in December 1992 to redeem \$75 million of CBT's long-term debt.

In July 1993, pursuant to a November 1992 shelf registration, the Company issued \$50 million of thirty-year 7.25 percent notes due June 15, 2023. The net proceeds from the sale were used to reduce the Company's short-term borrowings.

In July 1993, the Western and Southern Life Insurance Company ("Western-Southern") elected to convert the outstanding preferred shares to common shares. The Company issued 3,157,896 common shares which increased Western-Southern's ownership of the Company's outstanding common shares to 6,627,696 shares or 10.2 percent of the shares then outstanding. Western-Southern's ownership has subsequently been reduced to 6,452,696 shares or 9.9 percent of the shares outstanding at December 31, 1993. The elimination of the preferred dividend approximately offsets the dilution in earnings per common share for 1993 that results from issuing these additional common shares.

In July 1993, CBT's debt rating on its senior notes and debentures was lowered by Duff & Phelps from AA+ to AA-. The deterioration in telephone company's earnings was the reason

cited by Duff & Phelps for the change in the rating.

In February 1994, Duff & Phelps said that in light of the CBIS write-offs, which occurred in the fourth quarter 1993, it would be expanding again its credit rating review of the Company. At the same time, Moody's Investor Service lowered the ratings of the Company's senior long-term debt from A-1 to A-2, citing the continuing difficulties in achieving adequate earnings from its diversification strategy.

Management believes that the Company has adequate internal and external resources available to finance its business development, construction and dividend programs. The Company maintains adequate lines of credit with several institutions to provide support for borrowings and general corporate purposes.

Inflation did not have a material effect in 1993 on the operations of the Company. The Company continually attempts to minimize the impact from inflation through greater productivity and cost improvement programs.

COMPETITION

Regulatory, legislative and judicial decisions, new technologies and the convergence of other industries with the telecommunications industry are causes of increasing competition in the telecommunications industry. The range of communications services, the equipment available to provide and access such services and the number of competitors offering such services continue to increase. Federal and state regulators are encouraging changes that promote competition in the industry. These impacts are expected to make it difficult to maintain and grow telephone revenues. The telephone company will need to respond with active programs to market products and reduce costs.

BUSINESS OUTLOOK

Cincinnati Bell operates businesses in several different markets. Each of the businesses has fluctuations in revenues and operating earnings as the result of the overall level, timing and terms of many contracts. These circumstances may increase the variability of financial results on a quarter-to-quarter basis. Important to the Company's growth is the success of products developed using CBIS's new "Edge" system, an object-oriented, open-architecture, distributed processing platform. Precedent 2000, an important product using the CBIS Edge platform, is expected to be in use by certain customers later in the year. It

is too early to predict the success of this system.

CBT continues to monitor the technological changes and competitive and regulatory environment of the telecommunications business and to develop strategies to address these changes.

CBT is evaluating the way it conducts business in order to further improve customer responsiveness and quality. CBT is evaluating regulatory changes that will be needed. Also, CBT is evaluating productivity improvement programs that could involve retraining of employees, re-engineering of systems, restructure of its organization, resource levels and other operating costs.

As previously announced the Company estimated that earnings for the first quarter 1994 will be below results for the first quarter 1993. Improvement is contingent on the following: CBT must successfully navigate new technology, changes in regulatory policy and the competitive environment; CBIS must improve operational processes and generate sufficient revenues to recover its software costs; and, MATRIX must successfully integrate the WATS acquisition.

The Company will continue to look carefully at its options in each of the business to improve shareowner value.

REPORT OF MANAGEMENT

The management of Cincinnati Bell Inc. is responsible for the information and representations contained in this Annual Report. Management believes that the financial statements have been prepared in accordance with generally accepted accounting principles and that the other information in the Annual Report is consistent with those statements. In preparing the financial statements, management is required to include amounts based on estimates and judgments which it believes are reasonable under the circumstances.

In meeting its responsibility for the reliability of the financial statements, management maintains a system of internal accounting controls which is continually reviewed and evaluated. Our internal auditors monitor compliance with it in connection with their program of internal audits. However, there are inherent limitations that should be recognized in considering the assurances provided by any system of internal accounting controls. The concept of reasonable assurance recognizes that the costs of a system of internal accounting controls should not exceed, in management's judgment, the benefits to be derived. Management believes that its system provides reasonable assurance that assets are safeguarded and that transactions are properly recorded and executed in accordance with management's authorization, that the recorded accountability for assets is compared with the existing assets at reasonable intervals, and that appropriate action is taken with respect to any differences. Management also seeks to assure the objectivity and integrity of its financial data by the careful selection of its managers, by organizational arrangements that provide an appropriate division of responsibility, and by communications programs aimed at assuring that its policies, standards and managerial authorities are understood throughout the organization.

The financial statements have been audited by Coopers & Lybrand, independent accountants. Their audit was conducted in accordance with generally accepted auditing standards.

The Audit Committee of the Board of Directors (see page 60), which is composed of three directors who are not employees, meets periodically with management, the internal auditors and Coopers & Lybrand to review the manner in which they are performing their responsibilities and to discuss auditing, internal accounting controls and financial reporting matters. Both the internal auditors and the independent accountants periodically meet alone with the Audit Committee and have free access to the Audit Committee at any time.

/s/ Brian C. Henry
Executive Vice President and Chief Financial Officer

REPORT OF INDEPENDENT ACCOUNTANTS

TO THE SHAREOWNERS OF CINCINNATI BELL INC.

We have audited the accompanying consolidated balance sheets of Cincinnati Bell Inc. and subsidiaries as of December 31, 1993 and 1992, and the related consolidated statements of income, common shareowners' equity and cash flows for each of the three years in the period ended December 31, 1993. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cincinnati Bell Inc. and subsidiaries as of December 31, 1993, and 1992, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1993, in conformity with generally accepted accounting principles.

As discussed in note (d) to the financial statements, the Company changed its method of accounting for postretirement benefits other than pensions in 1993.

/s/ Coopers & Lybrand
Cincinnati, Ohio
February 11, 1994

CONSOLIDATED STATEMENTS OF INCOME

Cincinnati Bell Inc.

Thousands of Dollars Except Per Share Amounts	Year Ended December 31		
	1993	1992	1991

Revenues and Sales			
Telephone operations			
Local service	\$ 301,412	\$ 290,735	\$ 283,859
Network access	129,663	136,365	124,343
Long distance	41,448	33,151	35,884
Other	80,008	111,208	146,213
	-----	-----	-----
	552,531	571,459	590,299
Information systems	309,684	327,901	288,865
Marketing services	107,780	86,563	84,610
Other telecommunications	119,642	115,525	100,913
	-----	-----	-----
Total revenues and sales	1,089,637	1,101,448	1,064,687

Costs and Expenses			
Operating expenses	603,574	609,433	558,427
Plant and building services	153,614	162,493	158,550
Depreciation and amortization	158,515	137,023	131,850
Taxes other than income taxes	91,037	90,764	88,005
Special charges	101,630	10,545	9,991
	-----	-----	-----
Total costs and expenses	1,108,370	1,010,258	946,823

Operating income (loss)	(18,733)	91,190	117,864
Other Income (Expense) - Net	9,405	10,947	4,250
Interest Expense	45,760	46,158	52,839
Income (Loss) Before Income Taxes and Extraordinary Charges	(55,088)	55,979	69,275
Income Taxes	1,707	17,042	26,565
Income (Loss) Before Extraordinary Charges	(56,795)	38,937	42,710
Extraordinary Charges, Net of Income Tax Benefit	--	(3,690)	--
Net Income (Loss)		35,247	42,710
Preferred Dividend Requirements	2,248	4,350	4,350
Income (Loss) Applicable to Common Shares	\$ (59,043)	\$ 30,897	\$ 38,360
Weighted Average Number of Common Shares Outstanding (000)	63,296	61,914	61,334
Earnings (Loss) Per Common Share			
Income (Loss) Before Extraordinary Charges	\$ (.93)	\$.56	\$.63
Extraordinary Charges	--	(.06)	--
Net Income (Loss)	\$ (.93)	\$.50	\$.63

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF COMMON SHAREOWNERS' EQUITY

Cincinnati Bell Inc.

