Q3-12 Results

October 23, 2012

Safe Harbor

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995

Various statements contained in this document constitute “forward-looking statements” as that term is defined under the Private Securities Litigation Reform Act of 1995. Words like “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expects,” “estimates,” “projects,” “positioned,” “think,” “strategy,” and similar expressions identify these forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. These factors, among others, include the following: (1) We operate in highly competitive markets which may lead to a decrease in our revenue, increased costs, customer churn or a reduction in the rate of customer acquisition; (2) The sectors in which we compete are subject to rapid and significant changes in technology, and the effect of technological changes on our businesses cannot be predicted; (3) Our fixed line telephony is in decline and unlikely to improve; (4) A failure in our network and information systems could significantly disrupt our operations, which could have a material adverse effect on those operations, our business, our results of operations and financial conditions; (5) Unauthorized access to our network resulting in piracy could result in a loss of revenue; (6) We rely on third-party suppliers and contractors to provide necessary hardware, software or operational support and are sometimes reliant on them in a way which could economically disadvantage us; (7) The “Virgin” brand is not under our control and the activities of the Virgin Group and other licensees could have a material adverse effect on the goodwill towards us as a licensee; (8) Our inability to provide popular programming or to obtain it at a reasonable cost could potentially have a material adverse effect on the number of customers or reduce margins; (9) Adverse economic developments could reduce customer spending for our TV, broadband and telephony services and could therefore have a material adverse effect on our revenue; (10) We are subject to currency and interest rate risks; (11) We are subject to tax in more than one jurisdiction and our structure poses various tax risks; (12) Virgin Mobile relies on Everything Everywhere’s networks to carry its communications traffic; (13) We do not insure the underground portion of our cable network and various pavement-based electronics associated with our cable networks; (14) We are subject to significant regulation, and changes in the U.K. and EU laws, regulations or governmental policy affecting the conduct of our business may have a material adverse effect on our ability to set prices, enter new markets or control our costs; (15) We have substantial indebtedness which may have a material adverse effect on our available cash flow, our ability to obtain additional financing if necessary in the future, our flexibility in reacting to competitive and technological changes and our operations; (16) We may not be able to fund our debt service obligations in the future; and (17) The covenants under our debt agreements place certain limitations on our ability to finance future operations and how we manage our business;

These and other factors are discussed in more detail under “Risk Factors” and elsewhere in Virgin Media’s annual report on Form 10-K for the year ended December 31, 2011 or the 2011 Annual Report as filed with the SEC on February 21, 2012. We assume no obligation to update our forward-looking statements to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Additional Information

This presentation discusses single, dual, triple and quad-play customers. These categories are defined by the numbers of consumer cable products a customer (i.e. household) subscribes to, with the exception of quad-play customers. Quad-play customers are cable triple households which have at least one Virgin Mobile service (contract or prepay) registered to the same address. All broadband, home phone and TV customer numbers in this presentation refer to customers on our cable network, unless otherwise indicated.

All comparisons of financial and operating statistics are to the third quarter of 2011, unless otherwise stated. Movements and percentages have been calculated using the underlying number to one decimal place of the number presented in this document.

Neil Berkett, CEO

October 23, 2012

Highlights

Strong customer growth underpins solid financial performance.

Q3 performance

- Revenue growth of 2.8%
- 1.8% Cable ARPU growth
- 40k net customer adds
- Churn at 1.4%, a fourth quarter of YoY improvement
- 9.5% Business revenue growth
- 6.1% OCF[1] growth to £423m
- FCF[2] of £120m, down 11%

(1) OCF is operating income before depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges and is a non-GAAP financial measure.
(2) FCF is Free Cash Flow, which is OCF reduced by purchase of fixed and intangible assets and net interest expense and is a non-GAAP financial measure.
See Appendices for a reconciliation of non-GAAP financial measures to their nearest GAAP equivalents.

Sustainable modest revenue growth

We continue to generate sustainable modest revenue growth through multiple levers.

Five key drivers

1. BEST TV - TiVo
2. BEST BROADBAND
3. ADVANTAGED MOBILE
4. ADVANTAGED BUSINESS
5. BEST BRAND - VIRGIN

Multiple revenue growth levers in Q3

Customer Growth
- Strong net customer adds of 40k
- Disconnects down 34k, with churn at 1.4%

Pricing
- Product differentiation underpins VMED pricing
- Price inflation is occurring in UK Telecoms
- Fibre & content investment underpins competitor price actions

Tier Mix
- Over 40% of broadband gross adds continue to take 60Mb+
- Paying TV mix improved by 5% points to 85%
- TiVo penetration up to 30%, cementing ‘first mover’ status

Product Cross-Sell
- Improved triple play to 65% and quad play to 16%
- Contract mobile revenue up 6% despite MTR headwind

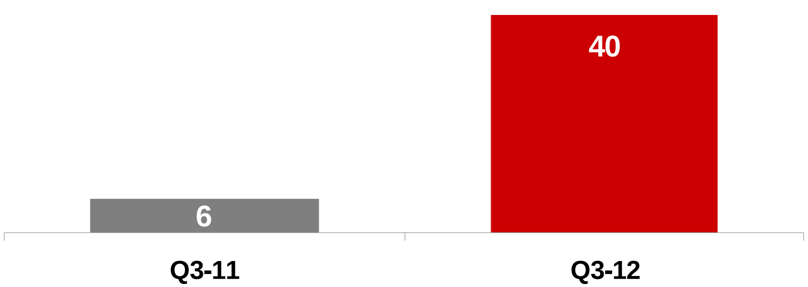
Business Data
- Total data revenue grew 20% in Q3
- Revenue growth year-to-date of 9%

Cable revenue growth drivers

We delivered strong quarterly net adds and reduced churn despite challenging economic environment.

