FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] 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, 1995

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

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At February 29, 1996, there were 66,923,079 common shares outstanding.

At February 29, 1996, the aggregate market value of the voting shares owned by non-affiliates was $2,175,608,733.

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 X No

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, 1995 (Parts I, II and IV)

(2) Portions of the registrant's definitive proxy statement dated March 14, 1996 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. Its principal subsidiaries are divided into three industry segments. The telephone operations segment, Cincinnati Bell Telephone Company ("CBT"), provides telecommunications services and products, mainly local service, network access and toll telephone services in the Greater Cincinnati area. The information systems segment, Cincinnati Bell Information Systems Inc. ("CBIS"), provides data processing and software development services primarily to the telecommunications industry in the United States. The marketing services segment, MATRIXX Marketing Inc. ("MATRIXX"), provides telephone marketing, research, fulfillment and database services. Other businesses 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.

TELEPHONE OPERATIONS

GENERAL. CBT is engaged principally in the business of furnishing telecommunications services and products, mainly local service, network access and toll telephone services, in four counties in southwestern Ohio, six counties in northern Kentucky and parts of two counties in southeastern Indiana. On December 31, 1995, CBT had approximately 906,000 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 calling 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 AT&T Corp. ("AT&T") and also sells products of other companies.

CBT's local exchange, network 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 access lines provided by CBT to customer premises can be interconnected with the access 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				
	1995	1994	1993	1992	1991
Network Access Lines	906	877	848	827	808

Recurring charges for network access lines and other local services for the year ended December 31, 1995 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 the Public Utilities Commission of Ohio (the "PUCO") and the Public Service Commission of Kentucky (the "PSCK"). Approximately 77% of CBT's 1995 revenues were derived from intrastate service. Approximately 82% of 1995 intrastate revenues were derived from Ohio service, approximately 18% were derived from Kentucky service and minor amounts were derived from Indiana and other states service. Of the total 1995 intrastate revenues, local service accounted for approximately 73%, intrastate long distance service and network access accounted for approximately 11% and miscellaneous revenue accounted for approximately 16% of such revenues.

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 alternate forms of regulation for competitive services and basic service rates. CBT filed for a threshold increase in rates together with an alternative regulation proposal in 1993. Thereafter, CBT and the intervenors signed a settlement agreement which was approved by the PUCO on May 5, 1994 approving an alternative regulation plan and increasing revenues by $11.9 million annually or 3.75% on Ohio regulated services. The alternative regulation provisions and new rates became effective May 6, 1994. CBT's authorized rate of return on capital is 11.18%, but CBT can earn up to 11.93% in a monitoring period without any retargeting of rates. Earnings higher than 11.93% will trigger a revenue retargeting formula. This formula will allow for certain adjustments in the subsequent annual monitoring period. This alternative regulation plan provides increased pricing flexibility in some areas, which allows CBT to be more responsive to customers and the market.

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.

In October 1994, CBT filed a proposal with the PSCK for new regulated rates for telephone services provided to its Kentucky customers. This proposal sought to continue uniform rates for basic service in CBT's Kentucky and Ohio metropolitan service areas and annually increase revenues by $3.4 million. By an order dated May 23, 1995, the PSCK ordered reductions in certain rates for vertical services such as touch tone, the establishment of extended area service in the three southern counties in CBT's Kentucky operating territory and maintained rate uniformity with CBT's Ohio rates.

INTERSTATE RATES. Approximately 23% of CBT's 1995 revenues were 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, revenues, 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 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 United States 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. On August 1, 1995 the United States Court of Appeals for the District of Columbia Circuit issued an opinion upholding the FCC order awarding damages and reversing the FCC's allowance of offsets between different monitoring categories. CBT and other affected carriers have filed a petition with the United States Supreme Court seeking review of the lower court's decision.

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 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). Residential and single line business Subscriber Line Charges have a cap of $3.50 and multi-line customers' Subscriber Line Charges have a $6.00 cap. The Carrier Common Line rate recovers the remaining non-traffic sensitive costs.

For interstate services, CBT began to operate under an Optional Incentive Regulation ("OIR") plan in January 1994. This is an alternative form of regulation (i.e. departure from traditional rate of return regulation) for small and mid-sized companies. Under OIR more emphasis is placed on price regulation similar to price caps. Every two years CBT compares actual return with authorized rate of return, currently 11.25%. In addition, CBT has some pricing flexibility. Rate changes can become effective on a 14-day notice without cost support if the rate changes do not increase "aggregate service basket" rates. New services can be offered on a 14-day notice without cost support if CBT sets rates no higher than a geographically adjacent price cap local exchange carrier. This allows CBT to be more responsive to customers and the market.

In January 1994, CBT completed a successful triennial depreciation represcription with regulators from the FCC, the PUCO and the PSCK. The new depreciation rates were effective January 1, 1994 in the interstate and Kentucky jurisdictions, and were effective July 1, 1994 in the Ohio jurisdiction.

COMPETITION. Customer demands, technology, the preferences of policy makers and the convergence of other industries with the telecommunications industry are causes for increasing competition in the telecommunications industry for CBT. 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. Moreover, recent federal and state initiatives to accelerate the development of competition in all segments of the telecommunications industry are likely to heighten the competitive pressures facing CBT.

At the federal level, Congress recently passed the Telecommunications Act of 1996 (the "Act") which mandates the development of competitive markets. Under the Act, incumbent local exchange carriers like CBT are required to interconnect with the networks of other service providers, unbundle certain network components and make them available to competing providers at wholesale rates, and remove other perceived barriers to competitive entry by alternative providers of local exchange service. While the Act clearly mandates these and other requirements, it does so in very general terms and leaves it to the FCC and the states to implement them. Thus, the full impact of the Act on CBT will not be known until the FCC and the states complete the numerous rulemakings mandated by the Act. The Act contains a provision that allows local exchange carriers serving fewer than 2% of the nation's access lines to petition their state commissions to delay certain requirements of the Act. CBT falls within this 2% threshold and is currently evaluating this option. CBT plans to participate actively in any FCC proceeding that will have an impact on its rights or obligations under the Act.

At the state level, the PUCO has initiated a generic rulemaking proceeding to establish rules to govern the introduction of local exchange competition. On September 27, 1995, the PUCO issued an entry inviting interested parties to file comments on a set of proposed rules developed by the staff of the PUCO. CBT has filed comments on those proposed rules. It is expected that the PUCO will issue its rules during the second quarter of this year. The PSCK has initiated a similar proceeding in Kentucky. CBT is actively participating in that proceeding.

In addition to initiating the above-mentioned generic rulemaking proceeding, the PUCO, on August 24, 1995, issued an order granting Time Warner Communications of Ohio, L.P. ("TWCO") a certificate of public convenience and necessity to provide basic local exchange service in CBT's operating territory. TWCO's ability to begin operations pursuant to that certificate has been postponed until the PUCO approves TWCO's tariffs. Such tariff approval is vaguely tied to issues under consideration in a separate proceeding being conducted by the PUCO to establish rules to govern the implementation of local exchange competition. CBT believes the PUCO exceeded its statutory authority by granting TWCO a certificate and has filed an appeal of the PUCO's order with the Ohio Supreme Court. MCI Metro Access Transmission Services, Inc. and MFS Intelenet of Ohio, Inc. have also been granted certificates to provide basic local exchange service in Ohio, although not in CBT's operating territory. Other entities requesting similar authority in Ohio include: AT&T Communications of Ohio, Inc., ICG Access Services, Inc., and CableVision Lightpath, Inc.

Other means of communications that permit bypass of CBT's local exchange facilities either completely or partially are available and are increasing, although CBT is unable to determine precisely to what extent CBT's facilities are being bypassed. Alternative access providers, cable companies and wireless providers have all made clear their intent to compete for segments of the local exchange business. 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 include small service bureaus, large interexchange carriers and multi-state cellular companies, joint ventures and other combinations of telecommunications and other companies.

The effect of this competition on CBT will ultimately be determined by federal and state regulatory, legislative, and court actions and the type, quality and cost of CBT's services. CBT continues to adjust its position in this rapidly changing and convergent environment. For example, CBT is redesigning and streamlining its processes and work activities to improve responsiveness to

customer needs, permit more rapid introduction of new products and services, improve the quality of products and service offerings, and reduce costs. In addition, 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 Dialing and Number Privacy.

If regulatory agencies require new competitors to follow long-held principles such as universal service, CBT believes that it will be well positioned to meet the demand of the changing market. If regulatory agencies allow competitors to skim the market, taking only the most profitable customers, CBT believes that it will be more difficult for it to maintain current revenue and profit objectives.

INFORMATION SYSTEMS

GENERAL. CBIS provides customer care and billing services to the communications industry, and is the leading supplier of billing systems to the cellular telecommunications industry. CBIS also provides network systems services primarily to international markets. CBIS's headquarters are in Cincinnati, Ohio. Domestically, CBIS also has offices in Orlando, Florida; Chicago, Illinois; Fairfax, Virginia; Coral Springs, Florida; and Atlanta, Georgia. Internationally, CBIS maintains offices in both Slough and Bristol, England; Bern, Switzerland; and Utrecht, The Netherlands.

During 1995 CBIS made two acquisitions. In December, CBIS acquired Information Systems Development ("ISD"), a developer of advanced billing systems for the cable television industry. This acquisition strengthened and broadened CBIS's position in customer care and billing for the communications industry to include cable television. As a result, CBIS now owns CableMaster 2000-TM-, a multi-service billing system in the cable industry, and services clients that include some of the larger cable systems operated by Cox Communications, Comcast and Time Warner. In March, CBIS acquired X International ("XI"), an established information technology company located in Bristol, England, that provides customer care and billing software for a wide range of telecommunications companies.

CBIS serves clients principally by processing data and creating bills using proprietary software. CBIS provides and manages billing systems in a service bureau environment where its extensive experience can result in demonstrable advantages to clients. These advantages include the freedom to concentrate on core competencies, predictable costs, information management expertise and access to advanced technology without capital expense. CBIS provides these services primarily through long-term contracts ranging in length from three to ten years.

CBIS provides data processing services from data centers located in Cincinnati, Ohio and Orlando, Florida. CBIS computers process over 140 million transactions and over 12 million bills per month. CBIS's goal is to provide state-of-the-art facilities that will provide reliability and responsiveness. CBIS expects to complete construction of a new, state-of-the-art facility in Orlando, Florida, housing both a hardened data center and an office complex by

July 1996. This will give CBIS the ability for each data center to backup the other with on-line and disaster recovery coldsite capabilities. This project will result in a major expansion of capacity -- sharply increasing the processing power of CBIS's mainframe computers and nearly doubling the data center's information storage capacity. The combined processing power will exceed 1.6 billion instructions per second, and storage capacity contained in additional disk access storage devices will be nearly 9 trillion bytes of data.

In addition, CBIS has improved fault tolerance through the installation of redundant uninterruptable power supplies and through the development of detailed, company-wide disaster recovery plans, including enhanced backup and recovery processes.

MARKETS. CBIS's largest market is cellular telecommunications, which has been growing in excess of 30 percent per year. CBIS has been the market leader of billing systems to the cellular industry for more than 10 years and has gained experience with many of the top cellular carriers. CBIS systems generate bills for cellular telephone customers in 23 of the 25 largest United States metropolitan areas. CBIS's service bureaus handled approximately 30 percent of the United States cellular market in 1995 and, overall, CBIS systems supported nearly 50 percent of the United States cellular market. CBIS's revenue from cellular clients has increased from $144 million in 1993 to $198 million in 1994 and to $257 million in 1995.

CBIS's domestic clients are primarily cellular telephone providers and their resellers, cable television operators, interexchange carriers, independent telephone companies and regional Bell operating companies. Internationally, CBIS's clients primarily include Post, Telegraph and Telephone organizations, mobile telecommunications providers and their resellers, and new competing networks. In the United Kingdom, CBIS Ltd. is an ISO-9001 certified supplier with TickIT accreditation.

CBIS expects that increased competition and the introduction of new services will contribute to continuing growth in telecommunications. Carriers will need billing and customer care systems that address customer loyalty, customer care, and marketing. Deregulation and convergence will further drive the need for complex, but flexible marketing-oriented billing services and systems.

The primary business needs of the carriers across market segments will focus on acquiring and retaining customers, decreasing time-to-market for services, increasing revenues through new services, and improving cost efficiencies. As a result, carriers will need to provide individual and consolidated billing and address the diversity of billing and customer care needs by service and market.

The United States communications industry alone represents a sizable opportunity. The domestic market for billing and customer care systems in 1995 for services like those offered by CBIS is estimated to be over $5 billion. The international market for these billing and customer care services in 1995 is estimated to be nearly $6 billion.

COMPETITION. The telecommunications information systems and services market is becoming increasingly competitive. Competition is based mainly on product quality, performance, price and the quality of client service. CBIS's competitors include Alltel Information Services, AMDOCS, AMS, Andersen Consulting, CSC and EDS, as well as, near-market players, and niche vendors. In addition, CBIS's clients and potential clients are generally large companies with substantial resources and are capable of providing such services for themselves.

PRODUCT DEVELOPMENT AND SUPPORT. CBIS designs and develops both mainframe and client server software. Changes in client requirements, increasing competition and the development of new products and markets create the need to continually update and modify existing software and systems offered to clients. CBIS intends to continue to maintain, improve and expand the functions and capabilities of its software products over the next several years.

CBIS's new flagship product is its Precedent 2000-TM- system, which is a third-generation family of business management systems for the wireless industry. It features an open system distributed processing approach to computing, and employs graphical user interfaces, real-time processing, and relational database technologies. CBIS is generating billing information for cellular customers under a beta trial of Precedent 2000. CBIS will continue to develop this system through 1996.

OTHER. CBIS primarily conducts its business under long-term contracts (three to ten years) and has generally been successful in retaining its clients. Due to the nature of its business, CBIS must stay competitive to receive new bids. Through new contracts and extensions of existing relationships, CBIS has over 86% of its revenues coming from long-term customer relationships. In 1995 CBIS signed a five-year extension of its billing agreement with AT&T for business calling card services. In 1994 CBIS signed a 5 1/2 year contract with McCaw Cellular Communications Inc. (now known as AT&T Wireless Services). In addition, CBIS had several smaller contracts renewed in both 1994 and 1995. CBIS's business with AT&T for residence card services was phased down in the latter part of 1995. Also, one of CBIS's clients, representing about 5% of its business, indicated that it may transition to another provider of billing services no sooner than early 1997. The impact of these phase-outs, if fully implemented and not offset by new contracts, might be to slow future growth. The ISD acquisition allows CBIS to enter the large, growing market of billing for cable television and broadband services. While pursuing new opportunities, CBIS must continue to focus on the needs of its existing client base. A contract non-renewal from a significant client could have a material impact on the future earnings of CBIS.

MARKETING SERVICES

GENERAL. MATRIXX is a provider of telephone marketing and related marketing services. MATRIXX's headquarters are in Cincinnati, Ohio. MATRIXX operates domestically in Salt Lake City, Ogden and Cedar City in Utah; Colorado Springs and Pueblo in Colorado; Tucson, Arizona; Neenah, Wisconsin; and also in Omaha, Nebraska. MATRIXX also has offices in Paris, France and Newcastle, England. MATRIXX's clients include large companies with growing needs for outsourcing and cost effective means of contacting and servicing current and prospective customers. The majority of MATRIXX's customers come from the telecommunications, financial services, consumer products, high technology and direct marketing industries. MATRIXX 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, business-to-business telephone marketing, marketing research, fulfillment, database management, and facilities management. MATRIXX operates over 6,000 computerized workstations in its 16 call centers located in the United States and Europe.

MATRIXX's inbound and outbound telephone marketing services enable clients to manage high volumes of inbound and outbound customer contacts in an environment of shared resources and also increases market awareness with rapid response to consumer requests for information or services. MATRIXX also designs customized client systems for consumer markets with dedicated staff and services uniquely tailored to the needs of each client. Its business-to-business telephone marketing provides sales and customer service personnel who act as the sales arm and/or marketing service representatives for their clients. They take orders, sell by telephone and provide information about clients' promotion plans, quantity discounts and new products, both to retailers and distributors.

MATRIXX's marketing research services assist clients in finding and qualifying customers before they offer a new product or service to the market. By offering full service marketing research, MATRIXX can support its clients in their strategic planning and tactical decision-making processes.

MATRIXX's international operations offer business-to-business and business-to-consumer telephone marketing, including toll-free services, direct response services and facilities management.

COMPETITION. The telephone marketing agency business in the United States is highly competitive and highly fragmented, with MATRIXX's competitors ranging in size from very small firms offering special applications or short-term projects to large independent firms and "in-house" operations of potential client companies with size and capabilities equal to or greater than those of MATRIXX. The continued trend in the outsourcing of telephone marketing is important for MATRIXX's continued growth. 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. MATRIXX believes the principal competitive factors in the telephone marketing and related marketing services industry are reputation for quality, sales and marketing results, price, technological expertise, and the ability to promptly provide clients with customized systems for their customer service, sales and marketing needs.

OTHER BUSINESSES

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

CBLD is a reseller of long distance telecommunications services. CBLD sells high-quality, competitively-priced long distance services and products to residential customers and small to medium-sized businesses in Ohio, Indiana, Kentucky, Western Pennsylvania and Michigan. CBLD also provides paging, voice messaging, enhanced fax services and conference calling.

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.

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

The Company (through its wholly owned subsidiary, Cincinnati Bell Cellular Systems Company) is a limited partner with a 45% interest in a limited partnership, Cincinnati SMSA Limited Partnership ("CSLP") (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".

COMPETITION. CBLD, CBD 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 needs of their customers.

CSLP presently competes with a single wireless service provider, Airtouch, doing business as Cellular One-Registered Trademark-. However, the FCC has initiated auctions of wireless spectrum which can be used for competitive services. Two licenses have been awarded to AT&T and GTE, and four additional licenses will be awarded soon. The new businesses will provide a service known as PCS which may be superior in capacity and transmission quality to that offered by CSLP, using digital instead of analog technology. It's anticipated that the new competitors will begin service by reselling existing cellular services until their facilities have been constructed.

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 and services from AT&T and its affiliates or derive significant revenues from AT&T and its affiliates by providing to them network, data processing, software development, and marketing services. During 1995, the Company's revenues from AT&T and its affiliates were approximately $345 million or 26% of the Company's consolidated revenues. Excluding network access revenues, revenues from AT&T and its affiliates were approximately $294 million or 22% of the Company's consolidated revenues. The Company purchased approximately $69 million of goods and services from AT&T and its affiliates.

CBT and AT&T are discussing whether to revise portions of the companies' agreement governing their joint provision of certain telecommunications services. Revenues subject to discussion represent substantially less than 10% of CBT's revenues, but portions of the contract provide above-average profit contribution. The discussions are in a preliminary stage and their outcome cannot be predicted. The worst case scenario, which is not expected, could have a significant impact on CBT's earnings beginning in mid-1996. The discussions do not involve AT&T's relationships with other Company subsidiaries.

CAPITAL ADDITIONS

The Company has been making large expenditures for construction of telephone plant and investments in its existing subsidiaries and new businesses. As a result of these expenditures, the Company expects to be able to introduce new products and services, respond to competitive challenges and increase its operating efficiency and productivity.

The following is a summary of capital additions for the years 1991 through 1995:

DOLLARS IN MILLIONS

	Telephone Plant Construction	Investments in Existing Subsidiaries and New Businesses	Total Capital Additions
1995	$ 90.3	$ 76.5	$ 166.8
1994	$ 112.8	$ 43.4	$ 156.2
1993	$ 111.6	$ 123.8	$ 235.4
1992	$ 95.0	$ 45.1	$ 140.1
1991	$ 115.9	$ 77.4	$ 193.3

The total investment in telephone plant increased from approximately $1,296 million at December 31, 1990 to approximately $1,503 million at December

31, 1995, after giving effect to retirements but before deducting accumulated depreciation at either date.

Capital additions in 1996 by the Company and its subsidiaries are anticipated to be approximately $145 million, with approximately $90 million designated for telephone plant.

EMPLOYEES

At December 31, 1995 the Company and its subsidiaries had approximately 15,100 employees. CBT and CBIS had approximately 2,200 employees 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. Negotiations with representatives of the CWA began in March 1996, and the outcome cannot be determined at this time.

In the first quarter of 1995, the Company approved a restructuring plan for CBT and the Company. The restructuring plan results in the need for fewer people to operate the businesses. The reduction in CBT's work force is the result of the offer of early retirement incentives to eligible employees. More than 1,300 employees accepted the early retirement offer, including 1,000 hourly employees. At the end of 1995, approximately 250 management and 450 hourly employees had retired. The Company has the option to delay the retirement date of the hourly employees until March 31, 1997.

BUSINESS SEGMENT INFORMATION

The amounts of revenues, operating income, assets, capital additions, depreciation and amortization attributable to each of the business segments of the Company for the year ended December 31, 1995 are set forth in the table relating to business segment information in Note 18 of the Notes to 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 telephone plant which does not lend itself to description by character and location of principal units. Other property of the Company is principally computer equipment, computer software, furniture and fixtures.

The gross investment in telephone plant and other property, in millions of dollars, at December 31, 1995 was as follows:

Telephone Plant	
Land, buildings and leasehold improvements	$ 192.0
Central office equipment	573.6
Connecting lines (not on customer premises)	560.9
Station equipment	75.2
Furniture, fixtures, vehicles and other	93.4
Telephone plant under construction	8.3
Total telephone plant	1,503.4

Other Property	
Information systems	182.2
Marketing services	62.0
Other	38.3
Total other property	282.5
Total	$1,785.9

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, some of which are included in capitalized leases.

On March 20, 1996, the Company sold to a third party a 112,000 square foot building in Erlanger, Kentucky, which was a training and education facility.

In March 1995, CBIS entered into a build-to-suit lease agreement for a new office building and data center in Orlando, Florida. Under the terms of the agreement, the lease is a 15 year lease term with four 5-year renewal options. The office building will contain 125,000 square feet and the data center will be in a separate building of 60,000 square feet. The annual base rent will be approximately $3.7 million for an initial total commitment of $55.5 million over the 15 year term.