Thousands of Dollars Except Per Share Amounts	Common Shareowners' Equity					Foreign Currency Translation Adjustment	Common Shares Outstanding (000)
	Total	Common Shares	Additional Paid-In Capital	Reinvested Earnings			
Balance at January 1, 1991	\$578,610	\$ 60,937	\$139,400	\$378,273	\$ --	60,937	
Shares issued under shareowner plans	4,835	218	4,617	--	--	218	
Shares issued under employee plans	10,612	540	10,305	(233)	--	540	
Acquisition of shares	(1,833)	(100)	(246)	(1,487)	--	(100)	
Net income	42,710	--	--	42,710	--	--	
Adjustment for foreign currency translation	138	--	--	--	138	--	
Dividends:							
Preferred shares 7.25%	(4,350)	--	--	(4,350)	--	--	
Common shares \$.80 per share	(49,128)	--	--	(49,128)	--	--	
Balance at December 31, 1991	581,594	61,595	154,076	365,785	138	61,595	
Shares issued under shareowner plans	4,553	256	4,297	--	--	256	
Shares issued under employee plans	7,126	426	6,917	(217)	--	426	
Acquisition of shares	(5,593)	(322)	(845)	(4,426)	--	(322)	
Net income	35,247	--	--	35,247	--	--	
Adjustment for foreign currency translation	(138)	--	--	--	(138)	--	
Dividends:							
Preferred shares 7.25%	(4,350)	--	--	(4,350)	--	--	
Common shares \$.80 per share	(49,556)	--	--	(49,556)	--	--	
Balance at December 31, 1992	568,883	61,955	164,445	342,483	--	61,955	
Shares issued under shareowner plans	1,467	64	1,403	--	--	64	
Shares issued under employee plans	1,115	86	1,313	(284)	--	86	
Acquisition of shares	(5,480)	(281)	(746)	(4,453)	--	(281)	
Preferred shares converted to common shares	60,000	3,158	56,842	--	--	3,158	
Net income (loss)	(56,795)	--	--	(56,795)	--	--	
Adjustment for foreign currency translation	(16)	--	--	--	(16)	--	
Dividends:							
Preferred shares 7.25%	(2,248)	--	--	(2,248)	--	--	
Common shares \$.80 per share	(51,311)	--	--	(51,311)	--	--	
Balance at December 31, 1993	\$515,615	\$ 64,982	\$223,257	\$227,392	\$ (16)	64,982	

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEETS

Thousands of Dollars	at December 31	1993	1992
<hr/>			
Assets			
Current Assets			
Cash and cash equivalents		\$ 8,668	\$ 5,304
Receivables, less allowances of \$14,031 and \$6,705, respectively		241,669	219,169
Material and supplies		21,627	27,522
Prepaid expenses		30,391	31,041
Deferred charges		22,471	11,780
		<hr/>	<hr/>
		324,826	294,816
		<hr/>	<hr/>
<hr/>			
Property, Plant and Equipment - At Cost			
Telephone plant			
In service		1,416,016	1,385,463
Under construction		14,806	23,418
		<hr/>	<hr/>
		1,430,822	1,408,881
Less: Accumulated depreciation		(541,690)	(525,215)
		<hr/>	<hr/>
		889,132	883,666
		<hr/>	<hr/>
Other property		303,917	253,988
Less: Accumulated depreciation and amortization		(145,480)	(100,846)
		<hr/>	<hr/>
		158,437	153,142
		<hr/>	<hr/>
		1,047,569	1,036,808
		<hr/>	<hr/>
<hr/>			
Other Assets			
Intangibles, primarily goodwill-net		192,161	223,751
Deferred charges and other		56,504	33,967
Other investments		43,030	45,179
		<hr/>	<hr/>
		291,695	300,897
		<hr/>	<hr/>
<hr/>			
Total Assets		\$1,664,090	\$1,632,521
		<hr/>	<hr/>
		<hr/>	<hr/>

The accompanying notes are an integral part of the financial statements.

Cincinnati Bell Inc.

Thousands of Dollars	at December 31	1993	1992
<hr/>			
Liabilities and Invested Capital			

Current Liabilities		
Debt maturing within one year	\$ 112,029	\$ 192,962
Accounts payable	132,648	108,797
Accrued disposal and restructuring costs	35,385	10,545
Accrued taxes	38,135	33,538
Advance billing and customers' deposits	31,553	26,464
Accrued compensated absences	7,414	19,404
Other	17,173	17,234
	-----	-----
	374,337	408,944
	-----	-----

Long-Term Debt	522,888	350,069

Deferred Credits and Other Liabilities		
Deferred income taxes	158,438	144,391
Unamortized investment tax credits	19,371	22,258
Other	73,441	77,976
	-----	-----
	251,250	244,625
	-----	-----

Commitments and Contingencies		

Preferred Shares Subject to Mandatory Redemption	--	60,000

Common Shareowners' Equity		
Common shares - \$1.00 par value	64,982	61,955
Authorized shares: 240,000,000		
Outstanding shares: 1993 - 64,982,178		
1992 - 61,954,967		
Additional paid-in capital	223,257	164,445
Reinvested earnings	227,392	342,483
Foreign currency translation adjustment	(16)	--
	-----	-----
	515,615	568,883
	-----	-----

Total Liabilities and Invested Capital	\$1,664,090	\$1,632,521
	-----	-----
	-----	-----

CONSOLIDATED STATEMENTS OF CASH FLOWS

Cincinnati Bell Inc.

Thousands of Dollars	Year Ended December 31	1993	1992	1991
Cash Flows From Operating Activities:				
Net income (loss)		\$ (56,795)	\$ 35,247	\$ 42,710
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	158,515		137,023	131,850
Special charges	101,630		10,545	9,991
Provision for loss on receivables	14,614		8,225	9,772
Extraordinary charges	--		5,591	--
Other-net	(2,122)		6,830	18,158
Change in assets and liabilities net of effects from acquisitions:				
Decrease (increase) in receivables	(11,354)		55,801	(39,458)
Decrease (increase) in other current assets	12,677		26,652	(25,808)
Increase (decrease) in accounts payable	9,083		(5,259)	5,152
Increase (decrease) in other current liabilities	(2,816)		(12,848)	12,235
Decrease in deferred income taxes and unamortized investment tax credits	(6,850)		(6,061)	(4,324)
Decrease (increase) in other assets and liabilities-net	(18,440)		6,941	19,523
	-----		-----	-----
Net cash provided by operating activities		198,142	268,687	179,801
		-----	-----	-----

Cash Flows From Investing Activities:			
Capital expenditures - telephone plant	(109,279)	(103,896)	(103,131)
Capital expenditures - other	(57,206)	(43,318)	(58,524)
Payments made for acquisitions, net of cash acquired	(67,795)	--	(4,653)
Other-net	9,683	(5,190)	4,184
	-----	-----	-----
Net cash used in investing activities	(224,597)	(152,404)	(162,124)

Cash Flows From Financing Activities:			
Proceeds from long-term debt	169,615	99,956	--
Redemption of long-term debt	--	(169,168)	--
Principal payments on long-term debt	(28,115)	(3,465)	(2,676)
Proceeds from (payments on) notes payable	(55,467)	(3,445)	32,842
Proceeds from issuance of common shares	2,582	11,679	15,447
Dividends paid	(53,294)	(53,853)	(52,740)
Payments made to acquire common shares	(5,480)	(5,593)	(1,833)
	-----	-----	-----
Net cash provided by (used in) financing activities	29,841	(123,889)	(8,960)

Effect of exchange rate changes on cash and cash equivalents	(22)	(662)	786
	-----	-----	-----
Net increase (decrease) in cash and cash equivalents	3,364	(8,268)	9,503
Cash and cash equivalents at beginning of year	5,304	13,572	4,069
	-----	-----	-----
Cash and cash equivalents at end of year	\$ 8,668	\$ 5,304	\$ 13,572
	-----	-----	-----

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

(a) Accounting Policies

The consolidated financial statements of Cincinnati Bell Inc. reflect the application of the accounting policies described in this note. These statements have been prepared in conformity with generally accepted accounting principles.

Certain reimbursable costs previously recorded as information systems revenues have been reclassified as a reduction of operating expenses. The reclassification amounted to \$43.2 million, \$34.9 million and \$23.3 million for 1993, 1992 and 1991, respectively. This reclassification had no effect on operating income (loss) or net income (loss) for all periods presented. In addition to the information systems revenues, certain prior year amounts have been reclassified to be consistent with the 1993 presentation.