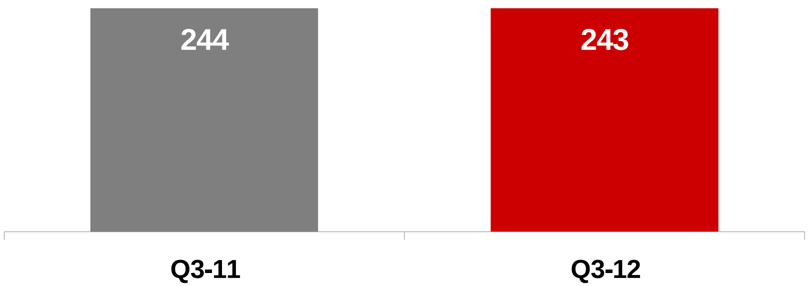
Strong customer net adds

Cable customer net adds ('000s)



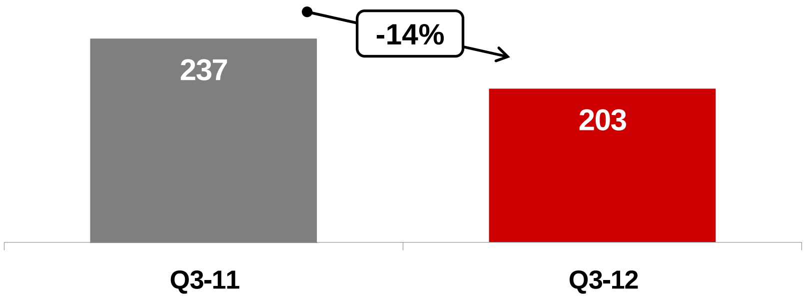
Stable gross customer adds

Cable gross adds ('000s)



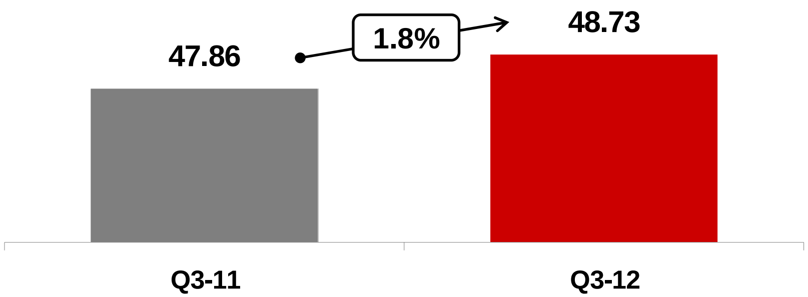
Q3 churn – 4th quarter of YoY improvement

Gross disconnects ('000s)



Modest cable ARPU growth

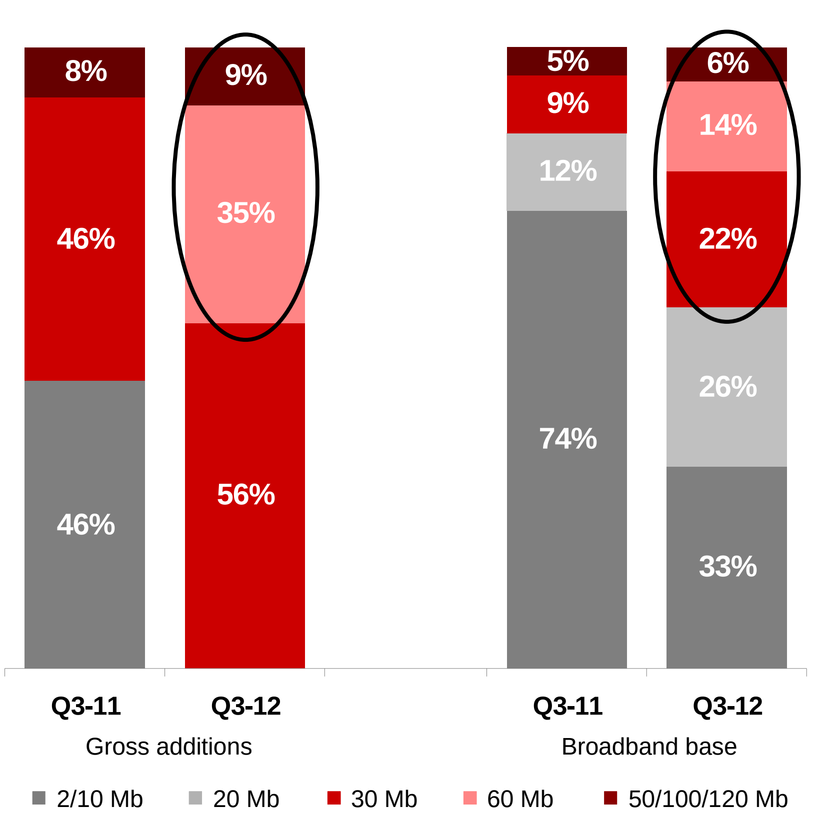
Cable ARPU (£)



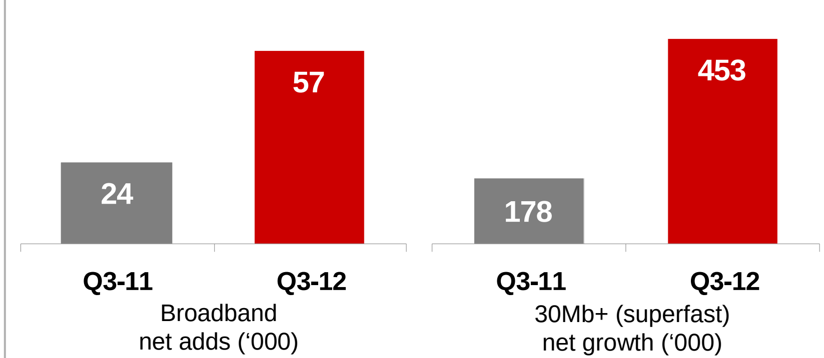
Broadband tier mix improving fast

Our programme to double broadband speeds has now reached over 40% of our network. 42% of broadband customer base now have ‘superfast’.