CBIS, MATRIXX 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 five 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 because of poor performance. On October 20, 1995, CBCSC filed a motion for summary judgment on certain counts and Ameritech filed a Motion for Summary Judgment on another count. The Court has not yet decided these motions, but the Court did issue an Order requesting that the parties brief certain additional issues. CINCINNATI BELL CELLULAR SYSTEMS COMPANY V. AMERITECH MOBILE PHONE SERVICE OF CINCINNATI, INC., ET AL.

In connection with the above-described litigation, recent changes in the structure of the telecommunications industry, including the enactment of the Telecommunications Act of 1996, have positioned the partnership in direct competition with its two major partners, including the Company, creating irreconcilable conflicts of interest among them. The Company has pursued this litigation to maximize the value of this asset for the benefit of the shareholders. There are many possible outcomes of the litigation. The potential impact of a settlement from the lawsuit is an extremely broad range depending upon the form of distribution and the amount of damages awarded. At this time, the Company believes that it will recover its approximately $50 million investment in the partnership as of February 29, 1996.

On October 4, 1995, the Department of Agriculture filed a claim for approximately $4 million allegedly representing damages incurred as a result of a latent defect in the work that CBIS performed under Task 1A of a Task Order Contract with the Department of Agriculture. The Company is in the process of appealing this claim to the Court of Federal Claims. Related to this claim, on January 16, 1996, DynCorp pursuant to the provisions of a Stock Purchase Agreement dated October 31, 1994, and as amended May 30, 1995, in which DynCorp purchased 100% of the outstanding capital stock of CBIS Federal Inc., filed demand for arbitration under the procedures of the American Arbitration Association. DynCorp's demand for arbitration seeks damages and other relief as follows: $2.5 million for monies withheld by the United States Government on certain Department of Agriculture task order contracts, a declaration that CBIS must indemnify DynCorp for additional claims or losses on certain government contracts, an award of $5 million in punitive damages, and fees and expenses relating to the arbitration proceedings.

AT&T Corp. filed a collection action in the United States District Court, Southern District of Ohio, Western Division, to collect damages awarded by the Federal Communications Commission requiring 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 moved to dismiss this action on the grounds that AT&T may be barred from collecting such amounts due to the expiration of the statute of limitations. AT&T CORP. V. CINCINNATI BELL TELEPHONE CO.

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

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

EXECUTIVE OFFICERS OF THE REGISTRANT (DURING 1995).

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

Name	Age (as of 3/31/96)	Title
Dwight H. Hibbard (a,b)	72	Chairman of the Board
John T. LaMacchia (a,b)	54	President and Chief Executive Officer
Raymond R. Clark (c)	58	Former Executive Vice President of the Company and President and Chief Executive Officer of CBT
Brian C. Henry	39	Executive Vice President and

		Chief Financial Officer
David S. Gergacz (d)	47	Executive Vice President of the Company and President and Chief Executive Officer of CBT
James F. Orr	50	Executive Vice President of the Company and President and Chief Executive Officer of CBIS
William H. Zimmer III	42	Secretary and Treasurer
William D. Baskett III	56	General Counsel and Chief Legal Officer
David F. Dougherty	41	President and Chief Executive Officer of MATRIXX
Barbara J. Stonebraker	51	Senior Vice President of CBT
Barry L. Nelson	49	President and Chief Executive Officer of CBLD

(a) Member of the Board of Directors

(b) Member of the Executive Committee

(c) Served as Executive Vice President of the Company and President and Chief Executive Officer of CBT until July 31, 1995.

(d) Mr. Gergacz was elected President and Chief Executive Officer of CBT effective August 1, 1995.

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

DWIGHT H. HIBBARD, Chairman of the Board since January 1, 1985; Chief Executive Officer of the Company, 1985-September 30, 1993; Chairman of Cincinnati Bell Telephone Company, 1985-October 31, 1993. Director of 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 Information Systems Inc. since October 1988. Director of The Kroger Company.

RAYMOND R. CLARK, Executive Vice President of the Company, January 1, 1987 - July 31, 1995; Chief Executive Officer of Cincinnati Bell Telephone Company, January 1, 1988 - July 31, 1995; President of Cincinnati Bell Telephone Company, January 1, 1987 - July 31, 1992. Director of Star Banc Corporation, Ohio National Life Insurance Company 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.

DAVID S. GERGACZ, Executive Vice President of the Company since August 1, 1995; President and Chief Executive Officer of Cincinnati Bell Telephone Company since August 1, 1995. President and Chief Executive Officer of Rogers Communications/Cantel, 1993-1995; President and Chief Executive Officer of Boston Technology 1991-1993; President and Chief Operating Officer of Network Systems Division of U.S. Sprint, 1988-1991.

WILLIAM H. ZIMMER III, Secretary and Treasurer of the Company since August 1, 1991; Secretary and Assistant Treasurer of the Company, December 1, 1988-July 31, 1991.

JAMES F. ORR, Executive Vice President of the Company since June 1, 1995; President and Chief Executive Officer of Cincinnati Bell Information Systems Inc. since January 1, 1995; Chief Operating Officer of CBIS, February 4, 1994-December 31, 1994; President and Chief Executive Officer of MATRIXX Marketing Inc., January 1, 1993-December 31, 1994; Vice President-Market Development, January 1, 1989-December 31, 1992.

DAVID F. DOUGHERTY, President and Chief Executive Officer of MATRIXX Marketing Inc. since January 1, 1995; Senior Vice President and Chief Operating Officer U.S. Operations, January 1, 1993 - December 31, 1994; President of the Consumer Division, January 1, 1991 - December 31, 1992.

BARRY L. NELSON, Chief Executive Officer of Cincinnati Bell Long Distance Inc. since January 1, 1995; President since May 1, 1987.

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

BARBARA J. STONEBRAKER, Senior Vice President of Cincinnati Bell Telephone Company since 1990.

PART II

ITEM 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 29, 1996 there were approximately 19,664 holders of record of the 66,923,079 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
1995	High	$22 1/8	$26 1/4	$28 1/8	$35 1/4
	Low	$16 7/8	$20 7/8	$24 3/4	$26 1/8
	Dividend Declared	$ .20	$ .20	$ .20	$ .20
1994	High	$18 7/8	$17 1/2	$20 1/8	$19 1/2
	Low	$15 1/2	$15 3/8	$16	$16 3/4
	Dividend Declared	$ .20	$ .20	$ .20	$ .20

ITEMS 6 THROUGH 8.

The Selected Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations, and Financial Statements and Supplementary Data required by these items are included in the registrant's annual report to security holders for the fiscal year ended December 31, 1995 included in Exhibit 13 and are 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 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, 1996 in the first paragraph on page 2, the accompanying notes on page 2 and the last paragraph on page 2, the information under "Election of Directors" on pages 6 and 7, the information under "Share Ownership of Directors and Officers" on page 5, the information under "Executive Compensation" on page 11 through 16, 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).

PART IV

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

(a) Documents filed as part of this report:

Financial statements and financial statement schedules other than that 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, 1995. (See Part II)

(3) Exhibits

Exhibits identified in parenthesis 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 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)(ii) to Form 10-K for 1992, File No. 1-8519.
	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 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 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)(ii) above.

(4)(c)(iii)	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)(iv)	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.
(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 January 1, 1995.
(10)(iii)(A)(2)*	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)(3)*	Cincinnati Bell Inc. Pension Program, as amended effective (November 4, 1991). (Exhibit (10)(iii)(A)(4)(ii) to Form 10-K for 1994, File No. 1-8519).
(10)(iii)(A)(4)*	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)(5)(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)(5)(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)(6)*	Agreement dated February 1, 1994 between the Company and Dwight H. Hibbard. (Exhibit (10)(iii)(A)(8)(iii) to Form 10-K for 1993, File No. 1-8519).
(10)(iii)(A)(7)*	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)(8)*	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)(9)*	Employment Agreement dated as of July 17, 1995 between the Company and David S. Gergacz.

(10)(iii)(A)(10)*	Employment Agreement dated as of January 1, 1995 between the Company and Barry L. Nelson.
(10)(iii)(A)(11)*	Employment Agreement dated as of January 1, 1995 between the Company and David F. Dougherty.
(10)(iii)(A)(12)*	Amendment to Employment Agreement dated as of January 1, 1995 between the Company and David F. Dougherty.
(10)(iii)(A)(13)*	Executive Employment Agreement dated as of March 29, 1993 between the Company and Brian C. Henry. (Exhibit (10)(iii)(A)(14) to Form 10-K for 1993, File No. 1-8519).
(10)(iii)(A)(14)(i)*	Employment Agreement dated as of August 19, 1994 between the Company and James F. Orr. (Exhibit (10)(iii)(A)(17)(i) to Form 10-K for 1994, File No. 1-8519).
(10)(iii)(A)(14)(ii)*	Amendment to Employment Agreement dated as of October 31, 1994 between the Company and James F. Orr. (Exhibit (10)(iii)(A)(17)(ii) to Form 10-K for 1994, File No. 1-8519).
(10)(iii)(A)(15)*	Employment Agreement dated as of December 30, 1994 between Cincinnati Bell Telephone Company and Barbara J. Stonebraker. (Exhibit (10)(iii)(A)(18) to Form 10-K for 1994, File No. 1-8519).
(10)(iii)(A)(16)(i)*	Cincinnati Bell Inc. Executive Deferred Compensation Plan. (Exhibit (10)(iii)(A)(17) to Form 10-K for 1993, File No. 1-8519).
(10)(iii)(A)(16)(ii)*	Amendment to Cincinnati Bell Inc. Executive Deferred Compensation Plan effective January 1, 1994. (Exhibit (10)(iii)(A)(20)(ii) to Form 10-K for 1994, File No. 1-8519).
(10)(iii)(A)(17)(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)(17)(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)(18)*	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)(19)*	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)(20)*	Cincinnati Bell Inc. Retirement Plan for Outside Directors. (Exhibit (10)(iii)(A)(21) to Form 10-K for 1993, File No. 1-8519).
(11)	Computation of Earnings (Loss) 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, 1995 as incorporated by reference including the Selected Financial Data, Report of Management, Report of Independent Accountants, Management's Discussion and Analysis and Consolidated Financial Statements.
(21)	Subsidiaries of the Registrant.
(23)	Consent of Independent Accountants.
(24)	Powers of Attorney.
(27)	Financial Data Schedules.
(99)(a)	Annual Report on Form 11-K for the Cincinnati Bell Inc. Retirement Savings Plan for the year 1995 will be filed by amendment on or before June 30, 1996.
(99)(b)	Annual Report on Form 11-K for the Cincinnati Bell Inc. Savings and Security Plan for the year 1995 will be filed by amendment on or before June 30, 1996.
(99)(c)	Annual Report on Form 11-K for the MATRIXX Marketing Inc. Profit Sharing/401(k) Plan for the year 1995 will be filed by amendment on or before June 30, 1996.
(99)(d)	Annual Report on Form 11-K for the CBIS Retirement and Savings Plan for the year 1995 will be filed by amendment on or before June 30, 1996.

....

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

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.

No reports on Form 8-K were filed during the last quarter of the period covered by this report.

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 28, 1996

By /S/ JAMES M. DAHMUS

James M. Dahmus,
Vice President and
Controller

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* - ------------------ John T. LaMacchia	Principal Executive Officer; President, Chief Executive Officer and Director	
BRIAN C. HENRY* - --------------- Brian C. Henry	Principal Accounting and Financial Officer; Executive Vice President and Chief Financial Officer	
JOHN F. BARRETT* - ---------------- John F. Barrett	Director	
PHILLIP R. COX* - --------------- Phillip R. Cox	Director	
WILLIAM A. FRIEDLANDER* - ---------------------- William A. Friedlander	Director	
DWIGHT H. HIBBARD* - ------------------ Dwight H. Hibbard	Chairman of the Board and Director	
ROBERT P. HUMMEL, M.D.* - ---------------------- Robert P. Hummel, M.D.	Director	
JAMES D. KIGGEN*	Director	

- ----------------
James D. Kiggen

SIGNATURE	TITLE	DATE
CHARLES S. MECHEM, JR.* - ------------------------- Charles S. Mechem, Jr.	Director	
MARY D. NELSON* - ---------------- Mary D. Nelson	Director	
DAVID B. SHARROCK* - ------------------- David B. Sharrock	Director	

*By /s/ BRIAN C. HENRY March 28, 1996

Brian C. Henry
as attorney-in-fact and on his behalf
as Executive Vice President and
Chief Financial Officer

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 25 of the 1995 annual report of Cincinnati Bell Inc. In connection with our audits of such consolidated financial statements, we have also audited the related financial statement schedule on page 25 of this Form 10-K.

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

/s/ COOPERS & LYBRAND L.L.P.

COOPERS & LYBRAND L.L.P.

Cincinnati, Ohio
February 14, 1996

Schedule II

CINCINNATI BELL INC.
SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
(Millions of Dollars)

COL. A	COL. B	COL. C		COL. D	COL. E
		ADDITIONS		DEDUCTIONS	
DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	(1) CHARGED TO EXPENSES	(2) CHARGED TO OTHER ACCOUNTS		BALANCE AT END OF PERIOD
Year 1995					
Allowance for doubtful accounts	$14.1	$8.5	$5.3(a)	$13.2(b)	$14.7
Year 1994					
Allowance for doubtful accounts	$14.0	$11.1	$3.0(a)	$14.0(b)	$14.1
Year 1993					
Allowance for doubtful accounts	$6.7	$14.6	$4.1(a)	$11.4(b)	$14.0

(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.

Exhibit (10)(iii)(A)(1)(i)
to
Form 10-K for 1995

CINCINNATI BELL INC.
SHORT TERM INCENTIVE PLAN

(As amended effective January 1, 1995)

1. PURPOSE. The purpose of the Short Term Incentive Plan (the "Plan") is to provide key executives of Cincinnati Bell Inc. ("Cincinnati Bell") and its principal subsidiaries with incentive compensation based upon the achievement of specific short-term performance goals.

2. AWARDS. The Compensation Committee of the Board of Directors of Cincinnati Bell (the "Committee") may make awards in each calendar year with respect to the preceding year ("Award Year"), beginning with awards made in 1996 with respect to Award Year 1995, in such amounts and to such of the Eligible Executives (as defined in Section 3(a)) as it may determine in its sole discretion subject to the limitations of the Plan. Awards shall be paid in cash in the calendar year the awards are made, except to the extent that an Eligible Executive has made an election to defer the receipt of such award pursuant to the Cincinnati Bell Inc. Executive Deferred Compensation Plan.

For each Award Year the Committee shall establish a standard award level ("Standard Award") for each Eligible Executive. A percentage of the Standard Award for any Award Year may be awarded depending upon individual merit and satisfaction of the performance criteria established by the Committee for the Award Year.

3. ELIGIBILITY.

(a) Each key executive of Cincinnati Bell and its principal subsidiaries whose compensation for the Award Year is established by the Committee is eligible for an award under the Plan for the Award Year ("Eligible Executive"), whether or not so employed or living at the date an award is granted; provided that the executive had at least three months of active service (excluding any time the executive was absent on account of disability and receiving any disability benefits under the Sickness and Accident Disability Benefits Plan of Cincinnati Bell or a direct or indirect subsidiary ("Disability Benefits") during the Award Year. An Eligible Executive is not rendered ineligible by reason of being a member of the Board of Directors of Cincinnati Bell or a direct or indirect subsidiary.

(b) The Standard Award applicable to an Eligible Executive for an Award Year shall be prorated over the Award Year or the Eligible Executive shall be ineligible for an award, as follows:

(1)	entrance to or exit from a level of management eligible for awards after the beginning of the Award Year	-	prorate from date of entrance or exit
(2)	receipt of Disability Benefits for more than three months in an Award Year under the Cincinnati Bell Plan or Plan of a direct or indirect	-	prorate to the day based on time of service while not receiving Disability Benefits

subsidiary

(3)	retirement or resignation	-	prorate to date of retirement or resignation
(4)	leave of absence for more than three months	-	prorate to date leave commences unless otherwise provided by the Committee
(5)	death during an Award Year	-	prorate to date of death
(6)	dismissal during or after an Award Year	-	no award

4. ADJUSTMENTS.

(a) In order to assure the incentive features of the Plan and to avoid distortion in the operation of the Plan, the Committee may make adjustments in the criteria established for any Award Year under Section 2 whether before or after the end of the Award Year to the extent it deems appropriate in its sole discretion, which shall be conclusive and binding upon all parties concerned, to compensate for or reflect any extraordinary changes which may have occurred during the Award Year which significantly alter the basis upon which such performance criteria were determined. Such changes may include without limitation changes in accounting practices, tax, regulatory or other laws or regulations, or economic changes not in the ordinary course of business cycles.

(b) In the event of any change in outstanding shares of Cincinnati Bell or any of its consolidated subsidiaries by reason of any stock dividend or split, recapitalization, merger, consolidation, combination or exchange of shares or other

similar corporate change, the Committee shall make such adjustments, if any, that it deems appropriate in the performance criteria established under Section 2 for any Award Year not then completed; any and all such adjustments to be conclusive and binding upon all parties concerned.

5. OTHER CONDITIONS.

(a) No person shall have any claim to be granted an award under the Plan and there is no obligation for uniformity of treatment of Eligible Executives under the Plan. Awards under the Plan may not be assigned or alienated.

(b) Neither the Plan nor any action taken hereunder shall be construed as giving to any employee the right to be retained in the employ of Cincinnati Bell or any direct or indirect subsidiary.

(c) All applicable federal, state or local taxes required by law will be withheld with respect to any award paid under the Plan.

6. DESIGNATION OF BENEFICIARIES. An Eligible Executive may designate a beneficiary or beneficiaries to receive all or part of the awards which may be granted to the Eligible Executive under the Plan in case of death. A

designation of beneficiary may be replaced by a new designation or may be revoked by the Eligible Executive at any time. A designation or revocation shall be on a form to be provided for the purpose and shall be signed by the Eligible Executive and delivered to Cincinnati Bell prior to the Eligible Executive's death. In case of the Eligible Executive's death, an award granted under the Plan with respect to which a designation of beneficiary has been made (to the extent it is valid and enforceable under applicable law) shall be paid to the designated

beneficiary or beneficiaries. Any award granted to an Eligible Executive who is deceased and not subject to such a designation shall be distributed to the Eligible Executive's estate. If there shall be any question as to the legal right of any beneficiary to receive an award under the Plan, the amount in question may be paid to the estate of the Eligible Executive, in which event neither Cincinnati Bell nor any of its personnel shall have any further liability to anyone with respect to such amount.

7. PLAN ADMINISTRATION.

(a) The Committee shall have full power to administer and interpret the Plan and to establish rules for its administration. The criteria for performance referred to in Section 2 achieved for each Award Year shall be conclusively determined by the Committee. The determination of performance referred to in Section 2 achieved for any Award Year may but need not be adjusted to reflect extraordinary financial items and adjustments or restatements of the financial statements, in the discretion of the Committee. Any such determination shall not be affected by subsequent adjustments or restatements. The Committee, in making any determinations under or referred to in the Plan, shall be entitled to rely on opinions, reports or statements of officers or employees of Cincinnati Bell and its direct and indirect subsidiaries, and of counsel, public accountants and other professional or expert persons.

(b) The Plan shall be governed by the laws of the State of Ohio and applicable Federal law.

8. MODIFICATION OR TERMINATION OF PLAN. The Board of Directors of Cincinnati Bell may modify or terminate the Plan at any time to be effective at such date as such

Board of Directors may determine. A modification may affect present and future eligible employees.

9. PROVISIONS UPON CHANGE IN CONTROL. In the event of a Change in Control, the provisions of this Section 9 will supersede any conflicting provisions of the Plan.

In the event of a Change in Control, a pro rata portion of the Standard Award applicable to an Eligible Executive for the Award Year in which the Change in Control occurs shall be paid to each Eligible Executive within five (5) business days of such Change in Control. The pro rata portion of such awards to be paid shall equal the full present value of such award as of the first day of the month in which Change in Control occurs multiplied by a ratio, the numerator of which shall equal the number of full and partial months (including the month in which any Change in Control occurs) from the first day of the Award Year and the denominator of which shall equal twelve (12). In addition, upon a Change in Control, awards for any preceding year which have not been paid out shall be immediately paid. If the amount to be so paid has not been determined, the amount to be paid shall equal no less than the Standard Award.

For the purposes of this Section 9, a "Change in Control" means and shall be deemed to occur if, on or after January 1, 1995:

(i) a tender offer shall be made and consummated for the ownership of 30% or more of the outstanding voting securities of Cincinnati Bell;

(ii) Cincinnati Bell 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 Cincinnati Bell, 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) Cincinnati Bell 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, 1995) of the Securities Exchange Act of 1934, shall acquire 20% or more of the outstanding voting securities of Cincinnati Bell (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, 1995) of the Securities Exchange Act of 1934, controls in any manner the election of a majority of the directors of Cincinnati Bell; or

(v) within any period of two consecutive years commencing on or after January 1, 1995, individuals who at the beginning of such period constitute Cincinnati Bell'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, 1995) pursuant to the Securities Exchange Act of 1934.

In the event of a Change in Control, the provisions of this Section 9 may not be amended on or subsequent to the Change in Control in any manner whatsoever which would be adverse to one or more Eligible Executives without the consent of each such Eligible Executive who would be so affected; provided, however, the Board of Directors of Cincinnati Bell may make minor or administrative changes to this Section 9 or changes to conform to applicable legal requirements.

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

December 11, 1995 By /s/ Connie M. Johnston

Exhibit (10)(iii)(A)(9)
to
Form 10-K for 1995

EMPLOYMENT AGREEMENT

This Agreement is made as of July 17, 1995 between Cincinnati Bell Inc., an Ohio corporation ("Employer" or "CBI"), and David S. Gergacz ("Executive").

