UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2014

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-35961

LIBERTY GLOBAL ®

Liberty Global plc

(Exact name of Registrant as specified in its charter)

England and Wales	**98-1112770**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
38 Hans Crescent, London, England	**SW1X 0LZ**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code:
+44.20.7190.6449 or 303.220.6600

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☑ Accelerated Filer ☐

Non-Accelerated Filer (Do not check if a smaller reporting company) ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes ☐ No ☑

The number of outstanding ordinary shares of Liberty Global plc as of April 30, 2014 was: 214,570,942 Class A ordinary shares; 10,139,184 Class B ordinary shares; and 561,250,470 Class C ordinary shares.

LIBERTY GLOBAL PLC

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LIBERTY GLOBAL PLC

CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

	March 31, 2014	December 31, 2013
	in millions	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,092.1	$ 2,701.9
Trade receivables, net	1,529.2	1,588.7
Derivative instruments (note 4)	502.1	252.1
Deferred income taxes	270.0	226.1
Prepaid expenses	260.8	238.2
Current assets of discontinued operation (note 2)	—	238.7
Other current assets	245.5	236.9
Total current assets	5,899.7	5,482.6
Investments (including $3,422.3 million and $3,481.8 million, respectively, measured at fair value) (note 3)	3,438.4	3,491.2
Property and equipment, net (note 6)	23,813.8	23,974.9
Goodwill (note 6)	23,782.7	23,748.8
Intangible assets subject to amortization, net (note 6)	5,560.5	5,795.4
Long-term assets of discontinued operation (note 2)	—	513.6
Other assets, net (note 4)	4,765.2	4,707.8
Total assets	$ 67,260.3	$ 67,714.3

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC

CONDENSED CONSOLIDATED BALANCE SHEETS — (Continued)
(unaudited)

	March 31, 2014	December 31, 2013
	in millions	
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 1,104.5	$ 1,072.9
Deferred revenue and advance payments from subscribers and others	1,559.0	1,406.2
Current portion of debt and capital lease obligations (note 7)	3,470.8	1,023.4
Derivative instruments (note 4)	1,237.6	751.2
Accrued interest	608.4	598.7
Accrued programming	369.1	359.1
Current liabilities of discontinued operation (note 2)	—	127.5
Other accrued and current liabilities	2,323.3	2,344.0
Total current liabilities	10,672.7	7,683.0
Long-term debt and capital lease obligations (note 7)	41,000.8	43,680.9
Long-term liabilities of discontinued operation (note 2)	—	19.8
Other long-term liabilities (note 4)	4,629.2	4,789.1
Total liabilities	56,302.7	56,172.8
Commitments and contingencies (notes 2, 4, 7, 8 and 13)		
Equity (note 9):		
Liberty Global shareholders:		
Class A ordinary shares, $0.01 nominal value. Issued and outstanding 219,696,185 and 222,081,117 shares, respectively	2.2	2.2
Class B ordinary shares, $0.01 nominal value. Issued and outstanding 10,144,184 and 10,147,184 shares, respectively	0.1	0.1
Class C ordinary shares, $0.01 nominal value. Issued and outstanding 561,131,684 and 556,221,669 shares, respectively	5.6	5.6
Additional paid-in capital	12,389.8	12,809.4
Accumulated deficit	(3,391.4)	(3,312.6)
Accumulated other comprehensive earnings, net of taxes	2,651.0	2,528.8
Treasury shares, at cost	(7.4)	(7.7)
Total Liberty Global shareholders	11,649.9	12,025.8
Noncontrolling interests (note 9)	(692.3)	(484.3)
Total equity	10,957.6	11,541.5
Total liabilities and equity	$ 67,260.3	$ 67,714.3