Consolidation - These consolidated financial statements include the accounts of Cincinnati Bell Inc. and its wholly owned subsidiaries (the "Company"). The significant subsidiaries include: Cincinnati Bell Telephone Company ("CBT"), Cincinnati Bell Information Systems Inc. ("CBIS") and MATRIXX Marketing Inc. ("MATRIXX"). Investments in certain partnerships and joint ventures are accounted for using the equity method. The Company has a 45 percent interest in a limited partnership which provides cellular mobile telephone service to an area of Southern Ohio with a population of over four million people. The Company's share of income from such investments is included in Other Income (Expense) - Net in the

Consolidated Statements of Income. All significant intercompany transactions and balances have been eliminated in consolidation.

Regulatory Accounting - CBT follows the accounting for regulated enterprises under Statement of Financial Accounting Standards ("SFAS") 71, "Accounting for the Effects of Certain Types of Regulation". This accounting reflects the rate actions of regulators in the financial statements. The rate actions can provide reasonable assurance of the existence of an asset, reduce or eliminate the value of an asset, or impose a liability. Actions of a regulator can also eliminate a liability previously imposed by the regulator. The Company continually reviews the applicability of SFAS 71 based on the developments in its current regulatory

and competitive environment.

Foreign Currency Translation - Assets and liabilities of foreign subsidiaries are translated to U.S. dollars at year-end exchange rates and revenue and expense items are translated at average rates of exchange prevailing during the year. The foreign currency translation adjustments are recorded in a separate component of shareowners' equity.

Financial Instruments - Certain foreign currency transactions are designated as effective hedges of the net investment in foreign subsidiaries. The related gains and losses are included in the foreign currency translation adjustment account. Foreign currency transaction gains and losses related to forward contracts that are designated and effective as hedges are deferred and recognized with the assets, liabilities or transactions being hedged. All other foreign currency transaction gains and losses are reflected in income. The interest rate differential to be paid or received on interest rate swap agreements is accrued as interest rates change and is recognized as an adjustment of interest expense.

Cash Equivalents - Cash equivalents represent highly liquid debt instruments with original maturities of three months or less and are stated at cost, which approximates market value.

Material and Supplies - New and reusable material, related to the regulated telephone operations, are carried in inventory at average original cost, except that specific costs are used in the case of large individual items. Nonreusable material is carried at estimated salvage value. All other material and supplies are stated at the lower of cost or market principally on an average cost basis.

Property, Plant and Equipment - Property, plant and equipment is stated at its original cost and does not purport to represent reproduction costs or current value. Telephone plant dedicated to providing communication services, other than minor items thereof which are replaced, is retired at the amount at which such plant has been carried in telephone plant in service and is charged to accumulated depreciation.

The Company's provision for depreciation of telephone plant is based on the remaining life method of depreciation and straight-line composite rates. The remaining life method provides for the full recovery of the investment in telephone plant. Provision for depreciation of other property is based on the straight-line method over the estimated useful life.

Software Development Costs - Research and development expenditures are charged to expense as incurred. The development costs of software to be marketed are charged to research and development expense until technological feasibility is established. After that time, the remaining software production costs are capitalized as Other Property in the Consolidated Balance Sheets. Amortization of the capitalized amounts is computed on a product-by-product basis using the straight-line method over the remaining estimated economic life of the product. Reductions in the carrying value of capitalized software costs to net realizable value are also included in amortization expense.

Intangibles, Primarily Goodwill-Net - Intangible assets consists primarily of goodwill, which represents the excess of the purchase price over the fair value of net assets acquired in business combinations accounted for using the purchase method. These amounts are amortized on a straight-line basis over periods benefited, principally in the range of twenty to forty years. Other intangible assets are amortized on a straight-line basis over periods of five to nine years. Accumulated amortization of intangible assets at December 31, 1993 and 1992 was \$49 million and \$40 million, respectively. The Company periodically evaluates the carrying amount of its recorded goodwill related to acquired businesses. Management uses their best estimate of the future cash flows expected to result from the operations of the business and its eventual disposition. If future expected undiscounted net cash flows are insufficient to recover the carrying amount of the asset, then an impairment loss is recognized.

Revenue Recognition - Local telephone service revenues are generally billed monthly in advance and revenues are recognized in the following month when services are provided. Software license revenue is recognized at the time of delivery if the Company does not have to provide additional significant service under the contract. All anticipated future costs under the contract are accrued at the time the revenue is recognized. If the contract requires significant additional obligations in addition to the delivery of the software license, the Company recognizes revenue under the percentage of completion method of accounting. Information systems maintenance revenue is generally recognized over the term of the agreement. All other revenues are recognized when services are performed regardless of the period in which they are billed.

Income Taxes - The provision for income taxes consists of an amount for taxes currently payable and a provision for tax consequences deferred to future periods.

During 1992, the Company implemented the provisions of SFAS 109, "Accounting for Income Taxes". SFAS 109 supersedes SFAS 96 which the Company had adopted in 1990. The Statement requires the use of the asset and liability approach for financial accounting and reporting for income taxes. CBT has recorded a regulatory asset and liability to recognize the cumulative effects of ratemaking activities. Financial statements for 1991 have not been restated and the cumulative effect of the accounting change was not material.

For financial statement purposes, deferred investment tax credits of CBT are being amortized as a reduction of the provision for income taxes over the estimated useful lives of the related property, plant and equipment.

Earnings (Loss) Per Common Share - Earnings (loss) per common

share are calculated by using the weighted average number of common shares outstanding. The dilutive effect of the Company's common share equivalents (shares under option) is insignificant.

(b) Special Charges - CBIS Operations

In late 1993, the Company determined the need to reorganize CBIS, its information systems subsidiary. This reorganization focused on two phases. The first phase was the elimination of non-strategic and underperforming operations. This resulted in CBIS taking action to divest its holdings in its federal operation (CBIS Federal), consolidating its foreign data center operations, and eliminating unprofitable domestic and international activities. The second phase of the plan was to reorganize the remaining operations into strategic business units. These actions began in 1993 and are expected to be completed in 1994.

These actions taken by CBIS resulted in recording special charges amounting to approximately \$102 million (\$88 million after tax, or \$1.39 per common share) for divesting of its federal operations and restructuring the operations of CBIS. The decision to sell CBIS Federal resulted in charges of \$86 million that include the expected loss on the sale, projected operating losses through estimated date of sale, and other sale related expenses. CBIS Federal provides information services to governmental agencies and employs approximately 1,000 employees.

In addition to the charges related to the sale of CBIS Federal, CBIS also recorded approximately \$16 million of charges for restructuring the remainder of its operations. The charges include employee severance costs of approximately \$4 million, \$6 million of fixed asset write-offs, and \$6 million in costs associated with discontinuing unprofitable domestic and international business ventures.

Included in the \$102 million of special charges are approximately \$68 million of charges that do not require future cash outlays. The write-off of approximately \$63 million of unamortized goodwill accounted for the majority of the non-cash charges.

The net assets of the operations to be disposed or discontinued consist of \$26 million of net current assets and \$10.2 million of net non-current assets as of December 31, 1993. These amounts consist primarily of accounts receivable, property, plant and equipment and related liabilities. Included in the Consolidated Statements of Income for the year ended December 31, 1993 are \$67.4 million of revenues and \$88.6 million of expenses related to the operations to be disposed or discontinued.

In the fourth quarter of 1992, CBIS recorded special charges totaling \$10.5 million for the consolidation of its European operations. Included in these charges were write-offs of fixed assets, lease termination payments, employee severance and relocation costs and estimated operating losses.

In the fourth quarter of 1991, the Company recorded special charges of approximately \$10 million to expense special termination benefits related to an early retirement incentive package, employee severance costs for involuntary separations and other related costs. Of this amount, \$6 million was

recorded at CBIS.

Also, during the fourth quarter 1993, the Company recorded significant other charges unrelated to the restructuring of CBIS. CBIS has accrued and included in operating expenses \$5.1 million of costs to withdraw from certain international contracts and products. CBIS also recorded additional software amortization expense of \$12 million in the fourth quarter 1993 and \$5 million in the third quarter of 1993 related to the write-down of capitalized software costs to net realizable value (see note (f)).

In addition, a \$4.2 million reserve for losses has been established related to an investment in and loans to an international distributor of CBIS products and services. These charges are included in Other Income (Expense)-net.