Employer and Executive agree as follows:

1. EMPLOYMENT. By this Agreement, Employer and Executive set forth the terms of Employer's employment of Executive on and after the Effective Date. Any prior agreements or understandings with respect to Executive's employment by Employer are cancelled as of the Effective Date. For purposes of this Agreement, "Effective Date" means August 1, 1995 or such earlier date (not earlier than the date first above written) as Executive may select to commence performing duties for Employer in Cincinnati, Ohio.

2. PERIOD OF EMPLOYMENT. Executive's employment under this Agreement begins on the Effective Date and, subject to the terms of Section 13, will end on the day immediately preceding the fifth anniversary of the Effective Date (the "Termination Date).

3. DUTIES.

(A) Effective August 1, 1995, Executive will be an Executive Vice President of CBI and President and Chief Executive Officer of Cincinnati Bell Telephone Company ("CBT"). Executive will report to the President and Chief Executive Officer of CBI.

(B) Executive shall furnish such managerial, executive, financial, technical, and other skills, advice and assistance in operating CBI and CBT as Employer may request.

(C) Executive shall perform such other duties as are assigned to Executive by the President and Chief Executive Officer of CBI.

(D) Executive shall devote Executive's entire time, attention and energies to the business of Employer. The words "entire time, attention and energies" are intended to mean that Executive shall devote Executive's full effort during reasonable working hours to the business of Employer (or other Employer-sanctioned activities) and shall devote at least 40 hours per week to the business of Employer (or other Employer-sanctioned activities). Executive shall travel to such places as are necessary in the performance of Executive's duties. It is understood that Executive may continue to serve as an outside director of the corporations for which he is serving as an outside director immediately prior to the Effective Date. With the consent of Employer (which shall not be unreasonably withheld), Executive may serve as an outside director of additional corporations.

(E) Within six months after the Effective Date, Executive shall move Executive's permanent residence from Unionville, Ontario to Cincinnati, Ohio.

4. COMPENSATION.

(A) Executive shall receive a base salary (the "Base Salary") of at least $300,000 for each calendar year, subject to proration for any partial year, payable in accordance with Employer's standard payroll practices, 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, Executive shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's regular bonus payment policies. For 1995, Executive shall receive a minimum Bonus of $62,500. Executive's Bonus for 1995 may exceed $62,500 if the goals for 1995 (based 50% on CBI's earnings, 30% on CBT's operating income and 20% on CBT's capital expenditures) are exceeded. For years after 1995, Executive shall be given a Bonus target of not less than $150,000 per year (subject to proration for any partial year). Reasonable performance goals shall be established for each year's Bonus target.

(C) On at least an annual basis, Executive shall receive a formal performance review and be considered for Base Salary and/or Bonus target increases.

(D) Prior to March 1, 1996, the President and Chief Executive Officer of CBI and Executive shall develop a mutually agreeable long term incentive plan for Executive under which Executive may receive from zero up to $1,200,000 at the end of a five-year performance period, based on the extent to which the agreed upon goals are met or exceeded, with $1,000,000 being the award if 100% of the agreed upon goals are met. Targets will include revenues, operating income, capital expenditures and customer service. The incentive plan shall establish reasonable performance goals and shall provide for a prorated payout in the event that Executive's employment terminates prior to the end of the five-year performance period for any of the reasons set forth in Sections 13(D) and (E). The terms of this long term incentive plan are subject to approval of the Compensation Committee of CBI's Board of Directors (the "Compensation Committee").

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

6. BENEFITS.

(A) Effective with the date of this Agreement, July 17, 1995, Executive shall be granted ten-year non-statutory options to purchase 100,000 common shares of CBI which shall be exercisable as follows: (i) options for 33,333 shares shall be exercisable on the first anniversary of the grant date, (ii) options for an additional 33,333 shares shall be exercisable on the second anniversary of the grant date, and (iii) options for the remaining 33,334 shares shall be exercisable on the third anniversary of the grant date. In each year of Executive's employment under this Agreement after 1995, Executive will be granted ten-year non-statutory options to purchase at least 20,000 common shares of CBI which shall be exercisable on the first anniversary of the grant date. The grant price of the options shall be the fair market value on the grant date. Unexercisable options are cancelled upon termination of employment. Except in case of retirement, disability or death, unexercised options are cancelled upon termination of employment. All provisions of this Agreement which relate to the terms under which non-statutory stock options will be granted to Executive are subject to approval by the Compensation Committee. Such options may be granted under CBI's 1988 Long-Term Incentive Plan or similar stock option plan.

(B) While Executive remains in the employ of Employer, Executive shall be entitled to participate in all of the various employee benefit plans and programs in which similarly situated Executive Vice Presidents of Employer are participating other than the non-qualified retirement plan known as the Cincinnati Bell Inc. Pension Program.

(C) Notwithstanding anything contained herein to the contrary, the Base Salary and bonuses otherwise payable to Executive shall be reduced by any benefits paid to Executive by Employer under Employer's Sickness and Accident Disability Plan and Long Term Disability Plan for Salaried Executives.

(D) A supplemental, non-qualified pension will be provided to Executive by Employer in accordance with this Section 6(D).

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

(ii) If Executive's employment with Employer terminates on or after the fifth anniversary of the Termination Date, the non-qualified pension shall be equal to that portion of Executive's accrued pension under CBMPP which is attributable to Executive's first ten years of service with Employer.

(iii) If Executive's employment with Employer terminates after a Change in Control of CBI or CBT (as hereafter defined in this Agreement) and prior to the fifth anniversary of the Termination Date, Executive shall receive a non-qualified pension equal to the pension which would have accrued for Executive under CBMPP as of the fifth anniversary of the Termination Date assuming that Executive continued in employment until the fifth anniversary of the Termination Date, that CBMPP was not amended after the Effective Date, that the assumed interest rate used for calculating Executive's cash balance under CBMPP was 8% and that Executive's Base Salary in effect on the date Executive's employment terminates continued in effect through the fifth anniversary of the Termination Date. The non-qualified pension otherwise payable under

this Section 6(D)(iii) shall be reduced by the value of Executive's vested benefit (if any) under CBMPP.

(iv) Executive's non-qualified pension under this Section 6(D) shall be paid in one lump sum within 90 days after Executive termination of employment. If Executive's employment with Employer terminates by reason of Executive's death, the non-qualified pension shall be paid to Executive's Estate.

(v) Nothing contained in this Section 6(D) shall be construed to give Executive any right to continued employment except under the express terms of this Agreement. The provisions of this Section 6(D) shall survive the term of Executive's employment under this Agreement.

(E) Employer shall compensate Executive for the period Executive is not eligible to participate in the Company's Retirement Savings Plan by paying Executive $10,000 (which includes a tax gross-up of $4,000) on the first anniversary of the Effective Date. Such amount shall be payable only if Executive is continuously employed by Employer from the Effective Date through the first anniversary of the Effective Date. This payment shall not be used in the calculation of any benefits that are otherwise provided by Employer.

(F) In addition to the Bonus called for under Section 4(B), Executive shall receive a hiring bonus of $100,000 on the Effective Date. In conjunction with the relocation of Executive and Executive's family from Unionville, Ontario to Cincinnati, Ohio, Employer shall reimburse Executive for Executive's travel, temporary lodging and food expenses, moving expenses, closing costs (on the old residence), points (on the new residence), reasonable attorneys fees (in conjunction with the purchase of the new residence) and the costs of a bridge loan to provide the new residence. Employer's payments under the preceding sentence shall not be less than $50,000.00. Executive

may elect to have Executive's residence in Unionville, Ontario purchased through Employer's Home Acquisition Program the terms of which have previously been supplied to Executive and which is made a part of this Agreement except that Executive shall have 90 days to accept or reject the offer under the Home Acquisition Program. If Executive elects to sell Executive's residence in Unionville, Ontario, without using Employer's Home Acquisition Program, Executive shall be reimbursed for real estate commissions (not in excess of 6% of the sale price) paid by Executive with respect to such sale. If the sale price obtained for Executive's Unionville, Ontario residence (before real estate commissions), whether sold by Executive directly or under the Home Acquisition Program, is less than Executive's basis in the residence, Employer shall pay Executive an amount equal to the lesser of (a) the difference between the sale price obtained (before real estate commissions) and Executive's basis and (b)$200,000 less any real estate commissions reimbursed by Employer under the preceding sentence; provided that if Executive elects to sell the residence without using Employer's Home Acquisition Program, in no event shall the sale price obtained for Executive's residence be deemed to be less than the amount which Executive would have received if the residence had been sold by Executive under Employer's Home Acquisition Program. The payments called for under this Section 6(F) shall not be used in the calculation of any benefits that are otherwise provided by Employer.

(G) On the Effective Date and while Executive remains employed under this Agreement, Executive shall be entitled to either (i) the use of a vehicle similar in price to a Buick Park Avenue (with Employer providing all maintenance, gas and oil), or (ii) in lieu of the use of a vehicle, a monthly cash payment of $900.

(H) Employer shall pay the initiation fee for a country club, of Executive's choice, in the Cincinnati, Ohio area. Employer also shall pay Executive the sum of $10,000 to cover the cost of joining an interim golf club pending admission to the country

club of Executive's choice. The payouts provided for under this Section 6(H) shall not be used in the calculation of any benefits that are otherwise provided by Employer.

(I) Executive shall receive telephone concession service, including 100% coverage for access lines, access charges, one-time charges, touch tone and custom calling services, 100% coverage on the first $100 of toll service per month and 50% coverage on the next $100 of toll service per month.

(J) Employer shall pay Executive's financial and legal consultant fees up to $7,000 per calendar year.

7. CONFIDENTIALITY. Employer and its Affiliates are engaged in the

telecommunications services, information services and telecommunications support services industries within the U.S. and world wide. Executive acknowledges that in the course of employment with the Employer, Executive will be entrusted with or obtain access to information proprietary to the Employer and its Affiliates with respect to the following (all of which information is referred to hereinafter collectively as the "Information"); the organization and management of Employer and its Affiliates; the names, addresses, buying habits and other special information regarding past, present and potential customers, employees and suppliers of Employer and its Affiliates; customer and supplier contracts and transactions or price lists of Employer, its Affiliates and their suppliers; products, services, programs and processes sold, licensed or developed by Employer and its Affiliates; technical data, plans and specifications, present and/or future development projects of Employer and its Affiliates; financial and/or marketing data respecting the conduct of the present or future phases of business of Employer and its Affiliates; computer programs, systems and/or software; ideas, inventions, trademarks, business information, know-how, processes, improvements, designs, redesigns, discoveries and developments of Employer and its Affiliates; and other information considered confidential by any of the Employer, its Affiliates or

customers or suppliers of Employer and its Affiliates. Executive agrees to retain the Information in absolute confidence and not to disclose the Information to any person or organization except as required in the performance of Executive's duties for Employer, without the express written consent of Employer. For purposes of this Agreement, "Affiliate" means each direct and indirect subsidiary of CBI. The provisions of this Section 7 shall not apply to information which has been made available to the public from sources other than Executive.

8. NEW DEVELOPMENTS. All ideas, inventions, discoveries, concepts, trademarks, or other developments or improvements, whether patentable or not, conceived by Executive, alone or with others, at any time during the term of employment, whether or not during working hours or on Employer's premises, which are within the scope of or related to the business operations of Employer or its Affiliates or that relate to Employer or Affiliate work or project, present, past or contemplated ("New Developments"), shall be and remain the exclusive property of Employer. Executive shall, do all things reasonably necessary to ensure ownership of such New Developments by Employer, including the execution of documents assigning and transferring to Employer, all of Executive's right, title and interest in and to such New Developments, and the execution of all documents required to enable Employer to file and obtain patents, trademarks and copyrights in the United States and foreign countries on any of such New Developments.

9. SURRENDER OF MATERIAL UPON TERMINATION. Executive hereby agrees that upon cessation of Executive's employment, for whatever reason and whether voluntary or involuntary, Executive will immediately surrender to Employer all of the property and other things of value in Executive's possession or in the possession of any person or entity under Executive's control that are the property of Employer or any of its Affiliates, 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 its Affiliates.

10. REMEDIES. Employer and Executive hereby acknowledge and agree that the services rendered by Executive to Employer, the information disclosed to Executive during and by virtue of Executive's employment, and Executive's commitments and obligations to Employer and its Affiliates 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. During the two-year period following termination of Executive's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Executive will not, without first obtaining written permission from Employer (which permission shall not be unreasonably withheld), engage in any business offering services related to the current business of Employer or any of its Affiliates in any capacity which requires or utilizes the skill, training and knowledge acquired by Executive while employed by Employer, whether such capacity be as a principal, partner, joint venturer, agent, employee, salesman, consultant, director or officer, where such position would involve Executive in any business activity in competition with Employer or any of its Affiliates. This restriction will be limited to the geographical area where Employer or any of its Affiliates is then engaged in such competing business activity or to such other geographical area as a court shall find reasonably necessary to protect the goodwill and business of Employer.

During the two-year period following termination of Executive's employment by Employer for any reason (or if this period is unenforceable by law, then for such period

as shall be enforceable) Executive will not interfere with or adversely affect, either directly or indirectly, Employer's or Employer's Affiliates' relationships with any person, firm, association, corporation or other entity which is known by Executive to be, or is included on any listing to which Executive had access during the course of employment as a customer, client, supplier, consultant or employee of Employer or any of its Affiliates and that Executive will not divert or change, or attempt to divert or change, any such relationship to the detriment of Employer or any of its Affiliates or to the benefit of any other person, firm, association, corporation or other entity.

Executive will not, during or at any time after the termination of Executive's employment with Employer, induce or seek to induce, any other employee of Employer or any of its Affiliates to terminate such employee's relationship with Employer or the Affiliate which employs such employee.

12. GOODWILL. Executive will not intentionally disparage or act in any manner, directly or indirectly, which may damage the business of Employer or any of its Affiliates or which would adversely affect the goodwill, reputation, and business relationships of Employer or any of its Affiliates with the public generally, or with any of their customers, suppliers or employees.

13. TERMINATION.

(A) (i) Employer or Executive may terminate this Agreement upon Executive's failure or inability to perform the services required hereunder because of any physical or mental infirmity for which Executive receives disability benefits under Employer's Sickness and Accident Disability Benefit Plan and/or Employer's Long Term Disability Plan for Salaried Executives 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 Executive elects to 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 Terminating Disability, Employer shall pay Executive Executive's accrued Base Salary and Bonus (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, Executive shall continue to be an employee of Employer for all other purposes and Employer shall provide Executive with disability benefits and all other benefits according to the provisions of the Plans and any other Employer plans in which Executive is then participating.

(iii) If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Executive 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 Executive, provided, however, that the Executive's estate shall be paid Executive's accrued compensation hereunder, whether Base Salary or Bonus, to the date of death.

(C) Employer may terminate this Agreement immediately in the event that Executive is wilfully negligent in the performance of Executive's duties or breaches Section 21 of this Agreement, or in the event of Executive's conviction of a felony.

(D) Employer may terminate this Agreement upon 60 days written notice for any reason other than those set forth in Section 13(A), (B) or (C). In the event of a termination under this Section 13(D), Employer shall pay Executive an amount equal to two times the Base Salary as it exists at the time of termination plus two times the minimum Bonus target under Section 4(B) (or if greater the product obtained by multiplying the Base Salary as it exists at the time of termination plus the minimum Bonus target under Section 4(B) times the number of whole and fractional years from the date of termination through the Termination Date) and that portion of long term award under Section 4(D) payable through the date of termination.

(E) If Executive resigns while employed under this Agreement and within 90 days after a Change in Control of CBI or CBT, this Agreement shall thereupon terminate. Employer or any successor of Employer shall pay Executive an amount equal to the greater of (i) $900,000 or (ii) 2.99 times the Base Salary as it exists at the time of termination. In the event of a Change in Control of CBI or CBT while Executive is employed under this Agreement, the stock options granted Executive under Section 6(A) shall become immediately exercisable, Executive shall receive that portion of the long term award under Section 4(D) payable through the date of termination and, if Executive's employment terminates prior to the Termination Date, Executive shall be entitled to receive the non-qualified pension provided in Section 6(D)(iii). During the 90-day period following a Change in Control, Employer shall have no right under Section 13(C) to terminate Executive without cause. In the case of CBI, "Change in Control" means a change in control as defined in the 1988 Plan. In the case of CBT, "Change in Control" means a change of ownership in which CBI ceases to own, directly or indirectly, fifty-one percent (51%) of the voting control of CBT or a change in which substantially all of the assets of CBT are sold to another company in which CBI does not own, directly or indirectly, fifty-one percent (51%) of the voting control.

(F) Upon termination of this Agreement as a result of an event of termination described in this Section 13 and except for 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 Executive may be entitled to receive pursuant to any of Employer's pension or profit sharing plans in which Executive may participate during Executive's employment with Employer shall be paid pursuant to the provisions of such plans at such times as any such amounts become payable to Executive. 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 Executive by Employer or otherwise earned or received by Executive. Executive shall not be required to mitigate the amount of any payout provided for in this Section 13 by seeking other employment or otherwise.

(G) The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 7, 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 Executive, all rights and duties of Executive arising under this Agreement, and the Agreement itself, are nonassignable by Executive.

15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered personally or by certified mail to Executive at Executive's 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 Executive'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 have never been contained herein.

20. SUCCESSORS AND ASSIGNS. Subject to the requirements of Section 14 above, this Agreement shall be binding upon Executive, Employer and Employer's successors and assigns.

21. CONFIDENTIALITY OF AGREEMENT TERMS. The terms of this Agreement shall

be held in strict confidence by Executive and shall not be disclosed by Executive to anyone other than Executive's spouse, Executive's legal counsel and Executive's other advisors. Further, Executive shall not discuss the terms of this Agreement with anyone other than the President and Chief Executive Officer of CBI, and any other person to

whom the President and Chief Executive Officer of CBI has granted access to the terms of this Agreement. Breach of this term of the Agreement shall be grounds for dismissal with cause under Section 13(C) of this Agreement. Notwithstanding the foregoing, any disclosure of the terms of this Agreement required by law shall not be considered a breach of this Section 21.

IN WITNESS WHEREOF, the parties hereto 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

EXECUTIVE

/s/ David S. Gergacz

David S. Gergacz

Exhibit (10)(iii)(A)(10)
to
Form 10-K for 1995

EMPLOYMENT AGREEMENT

This Agreement is made as of January 1, 1995 between Cincinnati Bell Inc., an Ohio corporation ("Employer" or "CBI"), and Barry L. Nelson ("Employee"). Employee is presently employed by Employer as President of Cincinnati Bell Long Distance ("CBLD"). The purpose of this Agreement is to describe the terms of Employee's employment with Employer on and after January 1, 1995.

Employer and Employee agree as follows:

1. EMPLOYMENT. By the Agreement, Employer and Employee set forth the terms of Employer's employment of Employee on and after January 1, 1995. Any prior agreements or understandings with respect to Employee's employment by Employer are cancelled effective January 1, 1995.

2. PERIOD OF EMPLOYMENT. This Agreement begins on January 1, 1995 and, subject to the terms of Section 13, will end on December 31, 1999.

3. DUTIES.

A. Employee will be the President and CEO of CBLD with responsibility for the operation and management of all aspects of CBLD's business. He will report to David J. Lahey, Executive Vice President of CBI, or such other officer of CBI as may be designated by the President of CBI.

B. Employee shall furnish such managerial, executive, financial, technical, and other skills, advice and assistance in operating CBLD as Employer may request.

C. Employee shall also perform such other duties as are assigned to him by the CBI officer to whom Employee reports.

D. Employee shall devote his entire time, attention, and energies to the business of Employer. 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 Employer and shall devote at least 40 hours per week to the business of Employer. Employee shall travel to such places as are necessary in the performance of his duties.

4. COMPENSATION.

A. Employee shall receive a base salary (the "Base Salary") of at least One Hundred Sixty Thousand Dollars ($160,000.00) 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. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's regular bonus payment policies. Employee shall be given a Bonus target of not less than Seventy Five Thousand Dollars ($75,000.00) per year by the CBI officer to whom he reports, the actual Bonus to be based Ninety Five Percent (95%) on the results of CBLD's earnings as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI and Five Percent (5%) on the results of CBI's earnings as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI. In order to receive a bonus, Employee must be employed by CBI for the full calendar year; provided that a prorated Bonus may be awarded if Employee dies

or becomes disabled during the year. For 1995, Employee can earn up to two times the Bonus target for results exceeding the CBLD and CBI earnings commitments, in accordance with a schedule to be supplied to Employee by the CBI officer to whom Employee reports. Employer reserves the right to change the basis for bonus incentives in years after 1995 and to revise the bonus incentives in any year if the President of CBI determines that an acquisition, divestiture, reorganization or other substantial change in the business of CBLD or CBI warrants it; provided that such changes in bonus incentives shall not include reductions in the amount of the Bonus target.

C. On at least an annual basis, Employee shall receive a formal performance review and be considered for salary and/or bonus target 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. In each year of this Agreement, Employee will be granted options to purchase 10,000 common shares of CBI at the time and on the terms approved by the Compensation Committee of CBI. All provisions of this Agreement which relate to the terms under which stock options will be granted to Employee are subject to approval by the Compensation Committee. Such options may be granted under CBI's 1988 Long Term Incentive Plan (the "1988 Plan") or similar stock option plan.

B. While Employee remains in the employ of Employer, Employee shall be entitled to participate in all of the various employee benefit plans and programs in which fifth level managers of CBI are participating other

than Employer's supplemental non qualified retirement plan known as the Cincinnati Bell Pension Program.

C. Employee shall receive a restricted stock award of 15,000 common shares of CBI at the first meeting of the CBI Compensation Committee in 1995. All provisions of this Agreement which relate to the terms under which restricted stock will be granted to Employee are subject to approval by the Compensation Committee. Such award shall be made under the 1988 Plan on the terms set forth in Exhibit A. Such award shall be further subject to the terms of the 1988 Plan.

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.

