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COMPANY REGISTRATION NUMBER FC 023131

NTL (Triangle) LLC

Financial Statements

31 December 2010

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NTL (Triangle) LLC

Financial Statements

Year ended 31 December 2010

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NTL (Triangle) LLC

Company Information

The board of directors	R C Gale (Vice President) R M Mackenzie (President)
Company secretary	G E James
Registered office	160 Greentree Drive Suite 101 Dover Delaware 19904 USA
Principal place of business	Bartley Wood Business Park Hook Hampshire RG27 9UP
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

NTL (Triangle) LLC

The Directors' Report

Year ended 31 December 2010

The directors present their report and the financial statements of the company for the year ended 31 December 2010

Principal activities and business review

The principal activity of the company was, and will continue to be an investment holding company. The company is registered in the UK as a branch of an overseas company.

The company is a wholly owned subsidiary undertaking of Virgin Media Inc. The Virgin Media group is a leading provider of entertainment and communications services in the UK, offering "quad play" television, broadband internet, fixed line telephony and mobile telephony services.

As at 31 December 2010, the Virgin Media group provided services to approximately 4.8 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 and at 31 December 2010 provided mobile telephone services to approximately 1.9 million prepay mobile customers and approximately 1.2 million contract mobile customers over third party networks. As of 31 December 2010, approximately 63.0% of residential customers on the group's cable network were "triple play" customers, receiving broadband internet, television and fixed line telephone services from the group and approximately 11.8% were "quad play" customers, also receiving the group's mobile telephone services.

The Virgin Media group believes that its advanced, deep fibre access network enables it to offer faster and higher quality broadband services than its digital subscriber line, or DSL, competitors. As a result it provides its customers with a leading next generation broadband service and one of the most advanced television on-demand services available in the UK market.

Through Virgin Media Business (formerly ntl Telewest Business), the Virgin Media group provides a complete portfolio of voice, data and internet solutions to businesses, public sector organisations and service providers in the UK. During 2010 the Virgin Media group also had an interest in the UKTV television channels through its joint ventures with BBC Worldwide. On 15 August 2011 the Virgin Media group announced it had reached agreement to sell its stake in UKTV.

The Virgin Media group sold its television channel business known as Virgin Media TV on 12 July 2010.

Future outlook

In December 2010, the Virgin Media group launched TiVo set-top boxes (with associated software, including middleware), following a strategic partnership with TiVo Inc, or TiVo, to develop a next generation set-top box which provides converged television and broadband internet capabilities. Under the agreement with TiVo, they will become the exclusive provider of user interface software for Virgin Media's next generation set-top boxes and the Virgin Media group will become the exclusive distributor of TiVo services and technology in the UK. This is a "next generation" entertainment set-top box which brings together television, on-demand and web services through a single set-top box and unique content discovery and personalization tools. The Virgin Media TV powered by TiVo service is being rolled out to customers during 2011.

The Virgin Media group's strategic objectives in 2011 revolve around exploiting its superior network infrastructure to offer differentiated products and services, while retaining strong cost control and financial discipline. The Virgin Media group will also place more emphasis on cross-selling mobile services to its Cable customers and seeking to grow revenues from Business customers through an increased focus on managed data services.

The Virgin Media group is also in the process of rolling out the country's fastest widely available broadband service, 100Mb, which is expected to be available right across its network by the middle of 2012. In addition, the group has successfully completed a comprehensive Metro Wi-Fi trial in Ashford, Kent, demonstrating its capabilities in exploiting its growing cable network for the provision of internet connectivity out of the home.

NTL (Triangle) LLC

The Directors' Report *(continued)*

Year ended 31 December 2010

Results and dividends

The loss for the financial year amounted to £51,424,000 (2009 - loss of £10,707,000) The directors have not recommended an ordinary dividend (2009 - £nil)

Directors

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

R C Gale (Vice President)

R M Mackenzie (President)

Virgin Media Inc 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 2006 Such qualifying third party indemnity provision is in force as at the date of approving the directors' report

Going concern

After making enquiries, and obtaining the necessary assurances from the company's ultimate parent company that sufficient resources will be made available to meet any liabilities as they fall due should the company's income not be sufficient, 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

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Small company provisions

The directors' report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the directors



R C Gale
Director

Approved by the directors on 14 September 2011

NTL (Triangle) LLC

Statement of Directors' Responsibilities

Year ended 31 December 2010

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 period. In preparing those 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.