Sustained strong mix for gross adds

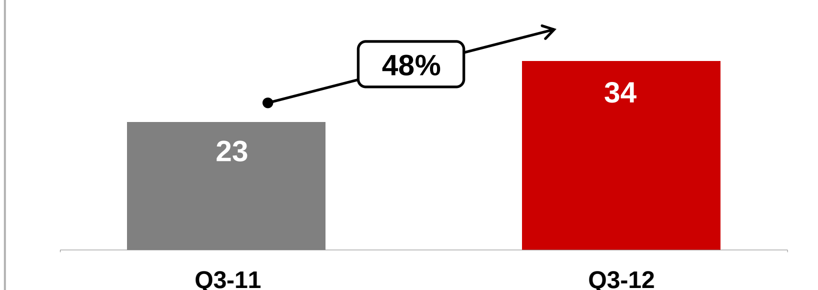


Further strong net additions in superfast broadband



Demand-led data explosion continues

Average customer monthly broadband data usage (GB)
(excludes TV VOD usage)

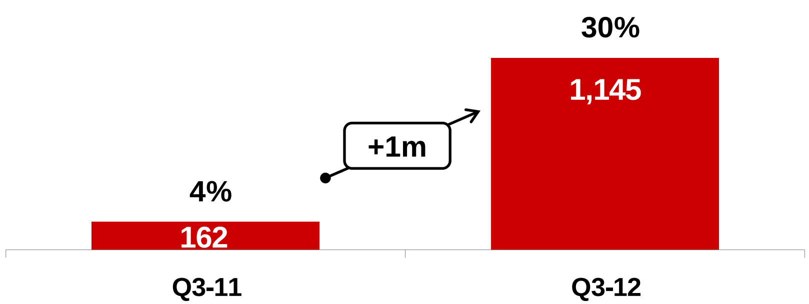


TiVo underpinning solid TV growth

The strength of TiVo contributes to the quality of our customer growth alongside continued progress in the paying TV base, premium and HD.

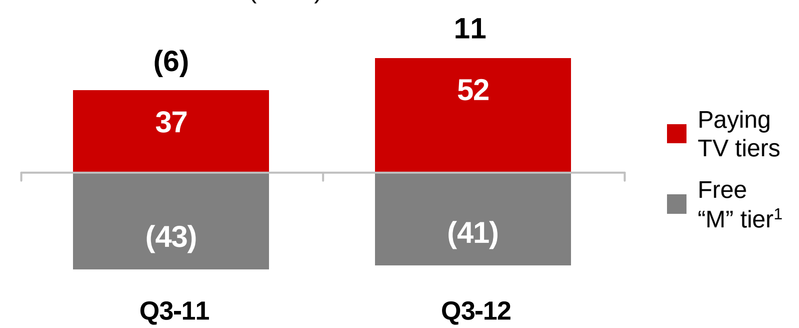
1.1m TiVo subs – now 30% of base

TiVo subscriptions ('000s); penetration of total TV base

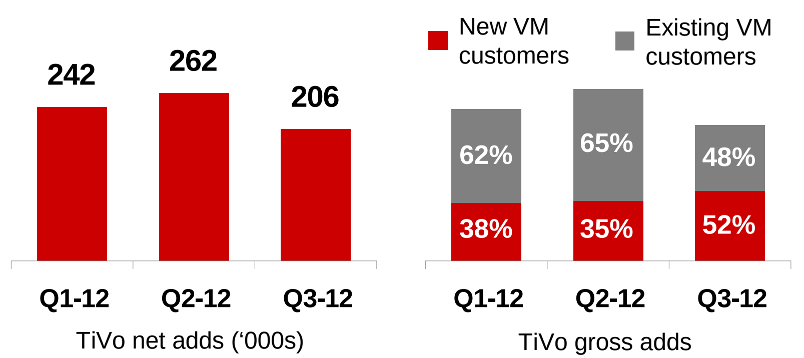


Further paying TV subscriber growth in Q3

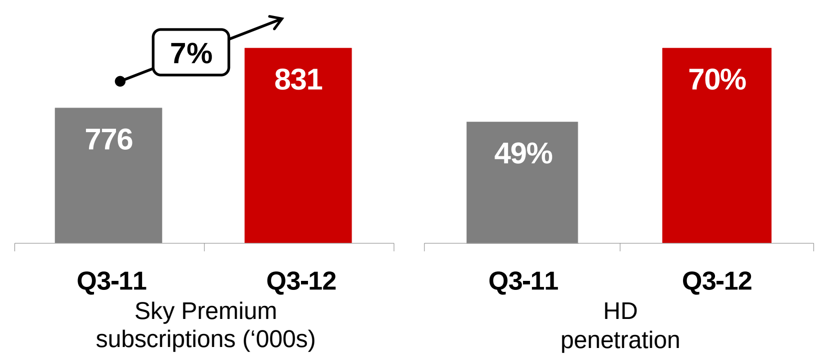
TV customer net adds ('000s)



Managing the TiVo rollout to existing customers



Growing Sky premiums and HD penetration



(1) Free "M" tier TV customers excludes "M" tier TV customers paying a monthly subscription for TiVo

Driving TV innovation forward

We continue to develop and enhance Virgin TV, adding value for customers and attracting prospects.