7. CONFIDENTIALITY. Employer is engaged in the telecommunications services, information services and telecommunications support services industries within the U.S. and world wide. Employee acknowledges that in the course of employment with the Employer, Employee will be entrusted with or obtain access to information proprietary to the Employer and its subsidiaries with respect to the following (all of which information is referred to

hereinafter collectively as the "Information"); the organization and management of Employer and its subsidiaries; the names, addresses, buying habits and other special information regarding past, present and potential customers, employees and suppliers of Employer and its subsidiaries; customer and supplier contracts and transactions or price lists of Employer, its subsidiaries and their suppliers; products, services, programs and processes sold, licensed or developed by Employer and its subsidiaries; technical data, plans and specifications, present and/or future development projects of Employer and its subsidiaries; financial and/or marketing data respecting the conduct of the present or future phases of business of Employer and its subsidiaries; computer programs, systems and/or

software; ideas, inventions, trademarks, business information, know-how, processes, improvements, designs, redesigns, discoveries and developments of Employer and its subsidiaries; and other information considered confidential by any of the Employer, its subsidiaries or customers or suppliers of Employer and its subsidiaries. Employee agrees to retain the Information in absolute confidence and not to disclose the Information to any person or organization except as required in the performance of his duties for Employer, without the express written consent of Employer.

8. NEW DEVELOPMENTS. All ideas, inventions, discoveries, concepts, trademarks, or other developments of improvements, whether patentable or not, conceived by Employee, alone or with others, at any time during the term of employment, whether or not during working hours or on Employer's premises, which are within the scope of or related to the business operations of the Employer or its subsidiaries or that relate to Employer or Employer subsidiary work or project, present, past or contemplated, shall be and remain the exclusive property of Employer. Employee shall, do all things reasonably necessary to ensure ownership of such New Developments by Employer, including the execution of documents assigning and transferring to Employer, all of Employee's right, title and interest in and to such New Developments, and the execution of all documents required to enable Employer to file and obtain patents, trademarks and copyrights in the United States and foreign countries on any of such New Developments.

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 of the 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 its 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 of New

Developments, or relating directly or indirectly to the business of Employer or any of its subsidiaries.

10. REMEDIES. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer, the information disclosed to Employee during and by virtue of his employment, and Employee's commitments and obligations to Employer and its subsidiaries 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. During the three year period following termination of Employee's employment with CBI for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not engage in any business offering services related to the current business of Employer or any of its subsidiaries in any capacity which requires or utilizes the skill, training and knowledge acquired by Employee while employed by Employer, whether such capacity be as a principal, partner, joint venture, agent, employee, salesman, consultant, director or officer, where such position would involve Employee in any business activity in competition with Employer or any of its subsidiaries. This restriction will be limited to the geographical area where Employer or any of its subsidiaries is then engaged in such competing business activity or to such other geographical area as a court shall find reasonably necessary to protect the goodwill and business of Employer.

During the three year period following termination of Employee's employment by CBI for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not interfere with or adversely affect, either directly or indirectly, Employer's or Employer's

subsidiaries' relationships with any person, firm, association, corporation or other entity which is known my Employee to be, or is included on any listing to which Employee had access during the course of employment as a customer, client, supplier, consultant or employee of Employer or any of its subsidiaries and that Employee will not divert or change, or attempt to divert of change, any such relationship to the detriment of Employer or any of its subsidiaries or to the benefit of any other person, firm, association, corporation or other entity.

Employee will not, during or at any time after the termination of Employee's employment with CBI, induce or seek to induce, any other employee of Employer or any of its subsidiaries to terminate his or her employment relationship with Employer or the subsidiary which employs such other employee.

12. GOODWILL. Employee will not disparage or act in any manner, directly or indirectly, which may damage the business of Employer or any of its subsidiaries or which would adversely affect the goodwill, reputation, and business relationships of Employer or any of its subsidiaries with the public generally, or with any of their customers, suppliers or employees.

13. TERMINATION.

A. (i) 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 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").

(ii) If Employer or Employee elects to 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.

(iii) Upon termination of this Agreement on account of Terminating 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 according to the provisions of the Plans and any other Employer plans in which Employee is then participating.

(iv) If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Employer 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.

C. Employer may terminate this Agreement immediately in the event that Employee is willfully negligent in the performance of his duties or breaches Section 21 of this Agreement, 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 13.A., B., or C.

In the event of a Termination under this Section 13.D., Employer shall pay Employee an amount equal to two times the Base Salary as it exists at the time of termination or, if less, such Base Salary for the remaining term of this Agreement and all other accrued compensation. Notwithstanding the terms of the Restricted Stock Award: if the termination occurs before December 31, 1997, the restrictions on a proportionate number of 9,000 of the restricted shares awarded Employee under Section 6.C. shall lapse based on the portion of the period from January 1, 1995 to December 31, 1997 during which Employee was employed by Employer; if the termination occurs in 1998 prior to December 31, 1998, the restrictions on a proportionate number of 3,000 of the restricted shares awarded Employee under Section 6.C. shall lapse based on the portion of the period from January 1, 1998 to December 31, 1998 during which Employee was employed by Employer; and if the termination occurs in 1999 prior to December 31, 1999, the restrictions on a proportionate number of 3,000 of the restricted shares awarded Employee under Section 6.C. shall lapse based on the portion of the period from January 1, 1999 to December 31, 1999 during which Employee was employed by Employer.

E. If Employee resigns while employed under this Agreement and within 90 days after a Change in Control of CBI or CBLD, this Agreement shall thereupon terminate. During such 90 day period, Employer shall have no right under Section 13.C. to terminate Employee without cause. In the case of CBI, "Change in Control" means a change in control as defined in the 1988 Plan. In the case of CBLD, "Change in Control" means a change of ownership in which CBI ceases to own, directly or indirectly, fifty-one percent (51%) of the voting control of CBLD or a change in which substantially all of the assets of CBLD are sold to another company in which CBI does not own, directly or indirectly, fifty-one percent (51%) of the voting control. Employer or any successor of Employer shall pay Employee an amount equal to 2.99 times the Base Salary as it exists at the time of termination. In the event of a Change in Control of CBI of CBLD while Employee is employed under this Agreement, the stock options granted Employee under Section 6.A. shall become immediately exercisable and the restrictions applicable to the restricted stock granted Employee under Section 6.C. shall immediately lapse.

F. Upon Termination of this Agreement as a result of an event of termination described in this Section 13 and except for 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 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 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.

G. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Section 7, 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.

15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered 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. WAVIER. 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 wavier 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 have never been contained herein.

20. SUCCESSORS AND ASSIGNS. Subject to the requirements of Paragraph 14 above, this Agreement shall be binding upon Employee, Employer and Employer's successors and assigns.

21. CONFIDENTIALITY OF AGREEMENT TERMS. The terms of this Agreement shall be held in strict confidence by Employee and shall not be disclosed by Employee to anyone other than Employee's spouse and his legal counsel. Further, Employee shall not discuss the terms of this Agreement with anyone other than the CBI

officer to whom Employee reports, the President of CBI and any other person to whom the President of CBI has granted access to the terms of this Agreement. Breach of this term of the Agreement shall be grounds for dismissal with cause under Section 13(C) of this Agreement.

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

CINCINNATI BELL INC.

By /s/ David J. Lahey

EMPLOYEE

/s/ Barry L. Nelson

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

NAME OF EMPLOYEE

AWARD DATE:

NUMBER OF RESTRICTED SHARES: 15,000

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 15,000 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 respects 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 8 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 Section 4, 5, 6 and 7 hereof.

4. LAPSE. The Restrictions shall lapse and be of no further force and effect as to 9,000 shares on December 31, 1997, as to an additional 3,000

shares on December 31, 1998, and as to the remaining 3,000 shares on December 31, 1999.

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 December 31, 1999, 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 December 31, 1999. 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 be 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. CHANGE IN CONTROL. In the event of a Change in Control of _____________________ (the "Subsidiary") while you are employed by the Company or any of its subsidiaries and on or prior to December 31, 1999, and Restrictions which have not previously lapsed shall terminate and be of no further force or effect as of the date of the Change of Control. For purposes hereof, "Change of Control" means a change of ownership in which the Company ceases to own, directly or indirectly, 51% of the voting control of the Subsidiary or a change in which substantially all of the assets of the Subsidiary are sold to another company in which the Company does not own, directly or indirectly, 51% of the voting control.

8. FORFEITURE. If you cease to be an employee of the Company or any of its subsidiaries, except as provided in Section 4, 5, 6 and 7 hereof, any Shares which remain subject to the Restrictions 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 8 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.

9. 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 9.

(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 ___________________, 1995 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 extend 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).

10. 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.

11. 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 as 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.

12. 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, Rm. 102-200
Cincinnati, Ohio 45202
Att: 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.

13. 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, the 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 provisions 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: ----------------------- By: --
Accepted and Agreed

Exhibit (10)(iii)(A)(11)
to
Form 10-K for 1995

EMPLOYMENT AGREEMENT

This Agreement is made as of January 1, 1995 between Cincinnati Bell Inc., an Ohio corporation ("Employer" or "CBI"), and David F. Dougherty ("Employee"). Employee is presently employed by MATRIXX Marketing Inc. ("MATRIXX") under an Employment Agreement dated April 30, 1990, as amended in 1991 and which expires April 29, 1995. The purpose of this Agreement is to describe the terms of Employee's employment with Employer on and after January 1, 1995.

Employer and Employee agree as follows:

1. EMPLOYMENT. By this Agreement, Employer and Employee set forth the terms of Employer's employment of Employee on and after January 1, 1995.

2. PERIOD OF EMPLOYMENT. This Agreement begins on January 1, 1995 and, subject to the terms of Section 13, will end on December 31, 1999.

3. DUTIES.

A. Employee will be the President and CEO of MATRIXX with responsibility for the operation and management of all aspects of MATRIXX's business. He will report to David J. Lahey, Executive Vice President of CBI, or such other officer of CBI as may be designated by the President of CBI.

B. Employee shall furnish such managerial, executive, financial, technical, and other skills, advice and assistance in operating MATRIXX as Employer may request.

C. The Employee shall also perform such other duties as are assigned to him by Employer.

D. Employee shall devote his entire time, attention, and energies to the business of Employer. 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 Employer and shall devote at least 40 hours per week to the business of Employer. Employee shall travel to such places as are necessary in the performance of his duties.

E. Employee presently resides in Omaha, Nebraska. Employee shall relocate to Cincinnati, Ohio between February, 1996 and July, 1996. Employer shall reimburse Employee for the expense of his relocation to Cincinnati, Ohio consistent with its past practice in its prior relocation of Employee.

4. COMPENSATION.

A. Employee shall receive a base salary (the "Base Salary") of at least One Hundred Eighty Thousand Dollars ($180,000.00) 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. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's

regular bonus payment policies. Employee shall be given a Bonus target of not less than One Hundred Thousand Dollars ($100,000.00) per year by the CBI officer to whom he reports, the actual Bonus to be based Eighty Percent (80%) on the results of MATRIXX's earnings as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI and Twenty Percent (20%) on the results of CBI's earnings as compared to its earnings commitment submitted to and approved by the Board of Directors of CBI. In order to receive a bonus, Employee must be employed by CBI for the full calendar year; provided that a prorated Bonus may be awarded if Employee dies or becomes disabled during the year. Employer reserves the right to change the basis for bonus incentives in years after 1995 and to revise the bonus incentives in any year if the President of CBI determines that an acquisition, divestiture, reorganization or other substantial change in the business of MATRIXX or CBI warrants it; provided that such changes in bonus incentives shall not include reductions in the amount of the Bonus target.

C. On at least an annual basis, Employee shall receive a formal performance review and be considered for salary and/or bonus target 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. In each year of this Agreement, Employee will be granted options to purchase 15,000 common shares of CBI at the time and on the terms approved by the Compensation Committee of CBI. All provisions of this Agreement which relate to the terms under which stock options will be granted to Employee are subject to approval by the Compensation Committee. Such

options may be granted under CBI's 1988 Long Term Incentive Plan (the "1988 Plan") or similar stock option plan.

B. While Employee remains in the employ of Employer, Employee shall continue to participate in the employee benefit plans and programs in which he was participating under the 1990 Employment Agreement other than the Pension Program, the Management Pension Plan and the Retirement Savings Plan. Employer will use its best efforts to provide Employee with retirement benefits comparable to the benefits which Employee would have been entitled to receive if he was eligible to participate in the Management Pension Plan and the Retirement Savings Plan. Employer shall also provide Employee with other benefits including an automobile allowance, which are not less than those provided to Employer's fifth level managers.

C. Employee shall receive a restricted stock award of 20,000 common shares of CBI at the first meeting of the CBI Compensation Committee in 1995. All provisions of this Agreement which relate to the terms under which restricted stock will be granted to Employee are subject to approval by the Compensation Committee. Such award shall be made under the 1988 Plan on the terms set forth in Exhibit A. Such award shall be further subject to the terms on the 1988 Plan.

D. While Employee remains in the employ of Employer, Employee 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 30, 1990, and (b) assuming that he was credited with 25 years of completed service as of April 30, 1990. The benefits payable under this Section 6(D) shall be reduced by any benefits paid under the Long Term Disability Plan for Salaried Employees and the Sickness and Accident Disability Benefit Plan.

E. 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 pursuant to Section 6(D) above.

F. The Performance Awards/Deferred Compensation described in Section 7 of the 1990 Employment Agreement as such Section was amended in 1991 is incorporated herein and made a part of this Agreement. The Performance Award Date, as that term is defined in the 1990 Employment Agreement, shall be no later than April 30, 1995.

7. CONFIDENTIALITY. Employer is engaged in the telecommunications services, information services and telecommunications support services industries within the U.S. and world wide. Employee acknowledges that in the course of employment with the Employer, Employee will be entrusted with or obtain access to information proprietary to the Employer and its subsidiaries with respect to the following (all of which information is referred to hereinafter collectively as the "Information"); the organization and management of Employer and its subsidiaries; the names, addresses, buying habits and other special information regarding past, present and potential customers, employees and suppliers of Employer and its subsidiaries; customer and supplier contracts and transactions or price lists of Employer, its subsidiaries and their suppliers; products, services, programs and processes sold, licensed or developed by Employer and its subsidiaries; technical data, plans and specifications, present and/or future development projects of Employer and its subsidiaries; financial and/or marketing data respecting the conduct of the present or future phases of business of Employer and its subsidiaries; computer programs, systems and/or software; ideas, inventions, trademarks, business information, know-how, processes, improvements, designs, redesigns, discoveries and developments of Employer and its subsidiaries; and other information considered confidential by

any of the Employer, it subsidiaries or customers or suppliers of Employer. Employee agrees to retain the Information in absolute confidence and not to disclose the Information to any person or organization except as required in the performance of his duties for Employer, without the express written consent of Employer.

8. NEW DEVELOPMENTS. All ideas, inventions, discoveries, concepts, trademarks, or other developments or improvements, whether patentable or not, conceived by Employee, alone or with others, at any time during the term of employment, whether or not during working hours or on Employer's premises, which are within the scope of or relates to the business operations of Employer or Employer subsidiary work or project, present, past or contemplated, shall be and remain the exclusive property of Employer. Employee shall, do all things reasonably necessary to ensure ownership of such New Developments by Employer, including the execution of documents assigning and transferring to Employer, all of Employee's right, title and interest in and to such New Developments, and the execution of all documents required to enable Employer to file and obtain patents, trademarks and copyrights in the United States and foreign countries on any of such New Developments.

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 of the 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 its 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 its subsidiaries.

10. REMEDIES. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer, the information disclosed to Employee during and by virtue of his employment, and Employee's commitments and obligations to Employer and its subsidiaries 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. During the three year period following termination of Employee's employment with CBI for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not engage in any business offering services related to the current business of Employer or any of its subsidiaries in any capacity which requires or utilizes the skill, training and knowledge acquired by Employee while employed by Employer, whether such capacity be as a principal, partner, joint venturer, agent, employee, salesman, consultant, director or officer, where such position would involve Employee in any business activity in competition with Employer or any of its subsidiaries. This restriction will be limited to the geographical area where Employer or any of its subsidiaries is then engaged in such competing business activity or to such other geographical area as court shall find reasonably necessary to protect the goodwill and business of Employer.

During the three year period following termination of Employee's employment by CBI for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not interfere with or adversely affect, either directly or indirectly, Employer's or Employer's subsidiaries' relationships with any person, firm, association, corporation or other entity which is known by Employee to be, or is included on any listing to which Employee had access during the course of employment as a customer, client,

supplier, consultant or employee of Employer or any of its subsidiaries and that Employee will not divert or change, or attempt to divert or change, any such relationship to the detriment of Employer or any of its subsidiaries or to the benefit of any other person, firm, association, corporation or other entity.

Employer will not, during or at any time after the termination of Employee's employment with CBI, induce or seek to induce, any other employee of Employer or any of its subsidiaries to terminate his or her employment relationship with Employer or the subsidiary which employs such other employee.

12. GOODWILL. Employee will not disparage or act in any manner, directly or indirectly, which may damage the business of Employer or any of its

subsidiaries or which would adversely affect the goodwill, reputation, and business relationships of Employer or any of its subsidiaries with the public generally, or with any of their customers, suppliers or employees.

13. TERMINATION.

A.(i) 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 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").

(ii) If Employer or Employee elects to 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.

(iii) Upon termination of this Agreement on account of Terminating 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 according to the provisions of the Plans and any other Employer plans in which Employee is then participating.

(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.

C. Employer may terminate this Agreement immediately in the event that Employee is wilfully negligent in the performance of his duties or breaches Section 21 of this Agreement, 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 13.A, B. or C. In the event of a Termination under this Section 13.D., Employer shall pay Employee an amount equal to two times the Base Salary as it exists at the time of termination or, if less, such Base Salary for the remaining term of this

Agreement (but not less than one year's Base Salary) and all other accrued compensation. Notwithstanding the terms of the Restricted Stock Award: if the termination occurs before December 31, 1997, the restrictions on a proportionate number of 12,000 of the restricted shares awarded Employee under Section 6.C. shall lapse based on the portion of the period from January 1, 1995 to December 31, 1997 during which Employee was employed by Employer; if the termination occurs in 1998 before December 31, 1998, the restrictions on a proportionate number of 4,000 of the restricted shares awarded Employee under Section 6.C. shall lapse based on the portion of the period from January 1, 1998 to December 31, 1998 during which Employee was employed by Employer; and if the termination occurs in 1999 before December 31, 1999, the restrictions on a proportionate number of 4,000 of the restricted shares awarded Employee under Section 6.C. shall lapse based on the portion of the period from January 1, 1999 to December 31, 1999 during which Employee was employed by Employer.

E. If Employee resigns while employed under this Agreement and within 90 days after a Change in Control of CBI or MATRIXX, this Agreement shall thereupon terminate. During such 90 day period, Employer shall have no right under Section 13.C. to terminate Employee without cause. In the case of CBI, "Change in Control" means a change in control as defined in the 1988 Plan. In the case of MATRIXX, "Change in Control" means a change of ownership in which CBI ceases to own, directly or indirectly, fifty-one percent (51%) of the voting control of MATRIXX or a change in which substantially all of the assets of MATRIXX are sold to another company in which CBI does not own, directly or indirectly, fifty-one percent (51%) of the voting control. Employer or any successor of Employer shall pay Employee an amount equal to 2.99 times the Base Salary as it exists at the time of termination. In the event of a Change in Control of CBI or MATRIXX while Employee is employed under this Agreement, the stock options granted Employee under Section 6.A. shall become immediately exercisable and the restrictions applicable to the restricted stock granted Employee under Section 6.C. shall immediately lapse.

F. Upon Termination of this Agreement as a result of an event of termination described in this Section 13 and except for 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 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 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.

G. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 7, 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.

15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered 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 January 1, 1995. It supersedes and replaces all other contracts, agreements or understandings, whether oral or written, existing between them, except for any matters 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 have never been contained herein.

20. SUCCESSOR AND ASSIGNS. Subject to the requirements of Paragraph 14 above, this Agreement shall be binding upon Employee, Employer and Employer's successors and assigns.

21. CONFIDENTIALITY OF AGREEMENT TERMS. The terms of this Agreement shall be held in strict confidence by Employee and shall not be disclosed by Employee to anyone other than Employee's spouse and his legal counsel. Further, Employee shall not discuss the terms of this Agreement with anyone other than the CBI officer to whom Employee reports, the President of CBI and any other person to whom the President of CBI has granted access to the terms of this Agreement. Breach of this term of the Agreement shall be grounds for dismissal with cause under Section 13(C) of this Agreement.

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

EMPLOYEE	CINCINNATI BELL INC.
/s/ David F. Dougherty	By /s/ David J. Lahey

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

NAME OF EMPLOYEE ______________________________________

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 respects 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 8 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 Section 4, 5, 6 and 7 hereof.

4. LAPSE. The Restrictions shall lapse and be of no further force and effect as to 12,000 shares on December 31, 1997, as to an additional 4,000

shares on December 31, 1998, and as to the remaining 3,000 shares on December 31, 1999.

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 December 31, 1999, 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 December 31, 1999. 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 be 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. CHANGE IN CONTROL. In the event of a Change in Control of ____________________ (the "Subsidiary") while you are employed by the Company or any of its subsidiaries and on or prior to December 31, 1999, and Restrictions which have not previously lapsed shall terminate and be of no further force or effect as of the date of the Change of Control. For purposes hereof, "Change of Control" means a change of ownership in which the Company ceases to own, directly or indirectly, 51% of the voting control of the Subsidiary or a change in which substantially all of the assets of the Subsidiary are sold to another company in which the Company does not own, directly or indirectly, 51% of the voting control.

8. FORFEITURE. If you cease to be an employee of the Company or any of its subsidiaries, except as provided in Section 4, 5, 6 and 7 hereof, any Shares which remain subject to the Restrictions 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 8 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.

9. 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 9.

(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 ___________________, 1995 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 extend 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).

10. 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.