(c) Income Taxes

The components of income tax expense are as follows:

Thousands of Dollars	Year Ended December 31	1993	1992	1991

Current:				
Federal		\$19,113	\$18,482	\$32,475
Foreign		1,658	512	1,028
State and Local		2,282	3,327	2,556
		-----	-----	-----
Total current		23,053	22,321	36,059
		-----	-----	-----
Deferred:				
Federal		(14,592)	(1,593)	(7,932)
State and Local		15	(419)	520
		-----	-----	-----
Total deferred		(14,577)	(2,012)	(7,412)
		-----	-----	-----
Investment tax credits		(2,888)	(3,267)	(2,082)
		-----	-----	-----
Adjustment of valuation allowance related to net operating and capital losses		(3,881)	--	--
		-----	-----	-----
Total		\$ 1,707	\$17,042	\$26,565
		-----	-----	-----

The components of the Company's deferred tax assets and liabilities are as follows:

Thousands of Dollars	at December 31	1993	1992

Deferred tax asset:			
Unamortized investment tax credit		\$10,432	\$11,468
Net operating loss carryforwards		7,510	6,711
Deferred tax consequences of net regulatory liability		4,823	7,152
Allowance for doubtful accounts		3,321	892
Accrual for disposal and restructuring costs		12,964	3,077
Accrued rent liability		3,969	2,231
FCC complaint		3,779	--
Property, plant and equipment depreciation		--	--

and amortization	3,194	3,352
Accrual for compensated absences	1,102	3,323

Other	10,200	5,605
	-----	-----
	61,294	42,919
Less: Valuation allowance	(3,391)	(6,711)
	-----	-----
Net deferred tax asset	57,903	36,208
	-----	-----
Deferred tax liability:		
Property, plant and equipment depreciation and amortization	164,080	149,589
Basis differences on items previously flowed through to ratepayers	15,914	16,961
Accrual for property taxes	2,496	7,838
Other	5,620	1,748
	-----	-----
Total deferred tax liability	188,110	176,136
	-----	-----
Total net deferred tax liability	\$130,207	\$139,928
	-----	-----

The Company's deferred tax asset valuation allowance decreased approximately \$3.3 million in 1993 principally as a result of certain business strategies involving the Company's operations in France.

During 1991, deferred income taxes were provided for significant temporary differences in the recognition of certain expenses for tax and financial statement purposes. These items, in thousands of dollars, for the year ended December 31, 1991, consisted of the following:

Depreciation	\$ 4,265
Compensated absences	(1,430)
Property taxes	1,142
Capital loss	(1,700)
Pension and employee benefits	(7,409)
Other	(2,280)

Total	\$(7,412)

The following is a reconciliation of the statutory Federal income tax rate of 35% for 1993 and 34% for 1992 and 1991 with the effective tax rate for each year:

	1993	1992	1991
	-----	-----	-----
U.S. Federal statutory rate	(35.0%)	34.0%	34.0%
Plant basis differences, net of depreciation	2.0	2.0	2.0

Amortization of investment tax credits	(5.2)	(5.8)	(2.3)
Rate differential on reversing temporary differences	(4.0)	(3.0)	(3.0)
Disposal losses without income tax benefit	40.0	--	--
Amortization of intangible assets	5.2	4.3	3.8
Foreign subsidiaries' losses for which no tax benefit has been recognized	--	2.6	3.2
Change in valuation allowance	(6.0)	--	--
State and local income taxes, net of federal income tax benefit	2.7	3.4	2.9
Research and development tax credit	(4.1)	(2.3)	--
Taxes related to prior years	5.6	--	--
Other differences	1.9	(4.8)	(2.3)
	-----	-----	-----
Effective rate	3.1%	30.4%	38.3%
	-----	-----	-----

The Omnibus Budget Reconciliation Act of 1993, which was enacted in August 1993, increased the Federal income tax rate to 35 percent effective January 1, 1993. Pursuant to SFAS 71, the effect of the income tax rate increase on the deferred tax balances of CBT was primarily deferred through the establishment of regulatory assets of \$.5 million and the reduction of regulatory liabilities of \$5.6 million. The effect of the income tax rate increase on the deferred tax balances of the other subsidiaries was not material to the financial statements.

At December 31, 1993 and 1992, the liability for income taxes includes approximately \$16 million and \$17 million, respectively, representing the cumulative amount of income taxes on temporary differences which were previously flowed through to ratepayers. CBT also recorded a corresponding regulatory asset on the balance sheet for these items, representing amounts which will be recovered through the ratemaking process, which is recorded in Deferred Charges and Other. These deferrals have been increased for the tax effect of the future revenue requirement and will be amortized over the lives of the related depreciable assets concurrently with their recovery in rates.

In addition, Other Deferred Credits and Liabilities includes a regulatory liability at December 31, 1993 and 1992 of approximately \$34.5 million and \$45.1 million, respectively. A substantial portion of the regulatory

liability represents the excess deferred taxes on depreciable assets, resulting primarily from the reduction in the statutory federal income tax rate from 46 percent to 35 percent. This amount will be amortized over the lives of the related depreciable assets in accordance with the average rate assumption method required by the Tax Reform Act of 1986. Another item included in the regulatory liability is associated with unamortized investment tax credits. This amount will be amortized in the same manner as the underlying investment tax credits. These regulatory liabilities have been increased to reflect future revenue requirement levels.

The Company has net operating loss carryforwards applicable to foreign subsidiaries at December 31, 1993 and 1992 of approximately \$19.4 million and \$16.7 million, respectively.

Net operating loss carryforwards acquired through a business combination with a domestic subsidiary are approximately \$3.0 million at December 31, 1993 and 1992. Utilization of both the U.S. and foreign carryforwards is dependent upon future earnings of each subsidiary with foreign carryforwards expiring 1994 through 2003 and the U.S. carryforwards expiring in 2003 through 2005. The Company has capital loss carry forwards of approximately \$4.7 million at December 31, 1993. Utilization of these capital losses is dependent upon the generation of future capital gains with the carryforwards expiring in 1996 through 1998.

 (d) Employee Retirement and Postemployment Benefits

PENSIONS

The Company sponsors three noncontributory defined benefit pension plans: one for eligible management employees, one for nonmanagement employees and one supplementary, nonqualified, unfunded plan for certain senior managers. The pension benefit formula for the management plan was based on a stated percentage of adjusted career income for retirees prior to 1993. Effective December 31, 1993, the management pension plan change the method of calculating the defined benefit payable at retirement date to a cash balance benefit. The annual credits are based on a combination of age, rate of pay, the Social Security Taxable Wage Base and annual guaranteed interest credits. Further, the supplementary death benefit payable from the pension plan was frozen at the December 31, 1993 compensation level. The benefit formula for the nonmanagement plan is based on a flat dollar amount according to job classification times years of service. Benefits for the supplementary plan are based on years of service and eligible pay.

Funding of the management and nonmanagement plans is achieved through contributions made to an irrevocable trust fund. The contributions are determined in accordance with the Aggregate Cost Method.

The Company uses the Projected Unit Credit Cost Method for determining pension cost for financial reporting purposes and accounts for certain benefits provided under early retirement packages discussed below as a special termination benefit.

Pension cost includes the following components:

Thousands of Dollars	Year Ended December 31	1993	1992	1991
Service cost (benefits earned during the period)		\$ 10,045	\$ 12,605	\$ 14,520
Interest cost on projected benefit obligations		40,270	39,874	34,933
Actual return on plan assets		(79,576)	(64,852)	(111,179)
Amortization and deferrals - net		29,424	15,091	63,451
Charge to expense for special termination benefits		7,616	--	2,760
Settlement gain		(7,901)	--	--

Pension cost (income)	\$ (122)	\$ 2,718	\$ 4,485
	-----	-----	-----
	-----	-----	-----

The following table sets forth the plans' funded status:

Thousands of Dollars	at December 31		1993	1992

Actuarial present value of accumulated benefit obligations including vested benefits of \$458,415 and \$409,772, respectively			\$515,807	\$465,531
			-----	-----
			-----	-----
Plan assets at fair value (primarily listed stocks, bonds and real estate, including \$62,230 and \$59,205, respectively in common shares of Cincinnati Bell Inc.)			\$706,385	\$689,839
Actuarial present value of projected benefit obligation			(557,192)	(534,556)
			-----	-----
			-----	-----
Excess of assets over projected benefit obligation			149,193	155,283
Unrecognized prior service cost			7,818	23,021
Unrecognized transition asset			(45,292)	52,770
Unrecognized net gain			(92,997)	114,233
Recognition of minimum liability			(8,946)	8,527
			-----	-----
Prepaid pension cost			\$ 9,776	\$ 2,774
			-----	-----
			-----	-----

The Company used the following rates in determining the actuarial present value of the projected benefit obligation and pension cost:

At December 31	1993	1992	1991

Discount rate - projected benefit obligation	7.25%	8.00%	8.00%
Future compensation growth rate	4.00%	5.00%	5.00%
Expected long-term rate of return on plan assets	8.25%	8.25%	8.25%

Pension cost has been determined in such a manner as to anticipate that improvements in the pension plans will continue in the future. In the event of a change of control of the Company, the excess plan assets are to be used

solely for providing pension benefits or post-retirement medical benefits for a period of five years.

