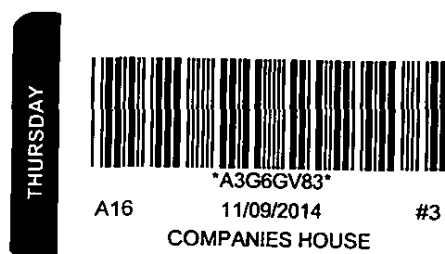


BCMV Leasing Limited

Financial Statements

31 December 2013



BCMV Leasing Limited

Financial Statements

Year ended 31 December 2013

| Contents | Pages |
|---------------------------------------|--------------|
| Company information | 1 |
| Directors' report | 2 to 3 |
| Directors' responsibilities statement | 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 to 13 |

BCMV Leasing Limited

Company Information

The board of directors

R D Dunn
M O Hifzi

Company secretary

G E James

Registered office

Bartley Wood Business Park
Hook
Hampshire
RG27 9UP

BCMV Leasing Limited

Directors' Report

Year ended 31 December 2013

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2013

Principal activities and business review

The company was incorporated on 7 March 2012. On 23 March 2012 the company undertook a lease and leaseback transaction with its immediate parent undertaking, BCMV Limited, whereby the company entered into a 10 year headlease agreement over certain of the network fixed assets of BCMV Limited. Subsequently BCMV Limited entered into a 5 year sublease agreement over the same assets with the company. The principal activity of the company during the year was, and will continue to be, that of a leasing company.

At 31 December 2013 the company was a wholly owned subsidiary undertaking of Virgin Media Inc (Virgin Media). Virgin Media became a wholly-owned subsidiary of Liberty Global plc (Liberty Global) as a result of a series of mergers that were completed on 7 June 2013 (the LG/VM Transaction). This is referred to in more detail in the consolidated financial statements of Virgin Media Inc which are available from the company secretary at Virgin Media, Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

The Virgin Media Inc consolidated group (the group) operates under the Virgin Media brand in the United Kingdom (U K).

The group provides digital cable, broadband internet, fixed-line telephony and mobile services in the U K to both residential and business-to-business (B2B) customers. The group is one of the U K's largest providers of residential digital cable, broadband internet and fixed-line telephony services in terms of customers. The group believes its advanced, deep-fibre cable access network enables it to offer faster and higher quality broadband internet services than our digital subscriber line, or DSL competitors. As a result, it provides our customers with a leading next generation broadband internet service and one of the most advanced interactive digital cable services available in the U K market.

As of 31 December 2013, the group provided services to approximately 4.9 million residential cable customers on its network. The group is also one of the UK's largest mobile virtual network operators by number of customers, providing mobile telephony services to 1.9 million contract mobile customers and 1.1 million prepay mobile customers over third party networks. As of 31 December 2013, 84% of residential customers on the group's cable network received multiple services from the group, and 66% were "triple play" customers, receiving broadband internet, digital cable and fixed-line telephony services from the group.

In addition the group provides broadband internet, fixed-line and mobile telephony and other connectivity services to businesses, public sector organisations and service providers.

Future outlook

The directors will continue to review management policies in light of changing trading and market conditions. Further detail of the future outlook of the group is provided in Virgin Media Inc's financial statements and annual report for 2013, which are available from the company secretary at Virgin Media, Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

Results and dividends

The profit for the financial year amounted to £471,000 (2012 - profit of £420,000). The directors have not recommended an ordinary dividend (2012 - £nil).

BCMV Leasing Limited

Directors' Report *(continued)*

Year ended 31 December 2013

Directors

The directors who served the company during the year and thereafter were as follows

| | |
|---------------|------------------------------|
| C B E Withers | (Resigned 31 March 2014) |
| R D Dunn | (Appointed 29 November 2013) |
| M O Hifzi | (Appointed 31 March 2014) |
| R C Gale | (Resigned 29 November 2013) |

The directors of the company have been indemnified against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision is in force for directors serving during the financial year and as at the date of approving the Directors' Report.

Going concern

After making suitable enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

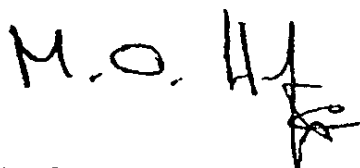
Audit exemption

Virgin Media Finance PLC issued a guarantee against all outstanding liabilities to which the company is subject as at 31 December 2013, until they are satisfied in full. The guarantee is enforceable against Virgin Media Finance PLC by any person to whom the company is liable in respect of those liabilities. Since Virgin Media Finance PLC is the smallest group to which the company's accounts are consolidated, the company has taken advantage of the exemption from audit of its individual accounts for the year ended 31 December 2013 by virtue of Section 479A of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Signed on behalf of the directors



M O Hifzi
Director

Approved by the directors on 17 June 2014

BCMV Leasing Limited

Directors' Responsibilities Statement

Year ended 31 December 2013

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 year.