NTL (Triangle) LLC

Independent Auditor's Report to the Member of NTL (Triangle) LLC

Year ended 31 December 2010

We have audited the financial statements of NTL (Triangle) LLC for the year ended 31 December 2010 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's member, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

NTL (Triangle) LLC

Independent Auditor's Report to the Member of NTL (Triangle) LLC *(continued)*

Year ended 31 December 2010

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Ernst & Young LLP

J I Gordon (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

14 September 2011

NTL (Triangle) LLC

Profit and Loss Account

Year ended 31 December 2010

	Note	2010 £000	2009 £000
Administrative (expenses)/income		(10,550)	29,857
Operating (loss)/profit	2	(10,550)	29,857
Interest receivable	4	1,069	1,069
Interest payable and similar charges	5	(41,943)	(41,633)
Loss on ordinary activities before taxation		(51,424)	(10,707)
Taxation on loss on ordinary activities	6	—	—
Loss for the financial year		(51,424)	(10,707)

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 9 to 15 form part of these financial statements.

NTL (Triangle) LLC**Balance Sheet****31 December 2010**

	Note	2010 £000	2009 £000
Fixed assets			
Investments	7	—	—
Current assets			
Debtors due within one year	8	184,266	173,302
Debtors due after one year	8	—	10,964
		<u>184,266</u>	<u>184,266</u>
Creditors: Amounts falling due within one year	9	<u>(799,436)</u>	<u>(300,496)</u>
Net current liabilities		(615,170)	(116,230)
Total assets less current liabilities		(615,170)	(116,230)
Creditors: Amounts falling due after more than one year	10	—	(447,516)
Net liabilities		<u>(615,170)</u>	<u>(563,746)</u>
Capital and reserves			
Called-up equity share capital	13	8	8
Other reserves	14	477,497	477,497
Profit and loss account	14	<u>(1,092,675)</u>	<u>(1,041,251)</u>
Deficit	14	<u>(615,170)</u>	<u>(563,746)</u>

These financial statements were approved by the directors on 14 September 2011 and are signed on their behalf by



R C Gale
Director

The notes on pages 9 to 15 form part of these financial statements.

NTL (Triangle) LLC

Notes to the Financial Statements

Year ended 31 December 2010

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.

Fundamental accounting concept

The financial statements have been prepared on the going concern basis because the ultimate parent undertaking has given the necessary assurances that sufficient resources will be made available, so that the company can meet its liabilities as and when they fall due, for at least twelve months from the date of approval of these financial statements.

Group accounts

The company has taken advantage of the exemption from preparing group accounts afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of another company incorporated in the United Kingdom which prepares group accounts (see note 15). These financial statements therefore present information about the company as an individual undertaking and not about its group.

Investments

Investments are recorded at cost, less any provision for impairment. The company assesses at each reporting date whether there is an indication that an investment may be impaired. If any such indication exists, the company makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. A previously recognised impairment loss is reversed only if there was an event not foreseen in the original impairment calculations, such as a change in use of the assets or a change in economic conditions. The reversal of impairment loss would be to the extent of the lower of the recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

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, Virgin Media Inc.

NTL (Triangle) LLC

Notes to the Financial Statements

Year ended 31 December 2010

1. Accounting policies (*continued*)

Deferred taxation

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

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The resulting exchange differences are taken to the Profit and Loss Account

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 full amount is written off when the probability for recovery of a balance is assessed as being remote

2. Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting)

	2010	2009
	£000	£000
Net loss/(profit) on foreign currency translation	<u>10,550</u>	<u>(29,857)</u>

Auditor's remuneration of £1,000 (2009 - £1,000) represents costs attributed to the company by fellow group undertakings that pay all auditor's remuneration on behalf of the Virgin Media group

The directors received remuneration for the year of £500 (2009 - £500) in relation to qualifying services as directors of this company, all of which was paid by Virgin Media Limited