11. 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 as 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.

12. 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, Rm. 102-200
Cincinnati, Ohio 45202
Att: 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.

13. 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, the 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 provisions 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: ______________________ By: ______________________________________

Accepted and Agreed

Exhibit (10)(iii)(A)(12)
to
Form 10-K for 1995

AMENDMENT TO
EMPLOYMENT AGREEMENT

THIS AGREEMENT is made on the 27 day of December, 1994, between Cincinnati Bell Inc. ("Employer") and David F. Dougherty ("Employee").

Employer and Employee have entered into an Employment Agreement as of January 1, 1995 (the "1995 Agreement") to describe the terms of Employee's employment with Employer on and after January 1, 1995.

Employer and Employee agree that Section 4(B) of the 1995 Agreement is hereby amended, effective January 1, 1995, by the addition of the following two sentences:

The Bonuses for calendar years 1995 and 1996 results shall be paid in the form of restricted stock subject to the terms and conditions of restricted stock issued by Employer under its 1988 Long Term Incentive Plan with a 12-month restriction. In the event of Employee's death prior to the lapse of the restriction, Employer will pay Employee's estate cash equal to the value of the restricted stock forfeited on account of his death.

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

CINCINNATI BELL INC.

By /s/ David J. Lahey

/s/ David F. Dougherty

David F. Dougherty

Exhibit 11
to
Form 10-K for 1995

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

	1995	1994	1993
Income (loss) before extraordinary charge and cumulative effect of change in accounting principle.	$(25.3)	$ 75.5	$(56.8)
Extraordinary charge	(7.0)	-	-
Cumulative effect of change in accounting principle.	-	(2.9)	-
Net income (loss).	$(32.3)	72.6	$(56.8)
Preferred dividend requirements.	-	-	2.2
Income (loss) applicable to common shares.	$(32.3)	$ 72.6	$(59.0)
Weighted average common shares outstanding	66,271	65,443	63,296
Common share conversions applicable to common share options	457	9	74
Total number of shares for computing primary earnings (loss) per share.	66,728	65,452	63,370
Average contingent issues of common shares from convertible preferred shares.	-	-	1,531
Total number of shares for computing fully diluted earnings (loss) per share.	66,728	65,452	64,901
Earnings (Loss) per Common Share			
As Reported			
Income (loss) before extraordinary charge and cumulative effect of change in accounting principle	$ (.38)	$ 1.15	$ (.93)
Extraordinary charge	(.11)	-	-
Cumulative effect of change in accounting principle.	-	(.04)	-
Net income (loss).	$ (.49)	$ 1.11	$ (.93)
Primary			
Income (loss) before extraordinary charge and cumulative effect of change in accounting principle	$ (.38)	$ 1.15	$ (.93)
Extraordinary charge	(.10)	-	-
Cumulative effect of change in accounting principle.	-	(.04)	-
Net income (loss).	$ (.48)	$ 1.11	$ (.93)
Fully Diluted			
Income (loss) before extraordinary charge and cumulative effect of change in accounting principle	$ (.38)	$ 1.15	$ (.88)
Extraordinary charge	(.10)	-	-
Cumulative effect of change in accounting principle.	-	(.04)	-
Net income (loss).	$ (.48)	$ 1.11	$ (.88)

Earnings (loss) per share amounts for the years ended December 31, 1995, 1994 and 1993 as reported in the Consolidated Statements of Income are based on the weighted average 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 1995

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

	(Millions of Dollars)				
	1995	1994	1993	1992	1991
1. Earnings					
(a) Income (loss) before Income Taxes, adjusted for undistributed income and losses from partnerships.	$(24.1)	$118.9	$(53.8)	$ 55.6	$ 68.7
(b) Interest Expense	52.8	49.5	45.8	46.2	52.8
(c) One-third of Rental Expense.	23.1	23.9	23.6	22.5	20.9
	$ 51.8	$192.3	$ 15.6	$124.3	$142.4
2. Fixed Charges					
(a) Interest Expense	$ 52.8	$ 49.5	$ 45.8	$ 46.2	$ 52.8
(b) Preferred Dividends.	-	-	3.5	6.6	6.6
(c) One-third of Rental Expense.	23.1	23.9	23.6	22.5	20.9
	$ 75.9	$ 73.4	$ 72.9	$ 75.3	$ 80.3
3. Ratio of Earnings to Combined Fixed Charges and Preferred Dividends (1 divided by 2).	N/M	2.62	N/M	1.65	1.77

N/M - Not meaningful as earnings are inadequate to cover the fixed charges in 1995 by $24.1 and in 1993 by $57.3.

Exhibit 13
To
Form 10-K for 1995

SELECTED FINANCIAL AND OPERATING DATA CINCINNATI BELL INC.

Millions of Dollars Except Per Share Amounts	1995	1994	1993	1992	1991	1990
RESULTS OF OPERATIONS						
Revenues(a)	$1,336.1	$1,228.2	$1,096.2	$1,101.4	$1,064.7	$ 996.0
Costs and expenses excluding special items	1,110.7	1,057.1	982.0	990.8	920.0	821.1
Operating income excluding special items	225.4	171.1	114.2	110.6	144.7	174.9
Special items (a)	178.7	5.7	132.9	19.4	26.8	1.4
Operating income (loss)	46.7	165.4	(18.7)	91.2	117.9	173.5
Other income (expense), net	(13.5)	1.7	9.4	10.9	4.2	8.2
Interest expense	52.8	49.5	45.8	46.2	52.8	45.3
Income (loss) before income taxes, extraordinary charges and cumulative effect of change in accounting principle	(19.6)	117.6	(55.1)	55.9	69.3	136.4
Income taxes	5.7	42.1	1.7	17.0	26.6	45.4
Extraordinary charges and cumulative effect of change in accounting principle	(7.0)	(2.9)	-	(3.7)	-	-
Net income (loss)	(32.3)	72.6	(56.8)	35.2	42.7	91.0
Preferred dividend requirements	-	-	2.2	4.3	4.3	4.4
Income (loss) applicable to common shares	$ (32.3)	$ 72.6	$ (59.0)	$ 30.9	$ 38.4	$ 86.6
Earnings (loss) per common share	$ (.49)	$ 1.11	$ (.93)	$ .50	$ .63	$ 1.44
Dividends declared per common share	$ .80	$ .80	$ .80	$ .80	$ .80	$ .76
Weighted average common shares outstanding (000)	66,271	65,443	63,296	61,914	61,334	60,282
Operating margin	3.5%	13.5%	(1.7)%	8.3%	11.1%	17.4%
FINANCIAL POSITION						
Total assets	$1,591.7	$1,723.4	$1,664.1	$1,632.5	$1,743.1	$1,656.4
Long-term debt	$ 386.8	$ 528.3	$ 522.9	$ 350.1	$ 445.2	$ 437.0
Total debt	$ 512.9	$ 597.0	$ 634.9	$ 543.0	$ 618.1	$ 577.2
Preferred shares subject to mandatory redemption	$ -	$ -	$ -	$ 60.0	$ 60.0	$ 60.0
Common shareowners' equity	$ 478.1	$ 552.4	$ 515.6	$ 568.9	$ 581.6	$ 578.6
OTHER DATA						
Total capital additions (including acquisitions)	$ 166.8	$ 156.2	$ 235.4	$ 140.1	$ 193.3	$ 284.3
Telephone plant construction	$ 90.3	$ 112.8	$ 111.6	$ 95.0	$ 115.9	$ 127.7
Access minutes of use (millions)	3,492	3,268	3,020	2,821	2,645	2,571
Market price per share						
High	$ 35.250	$ 20.125	$ 24.375	$ 20.875	$ 25.375	$ 27.875
Low	$ 16.875	$ 15.375	$ 16.125	$ 15.375	$ 17.875	$ 18.625
Close	$ 34.750	$ 17.000	$ 18.000	$ 17.125	$ 19.375	$ 23.250

(a) For special items see Note 2 of Notes to Financial Statements.

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

Cincinnati Bell Inc. (the Company) is a holding company whose principal subsidiaries are divided into three industry segments. The telephone operations segment, Cincinnati Bell Telephone (CBT), provides telecommunications services and products, mainly local service, network access and toll telephone services. The information systems segment, Cincinnati Bell Information Systems (CBIS), provides data processing services and software development services through long-term contracts primarily to the U.S. telecommunications industry. The marketing services segment, MATRIXX Marketing (MATRIXX), provides telephone marketing, research, fulfillment and database services. The operations of the Company's long distance, directory services, and equipment supply businesses are included with corporate operations in the Other category.

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

RESULTS OF OPERATIONS

OVERVIEW

The Company's consolidated net loss was $32.3 million in 1995 compared to net income of $72.6 million in 1994 and a net loss of $56.8 million in 1993. 1995 loss per share was $.49 compared to earnings per share of $1.11 in 1994 and a loss per share of $.93 in 1993.

Excluding special items, consolidated net income was $114.2 million in 1995 or $1.72 per share, a 44% increase versus 1994. Consolidated net income was $79.2 million in 1994 or $1.21 per share and $50.1 million in 1993 or $.76 per share.

Results in 1995 included after-tax charges of $84 million for restructuring and downsizing at CBT and CBI. The charges are primarily related to pension enhancements and associated postretirement health care costs for retirees. More than 1,300 employees accepted the early retirement offer including approximately 1,000 hourly workers. Through the end of 1995 approximately 250 management and 450 hourly employees had left as a result of the offer. The remainder will leave through early 1997. New employees will be added in certain areas to support new business efforts. The restructuring of CBT will streamline work activities and position CBT to better succeed in its increasingly competitive business environment.

Results in 1995 also included a $39.4 million after-tax charge to write down goodwill associated with MATRIXX's French subsidiary, $8.5 million after tax to terminate the interest rate and currency swap agreement used to hedge the French MATRIXX investment, and $7 million after tax to retire certain long-term debt. Finally, $4.6 million after tax was charged to in-process research and development on two CBIS acquisitions (see Note 2 of Notes to Financial Statements for greater detail on these subjects). Special items in 1995 reduced net income by $146.5 million or $2.21 per share.

Results in 1994 included an after-tax charge of $6.6 million or $.10 per share for special items and a change in accounting for the adoption of Statement of Financial Accounting Standards (SFAS) 112 for postemployment benefits (see Note 2 of Notes to Financial Statements for a discussion of the SFAS 112 impact).

Revenues, Costs and Expenses

Revenues increased 9% in 1995 to $1,336.1 million from $1,228.2 million in 1994. 1994 revenues had increased 13% from 1993.

Revenue growth in 1995 was 4% at CBT, 9% at CBIS and 20% at MATRIXX. All three of the subsidiaries are market leaders in growing markets and are therefore well-positioned to continue growing in their respective markets in 1996.

Costs and expenses were $1,110.7 million in 1995, up approximately 5% versus 1994 after excluding special items. 1994 costs and expenses were up 8% compared to 1993 after excluding special items.

Telephone Operations

(In millions)	1995	1994	% Change 95 vs 94	1993	% Change 94 vs 93
Revenues					
Local service	$352.6	$329.3	7	$304.1	8
Network access	142.6	141.0	1	138.5	2
Long distance	33.5	37.2	(10)	41.4	(10)
Other	95.7	92.2	4	98.1	(6)
Total	624.4	599.7	4	582.1	3
Operating expenses before special items	508.7	496.6	2	481.9	3
Operating income before special items	115.7	103.1	12	100.2	3
Special items	121.7	3.6	-	6.6	-
Operating income (loss)	$ (6.0)	$ 99.5	-	$ 93.6	6
Access lines (000)	906	877	3.3	848	3.4
CBT employees	2,700	3,300	(18)	3,400	(3)
Access lines per CBT employee	336	266	26	249	7
Minutes of use (millions)					
Interstate	2,536	2,336	9	2,132	10
Intrastate	956	932	3	888	5

Continued record growth in access lines, a full year's effect of the Ohio rate plan and new rates in Kentucky effective May 1995 increased local service revenues by $14.8 million in 1995. The remaining increase of $8.5 million was primarily from increased customer usage of enhanced custom calling services and directory assistance.

Growth in access lines and a new Ohio rate plan in May 1994 accounted for $14.7 million of the increase in local service revenues in 1994. Revenues were also higher by $9.3

million as a result of sales of enhanced custom calling services and central office features and usage of directory assistance and public telephone services.

Network access revenues increased in 1995 from access line growth and increased minutes of use, as well as lower support payments to the National Exchange Carrier Association (NECA).

The increase in interstate network access revenues in 1994 was primarily attributable to the $6.6 million reduction in 1993 revenues resulting from orders of the Federal Communications Commission (FCC). In addition, higher minutes of use and lower support payments to NECA accounted for $5.5 million of the increase. FCC orders involving overearnings complaints against CBT for the 1987-1988 monitoring period were recorded as reductions of access revenues in 1993.

Long distance revenues decreased $3.7 million in 1995 because of lower settlements with interexchange carriers and independent companies. Long distance revenues declined $4.2 million in 1994 because of lower settlement revenues from independent companies, the effect of a favorable retroactive interexchange carrier adjustment in February 1993 and an interstate message toll rate reduction in January 1994.

Other telephone operations revenues increased $3.5 million in 1995 from growth in customer premises equipment repairs, payphone agent services for interexchange carriers, voice mail, and billing and collection services. The increases were partially offset by lower sales of merchandise and an increased provision for uncollectibles.

In 1994 other telephone operations revenues were lower by $10.3 million because CBT discontinued its leasing of telecommunications equipment in late 1993 and sold its residential equipment leasing and PhoneCenter store businesses in the first quarter 1993.

Operating expenses before special items for telephone operations increased $12.1 million compared to 1994. Contract services for systems development and other services increased $10.3 million primarily as a result of the business restructuring. The increase also includes higher depreciation and amortization expenses of $2.3 million as a result of rate represcriptions in Ohio which became effective in July 1994 and higher levels of depreciable plant. Right-to-use fees were lower by $3.2 million from fewer switch conversions and network software upgrades.

Operating expenses before special items increased $14.7 million in 1994. Right-to-use fees for advanced intelligent network software upgrades increased $3.5 million. Postretirement benefit costs increased $4.5 million primarily from expensing 1993 costs

which were deferred with regulatory approval. Expenses were $5.2 million higher in 1994 because of a 1993 change in vacation policy which resulted in a one-time expense reduction. Depreciation and amortization expense increased $11.4 million in 1994, with $9.7 million resulting from depreciation rate represcriptions by the Federal and Kentucky authorities effective January 1, 1994, and the Public Utilities Commission of Ohio (PUCO) effective July 1, 1994. In November 1994, CBT presented a separation offer to its senior managers which resulted in $3.6 million of special charges in 1994.

Partially offsetting the 1994 increase in operating expenses was a $7.4 million reduction reflecting businesses sold and discontinued and a $3.7 million decline resulting from lower software costs.

Information Systems

(In millions)	1995	1994	% Change 95 vs 94	1993	% Change 94 vs 93
Revenues	$373.9	$343.8	9	$ 356.6	(4)
Operating expenses before special items	327.9	316.7	4	357.9	12
Operating income (loss) before special items	46.0	27.1	70	(1.3)	-
Special items	7.5	-	-	123.3	-

Operating income (loss)	$ 38.5	$ 27.1	42	$(124.6)	-

CBIS had a strong year of continuing growth and profit progress, with revenues up 9% and operating income before special items up 70%. Strong subscriber growth in the cellular telecommunications market contributed to 19% domestic revenue growth to $343 million at CBIS in 1995, as it generated a record 140 million bills for wireless and wireline telecommunications companies. International revenues were down 50% to $31 million due to the completion of one contract in early 1995 and the delayed delivery of another contract. All anticipated costs due to the delay were recorded in 1995.

1994 revenues increased by about 20% versus 1993 when 1993's figures are adjusted to exclude operations sold or closed ($67.4 million). Revenue growth in 1994 was primarily the result of higher data processing and professional services provided to the cellular

industry, and professional service contracts with international clients for development of telecommunications solutions. CBIS maintained its strong presence in the cellular market when it announced in August 1994 a major contract renewal through 1999 with AT&T. With the growing cellular market, the contract is expected to generate revenues in excess of $600 million.

Operating expenses increased just 4% in 1995 compared with 1994, after excluding special items. CBIS's commitment to the future and its market position was demonstrated by a 43% increase in research and development spending, with total 1995 spending of $32 million (excluding $7.5 million of acquired research and development). General and administrative expenses decreased in 1995 by $8.5 million versus 1994.

Operating expenses increased 9% in 1994 compared to 1993 after excluding $88.6 million of 1993 expenses related to operations sold or closed and $102 million in special charges (see Note 2 of Notes to Financial Statements for a discussion of special items). The increase primarily reflected additional production costs of $28 million to support cellular and wireline billing clients and a $23 million increase in international contract costs. The higher international costs reflected provisions resulting from CBIS cost estimates exceeding expected revenues on certain long-term contracts.

During 1995, CBIS signed several new contracts with key clients, including a $100 million, five-year extension of its billing agreement with AT&T for business calling card services. CBIS also continued to invest for improvements in service, for new systems, and for entry into the cable TV billing market through the acquisitions of Information Systems Development (ISD) in the fourth quarter, and X International in the first quarter of 1995. ISD is a provider of billing and customer management systems to the cable television industry. The acquisition strengthens and broadens CBIS's position as the global leader in customer care and billing for the communications industry to include cable television, and is evidence of CBIS's corporate commitment to remain the leader in customer care and billing solutions for the communications marketplace with a solid client focus. X International is an established information technology company that provides software for a wide range of telecommunications companies. It supplies state-of-the-art business solutions to support Mobile Service Providers and Global System for Mobile (GSM) Operations. The acquisition of X International enhances CBIS's capabilities with the GSM technology. It also gives the experience necessary to increase international presence and complement billing solutions leadership in North America.

In 1994, CBIS completed the sale of CBIS Federal and other businesses as well as the closures of certain operations. The sales and closures were completed within the estimated amounts included in the 1993 special items.

Marketing Services

(In millions)	1995	1994	% Change 95 vs 94	1993	% Change 94 vs 93
Revenues	$271.1	$226.1	20	$ 108.2	109
Operating expenses before special items	238.8	203.5	17	106.2	92
Operating income before special items	32.3	22.6	43	2.0	-
Special items	39.6	-	-	-	-
Operating income (loss)	$ (7.3)	$ 22.6	-	$ 2.0	-

Revenues increased by 20% in 1995 representing very strong growth in the outsourced sector and good growth in the traditional telephone marketing programs. Total revenues were up $45 million, the largest-ever single year gain in existing operations at MATRIXX, with 66% of the increase generated from outsourcing sales support and customer service contracts. The balance of the growth came from the more traditional inbound/outbound services and from international operations. Industries with the strongest increases were telecommunications, technology (includes DIRECTV-Registered Trademark-), and financial services. In 1995, the growth in outsourced customer service programs was further supported by the opening of a new 500 workstation facility in Salt Lake City.

Revenue growth in 1994 primarily reflects the acquisition of WATS in late 1993 as well as internal growth from existing operations. Revenues in 1994 would have increased by 20% if WATS had been part of MATRIXX throughout 1993. The growth was broad-based across all types of services and industries.

Operating expenses before special items in 1995 increased at a lower rate than revenues. Cost control efforts among production and staff have served to reduce variable and administrative costs as a percentage of sales. The $35.3 million increase in operating expenses was directly related to the significant increase in revenues. Labor expenses

increased $19.4 million, while telephone, information systems and systems design increases comprised most of the remaining expense increase.

In 1995, special charges related to the French operations of approximately $39 million for the impairment of goodwill were recognized. While the French business continues to be strategically important to the Company's future, it was determined that projected operating results no longer supported the carrying value of the goodwill.

Operating expenses increased in 1994 due to the inclusion of WATS for a full year and from higher costs of providing services associated with increased revenues. Costs and expenses would have increased only 14% if WATS had been a part of MATRIXX throughout 1993. The increased costs and expenses came primarily from workforce additions and long distance telephone costs.

Other

(In millions)	1995	1994	% Change 95 vs 94	1993	% Change 94 vs 93
Revenues	$136.6	$129.6	5	$124.4	4
Operating expenses before special items	107.6	115.4	(7)	118.3	(2)
Operating income before special items	29.0	14.2	104	6.1	133
Special items	9.9	2.1	-	-	-
Operating income	$ 19.1	$ 12.1	58	$ 6.1	98

Higher sales of used telecommunications equipment, commodities scrap and directory advertising accounted for the 1995 increase in revenues.

Revenues of the Company's long distance business increased $5 million in 1994 primarily from an increased customer base, higher usage levels, its 800 service, and paging and voice mail services.

Special items of $9.9 million recorded in 1995 were primarily for pension enhancements and associated postretirement health benefits related to employees accepting the early retirement incentives.

Operating expenses of the long distance business decreased in 1995 primarily from lower telecommunications network costs and a reduction in Ohio personal property taxes. Operating expenses of the supply business decreased in 1995 as a result of a lower level of provisions for inventory losses than in 1994.

The decrease in operating expenses in 1994 was caused primarily by a decrease in directory expenses and the effect in 1993 of a $3 million provision for inventory loss in the equipment supply business. Partially offsetting the decreases were increases in costs associated with the growth in the long distance business.

OTHER INCOME (EXPENSE), NET

(In millions)	1995	1994	% Change 95 vs 94	1993	% Change 94 vs 93
	$(13.5)	$1.7	-	$ 9.4	(82)

Other income (expense), net decreased in 1995 as the result of certain non-recurring transactions. The 1995 results include a charge of $13.3 million resulting from the termination of the Company's interest rate and currency swap agreement in December 1995. Also included is a $5 million charge to reduce to market value certain real estate held for sale. Partially offsetting the increased costs was $5.4 million of additional interest income primarily from temporary cash investments. Income from joint ventures in 1995 increased $5.6 million over 1994 amounts net of litigation fees. Other increases in 1995 expenses were the result of a higher level of charitable foundation contributions and costs of special projects.

