

Registered number
5316140

NTLIH SUB LIMITED
Report and Accounts
31 December 2005



NTLIH SUB LIMITED
Company Information

Directors

ntl Directors Limited
ntl Secretaries Limited

Secretary

ntl Secretaries Limited

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered office

ntl House
Bartley Wood Business Park
Hook
Hampshire RG27 9UP

NTLIH SUB LIMITED

Directors' Report

The directors present their first report and accounts for the period ended 31 December 2005.

INCORPORATION AND TRADING

The company was incorporated on 17 December 2004 as De Facto 1183 Limited. The company did not trade during the period, and therefore no Profit and Loss Account is presented.

SHARE CAPITAL

The company was incorporated with authorised capital of 1,000 £1 ordinary shares. Two shares were issued on incorporation. The company became a single-member company on 21 December 2004.

EVENTS SINCE THE BALANCE SHEET DATE

On 1 February 2006, the company changed its name to NTLIH Sub Limited.

On 3 March 2006, NTL Incorporated and Telewest Global, Inc. announced that they had completed the merger of the two businesses, creating the UK's second largest communications company. Immediately upon the merger, NTL Incorporated was renamed NTL Holdings Inc. and Telewest Global, Inc. was renamed NTL Incorporated.

NTL Incorporated, ntl Cable PLC, ntl Investment Holdings Limited and certain of its subsidiaries and Telewest Communications Networks Limited and certain of its subsidiaries executed a Senior Facilities Agreement with a consortium of financial institutions on 3 March 2006. The new senior secured credit facility replaces the old facility and has an aggregate principal amount of £5.3 billion, comprising of £3.6 billion 5 year term loan facilities, £651 million 6.5 year term loan facilities, a \$650 million 6.5 year term loan facility, a £300 million 7 year term credit facility and a £100 million 5 year multi-currency revolving credit facility.

During the course of an extensive group inter-company debt restructuring exercise, on 9 March 2006 the company assumed liability for £1,199,599,797 in respect of the debt owed by ntl Investment Holdings Limited to the consortium of banks under the senior credit facility dated 3 March 2006. The company thereby replaced ntl Investment Holdings Limited as borrower in respect of that amount. By way of consideration, the company became entitled to £1,199,599,797 of inter-company debt owed by ntl Rectangle Limited to ntl Investment Holdings Limited.

Also on 9 March 2006, the company issued 600 £1 ordinary shares in exchange for the entire share capital of ntl Internet Services Limited and 25% of the issued share capital of Diamond Cable Communications Limited, together with a put option in respect of the shares of the latter company.

On 4 July 2006, NTL Incorporated acquired Virgin Mobile (UK) Holdings PLC ("Virgin Mobile"), the U.K.'s leading mobile virtual network operator with approximately 4.3 million customers and the U.K.'s fifth largest provider of mobile communication services.

ntl Group Limited, a subsidiary of NTL Incorporated, has also entered into a long-term exclusive trademark licence agreement with Virgin Enterprises Limited pursuant to which the group intends to re-brand its combined consumer business with the Virgin brand.

The group believes that the acquisition of Virgin Mobile will enhance NTL as a scale competitor in the U.K. telecommunications industry, enabling it to become the first market participant offering an integrated "quadruple-play" product suite, which bundles mobile telephony with its existing triple-play bundle, and assist it in improving customer service by leveraging best practices from Virgin Mobile. The re-branding of the group's consumer business with the Virgin brand will bring Virgin's brand into approximately 5.0 million U.K. homes and, the group believes, will enhance consumer appeal for our range of communications services.

NTLIH SUB LIMITED

Directors' Report

DIRECTORS AND THEIR INTERESTS

The directors who served during the period and thereafter were as follows:

Travers Smith Limited	(appointed 17 December 2004; resigned 21 December 2004)
Travers Smith Secretaries Limited	(appointed 17 December 2004; resigned 21 December 2004)
R M Mackenzie	(appointed 21 December 2004, resigned 30 June 2005)
R C Gale	(appointed 21 December 2004, resigned 30 June 2005)
ntl Directors Limited	(appointed 30 June 2005)
ntl Secretaries Limited	(appointed 30 June 2005)

The directors had no interest in the share capital of the company requiring disclosure under the Companies Act 1985. The company seeks exemption under the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985, not to disclose the directors' interests in the common stock of NTL Incorporated, a company incorporated in the USA and the ultimate parent undertaking of the company.