Collective bargaining was completed with the Communication Workers of America in May 1993. As a result of the bargaining, nonmanagement pension plan participants were granted an increase in the flat dollar pension amount of 5 percent effective October 1, 1993, an additional 5 percent

effective October 1, 1994 and an additional 4 percent effective October 1, 1995. Further, the supplementary death benefit payable from the pension plan was frozen at the December 31, 1993 compensation level.

In November 1991, the Company offered an early retirement incentive package to certain management employees. The package included an amendment to the management pension plan which was accounted for as a special termination benefit. The impact of the workforce reduction on 1991 earnings, including the special termination benefit, severance pay related to involuntary separations and related costs, reduced net income by approximately \$7 million or, \$.11 per common share.

In December 1992, the Company offered a voluntary separation incentive package to certain management employees. The package provided for enhancements to the benefit payments of the management pension plan or allowed for a lump sum payment. There were 137 employees who accepted the offer in 1993 and as a result, the Company recorded an expense for special termination benefits of \$7.6 million and a settlement gain of \$7.9 million.

EMPLOYEE POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The Company provides health care and group life insurance benefits for its retired employees. Substantially all the Company's employees may become eligible for these benefits if they retire with a service pension. Effective January 1, 1993, the Company adopted SFAS 106, "Employers Accounting for Postretirement Benefits Other Than Pensions". SFAS 106 requires that the cost of the net periodic postretirement benefit is to be recognized in the period in which employees render services necessary to earn such benefits. Prior to 1993, the Company's accrual method did not consider the health care inflation factor in the calculation of future benefits as required by SFAS 106. The Company used the Projected Unit Credit Cost Method for the determination of postretirement health care and life insurance benefits cost. In adopting SFAS 106, the Company elected to amortize the accumulated postretirement benefit obligation over twenty

years.

The Company has funded its group life insurance benefits through Retirement Funding Accounts ("RFAs") for many years and began funding trusts for health care benefits in 1989 using Voluntary Employee Benefit Associations ("VEBAs"). Contributions are determined in accordance with the Aggregate Cost Method. The associated plan assets, primarily corporate securities and bonds and temporary investments, were considered in determining the transition obligation under SFAS 106. The investments held by the management VEBAs earn income after a deduction for income taxes, whereas the nonmanagement VEBAs and RFAs earn income without tax. The Company intends to continue to fund the VEBAs and RFAs, and is exploring other available funding and cost containment alternatives.

The components of postretirement benefit cost for the year ended December 31, 1993, in thousands of dollars, are as follows:

Service cost (benefits earned during the period)	\$ 2,431
Interest cost on accumulated postretirement benefit obligation	13,283
Actual return on plan assets	(5,369)
Amortization and deferrals - net	9,495

Postretirement benefit cost	\$ 19,840

The funded status of the plans, in thousands of dollars, at December 31, 1993:

Retirees and dependents	\$130,143
Fully eligible active participants	18,272
Other active participants	47,632

Total Accumulated postretirement benefit obligation	196,047
Less: plan assets at fair value	46,926

Accumulated postretirement benefit obligation in excess of plan assets	149,121
Less: unrecognized transition obligation	129,063
Less: unrecognized net loss	19,407

Accrued postretirement benefit obligation	\$ 651

The assumed discount rate used to measure the accumulated postretirement benefit obligation was 7.25 percent. The expected long-term rate of return on plan assets was 8.25 percent on VEBAs and 8.0 percent on RFAs. The

assumed health care cost trend rate used to measure the postretirement health benefit obligation at December 31, 1993 was 9 percent and is assumed to decrease gradually to 4.5 percent. A one percent increase in the assumed health care cost trend rate would have increased the aggregate of the service and interest cost components of 1993 postretirement health benefits by approximately \$.6 million, and would increase the accumulated postretirement benefit obligation as of December 31, 1993, by approximately \$8 million.

Collective bargaining was completed with the Communication Workers of America in May 1993. As a result of the bargaining agreement, bargained employees reimbursement of the Medicare Part B was capped at \$50 per month. The provision for retiree contributions in excess of the Company's reimbursement was amended. Retiree contributions shall not begin before January 1, 1997.

As of December 31, 1993, the Company had approximately 2,500 retirees eligible to receive health care and group life insurance benefits.

A substantial portion of the cost recognized under SFAS 106 is related to the Company's telephone subsidiary, CBT, which is subject to rate regulation. In April 1993, CBT received approval from the Public Utilities Commission of Ohio ("PUCO") to defer the incremental SFAS 106 costs, subject to certain return on equity limits. Deferrals began January 1, 1993, and will cease the earliest of December 31, 1997, the

day prior to the effective date of rates which include postretirement costs on a SFAS 106 basis, or the date of the Company's consent to or withdrawal of a PUCO approved alternative regulation plan currently pending. During 1993, CBT recorded approximately \$3.6 million in postretirement benefit cost as a regulatory asset related to the recovery of future incremental costs. The recording of a regulatory asset is in accordance with SFAS 71.

Prior to the adoption of SFAS 106, the Company had accrued and funded an actuarially determined amount. For the years 1992 and 1991, postretirement health care and life insurance benefit expense were approximately \$10.2 million and \$7.6 million, respectively. The effect of adoption of SFAS 106 on 1993 results (excluding the amounts deferred by CBT) was to increase postretirement expense by approximately \$6 million or \$.06 per common share.

SAVINGS PLANS

The Company sponsors several defined contribution plans covering substantially all employees. The Company's contributions to the plans are based on matching a portion of the employee contributions or on a percentage of employee earnings or net income for the year. Total Company contributions to the defined contribution plans were \$7.3 million, \$7.9 million and \$7.2 million for 1993, 1992 and 1991, respectively.

EMPLOYEE POSTEMPLOYMENT BENEFITS

The Financial Accounting Standards Board issued SFAS 112, "Employers Accounting for Postemployment Benefits". Implementation of SFAS 112 is required in 1994. SFAS 112 requires the accrual of the obligation for benefits provided to former or inactive employees, their beneficiaries and covered dependents after employment but before retirement. These benefits include workers' compensation, disability benefits and health care coverage for a limited time. SFAS 112 will change the Company's current method of accounting for postemployment benefits from recognizing costs as benefits are paid, to accruing the expected costs of benefits. The Company estimates that the adoption of SFAS 112 will result in a one-time charge of approximately \$5 million in the first quarter 1994. Preliminary estimates indicate that the on-going expense recognized under SFAS 112 will not be significantly different from that recorded under existing methods.

(e) Extraordinary Charges

On August 15, 1992, the Company redeemed \$90 million of 8 5/8 percent notes due July 1997 at a redemption price of 101.5 percent of the principal amount. The call premium paid, associated call expenses and the unamortized note issue costs and issue discount reduced Net Income by \$1.7 million or \$.03 per common share.

On December 24, 1992, CBT redeemed \$35 million of 8 3/8 percent debentures due October 2009 at a redemption price of 102.38 percent of the principal amount and \$40 million of 9.60 percent debentures due October 2015 at a redemption price of 104.94 percent of the principal amount. The call

premiums paid, associated call expenses and the unamortized note issue costs and issue discounts reduced Net Income by \$2 million or \$.03 per common share.

The charges resulting from the above redemptions were recognized as extraordinary charges in the Consolidated Statements of Income.

 (f) Software Development Costs

Capitalized software costs, net of amortization, amounted to \$35.3 million and \$34.7 million at December 31, 1993 and 1992, respectively. The Company incurred product development costs totaling approximately \$29.9 million, \$14.3 million and \$6.7 million, which were expensed in 1993, 1992 and 1991, respectively. Amortization amounted to \$25.8 million, \$4.8 million and \$14.0 million for 1993, 1992 and 1991, respectively, and is included in depreciation and amortization expense. Included in amortization expense were charges of approximately \$5 million and \$12 million the Company recorded during the third and fourth quarter 1993, respectively, to reduce the carrying value of certain capitalized software costs to net realizable value. Included in amortization expense for 1991 is a charge of approximately \$10.5 million to reduce the carrying value of capitalized software costs to net realizable value.