In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

BCMV Leasing Limited

Profit and Loss Account

Year ended 31 December 2013

| | | Year to 31 Dec 13 £000 | Period from 7 Mar 12 to 31 Dec 12 £000 |
|--|-----------|------------------------------|---|
| Lease interest receivable | Note 4 | 708 | 634 |
| Lease interest payable | 6 | (579) | (434) |
| Gross profit | | 129 | 200 |
| Operating profit | | 129 | 200 |
| Other interest receivable and similar income | 5 | 342 | 220 |
| Profit on ordinary activities before tax | | 471 | 420 |
| Tax on profit on ordinary activities | 7 | – | – |
| Profit for the financial year | 15 | 471 | 420 |

The company has no other gains or losses and therefore no separate statement of total recognised gains or losses is presented

All results relate to continuing operations

The notes on pages 7 to 13 form part of these financial statements.

BCMV Leasing Limited**Balance Sheet****31 December 2013**

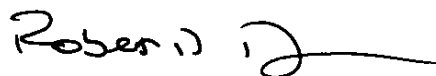
| | Note | 2013 £000 | 2012 £000 |
|--|------|-----------------------|------------------------|
| Current assets | | | |
| Debtors due after one year | 8 | 22,044 | 24,293 |
| Debtors due within one year | 8 | 5,686 | 2,387 |
| | | <u>27,730</u> | <u>26,680</u> |
| Creditors: Amounts falling due within one year | 9 | <u>(5,934)</u> | <u>—</u> |
| Net current assets | | 21,796 | 26,680 |
| Total assets less current liabilities | | <u>21,796</u> | <u>26,680</u> |
| Creditors: Amounts falling due after more than one year | 10 | <u>(7,992)</u> | <u>(13,347)</u> |
| Net assets | | <u>13,804</u> | <u>13,333</u> |
| Capital and reserves | | | |
| Share capital | 14 | 12,913 | 12,913 |
| Profit and loss account | 15 | 891 | 420 |
| Shareholder's funds | 15 | <u>13,804</u> | <u>13,333</u> |

For the year ended 31 December 2013 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

Directors' responsibilities

- (i) the member has not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- (ii) the directors acknowledge their responsibilities for complying with the Act with respect to accounting records and the preparation of accounts

These financial statements were approved by the directors on 17 June 2014 and are signed on their behalf by



R D Dunn
Director

The notes on pages 7 to 13 form part of these financial statements.

BCMV Leasing Limited

Notes to the Financial Statements

Year ended 31 December 2013

1. Accounting policies

A summary of the principal accounting policies is set out below. All accounting policies have been applied consistently, unless noted below.

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006, and applicable UK accounting standards.

Cash flow statement

The company is exempt from publishing a cash flow statement as permitted by FRS 1 "Cash flow statements (revised 1996)", as it is a wholly owned subsidiary of its ultimate parent company.

Deferred tax

Deferred tax is recognised, as appropriate, in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- provision is made for deferred tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold; and

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Trade and other debtors

Trade and other debtors are stated at their recoverable amount. Provision is made when the amount receivable is not considered recoverable and the amount is fully written off when the probability for recovery of a balance is assessed as being remote.

Finance leases

Where the company enters into a lease under which it takes substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

The assets are recorded in the balance sheet as a tangible fixed asset and are depreciated over their useful economic lives. Finance lease debtors are recorded in the balance sheet, and future instalments payable under finance leases are included within creditors, net of finance charges. Rentals receivable and payable under these finance lease arrangements are apportioned, the finance elements are recorded in the profit and loss account on a reducing balance basis and the capital elements reduce the outstanding liability or asset in accordance with the terms of the contract.

BCMV Leasing Limited

Notes to the Financial Statements

Year ended 31 December 2013

2. Operating profit

The directors received remuneration for the year of £803 (2012 - £500) in relation to qualifying services as directors of this company, all of which was paid by, and is disclosed in the financial accounts of Virgin Media Limited. In 2013 this included an element relating to compensation for loss of office.

3. Staff costs

The company does not have any directly employed staff and is not charged an allocation of staff costs by the group.

4. Lease interest receivable

| | Year to 31 Dec 13 | Period from 7 Mar 12 to 31 Dec 12 |
|---|----------------------|---|
| | £000 | £000 |
| Lease interest receivable due from parent undertaking | <u>708</u> | <u>634</u> |

Finance lease arrangements were made with BCMV Limited and are referred to in more detail in note 11.