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended March 31,	
	2014	2013
	in millions, except share and per share amounts	
Revenue	$ 4,533.7	$ 2,671.9
Operating costs and expenses:		
Operating (other than depreciation and amortization) (including share-based compensation) (note 10)	1,698.8	966.8
Selling, general and administrative (SG&A) (including share-based compensation) (note 10)	762.5	471.4
Depreciation and amortization	1,377.1	684.6
Impairment, restructuring and other operating items, net (notes 2 and 6)	113.6	20.9
	3,952.0	2,143.7
Operating income	581.7	528.2
Non-operating income (expense):		
Interest expense	(653.5)	(471.5)
Interest and dividend income	13.8	13.7
Realized and unrealized gains (losses) on derivative instruments, net (note 4)	(376.6)	195.5
Foreign currency transaction losses, net	(20.8)	(136.3)
Realized and unrealized gains (losses) due to changes in fair values of certain investments, net (notes 3 and 5)	(60.2)	70.8
Losses on debt modification and extinguishment, net (note 7)	(20.9)	(158.3)
Other expense, net	(0.5)	(1.7)
	(1,118.7)	(487.8)
Earnings (loss) from continuing operations before income taxes	(537.0)	40.4
Income tax benefit (expense) (note 8)	117.0	(20.3)
Earnings (loss) from continuing operations	(420.0)	20.1
Discontinued operation (note 2):		
Earnings from discontinued operation, net of taxes	0.8	1.8
Gain on disposal of discontinued operation, net of taxes	339.9	—
	340.7	1.8
Net earnings (loss)	(79.3)	21.9
Net loss (earnings) attributable to noncontrolling interests	0.5	(22.9)
Net loss attributable to Liberty Global shareholders	$ (78.8)	$ (1.0)
Basic and diluted earnings (loss) attributable to Liberty Global shareholders per share (note 12):		
Continuing operations	$ (0.53)	$ (0.01)
Discontinued operation	0.43	0.01
	$ (0.10)	$ —
Weighted average ordinary shares outstanding — basic and diluted	787,737,909	513,805,800

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(unaudited)

	Three months ended March 31,	
	2014	2013
	in millions	
Net earnings (loss)	$ (79.3)	$ 21.9
Other comprehensive earnings, net of taxes:		
Foreign currency translation adjustments	58.1	21.4
Reclassification adjustments included in net earnings (loss) (note 2)	64.1	0.1
Other comprehensive earnings	122.2	21.5
Comprehensive earnings	42.9	43.4
Comprehensive earnings attributable to noncontrolling interests	0.5	(29.5)
Comprehensive earnings attributable to Liberty Global shareholders	$ 43.4	$ 13.9

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC

CONDENSED CONSOLIDATED STATEMENT OF EQUITY
(unaudited)

	Liberty Global shareholders									
	Ordinary shares									
	Class A	Class B	Class C	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive earnings, net of taxes	Treasury shares, at cost	Total Liberty Global shareholders	Non-controlling interests	Total equity
	in millions									
Balance at January 1, 2014	$ 2.2	$ 0.1	$ 5.6	$ 12,809.4	$ (3,312.6)	$ 2,528.8	$ (7.7)	$ 12,025.8	$ (484.3)	$ 11,541.5
Net loss	—	—	—	—	(78.8)	—	—	(78.8)	(0.5)	(79.3)
Other comprehensive earnings, net of taxes	—	—	—	—	—	122.2	—	122.2	—	122.2
Repurchase and cancellation of Liberty Global ordinary shares (note 9)	—	—	—	(390.4)	—	—	—	(390.4)	—	(390.4)
Call option contracts on Liberty Global shares	—	—	—	(222.9)	—	—	—	(222.9)	—	(222.9)
VTR NCI Acquisition (note 9)	—	—	0.1	185.3	—	—	—	185.4	(185.4)	—
Share-based compensation (note 10)	—	—	—	46.7	—	—	—	46.7	—	46.7
Adjustments due to changes in subsidiaries' equity and other, net (note 9)	—	—	(0.1)	(38.3)	—	—	0.3	(38.1)	(22.1)	(60.2)
Balance at March 31, 2014	$ 2.2	$ 0.1	$ 5.6	$12,389.8	$ (3,391.4)	$ 2,651.0	$ (7.4)	$11,649.9	$ (692.3)	$10,957.6