 (g) Debt Maturing Within One Year and Lines of Credit

Debt maturing within one year consists of the following:

Thousands of Dollars	at December 31	1993	1992	1991
Notes Payable				
Commercial paper		\$ 91,420	\$140,047	\$168,200
Other		18,200	25,041	489
Current maturities of long-term debt		2,409	27,874	4,151
		-----	-----	-----
Total		\$112,029	\$192,962	\$172,840
		-----	-----	-----
Weighted Average Interest Rates on				
Notes Payable		3.3%	3.4%	4.7%

Average notes payable and the related interest rates for the last three years are as follows:

Thousands of Dollars	1993	1992	1991
Average amounts of notes payable outstanding during the year*	\$162,504	\$158,251	\$170,535
Weighted average interest rate during the year**	3.2%	3.8%	6.0%
Maximum amounts of notes payable at any month-end during the year	\$202,475	\$209,823	\$184,039

* Amounts represent the average daily face amount of notes.
 ** Weighted average interest rates are computed by dividing the daily average face amount of notes into the aggregate related interest expense.

At December 31, 1993, the Company had approximately \$170 million of unused bank lines of credit, which are available to provide support for commercial paper borrowings. These lines of credit are available for general corporate purposes. There are no material compensating balances or commitment fee agreements under these credit arrangements.

 (h) Long-Term Debt

Interest rates and maturities of long-term debt outstanding, at December 31, in thousands of dollars, were as follows:

Description		1993	1992

Debentures/Notes			
	Year of Maturity	Interest Rate	
	-----	-----	
	1993	4 1/2	\$ --
	1996	7.30	40,000
	1997	6.70	100,000
	1999	8 5/8	40,000
	2000	9.10	75,000
	2002	4 3/8	20,000
	2003	6.24	20,000
	2005	6.33	20,000
	2011	7 3/8	50,000
	2023	7 1/4	50,000
	2023	7.18-7.27	80,000
	Capital lease obligations		29,986
	Other		919
	Unamortized discount-net		(608)
	Less: Current maturities of long-term debt		(2,409)
	Total		\$522,888
			\$350,069

In November 1992, the Company filed a shelf registration statement with the Securities and Exchange Commission ("SEC") for the sale of up to \$150 million in debt securities with terms to be determined at the time of sale. Pursuant to the shelf registration, the Company issued \$100 million of 6.70 percent unsecured notes on December 15, 1992 which will mature in December 1997 and \$50 million of 7 1/4 percent unsecured notes on July 12, 1993 which will mature in June 2023. The proceeds were used to reduce short-term notes payable and for other general corporate purposes.

CBT filed a shelf registration on May 5, 1993 with the SEC for the

issuance of up to \$120 million in debt securities. Pursuant to the shelf registration, CBT has issued \$120 million of

notes during November and December 1993 with various interest rates and redemption and maturity dates. The debt securities are guaranteed by the Company on a subordinated basis. The net proceeds from the sale were used, in part, to reduce CBT's outstanding indebtedness which was incurred in December 1992 to redeem \$75 million of CBT's long-term debt.

(i) Off-Balance-Sheet Risk and Concentration of Credit Risk

The Company has entered into a foreign currency and interest rate swap agreement with Morgan Guaranty Trust Company of New York to reduce the impact of changes in interest rates and currency translation rates. At December 31, 1993, the Company had outstanding a currency and interest rate swap agreement with a notional principal amount of 225,000,000 French francs which will be swapped for approximately \$41.7 million in the year 2000. This agreement effectively changed the Company's interest rate exposure on a portion of its variable rate short-term borrowings to a long-term fixed rate and reduced the currency risk associated with non-U.S. dollar denominated assets.

The Company continually monitors its positions and the credit ratings of its contracting parties. While the Company may be exposed to credit losses in the event of nonperformance by its contracting parties, it does not expect to incur such losses.

(j) Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and cash equivalents, commercial paper and short-term notes payable - the carrying amount approximates fair value because of the short maturity of those instruments.

Long-term debt - the fair value of long-term debt is estimated based on the quotes for similar liabilities obtained from an underwriter.

Foreign currency and interest rate swap agreement - the fair value of foreign currency and interest rate swaps (used for hedging purposes) is the estimated amount that the Company would receive or (pay) to terminate the swap agreements at the reporting date, taking into account current currency translation and interest rates and the current credit-worthiness of the swap counterparty.

Cash and cash equivalents have both a carrying value and an estimated fair value of \$8.7 at December 31, 1993 and \$5.3 million at December 31, 1992.

Commercial paper and short-term notes payable have both a carrying value and an estimated fair value of \$109.6 million at December 31, 1993 and \$165.3 million at December 31, 1992.

Long-term debt had a carrying value of \$495.3 million and an estimated fair value of \$513.0 million at December 31, 1993. Long-term debt had a carrying value of \$351.0 million and an estimated fair value of \$358.8 million at December 31, 1992.

As described in note (i) the Company has entered into a foreign currency and interest rate swap agreement. At December 31, 1993 and 1992, if the Company had closed its position on this agreement, additional costs of approximately \$9.9 million and \$6.7 million, respectively, would have been incurred.

(k) Preferred Shares Subject to Mandatory Redemption

The Company is authorized to issue up to 4,000,000 voting preferred shares and 1,000,000 nonvoting preferred shares. On July 22, 1988, the Company issued to The Western and Southern Life Insurance Company ("Western-Southern") 1,578,948 7.25 percent Cumulative Convertible Voting Preferred Shares ("Voting Preferred Shares"), without par value, for \$38 per share.

On July 7, 1993, Western-Southern elected to convert the Voting Preferred Shares to common shares. The Company issued 3,157,896 common shares which increased Western-Southern's ownership of the Company's outstanding common shares to 6,627,696 shares or 10.2 percent of the shares then outstanding. Western-Southern's ownership of the Company's common shares has subsequently been reduced to 6,452,696 shares or 9.9 percent of the shares outstanding at December 31, 1993.

(l) Common Shares

The Company initiated programs to repurchase its common shares as market conditions warrant. As part of these programs, the Company repurchased 281,000 common shares for \$5.5 million in 1993, 322,000 common shares in 1992 for \$5.6 million, and 100,000 common shares in 1991 for \$1.8 million. The most recent program expired in December 1993.

SHARE PURCHASE RIGHTS PLAN

On November 5, 1986, the Company granted a dividend of one preferred share purchase right for each outstanding common share. The number of rights associated with each common share is subject to adjustment in certain situations, including a share split, share dividend or a combination of shares. At December 31, 1993, the number of rights associated with each common share was one quarter right.

Under certain conditions, each right entitles the holder to purchase one one-hundredth of a newly-issued Series A Preferred Share, without par value, for \$125. The rights may only be exercised or transferred apart from the common shares after a person or group has acquired 20 percent or more of the Company's common shares, or after commencement of a tender offer by a third party which would result in such person or group controlling 30 percent or more of the outstanding common shares of the Company. Thereafter, if the Company is the surviving corporation in a merger, or if an acquirer becomes the beneficial owner of more than 40 percent of the common shares of the Company, or in the event of certain self-dealing transactions between the acquirer and the Company, each holder of a right will be entitled to purchase common shares of the Company having a value equal to

two times the exercise price of the right. If the Company is not the surviving corporation in a merger, or if 50 percent or more of the Company's assets or earning power is sold or transferred, each holder of a right will be entitled to purchase common shares of the surviving company equal to two times the exercise price of the right. In either of these circumstances, any rights owned by the acquirer would be null and void. The rights, which expire on November 5, 1996, may be redeemed by the Company at a price of \$.01 per right at any time prior to ten days (or such longer period as the Board of Directors may determine) after the acquisition of 20 percent of the Company's common shares.

 (m) Stock Option and Other Incentive Plans

The Company has several incentive plans which allow for the granting of options, stock appreciation rights ("SARs") and other awards.