5. Other interest receivable and similar income

| | Year to 31 Dec 13 | Period from 7 Mar 12 to 31 Dec 12 |
|---|----------------------|---|
| | £000 | £000 |
| Interest on amounts owed by parent undertakings | <u>342</u> | <u>220</u> |

6. Lease interest payable

| | Year to 31 Dec 13 | Period from 7 Mar 12 to 31 Dec 12 |
|--|----------------------|---|
| | £000 | £000 |
| Lease interest payable on amounts owed to parent undertaking | <u>579</u> | <u>434</u> |

Finance lease arrangements were made with BCMV Limited and are referred to in more detail in note 11.

BCMV Leasing Limited

Notes to the Financial Statements

Year ended 31 December 2013

7. Tax on profit from ordinary activities

The tax charge is made up as follows

| | Year to 31 Dec 13 £000 | Period from 7 Mar 12 to 31 Dec 12 £000 |
|---|------------------------------|---|
| Current tax charge: | | |
| Current tax on profit for the year | - | - |
| Total current tax | - | - |
| Deferred tax: | | |
| Origination and reversal of timing differences | - | - |
| Total deferred tax | - | - |
| Total tax charge on profit on ordinary activities | - | - |

The tax assessed on the profit on ordinary activities for the year is lower than (2012 - lower) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.06%). The differences are explained below

| | Year to 31 Dec 13 £000 | Period from 7 Mar 12 to 31 Dec 12 £000 |
|---|------------------------------|---|
| Profit on ordinary activities before tax | 471 | 420 |
| Profit on ordinary activities multiplied by rate of tax | 109 | 101 |
| Effects of Utilisation of unrecognised tax assets | (109) | (101) |
| Total current tax | - | - |

Factors affecting current and future tax charges

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

BCMV Leasing Limited

Notes to the Financial Statements

Year ended 31 December 2013

8. Debtors

| | 2013 | 2012 |
|--|---------------|---------------|
| | £000 | £000 |
| Lease debtor with parent undertakings | 11,160 | 13,547 |
| Loans and advances to parent undertaking | 3,657 | 220 |
| Called up share capital not paid | 12,913 | 12,913 |
| | <u>27,730</u> | <u>26,680</u> |

The debtors above include the following amounts falling due after more than one year

| | 2013 | 2012 |
|---|---------------|---------------|
| | £000 | £000 |
| Lease debtor with parent undertakings | 8,622 | 11,160 |
| Loans and advances to parent undertakings | 509 | 220 |
| Called up share capital not paid | 12,913 | 12,913 |
| | <u>22,044</u> | <u>24,293</u> |

Net finance lease debtor comprises

| | 2013 | 2012 |
|---|---------------|---------------|
| | £000 | £000 |
| Total amounts receivable | 12,379 | 15,474 |
| Less Interest allocated to future periods | (1,219) | (1,927) |
| | <u>11,160</u> | <u>13,547</u> |

9. Creditors: Amounts falling due within one year

| | 2013 | 2012 |
|--|-------|------|
| | £000 | £000 |
| Obligations under leases with parent undertaking | 5,934 | — |

Finance lease arrangements are referred to in more detail in note 11

10. Creditors: Amounts falling due after more than one year

| | 2013 | 2012 |
|--|-------|--------|
| | £000 | £000 |
| Obligations under leases with parent undertaking | 7,992 | 13,347 |

Finance lease arrangements are referred to in more detail in note 11

BCMV Leasing Limited

Notes to the Financial Statements

Year ended 31 December 2013

11. Commitments under hire purchase and finance lease agreements

Future commitments under hire purchase and finance lease agreements are as follows

| | 2013 £000 | 2012 £000 |
|--|---------------|---------------|
| Amounts payable within 1 year | 6,327 | - |
| Amounts payable between 2 to 5 years | 6,890 | 13,217 |
| Amounts payable after more than 5 years | 1,977 | 1,977 |
| | <u>15,194</u> | <u>15,194</u> |
| Less interest and finance charges relating to future periods | (1,268) | (1,847) |
| | <u>13,926</u> | <u>13,347</u> |

Commitments under finance lease agreements relate to a lease and leaseback transaction. The transaction took place on 23 March 2012 with BCMV Limited, the company's parent, whereby a 10 year headlease was granted over certain of the network fixed assets of BCMV Limited. The headlease has an implicit interest rate of 4.35%.

On the same date, the company entered into a 5 year sublease agreement over the same assets with BCMV Limited in return for BCMV Limited contributing capital to partially fund the company's headlease obligations. The finance lease debtor (see note 8) is stated at an amount equal to the net investment in the lease, which equates to the present value of the lease payments, discounted at 6.35%, which is the rate of interest implicit in the lease.