1993 results include a $9.8 million gain from the sale of CBT's residential equipment leasing and PhoneCenter stores partially offset by a $4.2 million loss on an investment in an international distributor of CBIS products and services.

INTEREST EXPENSE

(In millions)	1995	1994	% Change 95 vs 94	1993	% Change 94 vs 93
	$ 52.8	$49.5	7	$ 45.8	8

A combination of higher interest rates on short-term borrowings, additional amounts accrued subject to refund under FCC orders and unfavorable exchange rates with the swap

agreement were the principal causes of the $3.3 million increase in interest expense in 1995. The Company's average debt outstanding decreased marginally to $599 million in 1995 from $601 million in 1994. The weighted average interest rate increased to 8.5% in 1995 from 8.2% in 1994. Without the Company's swap agreement, the weighted average interest rates would have been 7.7% and 7.4% in 1995 and 1994, respectively.

As part of debt restructuring in 1995, the Company extinguished $75 million of 9.1% notes due in 2000 and terminated the swap agreement. Also, CBT called $40 million of 7.30% notes due in 1996 and $40 million of 8 5/8% notes due in 1999. The called notes were redeemed at par in January 1996. The Company estimates the combined effects of these actions will reduce interest expense by $6.5 million in 1996 compared with 1995 levels (see Notes 2, 9 and 10 of Notes to Financial Statements).

Interest expense increased $3.7 million in 1994 compared to 1993 primarily from long-term refinancing of short-term debt to reduce exposure to short-term interest rate increases.

INCOME TAXES

(In millions)	1995	1994	% Change 95 vs 94	1993	% Change 94 vs 93
	$ 5.7	$42.1	(86)	$ 1.7	-

The Company's effective tax rate for 1995 was 29.3% compared to 35.7% in 1994 and 3.1% for 1993. The 1995 effective tax rate without the special items was 35.6%.

Lower 1995 income before taxes was the principal reason for the decrease in income taxes in 1995. The writedown of MATRIXX goodwill in France resulted in losses of $39 million which did not create income tax benefits. Higher 1994 income before taxes was the principal reason for the increase in income taxes in 1994.

FINANCIAL CONDITION

CAPITAL INVESTMENT, RESOURCES AND LIQUIDITY

Management believes that the Company has adequate internal and external resources available to finance its on-going operating requirements, including network expansion and modernization, business development and dividend programs. The Company maintains adequate

lines of credit with several institutions to provide support for borrowings and general corporate purposes.

Cash provided by operating activities, which is the Company's primary source of liquidity, was $196.1 million in 1995. This figure includes $49.9 million of cash required to terminate the swap agreement and $11.0 million for costs of early retirement of debt. Other sources of cash in 1995 resulted from the final note payment for the sale of CBT's PhoneCenter stores and related leasing business and the issuance of shares under the Company's employee benefit plans. Cash generated internally allowed the Company to fund all of its capital expenditures, pay dividends, make $31.4 million of acquisitions, and reduce net debt (short-term and long-term debt less cash and equivalents) from $519 to $510 million.

The Company's most significant investing activity continued to be capital expenditures which were $115.3 million in 1995, down from $146.7 million in 1994. The majority of the Company's capital expenditures in 1995 ($90.3 million) were at CBT, and were used primarily for digital equipment, fiber-optic cable and other telephone plant and equipment. Capital expenditures at CBIS and MATRIXX were $11.1 and $13.8 million, respectively.

Acquisitions were another significant use of cash in 1995. The acquisitions of ISD and X International by CBIS, along with final payments for the 1993 WATS acquisition by MATRIXX, totaled $31.4 million.

CBT could decide that in order to remain competitive in the future, it must aggressively pursue a strategy of expanding its offerings beyond its traditional business. For example, CBT may adopt a strategy of running fiber-optic cable to a majority of residential customers in order to offer a full line of services. This decision would result in a need for increased capital but the amount is not determinable at this time.

CAPITALIZATION

The Company used a portion of its strong operating cash flows to restructure its debt by retiring long-term debt, reducing short-term debt and terminating its French franc interest rate swap. The debt to capitalization ratio was 51.8% at December 31, 1995, compared with 51.9% at December 31, 1994.

Duff & Phelps, Moody's Investors Service and Standard & Poor's rate the Company's senior unsecured debt at A-, A3 and A- and its commercial paper Duff 1-, P-2 and A-2,

respectively. The respective agencies rate CBT's senior unsecured debt at AA-, Aa3 and AA-, respectively. Duff & Phelps has stated that the Company's long-term and commercial paper ratings and CBT's long-term rating are under review for possible upgrade due to strengthened financial condition.

REGULATORY MATTERS

TELECOMMUNICATIONS COMPETITION

State and federal policy makers took several actions during 1995 that may lead to increased competition for communications services in CBT's market.

On August 24, 1995, the Public Utilities Commission of Ohio (PUCO) granted Time Warner a certificate to offer local exchange communications services in 37 Ohio counties, including portions of CBT's operating territory. CBT has appealed the PUCO's action to the Ohio Supreme Court, arguing that the PUCO does not have the authority to certify competing carriers. As of the date of this report, the Supreme Court has not ruled on that appeal.

In addition, the PUCO in Ohio and the Public Service Commission of Kentucky (PSCK) in Kentucky began formal investigations of new competitive frameworks for communications services in each state. The PUCO is expected to issue new rules during the second quarter of 1996. The PSCK will begin public hearings on local competition issues on March 25, 1996. The Company cannot predict the outcome of these proceedings.

On February 8, 1996, the Telecommunications Act of 1996 became law. This legislation will, among other things, require existing local exchange providers to interconnect their networks with competitors, and to sell telecommunications services wholesale to companies that can resell them to customers. This should benefit CBIS and MATRIXX by creating new customers for their services.

The Company is studying how the new federal law and state actions will affect its telecommunications business. The impact on CBT is unclear at this time. The Company already provides long distance service which the Regional Bell Operating Companies may be allowed to do in the future. Also, some form of mandated interconnection of networks was being investigated by the PUCO and PSCK, as indicated above. In general, the Company believes that public policy should move toward parity in a competitive marketplace.

ALTERNATIVE REGULATION

CBT requested a threshold increase in rates in an alternative regulation proposal filed with the PUCO in 1993. Thereafter, CBT and the intervenors signed a settlement agreement which was approved by the PUCO on May 5, 1994, increasing revenue by $11.9 million annually. The alternative regulation commitments and new rates became effective May 6, 1994. CBT's authorized rate of return on capital is 11.18%, but CBT can earn up to 11.93% in a monitoring period without any retargeting of rates. Earnings higher than 11.93% will trigger a formula which allows for certain rates to be changed in the following monitoring period.

OPTIONAL INCENTIVE REGULATION

For interstate services, CBT began to operate under an Optional Incentive Regulation plan in January 1994. Every two years CBT compares actual return with the authorized rate of return, currently 11.25%. Rate changes and new services can be made on a 14-day notice without cost support if CBT sets rates no higher than a geographically adjacent price cap local exchange carrier. This allows CBT to be more responsive to customers and the market.

KENTUCKY FILING

In October 1994, CBT filed a proposal with the PSCK for new regulated rates for telephone services provided to its Kentucky customers. An order was received from the PSCK in May 1995. The order maintains uniform rates for basic services in CBT's Kentucky and Ohio metropolitan service areas, but is essentially revenue neutral, as local service increases are offset by carrier common line and other rate adjustments. The PSCK granted CBT's request for rehearing on one issue and has scheduled a hearing in the first quarter 1996.

DEPRECIATION RATE CHANGES

The FCC is required by the Communications Act of 1934 to prescribe the depreciation rates used to compute depreciation expense for communications common carriers. It is their practice to review and revise CBT's depreciation rates and amortizations once every three years, in conjunction with the PUCO and the PSCK.

In January 1994, CBT completed a triennial depreciation represcription with regulators from the FCC, the PUCO and the PSCK. The new depreciation rates were effective January 1,

1994, in the interstate and Kentucky jurisdictions, and effective July 1, 1994, in the Ohio jurisdiction.

EFFECT OF REGULATORY ACCOUNTING

CBT presently gives accounting recognition to the actions of regulators where appropriate as prescribed by SFAS 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. Typically, regulatory recovery periods are longer than the useful lives that otherwise might be used. 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. Based on assessment of CBT's current competitive and regulatory environment, the Company believes that the application of SFAS 71 remains appropriate.

In the event CBT determines that it no longer meets the criteria for following SFAS 71, the accounting impact to CBT could be an extraordinary non-cash charge of an amount that would be material. This would include the elimination of regulatory assets or liabilities and adjusting the carrying amount of telephone plant to the extent it is determined such amounts could be considered overstated as a result of the regulatory process and are not recoverable in future revenues. Asset lives used for future depreciation expense would likely be shorter than those approved by regulators. CBT estimates that if it were to discontinue SFAS 71 any pretax charge could be up to $300 million depending on management's assessment of the competitive environment at the time.

RECENTLY ISSUED ACCOUNTING STANDARDS

The Financial Accounting Standards Board has issued SFAS 121 "Accounting for Impairment of Long-lived Assets" and SFAS 123 "Accounting for Stock-Based Competition", both effective for 1996 (see Note 1 of Notes to Financial Statements).

BUSINESS OUTLOOK

Cincinnati Bell operates businesses in several different markets under the Telecommunications umbrella. All of these markets are becoming more competitive as regulatory barriers recede and the pace of technological change quickens. Cincinnati Bell currently enjoys market leadership in its three major markets - local telephony in the Greater Cincinnati area, data processing and billing services for telecommunications companies, and telephone marketing. However, Cincinnati Bell must continue to innovate and invest if it is to retain its leadership positions.

The Company's 1996 revenues should grow at about the same pace as in 1995. CBIS and MATRIXX will provide the majority of the Company's growth while CBT's new product opportunities may be partially offset by increased market competition.

CBT is well-positioned to meet new competition. Its local network facilities are technologically advanced, providing excellent quality to users. Customer demands, technology, the preferences of policy makers and the convergence of other industries with the telecommunications industry are causes for increasing competition. Federal and state regulators are encouraging changes that promote competition in the industry and CBT is evaluating these regulatory changes. If regulatory agencies require new competitors to follow long-held principles such as universal service, CBT will be well-positioned to meet the demands of the changing market. If regulatory agencies allow competitors to skim the market, taking only the best, most profitable customers, it will be more difficult for CBT to maintain current revenue and profit objectives.

CBT and AT&T are currently discussing whether to revise portions of the companies' agreement governing their joint provision of certain telecommunications services. Revenues subject to discussion represent well less than 10% of CBT's revenues but portions of the contract provide above-average profit contribution. The discussions are in a preliminary stage and their outcome cannot be predicted. The worst-case scenario, which is not expected, could have a significant impact on CBT's earnings beginning in mid-1996. The discussions do not involve AT&T's relationships with other Cincinnati Bell companies.

CBIS is the market leader today in providing customer care and billing solutions services to the communications market. Its revenues should grow with the continued growth in wireless subscribers. It recognizes that because the market is becoming increasingly competitive, it must improve its products and services to continue sustained growth. CBIS primarily conducts its business under long-term contracts (three to ten years), and has

generally been successful in retaining its clients. However, due to the nature of its business, CBIS must stay competitive to receive new bids. As previously discussed, CBIS in 1995 signed a $100 million, five-year extension of its billing agreement with AT&T for business calling card services. CBIS's business with AT&T for residence calling card billing services was phased down in the latter part of 1995. Also, as previously reported, one of CBIS's clients, representing about 5% of its business, indicated that it may transition to another provider of billing services no sooner than early 1997. The impact of these phaseouts, if fully implemented, might be to slow future growth. The December 1995 acquisition of ISD allowed CBIS to enter the large, growing market of billing for cable TV and broadband services. While pursuing this new opportunity, CBIS must also continue to focus on the needs of its existing client base. A contract non-renewal from a significant client could have a material impact on the future earnings of CBIS.

MATRIXX should continue to grow rapidly in 1996 as more companies embrace outsourcing of telephone marketing for cost efficiencies. MATRIXX is positioned as the top quality provider of service in its market. It is also one of the few companies that can provide multi-national telephone marketing service to global companies. MATRIXX has a long-term contract through 1999 with DIRECTV-Registered Trademark-. Most of MATRIXX's other businesses are subject to short-term contracts which are often renewed.

The success of all of the Company's businesses will be determined by how well they meet the changing needs of their customers. The Company continues to review opportunities for acquisitions and divestitures for all its businesses that can enhance 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 that 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 organization 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 L.L.P., independent accountants. Their audit was conducted in accordance with generally accepted auditing standards.

The Audit Committee of the Board of Directors (see page 42), which is composed of three directors who are not employees, meets periodically with management, the internal auditors and Coopers & Lybrand L.L.P. to review their performance and 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 access to the Audit Committee at any time.

/s/ Brian C. Henry
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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, 1995 and 1994, 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, 1995. 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, 1995 and 1994, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1995, in conformity with generally accepted accounting principles.

As discussed in Note 2 of Notes to Financial Statements, the Company changed its method of accounting for postemployment benefits in 1994.

/s/ Coopers & Lybrand L.L.P.

Cincinnati, Ohio
February 14, 1996

CONSOLIDATED STATEMENTS OF INCOME — Cincinnati Bell Inc.

MILLIONS OF DOLLARS EXCEPT PER SHARE AMOUNTS Year Ended December 31	1995	1994	1993
REVENUES	$1,336.1	$1,228.2	$1,089.6
Costs and Expenses			
Operating expenses	672.1	632.8	603.6
Plant and building services	190.2	177.4	153.6
Depreciation and amortization	162.2	154.1	158.5
Taxes other than income taxes	93.7	92.8	91.0
Special charges	171.2	5.7	101.6
Total costs and expenses	1,289.4	1,062.8	1,108.3
OPERATING INCOME (LOSS)	46.7	165.4	(18.7)
Other Income (Expense), net	(13.5)	1.7	9.4
Interest Expense	52.8	49.5	45.8
Income (Loss) Before Income Taxes, Extraordinary Charge and Cumulative Effect of Change in Accounting Principle	(19.6)	117.6	(55.1)
Income Taxes	5.7	42.1	1.7
Income (Loss) Before Extraordinary Charge and Cumulative Effect of Change in Accounting Principle	(25.3)	75.5	(56.8)
Extraordinary Charge	(7.0)	-	-
Cumulative Effect of Change in Accounting Principle	-	(2.9)	-
NET INCOME (LOSS)	(32.3)	72.6	(56.8)
Preferred Dividend Requirements	-	-	2.2
Income (Loss) Applicable to Common Shares	$ (32.3)	$ 72.6	$ (59.0)
Earnings (Loss) Per Common Share			
Income (Loss) Before Extraordinary Charge and Cumulative Effect of Change in Accounting Principle	$ (.38)	$ 1.15	$ (.93)
Extraordinary Charge	(.11)	-	-
Cumulative Effect of Change in Accounting Principle	-	(.04)	-
Net Income (Loss)	$ (.49)	$ 1.11	$ (.93)
Weighted Average Common Shares Outstanding (000)	66,271	65,443	63,296

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

CONSOLIDATED BALANCE SHEETS — Cincinnati Bell Inc.

MILLIONS OF DOLLARS at December 31	1995	1994
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2.9	$ 78.4
Receivables, less allowances of $14.7 and $14.1, respectively	266.7	246.1
Material and supplies	10.5	16.0
Deferred income taxes	25.4	29.0
Prepaid expenses and other assets	35.9	29.1
Total current assets	341.4	398.6
PROPERTY, PLANT AND EQUIPMENT, NET	993.9	1,036.2
GOODWILL AND OTHER INTANGIBLES	172.3	197.4
INVESTMENTS IN UNCONSOLIDATED ENTITIES	53.4	48.8

DEFERRED CHARGES AND OTHER ASSETS	30.7	42.4
TOTAL ASSETS	$1,591.7	$1,723.4
LIABILITIES AND SHAREOWNERS' EQUITY		
CURRENT LIABILITIES		
Debt maturing within one year	$ 126.1	$ 68.7
Payables and other current liabilities	327.2	314.6
Total current liabilities	453.3	383.3
LONG-TERM DEBT	386.8	528.3
DEFERRED INCOME TAXES	111.3	164.0
UNAMORTIZED INVESTMENT TAX CREDITS	14.8	16.2
OTHER LONG-TERM LIABILITIES	147.4	79.2
Total liabilities	1,113.6	1,171.0
COMMITMENTS AND CONTINGENCIES		
SHAREOWNERS' EQUITY		
Common shares - $1 par value; 240,000,000 shares authorized	66.7	65.9
Additional paid-in capital	256.1	239.5
Retained earnings	157.1	246.6
Currency translation adjustments	(1.8)	.4
Total shareowners' equity	478.1	552.4
TOTAL LIABILITIES AND SHAREOWNERS' EQUITY	$1,591.7	$1,723.4

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

CONSOLIDATED STATEMENTS OF CASH FLOWS Cincinnati Bell Inc.

MILLIONS OF DOLLARS Year Ended December 31	1995	1994	1993
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ (32.3)	$ 72.6	$ (56.8)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	162.2	154.1	158.5
Special charges	171.2	5.7	101.6
Provision for loss on receivables	8.5	11.1	14.6
Charge for purchased research and development	7.5	-	-
Cumulative effect of accounting change	-	4.5	-
Other, net	6.6	9.3	(2.1)
Change in assets and liabilities net of effects from acquisitions and disposals:			
Increase in receivables	(34.1)	(33.0)	(11.4)
Decrease (increase) in other current assets	(1.1)	6.3	12.7
Increase (decrease) in accounts payable and accrued liabilities	(1.4)	8.9	9.1
Increase (decrease) in other current liabilities	(11.2)	31.7	(2.8)
Decrease in deferred income taxes and unamortized investment tax credits	(50.5)	(4.1)	(6.8)
Decrease (increase) in other assets and liabilities, net	7.3	4.2	(18.4)
Decrease in assets and liabilities from termination of swap agreement	(36.6)	-	-
Net cash provided by operating activities	196.1	271.3	198.2
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures - telephone plant	(90.3)	(110.5)	(109.3)
Capital expenditures - other	(25.0)	(36.2)	(57.2)
Acquisitions, net of cash acquired	(31.4)	-	(67.8)
Dispositions of businesses	-	27.0	-
Other, net	5.4	2.5	9.7
Net cash used in investing activities	(141.3)	(117.2)	(224.6)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of long-term debt	21.9	-	169.6
Repayment of long-term debt	(78.4)	(1.5)	(28.1)
Net decrease in notes payable	(29.9)	(45.9)	(55.5)
Issuance of common shares	9.1	15.3	2.6
Dividends paid	(53.0)	(52.3)	(53.3)

Acquisition of common shares	-	-	(5.5)
Net cash provided by (used in) financing activities	(130.3)	(84.4)	29.8
Net increase (decrease) in cash and cash equivalents	75.5	69.7	3.4
Cash and cash equivalents at beginning of year	78.4	8.7	5.3
Cash and cash equivalents at end of year	$ 2.9	$ 78.4	$ 8.7

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

CONSOLIDATED STATEMENTS OF COMMON SHAREOWNERS' EQUITY Cincinnati Bell Inc.

	Common Shareowners' Equity					
MILLIONS OF DOLLARS EXCEPT PER SHARE AMOUNTS	Total	Common Shares	Additional Paid-In Capital	Retained Earnings	Currency Translation Adjustments	Common Shares Outstanding (millions)
BALANCE AT JANUARY 1, 1993	$568.9	$ 62.0	$164.4	$342.5	$ -	62.0
Shares issued under shareowner and employee plans	2.5	.2	2.7	(.3)	-	.2
Acquisition of shares	(5.5)	(.3)	(.7)	(4.5)	-	(.3)
Preferred shares converted to common shares	60.0	3.1	56.8	-	-	3.1
Net loss	(56.8)	-	-	(56.8)	-	-
Dividends:						
Preferred shares 7.25%	(2.2)	-	-	(2.2)	-	-
Common shares $.80 per share	(51.3)	-	-	(51.3)	-	-
BALANCE AT DECEMBER 31, 1993	$515.6	$ 65.0	$223.2	$227.4	$ -	65.0
Shares issued under shareowner and employee plans	17.2	.9	16.3	-	-	.9
Net income	72.6	-	-	72.6	-	-
Pension liability adjustment	(1.0)	-	-	(1.0)	-	-
Currency translation adjustment	.4	-	-	-	.4	-
Dividends on common shares $.80 per share	(52.4)	-	-	(52.4)	-	-
BALANCE AT DECEMBER 31, 1994	$552.4	$ 65.9	$239.5	$246.6	$ .4	65.9
Shares issued under shareowner and employee plans	14.5	.7	13.9	(.1)	-	.7
Other shares issued	2.8	.1	2.7	-	-	.1
Net loss	(32.3)	-	-	(32.3)	-	-
Pension liability adjustment	(4.0)	-	-	(4.0)	-	-
Currency translation adjustment	(2.2)	-	-	-	(2.2)	-
Dividends on common shares $.80 per share	(53.1)	-	-	(53.1)	-	-
BALANCE AT DECEMBER 31, 1995	$478.1	$ 66.7	$256.1	$157.1	$ (1.8)	66.7

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

NOTES TO FINANCIAL STATEMENTS Cincinnati Bell Inc.

1. Accounting Policies

CONSOLIDATION - The consolidated financial statements include the accounts of Cincinnati Bell Inc. and its wholly owned subsidiaries (the Company). The three principal subsidiaries are Cincinnati Bell Telephone (CBT), Cincinnati Bell Information Systems (CBIS) and MATRIXX Marketing (MATRIXX). All significant intercompany transactions and balances have been eliminated in consolidation. Certain prior year amounts have been reclassified to conform with the current year's presentation.