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31,	
	2014	**2013**
	in millions	
Cash flows from operating activities:		
Net earnings (loss)	$ (79.3)	$ 21.9
Earnings from discontinued operation	(340.7)	(1.8)
Earnings (loss) from continuing operations	(420.0)	20.1
Adjustments to reconcile earnings (loss) from continuing operations to net cash provided by operating activities:		
Share-based compensation expense	55.1	26.3
Depreciation and amortization	1,377.1	684.6
Impairment, restructuring and other operating items, net	113.6	20.9
Amortization of deferred financing costs and non-cash interest accretion	22.0	16.3
Realized and unrealized losses (gains) on derivative instruments, net	376.6	(195.5)
Foreign currency transaction losses, net	20.8	136.3
Realized and unrealized losses (gains) due to changes in fair values of certain investments, net	60.2	(70.8)
Losses on debt modification and extinguishment, net	20.9	158.3
Deferred income tax benefit	(184.2)	(36.8)
Changes in operating assets and liabilities, net of the effects of acquisitions and dispositions	(121.7)	(208.0)
Net cash provided (used) by operating activities of discontinued operation	(9.6)	6.0
Net cash provided by operating activities	1,310.8	557.7
Cash flows from investing activities:		
Capital expenditures	(735.0)	(499.4)
Proceeds received upon disposition of discontinued operation, net of disposal costs	993.0	—
Cash paid in connection with acquisitions, net of cash acquired	(23.2)	—
Other investing activities, net	(3.1)	5.6
Net cash used by investing activities of discontinued operation	(3.8)	(4.6)
Net cash provided (used) by investing activities	$ 227.9	$ (498.4)

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)
(unaudited)

	Three months ended March 31,	
	2014	2013
	in millions	
Cash flows from financing activities:		
Repayments and repurchases of debt and capital lease obligations	$ (2,051.6)	$ (1,019.8)
Borrowings of debt	1,547.8	1,103.9
Repurchase of Liberty Global and LGI shares	(376.8)	(185.5)
Net cash received (paid) associated with call option contracts on Liberty Global and LGI shares	(156.0)	55.5
Net cash paid related to derivative instruments	(98.2)	(11.1)
Payment of financing costs and debt premiums	(39.1)	(181.7)
Decrease in restricted cash related to the Telenet Tender	—	1,539.7
Purchase of additional Telenet shares	—	(454.5)
Other financing activities, net	11.6	(11.4)
Net cash used by financing activities of discontinued operation	(1.2)	(4.2)
Net cash provided (used) by financing activities	(1,163.5)	830.9
Effect of exchange rate changes on cash:		
Continuing operations	15.0	(21.5)
Discontinued operation	—	(0.8)
Total	15.0	(22.3)
Net increase in cash and cash equivalents:		
Continuing operations	404.8	871.5
Discontinued operation	(14.6)	(3.6)
Net increase in cash and cash equivalents	390.2	867.9
Cash and cash equivalents:		
Beginning of period	2,701.9	2,038.9
End of period	$ 3,092.1	$ 2,906.8
Cash paid for interest - continuing operations	$ 631.1	$ 467.6
Net cash paid for taxes:		
Continuing operations	$ 32.5	$ 16.9
Discontinued operation	0.9	3.6
Total	$ 33.4	$ 20.5

The accompanying notes are an integral part of these condensed consolidated financial statements.

(1) Basis of Presentation

Liberty Global plc (Liberty Global) is a public limited company organized under the laws of England and Wales. As a result of a series of mergers that were completed on June 7, 2013, Liberty Global became the publicly-held parent company of the successors by merger of Liberty Global, Inc. (LGI) (the predecessor to Liberty Global) and Virgin Media Inc. (Virgin Media). In these notes, the terms “we,” “our,” “our company” and “us” may refer, as the context requires, to Liberty Global (or its predecessor) or collectively to Liberty Global (or its predecessor) and its subsidiaries.

We are an international provider of video, broadband internet, fixed-line telephony and mobile services, with consolidated operations at March 31, 2014 in 14 countries. Through Virgin Media and Unitymedia KabelBW GmbH (Unitymedia KabelBW), each a wholly-owned subsidiary, and Telenet Group Holding NV (Telenet), a 57.7%-owned subsidiary, we provide video, broadband internet, fixed-line telephony and mobile services in the United Kingdom (U.K.), Germany and Belgium, respectively. Through UPC Holding BV (UPC Holding), also a wholly-owned subsidiary, we provide (i) video, broadband internet and fixed-line telephony services in nine European countries and (ii) mobile services in three European countries. The operations of Virgin Media, Unitymedia KabelBW, Telenet and UPC Holding are collectively referred to herein as the “European Operations Division.” Our broadband communications operations in Chile are provided through our wholly-owned subsidiary, VTR GlobalCom SpA (VTR GlobalCom). Through our wholly-owned subsidiary, VTR Wireless SpA (VTR Wireless), we also offer mobile services in Chile. The operations of VTR GlobalCom and VTR Wireless are collectively referred to herein as the “VTR Group.” Our consolidated operations also include the broadband communications operations of Liberty Cablevision of Puerto Rico LLC (Liberty Puerto Rico), an entity in which we hold a 60% ownership interest.