The Cincinnati Bell Inc. 1988 Long Term Incentive Plan provides for the granting of stock options, SARs in tandem with stock options or free standing, and other awards. Under the Plan, one percent of the Company's outstanding common shares as of the first day of each calendar year is available for grant in such year. All shares available for grant in any year which are not granted under the Plan shall be available for grant in subsequent years. The exercise price of any stock option or award will be the fair market value of the shares on the date of the grant. Options generally may be exercised no earlier than one year after the date of the grant and no later than ten years after the date of the grant. Under the Plan, exercise of either a related option or a related SAR cancels the other to the extent of such exercise. There were no SARs issued under the Plan during 1993, 1992, and 1991. Prior to the adoption of this plan, stock options were granted under the Cincinnati Bell Inc. 1984 Stock Option Plan, under which no new options can be granted.

The Cincinnati Bell Inc. 1988 Stock Option Plan for Non-Employee Directors provides for the granting of stock options to non-employee directors. Under this Plan, options to purchase the Company's common shares are granted at the fair market value of the shares on the date of the grant, for a term not to exceed ten years.

The Cincinnati Bell Inc. 1989 Stock Option Plan provides for the granting of stock options to certain employees. Options are granted at or greater than the fair market value of the shares at the grant date, with the term of the options not to exceed ten years.

Option transactions during 1993, 1992 and 1991 are summarized as follows:

Options	1993	1992	1991
-----	-----	-----	-----
Outstanding at beginning of year	1,972,135	1,483,354	1,058,709
Granted	923,050	717,725	644,985
Exercised	(239,245)	(102,194)	(102,900)
Cancelled	(123,112)	(126,750)	(117,440)

Outstanding at end of year	2,532,828	1,972,135	1,483,354
	-----	-----	-----
Exercisable at December 31	1,326,053	926,315	601,459
Price of options exercised	\$10.97-\$21.13	\$10.97-\$11.13	\$7.57-\$21.13
Exercise price of options outstanding	\$12.00-\$26.50	\$10.97-\$26.50	\$10.97-\$26.50

There were 4,049,000, 4,124,000 and 4,101,000 common shares available for granting of options under the Plans at December 31, 1993, 1992 and 1991, respectively. During 1993, 1992 and 1991, 5,500 shares, 1,000 shares and 45,000 shares, respectively, were granted as other awards under the 1988 Long Term Incentive Plan.

(n) Lease Commitments

The Company leases certain facilities and equipment used in its operations. Total rental expenses amounted to approximately \$71 million, \$67.6 million and \$62.4 million in 1993, 1992 and 1991, respectively.

At December 31, 1993, the aggregate minimum rental commitments under noncancelable leases for the periods shown, in thousands of dollars, are as follows:

Years	Operating Leases	Capital Leases
-----	-----	-----
1994	\$ 50,414	\$ 6,558
1995	42,218	4,737
1996	28,695	4,446
1997	20,471	4,431
1998	22,286	6,313
Thereafter	45,284	50,968
	-----	-----
Total	\$209,368	77,453
	-----	-----
Amount representing interest		47,467

Present value of net minimum lease payments		\$ 29,986

Capital lease obligations incurred were approximately \$5.8 million, \$9 million and \$14.2 million in 1993, 1992 and 1991 respectively.

(o) Quarterly Financial Information (Unaudited)

All adjustments necessary for a fair statement of income for each period have been included.

Thousands of Dollars				
Calendar Quarter	Total Revenues and Sales	Operating Income (Loss)	Net Income (Loss)	Earnings (Loss) Per Common Share
1993				
1st	\$ 262,467	\$ 31,197	\$ 20,827	\$.32
2nd	262,602	28,240	13,500	.20
3rd	277,357	32,185	15,645	.24
4th	287,211	(110,355)	(106,767)	(1.69)
Total	\$1,089,637	\$ (18,733)	\$ (56,795)	\$ (.93)
1992				
1st	\$ 290,242	\$ 30,010	\$14,451	\$.22
2nd	266,976	27,902	11,410	.16
3rd	268,223	26,318	10,783	.16
4th	276,007	6,960	(1,397)	(.04)
Total	\$1,101,448	\$ 91,190	\$ 35,247	\$.50

Fourth quarter 1993 results were affected by several significant charges as described in notes (b), (f) and (q). On a combined basis, these charges increased Net Loss by approximately \$108.6 million or \$1.72 per common share.

Net Income for the third quarter 1993 was reduced by \$2.8 million or \$.04 per common share because of capitalized software adjustments as described in note (f).

Net Income for the second quarter 1993 was reduced by \$2.0 million or \$.03 per common share charge recorded by Cincinnati Bell Supply to reduce the carrying amount of its inventory to net realizable value.

First quarter 1993 results include the \$6.5 million or \$.10 per common share gain on the sale of certain CBT businesses as described in note (q).

Fourth quarter 1992 results include extraordinary charges because of the

early redemption of CBT debentures as described in note (e). The charges reduced net income by \$2 million or \$.03 per common share. The results for the quarter also included special charges of \$7 million or \$.12 per common share for restructuring as described in note (b). CBIS also recorded charges of \$5.9 million or \$.09 per common share related to the write-off of the IRS contract acquisition costs and related expenses in the quarter.

Third quarter 1992 results include extraordinary charges because of the early redemption of the Company's notes as described in note (e). The charges reduced Net Income by

\$1.7 million or \$.03 per common share.

First quarter 1992 results include an increase in Net Income of \$3.1 million or \$.05 per common share resulting from an amendment to CBT's marketing agency agreement as described in note (q).

 (p) Additional Financial Information

Thousands of Dollars	Year Ended December 31	1993	1992	1991

Taxes other than income taxes:				
Property		\$39,065	\$39,869	\$34,583
Gross receipts		18,232	18,031	17,422
Payroll-related		33,085	32,460	35,331
Other		655	404	669
		-----	-----	-----
Total		\$91,037	\$90,764	\$88,005
		-----	-----	-----
Interest expense:				
Long-term debt		\$35,983	\$39,242	\$39,391
Notes payable and other		9,777	6,916	13,448
		-----	-----	-----
Total		\$45,760	\$46,158	\$52,839
		-----	-----	-----
Cash paid for:				
Interest (net of amount capitalized)		\$36,584	\$40,255	\$48,236
Income taxes		\$22,667	\$35,153	\$24,008
		-----	-----	-----

In November 1993, the Company finalized an agreement to acquire WATS Marketing of America ("WATS Marketing") from First Data Corporation. WATS Marketing provides inbound and outbound telephone marketing services and as been combined with MATRIX as part of the Marketing Services segment. The cost of the acquisition was \$67.8 million which includes the purchase price of \$63 million and \$4.8 million of related acquisition costs and working capital adjustments. The purchase was financed by the issuance of short-term debt. The purchase contract contains provisions that could increase the purchase price up to \$87.5 million if certain conditions are met. Any increases in the purchase price will be recorded as goodwill. This transaction was accounted for as a purchase and the resulting goodwill of \$45.6 million is being amortized over twenty years. In conjunction with this acquisition, \$7.6 million in liabilities were assumed. The operating results of WATS Marketing, which were not significant, are included in the accompanying Consolidated Statements of

Income since the date of acquisition.

In 1991, the Company also incurred additional costs related to 1990 acquisitions.

 (q) Cincinnati Bell Telephone Company

The following summarized financial information is for the Company's consolidated wholly owned subsidiary, Cincinnati Bell Telephone Company:

Thousands of Dollars	Year Ended December 31	1993	1992	1991
Revenues and sales		\$575,511	\$594,273	\$612,581
Costs and expenses		\$481,944	\$506,162	\$510,961
Net income		\$ 59,224	\$ 53,450	\$ 58,364

Thousands of Dollars	At December 31	1993	1992
Current assets		\$ 159,641	\$ 113,696
Telephone plant-net		900,141	895,259
Other noncurrent assets		32,161	24,686
Total assets		\$1,091,943	\$1,033,641
Current liabilities		\$ 139,438	\$ 199,239
Noncurrent liabilities		196,389	195,974
Long-term debt		310,500	184,959
Common shareowner's equity		445,616	453,469
Total liabilities and invested capital		\$1,091,943	\$1,033,641

Results in all four quarters of 1993 reflect a decrease in Operating Expenses and Plant and Building Services expenses as a result of CBT revising its vacation policy. The policy changed the period in which employees earn vacations. The change decreased Net Loss for the year by approximately \$3.9 million (\$.06 per common share).