BASIS OF ACCOUNTING - The Company's consolidated financial statements have been prepared in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

REGULATORY ACCOUNTING - CBT follows the accounting under the provisions of 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, impose a liability, or eliminate a liability previously imposed. The most significant impact from the rate actions is on depreciation because regulatory recovery periods used for telephone plant are longer than the useful lives that might otherwise be used. The Company continually reviews the applicability of SFAS 71 based on developments in its current regulatory and competitive environment. In the event CBT

determines that it no longer meets the criteria for following SFAS 71, the accounting impact to CBT could be a material, extraordinary, non-cash charge. This would include the elimination of regulatory assets or liabilities and adjusting the carrying amount of telephone plant to the extent it is determined such amounts would be considered overstated as a result of the regulatory process and are not recoverable in future revenues. Asset lives used for future depreciation expense would likely be shorter than those approved by regulators. The accounting under the provisions of SFAS 71 results in non-plant regulatory assets of $12.2 million and regulatory liabilities of $26.1 million as described in Note 3.

CASH EQUIVALENTS - Cash equivalents consist of short-term highly liquid investments with original maturities of three months or less.

MATERIAL AND SUPPLIES - New and reusable material, related to the regulated telephone operations, are carried at average original cost, or specific costs for large items. Nonreusable material is carried at estimated salvage value.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at original cost.

The Company's provision for depreciation of telephone plant is determined on a straight-line basis using the whole life and remaining life methods. Depreciation expense also includes amortization of certain classes of telephone plant and identified depreciation reserve deficiencies over periods allowed by regulatory authorities. Provision for depreciation of other property is based on the straight-line method over the estimated useful life.

Telephone plant is retired at its original cost, net of cost of removal and salvage, and is charged to accumulated depreciation.

SOFTWARE DEVELOPMENT COSTS - Research and development expenditures are charged to expense as incurred. The development costs of software to be marketed are charged to expense until technological feasibility is established. After that time, the remaining software development costs are capitalized and recorded in property, plant and equipment.

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, generally not exceeding four years. Reductions in the carrying value of capitalized software costs to net realizable value are included in amortization expense.

GOODWILL AND OTHER INTANGIBLES - Goodwill resulting from the purchase of businesses and other intangibles are recorded at cost and amortized on a straight-line basis of up to 40 years. Goodwill and other intangibles are evaluated periodically as events or circumstances indicate a possible inability to recover their carrying amount. Such evaluation is based on various analyses, including cash flow and profitability projections that incorporate, as applicable, the impact on existing company businesses. The analyses necessarily involve significant management judgment to evaluate the capacity of an acquired business to perform within projections. If future expected undiscounted 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 are recognized when services are provided. Information services revenues primarily consist of data processing revenue recognized as services are performed. On certain long-term telecommunications systems development contracts, the percentage of completion method is used to recognize the revenues. Because the percentage of completion method requires estimates of costs to complete contracts, it is at least reasonably possible that estimated costs to complete contracts will be revised in the near term. Revenues from software maintenance agreements are deferred and are recognized over the maintenance period. Software licensing revenues are recognized when delivery of the software occurs if the Company does not have to provide additional significant service under the contract. Billed but unearned revenues are deferred. All other revenues are recognized when the 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 based on the liability method. For financial statement purposes, deferred investment tax credits 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 PER COMMON SHARE - Earnings per common share are calculated by using the weighted average number of common shares outstanding. The dilutive effect of the Company's common shares under option is insignificant.

CURRENCY TRANSLATION - Assets and liabilities of foreign operations, where the functional currency is the local currency, are translated to U.S. dollars at year-end exchange rates. The related currency translation adjustments are reflected as cumulative translation adjustments, a separate component of shareowners' equity. Revenue and expenses are translated at average rates of exchange prevailing during the year. Transaction gains and losses related to forward contracts that are designated and effective as hedges are deferred and included in the recorded value of the transaction being hedged. Other currency transaction gains and losses are included in income.

FINANCIAL INSTRUMENTS - The Company manages certain portions of its foreign currency and interest rate fluctuations through a small number of instruments but does not engage in foreign currency speculation. Generally, foreign currency instruments and forwards are valued relative to the period ending spot rate. Gains and losses applicable to those instruments are recorded to income currently with the exception of amounts related to foreign currency instruments that have been designated as a hedge of a net investment in a foreign subsidiary. Hedge results of a net investment in a foreign subsidiary are excluded from income and recorded as adjustments to shareowners' equity until the related subsidiary is sold or liquidated. The interest elements of these foreign instruments are recognized to income ratably over the life of the contract. The interest rate differential to be paid or received

on interest rate swap agreements and related foreign currency transaction gains and losses are accrued as interest rates change and are recognized as an adjustment of interest expense.

RECENTLY ISSUED ACCOUNTING STANDARDS - The Financial Accounting Standards Board has issued SFAS 121 "Accounting for the Impairment of Long-Lived Assets" which is effective for years beginning after December 15, 1995. The statement requires that long-lived assets and certain intangibles to be held and used by entities be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If during the review the sum of the expected future cash flows is less than the carrying amount of the asset, an impairment loss is recognized. The Company believes that the adoption of this standard will not have a material impact on its non-telephone operations. The Company's telephone subsidiary is continuing to evaluate the financial impact of this statement in connection with the application of SFAS 71 accounting requirements.

The Financial Accounting Standards Board has issued SFAS 123 "Accounting for Stock-Based Compensation" which is effective for transactions entered into after December 15, 1995. The pronouncement allows the Company to continue its current method of accounting for stock options or use the method prescribed in the document. The Company intends to continue its current accounting method for stock options.

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2. Special Items

1995

SPECIAL CHARGES

In the first quarter, the Company approved a restructuring plan for CBT and CBI. The restructuring plan results in the need for fewer people to operate the businesses. The reduction in CBT's workforce is the result of the offer of early retirement incentives to eligible employees.

More than 1,300 employees accepted the early retirement offer, including 1,000 hourly employees. At the end of 1995, approximately 250 management and 450 hourly employees had left. The Company has the option to delay the retirement date of the hourly employees until March 31, 1997.

During the year, the Company recorded special charges of $131.6 million after settlement gains to reflect the cost of the restructuring programs. The charges reduced net income by approximately $84 million or $1.26 per share. The charges included $58 million for pension enhancements, $54 million of curtailment losses for postretirement health care costs, $7 million for lease termination costs, $4 million for vacation buyout and severance pay and the remainder for other costs.

Total cash payments of $7.7 million were applied to accrued restructuring liabilities. The principal cash outflow was $4 million for the non-qualified portion of lump-sum pension distributions to employees retiring under the current retirement offer. Cash of $3.4 million was used to pay for vacation buyouts and severance pay during 1995. During 1995, $2 million of non-cash items were charged against the reserve.

Liabilities related to pension enhancements and postretirement health care costs are included in other long-term liabilities at December 31, 1995. Other accrued costs related to the restructuring at December 31, 1995, are $14.2 million consisting of $6 million for real estate exit costs, $2.4 million for employee separation costs and $5.8 million of other exit costs.

The Company expects to record a small amount of non-cash settlement gains associated with lump sum pension distributions through 1997 as employees leave the Company. Cash outflows are expected to be $8 million in 1996.

In December, the Company recognized a goodwill impairment loss of approximately $39 million resulting from a writedown of goodwill related to two French telephone marketing businesses (see Note 7).

NON-RECURRING CHARGES

Operating expenses include $7.5 million of in-process research and development costs which were charged to expense in connection with CBIS acquisitions. This reduced net income by $4.6 million or $.07 per share (see Note 6).

Other income (expense), net includes a charge to reduce to market the value of real estate held for sale, which decreased net income by $3.3 million or $.05 per share. Also included is a charge resulting from termination of the Company's interest rate and currency swap agreement, which was used to hedge its investment in MATRIXX's French operations, reducing net income by $8.5 million or $.13 per share (see Note 10).

EXTRAORDINARY CHARGE

In December 1995, the Company retired, at a premium, $75 million of 9.1% notes. The retirement was accomplished through redemption and a partial in-substance defeasance. A portion of the debt was redeemed by cash payments of $56.4 million, including accrued interest. In addition, U.S. government securities totaling $21.3 million were placed in a trust and their use irrevocably restricted to satisfy the remaining principal balances of $18.6 million of the notes and interest payments thereon. Available cash was used to finance the transaction which reduced net income by $7 million or $.11 per share.

1994

SPECIAL CHARGES

During December, certain senior managers left CBT through a voluntary separation incentive program. The cost of this offer, including estimated curtailment losses from the Company's non-qualified pension program, partially offset by a reduction in the CBIS restructuring and disposal reserve established in 1993, reduced net income by $3.7 million or $.06 per share.

ACCOUNTING CHANGE

Effective January 1, 1994, the Company adopted SFAS 112, "Employers' Accounting for Postemployment Benefits." 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 changed the Company's method of accounting for postemployment benefits from recognizing costs as benefits are paid, to accruing the expected costs of benefits. The cumulative effect of this accounting change reduced net income by $2.9 million or $.04 per share.

1993

SPECIAL CHARGES

Late in the year, the Company commenced a plan to dispose of certain lines of business within CBIS, and to restructure the remainder of the CBIS operations. The disposal plan included the elimination of non-strategic operations, including divesting its holdings in CBIS Federal, closing its foreign data center, and eliminating other unprofitable domestic and international activities. During the year, $102 million ($88 million after tax, or $1.39 per share) of special charges were recorded. Included in this amount were $97.4 million related to the disposition of businesses (including $63 million for the write-off of CBIS Federal goodwill) and $4.6 million related to the restructuring of other CBIS operations including a reduction in workforce.

In 1994, the Company substantially completed its disposal and restructuring plan by selling CBIS Federal and other businesses for approximately $16 million. Total charges of $24.3 million were charged against the CBIS restructuring reserve during 1994, reducing the reserve to $11.1 million at December 31, 1994. The 1994 charges consisted of $16.6 million for operating losses of businesses to be sold, severance costs of $4.3 million and the remaining $3.4 million for the writedown of fixed assets net of a $2 million reversal of the reserve.

In 1995, total charges against the reserve amounted to $4.8 million and were for the costs of discontinued products and contracts as well as severance costs. The reserve balance of $6.3 million at December 31, 1995, is for estimated future costs associated with a lease termination, discontinued products and contingencies related to businesses sold.

NON-RECURRING CHARGES

CBIS recorded other costs and expenses unrelated to the restructuring. Charges to reduce the carrying value of certain capitalized software costs to net realizable value and costs to withdraw from certain international contracts and products reduced net income by $13.6 million or $.22 per share. In addition, losses related to an investment in, and loans to, an international distributor of CBIS products and services reduced net income by $2.7 million or $.04 per share.

Increased provisions for inventory losses at the Company's supply business reduced net income by $2 million or $.03 per share.

CBT accrued amounts related to FCC orders to refund earnings to interexchange carriers in excess of the FCC's target range in the 1987-1988 monitoring period. The accrued amounts reduced network access revenues by $6.6 million and increased interest expense by $4.2

million and decreased net income by $7 million or $.11 per share. The sale of CBT's residential equipment leasing and PhoneCenter store businesses resulted in a non-operating gain of $6.5 million or $.10 per share.

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3. Income Taxes

The components of income tax expense are as follows:

MILLIONS OF DOLLARS Year Ended December 31	1995	1994	1993
Current:			
Federal	$49.7	$47.2	$19.1
Foreign	.2	(.2)	1.7
State and Local	6.1	3.7	2.3
Total current	56.0	50.7	23.1
Deferred	(49.0)	(4.5)	(14.6)
Investment tax credits	(1.3)	(3.2)	(2.9)
Adjustment of valuation allowance related to net operating and capital losses	-	(.9)	(3.9)
Total	$ 5.7	$42.1	$ 1.7

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

MILLIONS OF DOLLARS at December 31	1995	1994
Deferred tax asset:		
Accrued restructure costs	$47.2	$ 5.4
Unamortized investment tax credit	8.0	8.7
Loss carryforwards	28.6	29.5
Deferred tax consequences of net regulatory liability	3.6	4.1
Allowance for doubtful accounts	3.9	3.4
Accrued liabilities	9.2	7.4
Other	13.8	16.9
	114.3	75.4
Valuation allowance	(22.7)	(23.4)
Net deferred tax asset	91.6	52.0
Deferred tax liability:		
Depreciation and amortization	148.2	159.9
Basis differences on items previously flowed through to ratepayers	12.2	14.1
Other	11.2	7.0
Total deferred tax liability	171.6	181.0
Net deferred tax liability	$ 80.0	$129.0

The Company's deferred tax asset valuation allowance increased approximately $20 million in 1994 primarily due to a capital loss on the sale of CBIS Federal. These capital loss carryforwards can be utilized only when future capital gains are recognized for tax purposes. No tax planning strategy currently exists that meets the prudence and feasibility criteria to recognize this deferred tax asset.

The following is a reconciliation of the statutory Federal income tax rate with the effective tax rate for each year:

	1995	1994	1993
U.S. Federal statutory rate	(35.0)%	35.0 %	(35.0)%
Insurance cash surrender value	(2.3)	(.2)	(.4)
Plant basis differences, net of depreciation	6.2	1.1	2.0
Rate differential on reversing temporary differences	(8.9)	(1.4)	(4.0)
Disposal losses without income tax benefit	-	-	40.0
Amortization and writedown of intangible assets	78.8	1.6	5.2
Change in valuation allowance	.3	(.8)	(6.0)
State and local income taxes, net of federal income tax benefit	13.5	2.9	2.7
Investment and research tax credits	(18.6)	(4.0)	(9.3)
Taxes related to prior years	3.8	.6	5.6
Other differences	(8.5)	.9	2.3
Effective rate	29.3 %	35.7 %	3.1 %

At December 31, 1995 and 1994, the liability for income taxes includes approximately $12.2 million and $14.1 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 for these items, representing amounts which will be recovered through the ratemaking process, which is recorded in other assets. 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 long-term liabilities include a regulatory liability at December 31, 1995 and 1994, of approximately $26.1 million and $29.8 million, respectively, a substantial portion of which represents the excess deferred taxes on depreciable assets, resulting primarily from the reduction in the statutory federal income tax rate from 46% to 35%. 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. The regulatory liability also includes an amount associated with unamortized investment tax credits, which 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 had net operating loss carryforwards applicable to foreign subsidiaries at December 31, 1995 and 1994, of approximately $17.6 million and $18.7 million, respectively. Utilization of the foreign carryforwards is dependent upon future earnings of each subsidiary with foreign carryforwards expiring 1996 through 2003. Management believes it is more likely than not that all of the deferred tax assets applicable to net operating loss carryforwards of foreign subsidiaries will be realized. However, the amount considered realizable could be reduced in the near term if estimates of future taxable income during the carryforward period are reduced. The Company had U.S. capital loss

carryforwards at December 31, 1995 and 1994, of approximately $64.9 million and $66.6 million, respectively. Utilization of these capital losses is dependent upon the generation of future capital gains with the carryforwards expiring in 1996 through 2000 and, accordingly, a valuation allowance has been established for the related deferred tax asset.

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4. Retirement Plans

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 is a cash balance plan where the pension benefit is determined by a combination of compensation based credits and annual guaranteed interest credits. 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 using 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 in Note 2 as a special termination benefit.

Pension cost includes the following components:

MILLIONS OF DOLLARS Year Ended December 31	1995	1994	1993
Service cost (benefits earned during the period)	$ 6.9	$ 12.4	$10.1
Interest cost on projected benefit obligation	48.9	39.9	40.3
Actual return on plan assets	(185.6)	10.5	(79.6)
Amortization and deferrals - net	131.5	(63.2)	29.4
Charge to expense for special termination benefits	58.8	-	7.6
Curtailment loss	4.9	4.1	-
Settlement gains	(5.9)	-	(7.9)
Pension cost (income)	$ 59.5	$ 3.7	$ (.1)

The following table sets forth the plans' funded status:

MILLIONS OF DOLLARS	1995	1994

Actuarial present value of accumulated benefit obligation including vested benefits of $574.4 million and $440.2 million, respectively	$688.3	$491.3
Plan assets at fair value (primarily listed stocks, bonds and real estate, including $120.1 million and $58.8 million, respectively in common shares of Cincinnati Bell Inc.)	$698.9	$660.5
Actuarial present value of projected benefit obligation	709.0	(533.6)
Plan assets over (under) projected benefit obligation	(10.1)	126.9
Unrecognized prior service cost	30.9	13.4
Unrecognized transition asset	(36.1)	(44.5)
Unrecognized net gain	(18.0)	(79.4)
Recognition of minimum liability	(7.8)	(5.4)
Prepaid asset (liability)	$(41.1)	$ 11.0

The increase in the pension liability in 1995 was principally the result of recognizing approximately $58 million of pension enhancements in connection with the 1995 restructuring (see Note 2). The recognized pension liability will be reduced in the future principally by Company contributions in accordance with its funding policy.

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

At December 31	1995	1994	1993
Discount rate - projected benefit obligation	7.00%	8.25%	7.25%
Future compensation growth rate	4.00%	4.00%	4.00%
Expected long-term rate of return on plan assets	8.25%	8.25%	8.25%

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 $10.9 million, $8.4 million and $7.3 million for 1995, 1994 and 1993, respectively.

5. Employee Postretirement Benefits Other Than Pensions

The Company provides health care and group life insurance benefits for its employees if they retire with a service pension. In 1993, the Company adopted SFAS 106, "Employers' Accounting for Postretirement

Benefits Other Than Pensions." In adopting SFAS 106, the Company elected to amortize the accumulated postretirement benefit obligation over twenty years.

The Company funds its group life insurance benefits through Retirement Funding Accounts (RFAs) and funds health care benefits using Voluntary Employee Benefit Association (VEBA) trusts. It is the Company's practice to fund amounts as deemed appropriate from time to time. Contributions are subject to IRS limitations developed using the aggregate cost method. The associated plan assets are primarily equity securities and fixed income investments.

The components of postretirement benefit cost for the years ended December 31, 1995 and 1994, in millions of dollars, are as follows:

1995	Health	Group Life	Total
Service cost (benefits earned during the period)	$ 1.1	$ .5	$ 1.6
Interest cost on accumulated postretirement benefit obligation	13.3	1.9	15.2
Actual return on plan assets	(7.7)	(2.1)	(4.7)
Amortization and deferrals - net	10.7	(.1)	5.5
Curtailment loss	53.8	-	53.8
Postretirement benefit cost	$71.2	$ .2	$71.4

1994	Health	Group Life	Total
Service cost (benefits earned during the period)	$ 1.9	$ .6	$ 2.5
Interest cost on accumulated postretirement benefit obligation	11.3	2.0	13.3
Actual return on plan assets	(3.4)	(2.1)	(5.5)
Amortization and deferrals - net	8.7	-	8.7
Postretirement benefit cost	$18.5	$ .5	$19.0

The funded status of the plans, in millions of dollars, at December 31, 1995 and 1994, is:

1995	Health	Group Life	Total
Accumulated postretirement benefit obligation			
Retirees and dependents	$182.4	$ 19.0	$201.4
Fully eligible active participants	7.4	-	7.4
Other active participants	14.2	12.2	26.4
	204.0	31.2	235.2

	Health	Group Life	Total
Plan assets at fair value	(46.5)	(28.4)	(74.9)
Accumulated postretirement benefit obligation in excess of plan assets	157.5	2.8	160.3
Unrecognized prior service cost	(2.3)	(.5)	(2.8)
Unrecognized transition obligation	(87.3)	(.2)	(87.5)
Unrecognized net loss	(13.9)	(1.0)	(14.9)
Accrued postretirement benefit cost	$ 54.0	$ 1.1	$ 55.1

The increase in the accrued postretirement benefit cost was principally related to the recognition of approximately $54 million of curtailment losses for the 1995 restructuring (see Note 2).

1994	Health	Group Life	Total
Accumulated Postretirement benefit obligation			
Retirees and dependents	$110.2	$13.6	$123.8
Fully eligible active participants	11.4	-	11.4
Other active participants	26.5	10.2	36.7
	148.1	23.8	171.9
Plan assets at fair value	(31.2)	(28.1)	(59.3)
Accumulated postretirement benefit obligation in excess of (under) plan assets	116.9	(4.3)	112.6
Unrecognized transition obligation	(122.1)	(.2)	(122.3)
Unrecognized net gain	5.6	5.3	10.9
Accrued postretirement benefit cost	$ .4	$ .8	$ 1.2

The Company used the following rates in determining the actuarial present value of the accumulated postretirement benefit obligation (APBO) and postretirement benefit costs:

At December 31	1995	1994
Discount rate - APBO	7.00%	8.25%
Expected long-term rate of return for VEBA assets	8.25%	8.25%
Expected long-term rate of return for RFA assets	8.00%	8.00%

The assumed health care cost trend rate used to measure the postretirement health benefit obligation at December 31, 1995, was 6.6% and is assumed to decrease gradually to 4.7% by the year 2001. A one percentage point increase in the assumed health care cost trend rate would have increased the aggregate of the service and interest cost components of 1995 postretirement health benefits by approximately $.8 million, and would increase the accumulated postretirement benefit obligation as of December 31, 1995, by approximately $10.2 million.

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6. Software Development Costs

Software development costs consist of the following:

MILLIONS OF DOLLARS	1995	1994	1993
Gross product development costs	$39.0	$22.1	$56.3
Product development costs expensed	(31.5)	(16.6)	(29.9)
Product development costs expensed with acquisitions of X International and ISD	(7.5)	-	-
Additions to capitalized software development costs	$ -	$ 5.5	$26.4

Capitalized software development costs, net of accumulated amortization, consist of the following:

MILLIONS OF DOLLARS	1995	1994	1993
Balance - beginning of year	$30.1	$35.1	$34.7
Additions	-	5.5	26.4
Amortization	(11.3)	(10.5)	(26.0)
Balance - end of year	$18.8	$30.1	$35.1

Amortization of capitalized software cost is included in depreciation and amortization expense. Amortization expense for 1993 includes $17 million of charges to reduce the carrying value of certain capitalized software costs to net realizable value.