n u a r y 31, 2014, we completed the sale of substantially all of Chellomedia’s assets (the Chellomedia Disposal Group). Accordingly, (i) the Chellomedia Disposal Group is reflected as a discontinued operation in our condensed consolidated balance sheet as of December 31, 2013, (ii) our condensed consolidated statements of operations and cash flows have been reclassified to present the Chellomedia Disposal Group as a discontinued operation for all periods presented and (iii) the amounts presented in these notes relate only to our continuing operations, unless otherwise noted. Certain entities within the Chellomedia Disposal Group provide programming services to certain of our broadband communications operations, primarily in Europe. For additional information regarding our discontinued operation, see note 2.

On January 26, 2014, our board of directors approved a share split in the form of a share dividend (the 2014 Share Dividend), which constitutes a bonus issue under our articles of association and English law, of one Liberty Global Class C ordinary share on each outstanding Liberty Global Class A, Class B and Class C ordinary share as of the February 14, 2014 record date for the share dividend. The distribution date for the 2014 Share Dividend was March 3, 2014. All Liberty Global share and per share amounts presented herein have been retroactively adjusted to give effect to the 2014 Share Dividend.

Our unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) and with the instructions to Form 10-Q and Article 10 of Regulation S-X for interim financial information. Accordingly, these financial statements do not include all of the information required by GAAP or Securities and Exchange Commission rules and regulations for complete financial statements. In the opinion of management, these financial statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the results of operations for the interim periods presented. The results of operations for any interim period are not necessarily indicative of results for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with our 2013 consolidated financial statements and notes thereto included in our 2013 Annual Report on Form 10-K/A.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of acquisition-related assets and liabilities, allowances for uncollectible accounts, programming and copyright expenses, deferred income taxes and related valuation allowances, loss contingencies, fair value measurements, impairment assessments, capitalization of internal costs associated with construction and installation activities, useful lives of long-lived assets, share-based compensation and actuarial liabilities associated with certain benefit plans. Actual results could differ from those estimates.

Unless otherwise indicated, ownership percentages and convenience translations into United States (U.S.) dollars are calculated as of March 31, 2014.

Certain prior period amounts have been reclassified to conform to the current year presentation.

(2) Acquisitions and Discontinued Operation

Pending Acquisition of Ziggo

On January 27, 2014, we reached an agreement (the Ziggo Merger Agreement) on an offer to acquire all of the shares of Ziggo N.V. (Ziggo) that we do not already own (the Ziggo Offer) in a share and cash transaction. Ziggo, a publicly-traded company in the Netherlands, is the largest cable operator in the Netherlands in terms of customers. The supervisory and management boards of Ziggo have recommended that the shareholders of Ziggo accept the Ziggo Offer. Under the terms of the Ziggo Offer, Ziggo shareholders other than Liberty Global will receive (i) 0.2282 Class A ordinary shares of Liberty Global, (ii) 0.5630 Class C ordinary shares of Liberty Global and (iii) €11.00 ($15.15) in cash for each Ziggo share that they own (the Ziggo Offer Price). The completion of the Ziggo Offer is subject to customary closing conditions, including a minimum tender condition and receipt of competition clearances.

2013 Acquisition of Virgin Media

On June 7, 2013, pursuant to an Agreement and Plan of Merger with Virgin Media and following receipt of regulatory and shareholder approvals, we acquired Virgin Media in a stock and cash merger (the Virgin Media Acquisition). For accounting purposes, the Virgin Media Acquisition was treated as the acquisition of Virgin Media by Liberty Global and the total equity and cash consideration paid to acquire Virgin Media was $14.1 billion.

Pro Forma Information

The following unaudited pro forma condensed consolidated operating results for the three months ended March 31, 2013 give effect to the Virgin Media Acquisition as if it had been completed as of January 1, 2013. These pro forma amounts are not necessarily indicative of the operating results that would have occurred if this transaction had occurred on such date. The pro forma adjustments are based on certain assumptions that we believe are reasonable.