A continual process of service enhancement

Virgin TV Anywhere launch

- Live TV on the go and functionality to manage your TiVo from anywhere
- Launching on iOS, PC and Mac, with further devices to follow

Multi-room TiVo box-to-box streaming

- Record on one box, watch on another

Virgin Movies

- Relaunched with improved navigation and Virgin Movies app
- Added multiscreen access with Download to Rent, also available to non-Virgin customers

Olympics success

- Olympics brought to life via editorial collections on TiVo, the BBC sports app and 24 SD & HD streams
- 71% of our customers used the BBC red button during the games – higher than any other platform[1]

Virgin TV Anywhere

VIRGIN MOVIES

BBC Olympics App

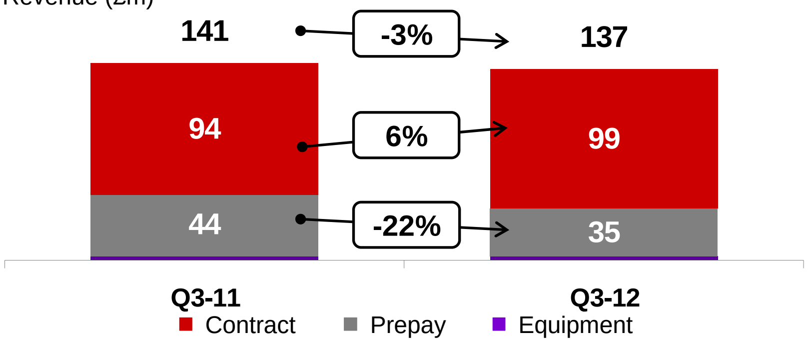
(1) Source: BBC

Mobile revenue mix improves

Mobile revenue fell due to regulated MTR cuts but contract mix continues to improve.

Strong contract revenue growth

Revenue (£m)

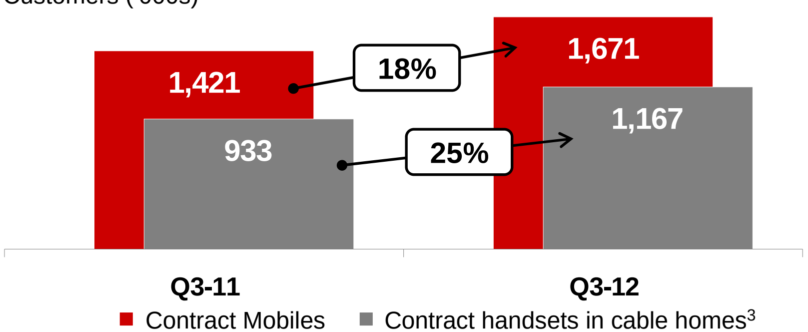


Regulated MTR[1] cuts reduce revenue but not OCF[2]

- Q3-12: MTR cuts reduced mobile revenue by £7m
- c1% mobile revenue growth excluding MTR cuts
- 2012: MTR cuts expected to reduce mobile revenue by c£25m
- Due to offsetting savings in interconnect costs, MTR cuts are broadly neutral to Group OCF

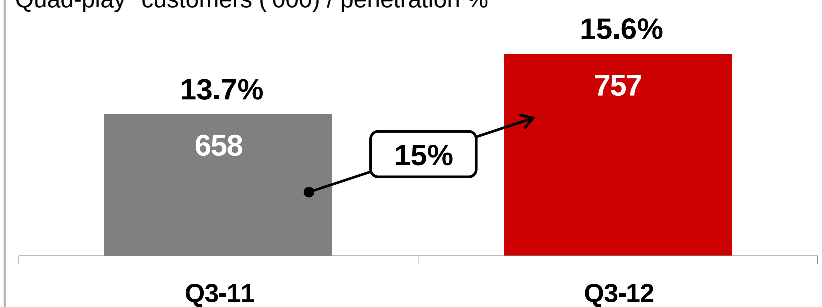
Increasing contract penetration into cable homes

Customers (‘000s)



Growing quad-play penetration

Quad-play[3] customers (‘000) / penetration %

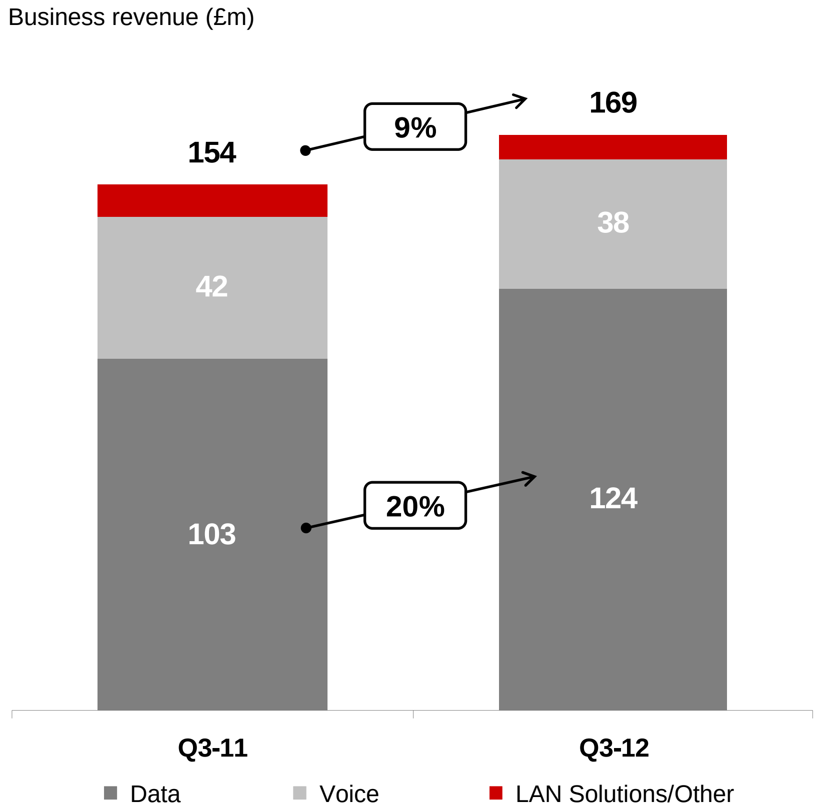


(1) MTR is Mobile Termination Rate, which is a regulated cost for terminating voice calls on a mobile network.
(2) OCF is operating income before depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges and is a non-GAAP financial measure. See Appendices for a reconciliation of non-GAAP financial measures to their nearest GAAP equivalents.
(3) Based on Company estimates of homes with contract or prepay mobile.