In connection with two CBIS acquisitions in 1995, $7.5 million of the purchase price was allocated to in-process research and development and charged to expense at the time of the acquisition. As of the date of the acquisitions, the Company concluded that the in-process technology had no alternative future use and had not reached technological feasibility. These charges reduced net income by $4.6 million or $.07 per share.

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7. Goodwill and Other Intangibles

Goodwill and other intangibles, net of accumulated amortization, consist of the following:

MILLIONS OF DOLLARS	1995	1994
Balance - beginning of year	$197.4	$192.2
Additions	24.4	10.0
Writedown	(39.0)	-
Amortization	(8.8)	(8.4)
Other	(1.7)	3.6
Balance - end of year	$172.3	$197.4

The additions in 1995 resulted from the two CBIS acquisitions with the 1994 additions resulting from the contingent consideration recorded for the WATS acquisition.

In December 1995 the Company recognized a goodwill impairment charge of $39 million, with no associated tax benefit, that reduced net income by $39 million or $.59 per share. The goodwill was established related to the 1990 acquisition of two French telephone marketing businesses. The goodwill impairment was recognized because it became apparent in late 1995 that the French business would not likely meet plans required to sustain the recorded goodwill amount.

In determining the amount of the charge, the Company developed its best estimate of operating cash flows over the expected lives of the business' long-lived assets. Management's best estimate resulted in accumulated undiscounted cash flows being less than the carrying value of the asset. As a consequence, impairment had occurred under our policy. The writedown is calculated by comparing the discounted cash flows to the asset value. The Company calculated the present value of expected cash flows to determine the fair value of the business using a discount rate of 12% which represents the Company's cost of capital. Despite the writedown, the Company continues to consider the French operations strategically important to its future growth in Europe.

Accumulated amortization of goodwill and other intangibles was $89.2 million and $40.7 million at December 31, 1995 and 1994, respectively.

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8. Debt Maturing Within One Year and Lines of Credit

Debt maturing within one year consists of the following:

MILLIONS OF DOLLARS at December 31	1995	1994	1993
Notes payable			
Commercial paper	$ -	$ 65.8	$ 91.4
Bank notes	35.9	-	18.2
Current maturities of long-term debt	90.2	2.9	2.4

Total	$126.1	$ 68.7	$112.0
Weighted average interest rates on notes payable	5.9%	6.2%	3.3%

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

MILLIONS OF DOLLARS	1995	1994	1993
Average amounts of notes payable outstanding during the year*	$ 66.1	$ 69.5	$162.5
Weighted average interest rate during the year**	6.1%	4.2%	3.2%
Maximum amounts of notes payable at any month-end during the year	$ 71.1	$100.2	$202.5

* 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, 1995, the Company had approximately $78 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.

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9. Long-Term Debt

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

Description		1995	1994
Debentures/Notes			
Year of Maturity	Interest Rate		
1996	7.300	$ 40.0	$ 40.0
1997	6.700	100.0	100.0
1999	8.625	40.0	40.0
2000	9.100	-	75.0
2002	4.375	20.0	20.0
2003	6.240	20.0	20.0
2005	6.330	20.0	20.0
2011	7.375	50.0	50.0
2023	7.250	50.0	50.0
2023	7.180-7.270	80.0	80.0
		420.0	495.0
Capital leases and other		57.4	36.8
Unamortized discount-net		(.4)	(.6)
Current maturities		(90.2)	(2.9)

Total	$386.8	$528.3

Refer to Note 2 regarding the 1995 retirement of the 9.1% notes due in 2000.

On December 19, 1995, CBT called for redemption $40 million of 7.3% notes due 1996 and $40 million of 8 5/8% notes due 1999. The redemption date was January 18, 1996, with the redemption price being 100% of the principal amount plus accrued interest. Accordingly, the notes have been classified as a current maturity. The redemption was accomplished by issuing short-term debt. The cost of the redemption was minimal.

The $57.4 million shown above in "Capital leases and other" includes $16 million borrowed in Switzerland at 3.4% to hedge a CBIS contract.

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10. Termination of Interest Rate and Currency Swap Agreement

In 1990, the Company entered into an interest rate and currency swap agreement to reduce the impact of changes in interest rates and foreign currency exchange rates. Under the agreement, the Company received 225 million French francs in return for $41.7 million. The agreement had the effect of converting $41.7 million of the Company's short-term variable interest rate borrowings to long-term at a French franc fixed interest rate. In the year 2000, the original amounts were to be repaid. This transaction was designated as a hedge of the Company's net investment in a French subsidiary of MATRIXX and accordingly, the currency gains or losses associated with this transaction were reflected in the currency translation adjustment in shareowners' equity.

The Company received quarterly interest payments calculated using market rates on a notional amount of $41.7 million. These payments approximately offset the cash interest incurred on $41.7 million of commercial paper borrowings. The Company accrued interest on a notional amount of 225 million French francs. The approximate effective rate was such that net interest expense was based on the interest cost implicit in the contract measured in French francs (approximately 11%). Net amounts due to and from the counterparty were reflected in interest expense in the periods in which they accrued. The net effect of the swap for the years ended December 31, 1995 and 1994, was to increase interest expense by $5.1 million and $4.5 million, respectively. The swap also increased the Company's weighted average interest rate from 7.7% to 8.5% in 1995 and from 7.4% to 8.2% in 1994.

In December 1995, the Company terminated the agreement and paid a cash settlement. Under the terms of the agreement, the Company paid additional costs of $13.3 million. The termination costs were recorded in other income (expense), net.

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11. 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 time to 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. The carrying amounts at December 31, 1995 and 1994, were approximately $441.9 million and $495.7 million, respectively. The estimated fair values at December 31, 1995 and 1994, were $448.4 million and $454.2 million, respectively.

Interest rate and currency swap agreement - the fair value of the foreign currency and interest rate swap is the estimated amount that the Company would receive (or pay) to terminate the swap agreement at the reporting date, taking into account current currency translation and interest rates and the current credit-worthiness of the swap counterparty. The Company's foreign currency and interest rate swap agreement was terminated in 1995 as described in Note 10. At December 31, 1994, if the Company had closed its position on this agreement, additional costs of approximately $8.0 million would have been incurred.

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12. Common and Preferred Shares

COMMON SHARE PURCHASE RIGHTS PLAN

In 1986, the Company adopted a Share Purchase Rights Plan by granting a dividend of one right for each outstanding common share. After adjustments for share splits there is one quarter right associated with each share. Each right entitles shareholders to purchase, under certain conditions, one one-hundredth of a Series A Preferred Share, without par value, for $125. The rights may be exercised or transferred apart from the common shares only if a person or group acquires 20% or more of the Company's common shares or announces a tender offer that would result in ownership of 30% or more of the Company's common shares. Thereafter, if the Company is the surviving corporation in a merger, or if an acquirer becomes the beneficial owner of more than 40% 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% 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. 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 after the acquisition of 20% of the Company's common shares.

PREFERRED SHARES

The Company is authorized to issue up to 4,000,000 voting preferred shares and 1,000,000 nonvoting preferred shares. At December 31, 1995 and 1994, there were no preferred shares outstanding.

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13. 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 at no less than the fair market value at the grant date.

Stock option activity is summarized as follows:

Options	1995	1994	1993
Outstanding at beginning of year	2,778,995	2,532,828	1,972,135
Granted	1,017,100	844,900	923,050
Exercised	(388,645)	-	(123,112)
Canceled	(510,300)	(598,733)	(239,245)
Outstanding at end of year	2,897,150	2,778,995	2,532,828
Exercisable at December 31	1,921,283	1,683,811	1,326,053
Common shares available for granting of options	4,306,123	4,382,000	4,049,000
Price of options exercised	$12.00-$23.25	-	$10.97-$21.13
Exercise price of options outstanding	$12.00-$30.63	$12.00-$26.50	$12.00-$26.50

During 1995, 1994 and 1993, 229,000 shares, 72,000 shares and 5,500 shares, respectively, were granted as other awards. There were no SARs granted or outstanding during 1995, 1994 and 1993.

14. Lease Commitments

The Company leases certain facilities and equipment used in its operations. Total rental expenses amounted to approximately $69.3 million, $71.7 million and $71.0 million in 1995, 1994 and 1993, respectively.

At December 31, 1995, the aggregate minimum rental commitments under noncancelable leases for the periods shown, in millions of dollars, are as follows:

Year	Operating Leases	Capital Leases
1996	$ 53.2	$ 7.2
1997	42.4	7.2
1998	29.4	6.9
1999	26.1	4.4
2000	25.5	4.3
Thereafter	57.2	52.0
Total	$233.8	82.0
Amount representing interest		46.9
Present value of net minimum lease payments		$35.1

Capital lease obligations incurred were approximately $2.3 million, $7.3 million and $5.8 million in 1995, 1994 and 1993, respectively.

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15. Quarterly Financial Information
(Unaudited)

All adjustments necessary for a fair statement of income for each period have been included.

MILLIONS OF DOLLARS EXCEPT PER SHARE AMOUNTS	1st	2nd	3rd	4th	Total
1995					
Revenues	$331.8	$334.1	$327.0	$343.2	$1,336.1
Operating Income (Loss)	$(80.4)	$ 56.3	$ 57.1	$ 13.7	$ 46.7
Income (Loss) Before Extraordinary Charge	$(59.5)	$ 27.0	$ 28.7	$(21.5)	$ (25.3)
Net Income (Loss)	$(59.5)	$ 27.0	$ 28.7	$(28.5)	$ (32.3)
Earnings (Loss) Per Share	$(0.90)	$ 0.41	$ 0.43	$(0.43)	$ (0.49)
1994					
Revenues	$292.1	$299.8	$312.9	$323.4	$1,228.2
Operating Income	$ 36.7	$ 42.5	$ 43.3	$ 42.9	$ 165.4
Income Before Cumulative Effect of Change in Accounting Principle	$ 15.6	$ 18.7	$ 20.1	$ 21.1	$ 75.5
Net Income	$ 12.7	$ 18.7	$ 20.1	$ 21.1	$ 72.6
Earnings Per Share	$ 0.20	$ 0.28	$ 0.31	$ 0.32	$ 1.11

Net income for the fourth quarter 1995 was reduced by $61 million or $.92 per share as a result of several special items during the quarter. These items include the expensing of acquired research and development costs, a goodwill impairment loss, charges for the termination of an interest rate and currency swap agreement, and an extraordinary charge for early extinguishment of debt. See Note 2.

Net income for the first quarter 1995 was reduced by $84.1 million or $1.27 per share for special charges as a result of a business restructuring at CBT and CBI as described in Note 2.

Net income for the fourth quarter 1994 was reduced by $3.7 million or $.06 per share from special charges. These special charges consisted of the costs for CBT's voluntary separation incentive program for certain senior managers and estimated curtailment losses from the Company's non-qualified pension plan partially offset by a reduction in the restructuring and disposal reserve as described in Note 2.

Net income for the first quarter 1994 was reduced by $2.9 million or $.04 per share from a change in accounting principle as described in Note 2.

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16. Additional Financial Information

Income Statement

MILLIONS OF DOLLARS	Year Ended December 31	1995	1994	1993

Taxes other than income taxes:			
Property	$36.9	$39.1	$39.1
Gross receipts	21.0	19.4	18.2
Payroll-related	35.0	33.6	33.1
Other	.8	.7	.6
Total	$93.7	$92.8	$91.0
Interest Expense:			
Long-term debt	$47.0	$46.2	$36.0
Notes payable and other	5.8	3.3	9.8
Total	$52.8	$49.5	$45.8

Balance Sheet

MILLIONS OF DOLLARS at December 31	1995	1994
Property, Plant and Equipment, net:		
Telephone plant	$1,503.4	$1,447.4
Accumulated depreciation	(634.9)	(556.0)
Net telephone plant	868.5	891.4
Other property and equipment	282.5	279.4
Accumulated depreciation	(157.1)	(134.6)
Total	$ 993.9	$1,036.2
Payables and other current liabilities:		
Accounts payable and accrued liabilities	$ 201.2	$ 179.7
Accrued taxes	48.0	61.0
Advance billing and customers' deposits	40.5	38.8
Other current liabilities	37.5	35.1
Total	$ 327.2	$ 314.6

Statement of Cash Flows

MILLIONS OF DOLLARS Year Ended December 31	1995	1994
Cash paid for:		
Interest (net of amount capitalized)	$46.8	$42.6
Income taxes	$61.6	$30.3

The following summarized financial information is for the Company's consolidated wholly owned subsidiary, Cincinnati Bell Telephone Company:

Income Statement

MILLIONS OF DOLLARS Year Ended December 31	1995	1994	1993
Revenues	$624.4	$599.7	$575.5
Costs and expenses	$630.4	$500.2	$481.9
Net income (loss)	$(11.3)	$ 54.8	$ 59.2

Balance Sheet

MILLIONS OF DOLLARS At December 31	1995	1994
Current assets	$ 193.4	$ 187.9
Telephone plant-net	878.7	901.6
Other noncurrent assets	19.3	21.0
Total assets	$1,091.4	$1,110.5
Current liabilities	$ 215.6	$ 148.3
Noncurrent liabilities	204.3	195.0
Long-term debt	233.9	312.3
Shareowner's equity	437.6	454.9
Total liabilities and shareowner's equity	$1,091.4	$1,110.5

Results for 1995 include special charges of $121.7 million for restructuring operations which reduced net income by $77.5 million.

Results for 1994 include $3.6 million of special charges related to a voluntary separation incentive program for certain senior managers. These charges reduced net income by $2.3 million. Also in 1994, net income was reduced $2.4 million for a change in accounting for employee postemployment benefits (SFAS 112).

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. 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. Also in 1993, a gain of approximately $6.5

million was recognized in other income from the sale of the residential equipment leasing and PhoneCenter stores businesses.

18. Business Segment Information

The Company, based in Cincinnati, Ohio, operates primarily in three industry segments: Telephone Operations, Information Systems and Marketing Services. Telephone Operations provides telecommunications services and products, mainly local service, network access and toll telephone service in the Greater Cincinnati area. Information Systems provides data processing services and software development services through long-term contracts primarily to the U.S. telecommunications industry. Marketing Services provides telephone marketing, research, fulfillment and database services to major corporations in the communications, consumer goods, technology, financial and direct response industries. The Information Systems and Marketing Services segments have minor international operations, primarily in Europe.

Capital additions include $46.4 million and $67.8 million of acquisitions in 1995 and 1993, respectively.

The Other category includes the Company's businesses which offer long distance and directory services. Also included in Other is a supply business that buys and sells reconditioned telecommunications and computer equipment to various industries in the U.S.

For the years ended December 31, the Company's segment information is as follows:

MILLIONS OF DOLLARS	1995	1994	1993
Revenues			
Telephone Operations	$ 624.4	$ 599.7	$ 575.5
Information Systems	373.9	343.8	356.6
Marketing Services	271.1	226.1	108.2
Other	133.9	127.2	121.8
Corporate	2.7	2.4	2.6
Intersegment	(69.9)	(71.0)	(75.1)
Total	$1,336.1	$1,228.2	$1,089.6
Intersegment Revenues			
Telephone Operations	$ 23.0	$ 23.6	$ 23.0
Information Systems	39.4	40.5	46.9
Marketing Services	2.5	2.1	.4
Other	2.3	2.4	2.2
Corporate	2.7	2.4	2.6
Total	$ 69.9	$ 71.0	$ 75.1
Operating Income (Loss)			
As Reported			
Telephone Operations	$ (6.0)	$ 99.5	$ 93.6
Information Systems	38.5	27.1	(124.6)
Marketing Services	(7.3)	22.6	2.0
Other	29.6	20.2	14.2

Corporate and Eliminations	(8.1)	(4.0)	(3.9)
Total	$ 46.7	$ 165.4	$ (18.7)
Operating Income (Loss) Excluding Special Items			
Telephone Operations	$ 115.7	$ 103.1	$ 100.2
Information Systems	46.0	27.1	(1.3)
Marketing Services	32.3	22.6	2.0
Other	29.6	20.2	17.2
Corporate and Eliminations	1.8	(1.9)	(3.9)
Total	$ 225.4	$ 171.1	$ 114.2
Assets			
Telephone Operations	$1,091.4	$1,110.5	$1,091.9
Information Systems	268.2	246.4	293.4
Marketing Services	235.6	262.7	225.3
Other	38.5	39.5	39.1
Corporate and Eliminations	(42.0)	64.3	14.4
Total	$1,591.7	$1,723.4	$1,664.1
Capital Additions (including acquisitions)			
Telephone Operations	$ 90.3	$ 112.8	$ 111.6
Information Systems	47.0	20.2	40.1
Marketing Services	27.0	11.7	73.7
Other	2.5	11.5	10.0
Total	$ 166.8	$ 156.2	$ 235.4
Depreciation and Amortization			
Telephone Operations	$ 113.0	$ 110.6	$ 99.2
Information Systems	30.3	26.4	47.0
Marketing Services	15.6	13.6	8.4
Other	3.3	3.5	3.9
Total	$ 162.2	$ 154.1	$ 158.5

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.

During 1995, 1994 and 1993 the Company had special items as described in Note 2.

Information Systems revenues and expenses for 1993 included approximately $67 million and $89 million, respectively, related to businesses sold or closed during 1994. Accordingly, revenues and operating expenses for these businesses during 1994 were charged to the restructuring and disposal reserve as described in Note 2. Information Systems operating income for 1993 was reduced by special charges of $102 million. Marketing Services revenues and operating income for 1994

increased from the inclusion of the operations of WATS Marketing for a full year, which was acquired in November 1993.

Revenues from foreign sources and assets denominated in foreign currencies at December 31, 1995, were less than 6% and 5%, respectively, of consolidated totals.

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19. Major Customer

The Company derives significant revenues in all three of its business segments from AT&T and its affiliates by providing network services, information management systems and marketing services. During 1995, 1994, and 1993, revenues from AT&T accounted for 26%, 23% and 17%, respectively, of the Company's consolidated revenues. Excluding network access revenues, revenues from AT&T were 22%, 19% and 12%, respectively.

CBT and AT&T are discussing whether to revise portions of the companies' agreement governing their joint provision of certain telecommunications services. Revenues subject to discussion represent well less than 10% of CBT's revenues but portions of the contract provide above-average profit contribution. The discussions are in a preliminary stage and their outcome cannot be predicted. The worst-case scenario, which is not expected, could have a significant impact on CBT's earnings beginning in mid-1996. The discussions do not involve AT&T's relationships with other Cincinnati Bell companies.

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20. Contingencies

The Company, which has a 45% interest in a cellular partnership, is seeking to dissolve the partnership because of poor performance. In addition, recent changes in the structure of the telecommunications industry, including the enactment of the Telecommunications Act of 1996, have positioned the partnership in direct competition with its two major partners, including the Company, creating irreconcilable conflicts of interest among them. The Company has pursued this litigation to maximize the value of this asset for the benefit of the shareholders. There are many possible outcomes of this litigation. The potential impact of a settlement from the lawsuit is an extremely broad-range depending upon the form of distribution and the amount of damages awarded. At this time, the Company believes it will recover its $49 million investment in the partnership.

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.

At December 31, 1995, the Company and its subsidiaries had approximately 15,100 employees. CBT and CBIS had approximately 2,200 employees 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. Negotiations with representatives of the CWA are planned to begin in March 1996 and the outcome cannot be determined at this time.

Exhibit 21
to
Form 10-K for 1995

Subsidiaries of the Registrant
(as of March 27, 1996)

SUBSIDIARY	STATE OF INCORPORATION
Cincinnati Bell Telephone Company	Ohio
Cincinnati Bell Telecommunications Systems Inc.	Ohio
Cincinnati Bell Information Systems Inc.	Ohio
Cincinnati Bell Long Distance Inc.	Ohio
Cincinnati Bell Supply Company	Ohio
MATRIXX Marketing Inc.	Ohio
Cincinnati Bell Properties Inc.	Kentucky
Cincinnati Bell Directory Inc.	Ohio
Cincinnati Bell Cellular Systems Company	Ohio
Cincinnati Bell Finance Inc.	Delaware

Exhibit 23
to
Form 10-K for 1995

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-8 (File No. 33-39385), 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 14, 1996 on our audits of the consolidated financial statements and financial statement schedule of Cincinnati Bell Inc. as of December 31, 1995 and 1994, and for each of the three years in the period ended December 31, 1995, which report is incorporated by reference in this Annual Report on Form 10-K.

/s/ COOPERS & LYBRAND L.L.P.

COOPERS & LYBRAND L.L.P.

Cincinnati, Ohio
March 28, 1996

Exhibit 24
to
Form 10K for 1995

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 4th day of March, 1996.

/s/ John F. Barrett

John F. Barrett
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, personally appeared before me 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ Phillip R. Cox

Phillip R. Cox
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, personally appeared before me Phillip R. Cox, 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ William A. Friedlander

William A. Friedlander
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ Dwight H. Hibbard

Dwight H. Hibbard
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, 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 4th day of March, 1996.

/s/ Mary Louise Parker

Notary Public
Mary Louise Parker
Notary Public, State of Ohio
My Commission Expires August 19, 1997

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 4th day of March, 1996.

/s/ Robert P. Hummel

Robert P. Hummel
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, personally appeared before me, to me Robert P. Hummel, 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ James D. Kiggen

James D. Kiggen
Director

STATE OF OHIO)

) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ John T. LaMacchia

John T. LaMacchia
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ Charles S. Mechem, Jr.

Charles S. Mechen, Jr.
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, personally appeared before me Charles S. Mechem, 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ Mary D. Nelson

Mary D. Nelson
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, personally appeared before me Mary D. Nelson, to me known and known to me to be the person described in and who executed the foregoing instrument, and she duly acknowledged to me that she executed and delivered the same for the purposes therein expressed.

Witness my hand and official seal this 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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 4th day of March, 1996.

/s/ David B. Sharrock

David B. Sharrock
Director

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On the 4th day of March, 1996, 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 4th day of March, 1996.

/s/ Mary Janet Edwards

Notary Public
Mary Janet Edwards
Notary Public, State of Ohio
My Commission Expires February 11, 1997

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