CBT's results for 1993 include amounts accrued related to orders by the Federal Communications Commission ("FCC") to refund to interexchange carriers earnings in excess of the FCC's target range in the 1987-1988 monitoring period. CBT is appealing the FCC's order to the Federal Court of Appeals. The accruals reduced Network Access Revenues by approximately

\$6.6 million and increased Interest Expense by approximately \$4.2 million. These charges increased Net Loss by approximately \$7 million.

CBT's results for 1993 include a gain recorded in Other Income (Expense)-Net from the sale of the residential equipment leasing and PhoneCenter stores businesses to AT&T Consumer Products which reduced Net Loss by approximately \$6.5 million (\$.10 per common share).

Fourth quarter 1992 results include extraordinary charges because of the early redemption of CBT debentures as described in note (e). The charges reduced Net Income by approximately \$2 million (\$.03 per common share).

CBT's results for 1992 also include a gain recorded in Other Income (Expense)-Net from an amendment to the marketing agency relationship with AT&T which increased Net Income by approximately \$3.1 million (\$.05 per common share).

 (r) Business Segment Information

The Company operates primarily in three industry segments, Telephone Operations, Information Systems and Marketing Services. Telephone Operations provides telecommunications network services. Information Systems designs, markets, and manages information systems for telecommunications and general business needs. Marketing Services provides telephone marketing, research, fulfillment and data base services.

For the years ended December 31, 1993, 1992 and 1991, the Company's segment information is as follows:

Thousands of Dollars	Telephone Operations	Information Systems	Marketing Services	Corporate, Other and Eliminations	Consolidated

1993					
Revenues and sales to unaffiliated customers	\$ 552,531	\$ 309,684	\$ 107,780	\$ 119,642	\$1,089,637
Intersegment revenues and sales	\$ 22,980	\$ 46,876	\$ 415	\$ (70,271)	\$ --
Operating income (loss)	\$ 93,568	\$ (124,579)	\$ 2,018	\$ 10,260	\$ (18,733)
Assets	\$1,091,943	\$ 293,394	\$ 225,238	\$ 53,515	\$1,664,090
Capital additions (includes acquisitions)	\$ 111,595	\$ 40,053	\$ 73,726	\$ 10,037	\$ 235,411
Depreciation and amortization	\$ 99,179	\$ 46,977	\$ 8,422	\$ 3,937	\$ 158,515

1992					
Revenues and sales to unaffiliated customers	\$ 571,459	\$ 327,901	\$ 86,563	\$ 115,525	\$1,101,448
Intersegment revenues and sales	\$ 22,814	\$ 58,719	\$ 1,701	\$ (83,234)	\$ --
Operating income (loss)	\$ 88,111	\$ (11,833)	\$ 744	\$ 14,168	\$ 91,190
Assets	\$1,033,641	\$ 355,636	\$ 140,200	\$ 103,044	\$1,632,521
Capital additions	\$ 94,596	\$ 32,286	\$ 5,268	\$ 7,906	\$ 140,056
Depreciation and amortization	\$ 100,262	\$ 26,085	\$ 7,574	\$ 3,102	\$ 137,023

1991					
Revenues and sales to unaffiliated customers	\$ 590,299	\$ 288,865	\$ 84,610	\$ 100,913	\$1,064,687
Intersegment revenues and sales	\$ 22,282	\$ 62,850	\$ 1,726	\$ (86,858)	\$ --
Operating income (loss)	\$ 101,620	\$ 7,418	\$ (5,410)	\$ 14,236	\$ 117,864
Assets	\$1,109,511	\$ 438,042	\$ 145,696	\$ 49,885	\$1,743,134
Capital additions	\$ 115,931	\$ 57,623	\$ 11,576	\$ 8,218	\$ 193,348
Depreciation and amortization	\$ 88,554	\$ 34,796	\$ 6,341	\$ 2,159	\$ 131,850

Certain corporate administrative expenses have been allocated to segments based upon the nature of the expense. Assets are those assets used in the operations of the segment.

Certain reimbursable costs previously recorded as revenues in the Information Systems segment have been reclassified. This reclassification decreased revenues and operating expenses but had no effect on operating income (loss) for all periods presented.

During 1993, 1992 and 1991 the Information Systems segment had special charges of approximately \$102 million, \$10.5 million and \$6 million, respectively (see note (b)).

During November 1993, the Company acquired WATS Marketing. The results, assets and the cost of the acquisition are included in the Marketing Services segment (see note (p)).

(s) Contingencies

The Company is from time to time subject to routine complaints incidental to the business. The Company believes that the results of any complaints and proceedings will not have a materially adverse effect on the Company's financial condition.

(t) Major Customer

The Company derives significant revenue from AT&T by providing network services, information management systems and marketing services. During 1993, 1992, and 1991, revenues from AT&T accounted for 11.7 percent, 13.7 percent and 12.2 percent of consolidated revenues, respectively.

Exhibit 21
to
Form 10-K for 1993

Subsidiaries of the Registrant
(as of March 29, 1994)

Subsidiary -----	State of Incorporation -----
Cincinnati Bell Telephone Company	Ohio
Cincinnati Bell Information Systems Inc.	Ohio
CBIS Federal Systems Inc. *	Virginia
Cincinnati Bell Long Distance Inc.	Ohio
Cincinnati Bell Supply Company	Ohio
MATRIX Marketing Inc.	Ohio
Cincinnati Bell Properties Inc.	Kentucky
Cincinnati Bell Directory Inc.	Ohio
Cincinnati Bell Cellular Systems Company	Ohio

* Indirect subsidiary of Registrant and direct subsidiary of Cincinnati Bell Information Systems Inc.

CINCINNATI BELL INC.
CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statements of Cincinnati Bell Inc. on Form S-3 (File No. 33-39385), Form S-3 (File No. 33-42215), Form S-3 (File No. 33-54750), Form S-3 (File No. 33-62044), Form S-8 (File No. 33-29332), Form S-8 (File No. 33-3195), Form S-8 (File No. 33-1462), Form S-8 (File No. 33-1487), Form S-8 (File No. 33-15467), Form S-8 (File No. 33-23159), Form S-8 (File No. 33-29331), Form S-8 (File No. 33-36381), Form S-8 (File No. 33-36380), Form S-8 (File No. 33-39654), Form S-8 (File No. 33-43775), and Form S-14 (File No. 2-82253) of our report dated February 11, 1994 on our audits of the consolidated financial statements and financial statement schedules of Cincinnati Bell Inc. as of December 31, 1993 and 1992, and for each of the three years in the period ended December 31, 1993, which report is included in this Annual Report on Form 10-K.

/s/ COOPERS & LYBRAND

COOPERS & LYBRAND

Cincinnati, Ohio
March 29, 1993

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ Paul W. Christensen, Jr.

Paul W. Christensen, Jr.
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me Paul W. Christensen, Jr., to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ John F. Barrett

John F. Barrett
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me Paul John F. Barrett, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ William A. Friedlander

William A. Friedlander
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me William A. Friedlander, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ Raymond R. Clark

Raymond R. Clark
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me Raymond R. Clark, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ Phillip R. Cox

Phillip R. Cox
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me , to me Phillip R. Cox, known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter

referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ Robert P. Hummel

Robert P. Hummel
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me Robert P. Hummel, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ James D. Kiggen

James D. Kiggen
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me James D. Kiggen, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints

John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ David B. Sharrock

David B. Sharrock
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me David B. Sharrock, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute

and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ John T. LaMacchia

John T. LaMacchia
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me John T. LaMacchia, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Robert D. Lemmink

Notary Public
Robert Dale Lemmink, Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CINCINNATI BELL INC., an Ohio corporation (hereinafter referred to as the "Company"), proposes shortly to file with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder; an annual report on Form 10-K; and

WHEREAS, the undersigned is a director of the Company;

NOW, THEREFORE, the undersigned hereby constitutes and appoints John T. LaMacchia, Brian C. Henry, William H. Zimmer III and William D. Baskett III, and each of them singly, his attorneys for him and in his name, place and stead, and in his office and capacity in the Company, to execute and file such annual report on Form 10-K, and thereafter to execute and file any amendments or supplements thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do

if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of March, 1994.

/s/ Dwight H. Hibbard

Dwight H. Hibbard
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 7th day of March, 1994, personally appeared before me Dwight H. Hibbard, to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 7th day of March, 1994.

/s/ Mary Lou Parker

Notary Public
Mary Louise Parker
Notary Public, State of Ohio
My Commission Expires August 19, 1997