Business revenue growth remains a key driver

Business division delivered 9.5% revenue growth in Q3. Year-to-date growth of 8.8% represents 44% of group revenue growth.

Strong revenue growth in Q3



Continued momentum in core markets

- Business pipeline up 12%
- Selected as supplier by the Yorkshire & Humberside Partnership Management Board
- Extended MBNL contract with additional Aggregation Network and 150 extra cell sites

Exploring emerging revenue opportunities

- London Underground Wi-Fi
- Successful trials of new small cell technology

Eamonn O’Hare, CFO

October 23, 2012

Solid Q3 financial performance

Modest revenue growth of 2.8% combined with operating leverage resulted in 6.1% OCF growth.

	Q3-11	Q3-12	
	£m	£m	Growth
Revenue	**1,000**	**1,028**	**2.8%**
Operating costs[1]	402	403	0.4%
Gross margin[2]	598	624	4.4%
SG&A	200	202	0.9%
OCF[3]	**398**	**423**	**6.1%**
Net Interest	107	100	(6.6%)
Cash Capex[4]	156	203	30.2%
FCF[5]	**136**	**120**	**(11.4%)**

(1) Exclusive of depreciation; (2) Gross margin is revenue less operating costs; (3) OCF is operating income before depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges and is a non-GAAP financial measure; (4) Cash Capex is total purchase of fixed and intangible assets; (5) FCF is Free Cash Flow, which is OCF reduced by purchase of fixed and intangible assets and net interest expense and is a non-GAAP financial measure. See Appendices for a reconciliation of non-GAAP financial measures to their nearest GAAP equivalents.

Sustainable modest revenue growth

We delivered 2.8% revenue growth in the quarter with solid growth across Cable and Business, while Mobile was affected by regulated MTR cuts.

	Q3-11	Q3-12	
	£m	£m	Growth
Cable	685	705	2.9%
Mobile	141	137	(3.1%)
Business	154	169	9.5%
Non-cable	20	18	(11.1%)
Total	**1,000**	**1,028**	**2.8%**

SG&A cost growth slows

Q3 SG&A costs aided by flat marketing costs and continued cost control. Year-to-date SG&A growth reflects front-loaded marketing costs.

	Q3-12		Q3-12 YTD	
	£m	Growth	£m	Growth
Employee & outsourcing	110	0.7%	336	(2.2%)
Facilities	15	7.7%	46	8.3%
Other	30	(1.7%)	91	1.7%
Total (excl. Marketing)	**157**	**0.9%**	**473**	**(0.5%)**
Marketing	47	0.6%	153	23.9%
Total	**202**	**0.9%**	**626**	**4.5%**

Capex guidance remains unchanged

"Excluding the incremental £110m investment in 2012 for the broadband speed upgrade, Virgin Media's cash capital expenditure will remain within current guidance of 15 to 17% of revenue for 2012 and for future years. In addition, it is expected that the cost of assets acquired under leases will continue to be no greater than 2 to 3% of revenue per annum, in line with recent years. All other strategic growth opportunities will be met within this guidance."

	Q3-11	Q3-12			Q3-11 YTD	Q3-12 YTD		
	£m	£m	£m	£m	£m	£m	£m	£m
	Total	**Total**	Base	Doubling Speeds[3]	**Total**	**Total**	Base	Doubling Speeds[3]
Accrued Capex[1] *% of Revenue*	**183** *18.3%*	**203** *19.8%*	**180** *17.5%*	**23** *2.3%*	**536** *18.1%*	**675** *22.0%*	**597** *19.5%*	**78** *2.5%*
Capital Leases *% of Revenue*	(1) *0.1%*	(25) *2.4%*	(25) *2.4%*	-	(30) *1.0%*	(78) *2.6%*	(78) *2.6%*	-
Movement in Capex Creditors	(27)	24	16	8	(27)	(24)	3	(27)
Cash Capex[2] *% of Revenue*	**156** *15.6%*	**203** *19.7%*	**172** *16.7%*	**31** *3.0%*	**479** *16.1%*	**572** *18.7%*	**522** *17.1%*	**50** *1.6%*

(1) Accrued Capex is fixed asset additions (accrual basis) which is the purchase of fixed and intangible assets as measured on an accrual basis, excluding asset retirement obligation related assets. Fixed asset additions (accrual basis) is a non-GAAP financial measure. See Appendices for a reconciliation of non-GAAP financial measures to their nearest GAAP equivalents.
(2) Cash Capex is total purchase of fixed and intangible assets.
(3) Accrued and Cash Capex relating to the 'Doubling Speeds' broadband investment is based on Company estimates

Improving our capital structure

We are tendering for up to £1.0bn ($1.6bn) high coupon unsecured debt, to reduce interest costs and lengthen debt maturities.