3. Staff costs

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

NTL (Triangle) LLC

Notes to the Financial Statements

Year ended 31 December 2010

4. Interest receivable

	2010	2009
	£000	£000
Interest on loan notes due from group undertakings	<u>1,069</u>	<u>1,069</u>

5. Interest payable and similar charges

	2010	2009
	£000	£000
Interest on loan notes due to group undertakings	<u>41,943</u>	<u>41,633</u>

6. Taxation on ordinary activities

(a) Analysis of charge in the year

The tax charge is made up as follows

	2010	2009
	£000	£000
Current tax charge:		
Current tax on loss for the year	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
Total tax charge on loss on ordinary activities	<u>-</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 - 28%)

The difference between the effective statutory rate and the actual current tax charge is reconciled as follows

	2010	2009
	£000	£000
Loss on ordinary activities before taxation	<u>(51,424)</u>	<u>(10,707)</u>
Loss on ordinary activities multiplied by rate of tax	<u>(14,399)</u>	<u>(2,998)</u>
Group relief surrendered without payment	<u>14,399</u>	<u>2,998</u>
Total current tax (note 6(a))	<u>-</u>	<u>-</u>

NTL (Triangle) LLC

Notes to the Financial Statements

Year ended 31 December 2010

6. Taxation on ordinary activities *(continued)*

(c) Factors that may affect future tax charges

Deferred tax assets in respect of the following amounts have not been recognised as there is currently no persuasive evidence that there will be suitable taxable profits against which these timing differences will reverse

	2010 £000	2009 £000
Tax losses	<u>22,145</u>	<u>25,963</u>

(d) Change in tax rate

As at 31 December 2010 the enacted UK corporation tax rate scheduled to take effect in April 2011 was 27%. A rate reduction to 26% was enacted under the Provisional Collection of Taxes Act in March 2011 with effect from 1 April 2011, and further rate reductions were announced, to be introduced in annual decrements to reduce the rate to 23%. These rate changes will affect the amount of future tax payments to be made by the company. The unprovided deferred tax assets have been calculated using the enacted rates as at 31 December 2010.

7. Investments

	Subsidiary undertakings £000
Cost	
At 1 January 2010 and 31 December 2010	<u>248,870</u>
Amounts written off	
At 1 January 2010 and 31 December 2010	<u>248,870</u>
Net book value	
At 31 December 2010 and 31 December 2009	<u>-</u>

All of the material investments in which the company holds at least 20% of the nominal value of any class of share capital, all of which are unlisted, are dormant except for

Name of Company	Country of Incorporation	Holdings	Proportion	Nature of Business
Cambridge Holding Company Limited	UK	Ordinary	100%	Holding
ntl Irish Holdings Limited	UK	Ordinary	100%	Holding
ntl Cambridge Limited	UK	Ordinary	100% #	Telecoms

held by a subsidiary undertaking

The company has taken advantage of the exemption under Section 400 of the Companies Act 2006 not to disclose the aggregate amount of capital and reserves and the result for the year for each of the subsidiary undertakings on the basis that their results are included in the group accounts of Virgin Media Finance PLC (see note 15)

NTL (Triangle) LLC

Notes to the Financial Statements

Year ended 31 December 2010

8. Debtors

	2010 £000	2009 £000
Amounts owed by group undertakings	<u>184,266</u>	<u>184,266</u>

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

	2010 £000	2009 £000
Amounts owed by group undertakings	<u>–</u>	<u>10,964</u>

Amounts owed by group undertakings are -

	2010 £000	2009 £000
Loans advanced to group undertakings	10,964	10,964
Interest on loans advanced to group undertakings	223	223
Other amounts owed by group undertakings	<u>173,079</u>	<u>173,079</u>
	<u>184,266</u>	<u>184,266</u>

Loans advanced to group undertakings are unsecured and are repayable on demand. The rate of interest on the loans was 9.75% (2009 - 9.75%).

All other amounts owed by group undertakings are unsecured and interest free.