12. Contingent liabilities

Fellow group undertakings are party to a senior secured credit facility with a syndicate of banks. As at 31 December 2013, this comprised term facilities that amounted to £2,638 million (2012 - £750 million) and a revolving credit facility of £660 million (2012 - £450 million). With the exception of the revolving credit facility, all available amounts were borrowed under the senior secured credit facility with an equivalent aggregate value of £2,638 million (2012 - £750 million). Borrowings under the facilities are secured against the assets of certain members of the group.

In addition, a fellow group undertaking has issued senior secured notes which, subject to certain exceptions, share the same guarantees and security which have been granted in favour of the senior secured credit facility. The amount outstanding under the senior secured notes at 31 December 2013 amounted to £4,081 million (2012 - £2,582 million). Borrowings under the notes are secured against the assets of certain members of the group.

During March 2014, a fellow group undertaking of the company, issued (i) \$425 million principal amount of 5.5% senior secured notes due 15 January 2025 (ii) £430 million principal amount of 5.5% senior secured notes due 15 January 2025 and (iii) £225 million principal amount of 6.25% senior secured notes due 28 March 2029. The net proceeds of the issuance of these senior secured notes were used to redeem an equivalent aggregate amount of £875 million of the group's existing senior secured notes.

BCMV Leasing Limited

Notes to the Financial Statements

Year ended 31 December 2013

12. Contingent liabilities (continued)

In April 2014, a fellow group undertaking issued a further £175 million principal amount of 6.25% senior secured notes due 28 March 2029. In addition, fellow group undertakings entered into (i) a new £100 million term loan ("Facility D") that matures on 30 June 2022 and (ii) a new £849.4 million term loan ("Facility E") that matures on 30 June 2023, each under the existing senior secured credit facility, and for which all available amounts were borrowed with an equivalent aggregate value of £949.4 million.

On 22 May 2014, the net proceeds from the issuance of the £175 million senior secured notes, along with borrowings under Facility D and Facility E, were used to fully redeem an equivalent aggregate amount of £592.7 million and £600 million of the group's existing senior secured notes and senior secured credit facility respectively.

On 23 May 2014 £100 million was borrowed under the revolving credit facility.

Following the refinancing activities detailed above, the amounts borrowed under the senior secured credit facility amounted to £1,424.4 million and \$2,755.0 million and the amounts borrowed under the senior secured notes amounted to £2,558.4 million and \$1,872.9 million.

The company has joint and several liabilities under a group VAT registration.

13. Related party transactions

In accordance with the exemptions offered by FRS 8 "Related Party disclosures" there is no disclosure in these financial statements of transactions with entities that are part of Liberty Global plc, and its subsidiaries (see note 16).

14. Share capital

Allotted and called up:

| | 2013 | | 2012 | |
|----------------------------|-------------------|---------------|-------------------|---------------|
| | No | £000 | No | £000 |
| Ordinary shares of £1 each | <u>12,912,836</u> | <u>12,913</u> | <u>12,912,836</u> | <u>12,913</u> |

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

| | 2013 | 2012 |
|-----------------|---------------|---------------|
| | £000 | £000 |
| Ordinary shares | <u>12,913</u> | <u>12,913</u> |

BCMV Leasing Limited

Notes to the Financial Statements

Year ended 31 December 2013

15. Reconciliation of shareholder's funds and movement on reserves

| | Share capital | Profit and loss | Total shareholder's |
|--|---------------|-----------------|---------------------|
| | £000 | account | funds |
| | £000 | £000 | £000 |
| Profit for the period | – | 420 | 420 |
| New equity share capital subscribed | 12,913 | – | 12,913 |
| At 31 December 2012 and 1 January 2013 | 12,913 | 420 | 13,333 |
| Profit for the year | – | 471 | 471 |
| At 31 December 2013 | 12,913 | 891 | 13,804 |

During 2012 the company undertook a lease and leaseback transaction with its immediate parent undertaking, BCMV Limited, whereby the company entered into a 10 year headlease agreement over certain of the network fixed assets of BCMV Limited. As part of this transaction the company received a capital contribution of £1,278,370,000 which it immediately applied under the terms of the headlease. Subsequently BCMV Limited entered into a 5 year sublease agreement over the same assets with the company.

16. Parent undertaking and controlling party

The company's immediate parent undertaking is BCMV Limited.

The smallest and largest groups of which the company is a member and in to which the company's accounts were consolidated at 31 December 2013 are Virgin Media Finance PLC and Liberty Global plc, respectively.

On 7 June 2013 Liberty Global, Inc. and Virgin Media Inc. completed a series of mergers, which resulted in the company's ultimate parent and controlling party changing to Liberty Global plc.

The company's ultimate parent undertaking and controlling party at 31 December 2013 was Liberty Global plc.

Copies of group accounts referred to above which include the results of the company are available from the company secretary, Virgin Media, Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

In addition copies of the consolidated Liberty Global plc accounts are available on Liberty Global's website at www.libertyglobal.com.