1 £3.2bn of high coupon debt at start of 2012

- Callable over period to October 2014
- Average coupon of 7.9%

2 Refinanced £309m ($500m) debt in Q1-12

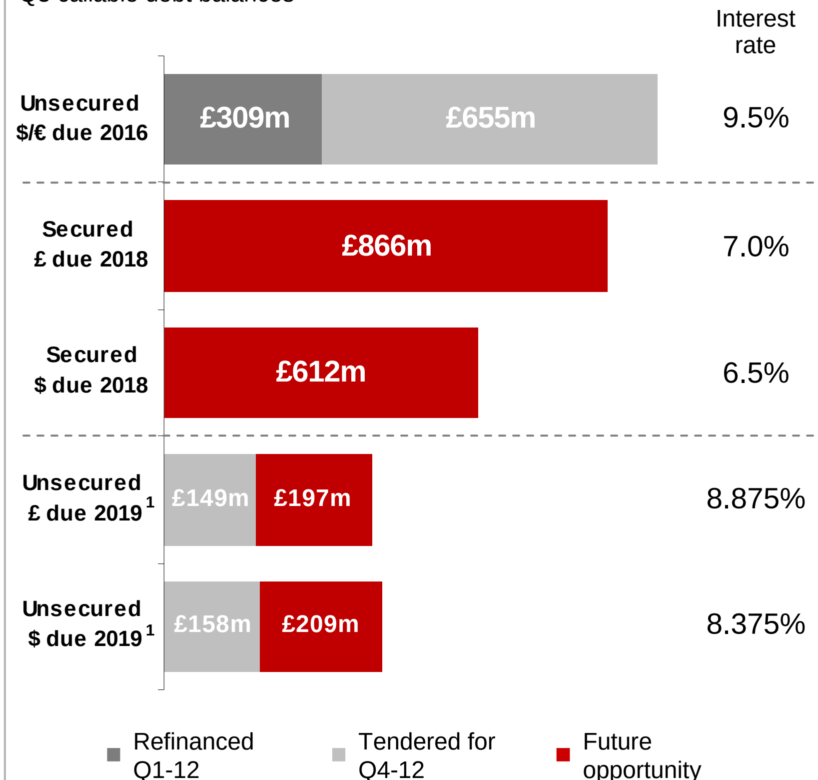
- Replaced $500m of 9.5% bonds due 2016 with $500m 5.25% bonds due 2022
- Reduced interest charge and lengthened maturity by 6 years to 2022
- £50m premium and fees set against £225m authority

3 Up to £1.0bn ($1.6bn) tender for debt in Q4-12

- Subject to refinancing
- Seeking to reduce interest and lengthen maturities
- c£130m premia and fees set against £225m authority

4 Residual £1.9bn of debt callable by October 2014

Q3 callable debt balances



(1) Up to $500m or 43% of the combined 2019 notes have been tendered for. The final split between dollar and sterling denominated bonds is to be determined.
A summary of our callable unsecured and secured bonds is included in the chart above. For more detail on our debt, see Appendices.
$/£ exchange rate at end of Q3-12 of $1.6168

Progress on share buybacks

We executed a $175m ASR in Q3, and now have £122m remaining authority in 2012. The next phase of our Capital Returns Programme will be detailed at our Q4 results in February 2013.

Announced so far

- £1.8bn capital returns announced since mid 2010 including £1.25bn of share buybacks

Completed to date

- 73m shares repurchased since mid 2010 for £1.13bn
- Includes $175m ASR to complete by 25 October (c6m shares)
- Share count reduced from 332m in mid-2010 to 268m at Q3

Completing Phase 2

- £122m remaining buy back authority to end of 2012 (2% of market cap)[1]
- Expect to further reduce share count by c6m[1]
- 24% of share count in mid 2010 expected to be repurchased in just 2½ years[2]

Next Phase

- We remain committed to a long term programme of returning cash to shareholders
- The next phase will be announced at our Q4 results in February 2013

(1) Based on closing price as of 21-October-12 and 268m shares outstanding.
(2) At closing share price on 21-October-12, based on 332m shares outstanding at June 30, 2010 (commencement of programme) and assuming full Board buyback authority is used by end of 2012 with no new issues for stock awards or conversion of convertible debt.

Appendices

October 23, 2012

Debt breakdown at Q3-12

	Q3-12	Debt outstanding by currency (sterling equivalents £m)			Interest Margin %	Earliest Call Date	Call Premium
Bank Debt	£m	GBP	US$	Euros			
TLA	750	750	-	-	L+1.625%		
Revolver	-	-	-	-	L+1.325%		
	750	750	-	-			
Senior Secured Notes							
2018 Notes	1,477	866	612	-	7.0% / 6.5% (1)	Jan-14	103.5 / 103.25
2021 Notes	1,104	751	353	-	5.5% / 5.25% (2)	Non-call life	
Senior Notes							
2016 Notes	655	-	516	139	9.50%	Aug-13	104.75
2019 Notes	712	346	366	-	8.875% / 8.375% (3)	Oct-14	104.438 / 104.188
2022 Notes	309	-	309	-	5.25%	Non-call life	
	4,258	1,962	2,156	139			
Convertible Notes	541	-	541	-	6.5%	Non-call life	
Capital Leases / Other	244	244	-	-			
GROSS DEBT (inc current portion)	**5,793**	**2,957**	**2,698**	**139**			
Exchange rates (per £1)			**$1.6168**	**€ 1.2860**			

Note the table shows reported debt as per the balance sheet not the principal at maturity

(1) 7.0% on £875m 2018 SSNs and 6.5% on US$1,000m 2018 SSNs

(2) 5.5% on £650m and 5.25% on US$500m 2021 SSNs. These Notes have been swapped back to floating at L+1.84% on the £650m and L+1.94% on the US$500m 2021 SSN's