NTL Incorporated has indemnified the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision is in force as at the date of approving the directors' report.

COMPANY SECRETARY

Those who served as company secretary during the period from incorporation were as follows:

Travers Smith Secretaries Limited	(appointed 17 December 2004; resigned 21 December 2004)
R M Mackenzie	(appointed 21 December 2004, resigned 30 June 2005)
G E James	(appointed 21 December 2004, resigned 30 June 2005)
ntl Secretaries Limited	(appointed 30 June 2005)

AUDITORS

Ernst & Young LLP were appointed as the company's first auditors by the directors. They will be re-appointed as the company's auditor in accordance with the elective resolution passed by the company under Section 386 of the Companies Act 1985.

By order of the board



G E James

For and on behalf of ntl Secretaries Limited

24 November 2006

NTLIH SUB LIMITED

Statement of Directors' Responsibilities

The directors are responsible for preparing the accounts in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF NTLIH SUB LIMITED

We have audited the company's accounts for the period ended 31 December 2005, which comprise the Balance Sheet and the related notes 1 to 7. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the company's member in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditors
London
24 November 2006

NTLIH SUB LIMITED
Balance Sheet
as at 31 December 2005

	Notes	2005
		£
Current assets		
Debtors	2	2
Net current assets		<u>2</u>
Total assets less current liabilities		<u>2</u>
Capital and reserves		
Called up share capital	3	2
Equity shareholder's funds	4	<u>2</u>



R C Gale
For and on behalf of ntl Directors Limited
24 November 2006

NTLIH SUB LIMITED

Notes to the Accounts

for the period from 17 December 2004 to 31 December 2005

1 Accounting policies

Fundamental accounting concept

The accounts have been prepared on the going concern basis because the ultimate parent undertaking has given the necessary assurances such that sufficient resources will be made available for the foreseeable future so that the company can meet its liabilities as and when they fall due.

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Cash flow statement

The company has taken advantage of the exemption under FRS 1 (revised) not to prepare a cash flow statement as it is a subsidiary which is at least 90% controlled by the ultimate parent undertaking (see note 6).

2 Debtors

2005
£

Amounts owed by group undertakings

2

3 Share capital

2005
£

Authorised:

1,000 Ordinary shares of £1 each

1,000

2005
£

Allotted, called up and fully paid:

2 ordinary shares of £1 each

2

Upon incorporation, 2 ordinary shares of £1 each, with an aggregate nominal value of £2, were issued fully paid.

4 Reconciliation of movement in shareholder's funds

Share
capital
2005
£

Shares issued

2

At 31 December 2005

2

NTLIH SUB LIMITED

Notes to the Accounts

for the period from 17 December 2004 to 31 December 2005

5 Related parties

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with group undertakings as it is a subsidiary undertaking which is at least 90% controlled by the ultimate parent undertaking.

6 Parent undertaking and controlling party

The company's immediate parent undertaking is ntl Investment Holdings Limited.

The company's results are included in the group accounts of ntl Cable PLC, copies of which may be obtained from ntl, ntl House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP.

The company's ultimate parent undertaking and controlling party at 31 December 2005 was NTL Incorporated, a company incorporated in the state of Delaware, United States of America. On 3 March 2006 NTL Incorporated executed an agreement of merger with Telewest Global, Inc. (incorporated in Delaware, USA), which resulted in NTL Incorporated being merged into a subsidiary of Telewest Global, Inc. In accordance with the terms of the merger agreement, immediately following the merger Telewest Global, Inc. was renamed NTL Incorporated and the former NTL Incorporated was renamed NTL Holdings Inc. The company's ultimate parent undertaking and controlling party therefore remains NTL Incorporated.

Copies of all sets of group accounts, which include the results of the company, are available from The Secretary, NTL Incorporated, ntl House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP.

7 Post balance sheet events

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NTLIH SUB LIMITED

Notes to the Accounts

for the period from 17 December 2004 to 31 December 2005

7 Post balance sheet events (continued)

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