9. Creditors: Amounts falling due within one year

	2010 £000	2009 £000
Amounts owed to group undertakings	<u>799,436</u>	<u>300,496</u>

The analysis of amounts owed to group undertakings is

	2010 £000	2009 £000
Loans advanced by parent undertakings	457,734	–
Interest on loan notes due to parent undertakings	10,440	10,193
Other amounts owed to parent undertakings	<u>331,262</u>	<u>290,303</u>
	<u>799,436</u>	<u>300,496</u>

Loans advanced by parent undertakings are unsecured. Technically these amounts are repayable on demand as they do not include an unconditional right to defer payment, so have been included in creditors falling due within one year in 2010. The directors are of the opinion that, in the ordinary course of business, repayment within such a timescale would not be required. The rates of interest on the amounts payable was 8.75% (2009 - 8.75% to 9.75%). The loan notes due to parent undertakings include a sterling denominated loan of £166,914,000 (2009 - £166,914,000) and a US dollar denominated loan of \$453,650,000 (2009 - \$453,650,000) which had a carrying value of £290,820,000 (2009 - £280,602,000) at the balance sheet date.

All other amounts owed to parent undertakings are unsecured, interest free and repayable on demand.

NTL (Triangle) LLC

Notes to the Financial Statements

Year ended 31 December 2010

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

	2010 £000	2009 £000
Amounts owed to group undertakings	—	447,516
Amounts owed to group undertakings are -		
Loans advanced by parent undertakings	—	447,516

Amounts owed to group undertakings have been included in creditors falling due within one year in 2010 (see note 9)

11. Contingent liabilities

The company, along with fellow group undertakings, is party to a senior secured credit facility with a syndicate of banks. As at 31 December 2010 this comprised a term facility of £1,675 million and a revolving facility of £250 million. Borrowings under the facility are secured against the assets of certain members of the group including those of the company.

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 credit facility. The amount outstanding under the senior secured notes at 31 December 2010 amounted to approximately £1,495 million (2009 - £nil). Borrowings under the notes are secured against the assets of certain members of the group including those of the company.

On 3 March 2011 Virgin Media Secured Finance PLC, a fellow group undertaking, issued £957 million equivalent aggregate principal amount of senior secured notes due in 2021. The notes are split into a \$500 million US dollar denominated tranche and a £650 million sterling denominated tranche. The notes will rank pari passu with Virgin Media's senior secured credit facility and its existing senior secured notes due in 2018 and, subject to certain exceptions, share in the same guarantees and security granted in favour of its senior secured credit facility and its existing senior secured notes due in 2018. The net proceeds from the issuance of the senior secured notes were in part used to repay £900 million of the group's obligations under its senior secured credit facility.

On 20 May 2011, the senior secured credit facility was amended to reduce the margins payable, reduce the outstanding loan balance by £25 million and increase the revolving credit facility from £250 million to £450 million.

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

12. 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 Virgin Media Inc., and its subsidiaries (see note 15).

NTL (Triangle) LLC

Notes to the Financial Statements

Year ended 31 December 2010

13. Share capital

Authorised share capital:

	2010 £000	2009 £000
800,000 Common shares of £0.01 each	<u>8</u>	<u>8</u>

Allotted, called up and fully paid:

	2010 No	£000	2009 No	£000
Common shares of £0.01 each	<u>800,000</u>	<u>8</u>	<u>800,000</u>	<u>8</u>

14. Reconciliation of deficit and movement on reserves

	Share capital £000	Capital contribution £000	Profit and loss account £000	Deficit £000
At 1 January 2009	8	477,497	(1,030,544)	(553,039)
Loss for the year	—	—	(10,707)	(10,707)
At 31 December 2009 and 1 January 2010	8	477,497	(1,041,251)	(563,746)
Loss for the year	—	—	(51,424)	(51,424)
At 31 December 2010	<u>8</u>	<u>477,497</u>	<u>(1,092,675)</u>	<u>(615,170)</u>

15. Parent undertaking and controlling party

The company's immediate parent undertaking is Virgin Media Limited

The smallest and largest groups of which the company is a member and into which the company's accounts are consolidated are Virgin Media Finance PLC and Virgin Media Inc, respectively

The company's ultimate parent undertaking and controlling party at 31 December 2010 was Virgin Media Inc, a company incorporated in the state of Delaware, United States of America

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