(3) 8.875% on £350m 2019 notes and 8.375% on US$600m 2019 notes

Net Debt – face value of debt and hedges of principal

(£ millions)	As Reported Q3-12	Face Value At Hedged Rates Q3-12	Details
Bank Debt			
Sterling denominated	750	750	
Revolver	0	0	
Senior Notes			
$850m senior notes due 2016	516	527	Face value $850m hedged to August 2016 at $1.6137
€180m senior notes due 2016	139	159	Face value €180m hedged to August 2016 at €0.881
$600m senior notes due 2019	366	363	Face value $600m hedged to October 2019 at $1.6535
£350m senior notes due 2019	346	350	Face value £350m
£875m senior secured notes due 2018	866	875	Face value £875m
$1,000m senior secured notes due 2018	612	616	Face value $1,000m hedged to January 2018 at $1.6242
$500m senior secured notes due 2021	353 [1]	309	Face value $500m hedged to January 2021 at $1.6185
£650m senior secured notes due 2021	751 [2]	650	Face value £650m
$500m senior notes due 2022	309	314	Face value $600m hedged to February 2022 at $1.5945
Convertible Notes			
$1,000 convertible senior notes due 2016	541	541	Face value $1,000m. Principal unhedged. Shown at GAAP net carrying value (principal after the unamortized discount of the equity component)
Capital Leases / Other	244	244	
GROSS DEBT (inc current portion)	**5,793**	**5,696**	
Cash and cash equivalents	(113)	(113)	
NET DEBT	**5,679**	**5,583**	
Net Debt / Annualized OCF	**3.4x**	**3.3x**	
Net Debt / Last Twelve Months OCF	**3.5x**	**3.4x**	

Note: Certain of the derivatives described above do not qualify for hedge accounting under US GAAP. The hedged rate is defined as the amount in GBP we would repay at maturity relating to debt obligations, net of any payments or receipts on related derivative instruments. Annualized OCF is quarterly OCF multiplied by four; Net Debt, Net Debt / Annualized OCF and Net Debt / Last Twelve Months OCF are non-GAAP financial measures. See Appendices for reconciliations of non-GAAP financial measures to their nearest GAAP equivalents, and the calculation of Net Debt / Annualized OCF and Net Debt / Last Twelve Months OCF.

1 The carrying value of the $500 million 5.25% senior secured notes due 2021 includes an increase of £46 million, as a result of the application of fair value hedge accounting to these instruments.

2 The carrying value of the £650 million 5.50% senior secured notes due 2021 includes an increase of £106 million, as a result of the application of fair value hedge accounting to these instruments.

Non-GAAP measures (1)

Virgin Media uses certain financial measures with a view to providing investors with a better understanding of the operating results and underlying trends to measure past and future performance and liquidity. These measures which are not calculated and presented in accordance with U.S. generally accepted accounting principles ("GAAP") are defined as follows:

- *OCF is operating income before depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges.*
- *Free Cash Flow (FCF) is OCF reduced by purchase of fixed and intangible assets, as reported in our statements of cash flows, and net interest expense, as reported in our statements of operations. Our definition of FCF excludes the impact of working capital fluctuations and restructuring costs.*
- *Net debt is long term debt inclusive of current portion, less cash and cash equivalents.*
- *Accrued Capex, or Fixed Asset Additions (Accrual Basis), is the purchase of fixed and intangible assets as measured on an accrual basis, excluding asset retirement obligation related assets.*
- *We also use non-GAAP measures in the calculation of certain ratios, such as Net debt/Annualized OCF, Net debt/Last Twelve Months OCF and Accrued Capex/Revenue.*

Our management considers OCF to be an important indicator of our operational strength and performance during the relevant periods. This measure excludes the impact of costs and expenses that do not directly affect our cash flows. Other charges, including restructuring charges, are also excluded from this measure as management believes they are not characteristic of our underlying business operations. Our management considers FCF as a helpful measure in assessing our liquidity and prospects for the future. We believe FCF is useful to investors as a basis for comparing our performance and coverage ratios and is an additional way of viewing aspects of our operations that provide a more complete understanding of factors and trends affecting our business. Our management considers net debt to be a measure that is helpful for understanding our debt funding obligations. Our management considers Fixed Asset Additions (Accrual Basis) an important component in evaluating our liquidity and financial condition since purchases of fixed assets are a necessary component of ongoing operations. Our management considers cash conversion to be a helpful measure in our ability to convert revenue growth to free cash flow.

Some of the significant limitations associated with the use of OCF as compared to operating income are that OCF does not consider the amount of required reinvestment in depreciable fixed assets and ignores the impact on our results of operations of items that management believes are not characteristic of our underlying business operations. FCF should not be understood to represent our ability to fund discretionary amounts, as we have various contractual obligations which are not deducted to arrive at FCF. We compensate for this limitation by separately measuring and forecasting working capital. The significant limitation associated with the use of net debt as compared to long term debt, net of current portion, is that net debt includes the current portion of long term debt. This measure also assumes that all of the cash and cash equivalents are available to service debt. The significant limitations associated with the use of Fixed Asset Additions (Accrual Basis) as compared to purchase of fixed and intangible assets is that Fixed Asset Additions (Accrual Basis) excludes timing differences from payments of liabilities, including finance leases, related to purchase of fixed assets and purchase of intangible assets. We exclude these amounts from Fixed Asset Additions (Accrual Basis) because timing differences from payments of liabilities, including the use of finance leases, are more related to the cash management treasury function than to our management of fixed asset purchases for long term operational performance and liquidity.

OCF is most directly comparable to the GAAP financial measure operating income. FCF is most directly comparable to the GAAP financial measure net cash provided by operating activities. Fixed Asset Additions (Accrual Basis) is most directly comparable to the GAAP financial measure purchase of fixed and intangible assets, as reported in our statements of cash flows. Since these measures are not calculated in accordance with GAAP, they should not be considered as substitutes for operating income, net cash provided by operating activities and purchase of fixed and intangible assets, respectively. Net debt is most directly comparable to the GAAP financial measure long term debt (net of current portion). Because non-GAAP financial measures are not standardized, it may not be possible to compare our OCF, FCF, Fixed Asset Additions (Accrual Basis) or net debt with other companies' non-GAAP financial measures that have the same or similar names.

The presentation of this supplemental information is not meant to be considered in isolation or as a substitute for other measures of financial performance reported in accordance with GAAP. These non-GAAP financial measures reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the accompanying reconciliations to corresponding GAAP financial measures, provide a more complete understanding of factors and trends affecting our business. We encourage investors to review our financial statements and publicly-filed reports in their entirety and to not rely on any single financial measure.

Non-GAAP measures (2)

The following tables present the reconciliations of non-GAAP financial measures to their nearest measure of financial performance in accordance with GAAP.

Reconciliation of operating income before depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges (OCF) to GAAP operating income:

(in £ millions) (unaudited)	Three months ended	
	September 30, 2012	**September 30, 2011**
Operating income before depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges (OCF)	422.7	398.3
Reconciling items		
Depreciation and amortization	(243.5)	(263.7)
Restructuring and other charges	0.8	(6.2)
Operating income	**180.0**	**128.4**

Calculation of Last Twelve Months OCF for the period ended September 30, 2012:

(in £ millions) (unaudited)	**Last twelve months ended**	**Three months ended**			
	September 30, 2012	**September 30, 2012**	**June 30, 2012**	**March 31, 2012**	**December 31, 2011**
Operating income before depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges (OCF)	**1,635.0**	422.7	412.1	376.5	423.7
Reconciling items					
Depreciation and amortization	**(973.4)**	(243.5)	(233.0)	(240.2)	(256.7)
Restructuring and other charges	**(4.8)**	0.8	0.5	(5.4)	(0.7)
Operating income	**656.8**	**180.0**	**179.6**	**130.9**	**166.3**

Non-GAAP measures (3)

The following tables present the reconciliations of non-GAAP financial measures to their nearest measure of financial performance in accordance with GAAP.

Reconciliation of Free Cash Flow (FCF) to GAAP net cash provided by operating activities:

(in £ millions) (unaudited)	Three months ended	
	September 30, 2012	**September 30, 2011**
Free Cash Flow (FCF)	120.0	135.5
Reconciling items (see Note below):		
Purchase of fixed and intangible assets	202.7	155.7
Changes in operating assets and liabilities	9.4	2.8
Non-cash compensation	3.4	2.9
Non-cash interest	32.0	19.7
Share of net income of affiliates	-	4.5
Realized foreign exchange (losses) gains	(0.1)	0.2
Realized losses on derivatives	(4.4)	(5.9)
Restructuring and other charges	0.8	(6.2)
Income taxes	0.7	1.4
Debt redemption premium cost	-	(15.5)
Other	-	1.9
Net cash provided by operating activities	**364.5**	**297.0**

Note: The line descriptions above are derived from our reported results. Non-cash interest includes non-cash interest and amortization of original issue discount and deferred financing costs from our statements of cash flows. Share of net income of affiliates includes income from equity accounted investments, net of dividends received from our statements of cash flows and share of income from equity investments from our statements of comprehensive income. Realized foreign exchange (losses)/gains includes unrealized foreign currency losses (gains) from our statements of cash flows and foreign currency (losses) gains from our statements of comprehensive income. Realized (losses)/gains on derivatives includes unrealized (gains) losses on derivative instruments from our statements of cash flows and gains (losses) on derivative instruments from our statements of comprehensive income. Income taxes includes income taxes from our statements of cash flows and income tax benefit (expense) from our statements of comprehensive income.

Non-GAAP measures (4)

The following tables present the reconciliations of non-GAAP financial measures to their nearest measure of financial performance in accordance with GAAP.

Reconciliation of Net Debt to GAAP long term debt (net of current portion):

(in £ millions) (unaudited)	As Reported September 30, 2012	Face Value at Hedged Rates September 30, 2012
Net debt	5,679.2	5,583.0
Current portion of long term debt	(81.3)	(81.3)
Cash & cash equivalents	113.4	113.4
Long term debt (net of current portion)	**5,711.3**	**5,615.1**

Calculation of Net Debt / Annualized OCF:

(in £ millions) (unaudited)	As Reported September 30, 2012	Face Value at Hedged Rates September 30, 2012
Net debt	5,679.2	5,583.0
Quarterly OCF	422.7	422.7
Annualized OCF (OCFx4)	1,690.8	1,690.8
Net debt / Annualized OCF	**3.4**	**3.3**

Calculation of Net Debt / Last Twelve Months OCF:

(in £ millions) (unaudited)	As Reported September 30, 2012	Face Value at Hedged Rates September 30, 2012
Net debt	5,679.2	5,583.0
OCF	1,635.0	1,635.0
Net debt / Last Twelve Months OCF	**3.5**	**3.4**

Non-GAAP measures (5)

The following tables present the reconciliations of non-GAAP financial measures to their nearest measure of financial performance in accordance with GAAP.

Reconciliation of Fixed Asset Additions (Accrual Basis) to GAAP purchase of fixed and intangible assets:

(in £ millions) (unaudited)

	Three months ended				
	September 30, 2012	**June 30, 2012**	**March 31, 2012**	**December 31, 2011**	**September 30, 2011**
Fixed Asset Additions (Accrual Basis)	**203.2**	**238.4**	**233.1**	**227.0**	**183.4**
Fixed assets acquired under capital leases	(24.7)	(30.1)	(23.5)	(61.2)	(0.7)
Changes in liabilities related to fixed asset additions	24.2	(22.7)	(25.5)	11.6	(27.0)
Total Purchase of Fixed and Intangible Assets	**202.7**	**185.6**	**184.1**	**177.4**	**155.7**
Comprising:					
Purchase of fixed assets	**202.7**	**185.6**	**184.1**	**177.4**	**155.7**
Purchase of intangible assets	**-**	**-**	**-**	**-**	**-**
	202.7	**185.6**	**184.1**	**177.4**	**155.7**