	Three months ended March 31, 2013
	in millions, except per share amount
Revenue:	
Continuing operations	$ 4,269.9
Discontinued operation	95.8
Total	$ 4,365.7
Net loss attributable to Liberty Global shareholders	$ (276.4)
Basic and diluted loss attributable to Liberty Global shareholders per share	$ (0.34)

Discontinued Operation

On January 31, 2014, we completed the sale of the Chellomedia Disposal Group to AMC Networks Inc. for €750.0 million ($1,032.9 million) in cash (the Chellomedia Transaction). Accordingly, the Chellomedia Disposal Group is reflected as a discontinued operation in our condensed consolidated statements of operations and cash flows for all periods presented. In connection with the sale of the Chellomedia Disposal Group, we recognized a pre-tax gain of $350.0 million. This pre-tax gain is net of a $64.0 million cumulative foreign currency translation loss, which was reclassified to net loss from accumulated other comprehensive earnings. The associated income tax expense of $10.1 million differs from the amount computed by applying the U.K. statutory income tax rate of 21.5% due primarily to the fact that (i) the transaction was not subject to taxation in the U.K.

and (ii) most elements of the transaction were not subject to taxation in the Netherlands or the United States. The net after-tax gain of $339.9 million is included in gain on disposal of discontinued operations in our condensed consolidated statement of operations.

The operating results of the Chellomedia Disposal Group for the three months ended March 31, 2014 and 2013 are summarized in the following table:

	Three months ended March 31,	
	2014 (a)	2013
	in millions	
Revenue	$ 26.6	$ 95.8
Operating income (loss)	$ 0.6	$ (2.8)
Earnings before income taxes and noncontrolling interests	$ 0.9	$ 1.9
Income tax expense	$ (0.1)	$ (0.1)
Earnings from discontinued operation attributable to Liberty Global shareholders, net of taxes	$ 0.8	$ 1.9

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(a) Includes the operating results of the Chellomedia Disposal Group through January 31, 2014, the date the Chellomedia Disposal Group was sold.

(3) Investments

The details of our investments are set forth below:

Accounting Method	March 31, 2014	December 31, 2013
	in millions	
Fair value:		
Ziggo (a):		
Not subject to re-use rights (38.4 million and 34.1 million shares, respectively)	$ 1,707.6	$ 1,560.1
Subject to re-use rights (18.6 million and 22.9 million shares, respectively)	824.2	1,049.4
Total — Ziggo	2,531.8	2,609.5
Sumitomo (b)	581.5	572.9
Other (c)	309.0	299.4
Total — fair value	3,422.3	3,481.8
Equity	15.6	8.9
Cost	0.5	0.5
Total	$ 3,438.4	$ 3,491.2

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(a) At March 31, 2014, we owned 57,000,738 shares of Ziggo. Our Ziggo shares represented 28.5% of the outstanding shares of Ziggo at March 31, 2014. At March 31, 2014, 19,965,600 of the Ziggo shares that we owned were (i) subject to a share collar (the Ziggo Collar) and (ii) pledged as collateral under a secured borrowing arrangement (the Ziggo Collar Loan) and are held in a custody account. Under the terms of the Ziggo Collar, the counterparty has the right to re-use most of the Ziggo shares held in the custody account (up to an estimated 18.6 million shares at March 31, 2014), but we have the right to recall the shares that are re-used by the counterparty subject to certain costs. In addition, the counterparty retains dividends on the Ziggo shares that the counterparty would need to borrow from the custody account to hedge its exposure under the Ziggo Collar (an estimated 14.6 million shares at March 31, 2014). The decline in the number of shares subject to re-use rights is primarily attributable to a partial settlement in January 2014 of the Ziggo Collar and Ziggo Collar Loan.

(b) At March 31, 2014, we owned 45,652,043 shares of Sumitomo Corporation (Sumitomo) common stock. Our Sumitomo shares represented less than 5% of Sumitomo's outstanding common stock at March 31, 2014. These shares secure a loan (the Sumitomo Collar Loan) to Liberty Programming Japan LLC, our wholly-owned subsidiary.

(c) Includes various fair value investments, the most significant of which is our 17.0% interest in Canal+ Cyfrowy S.A., a privately-held direct-to-home (DTH) operator in Poland.

(4) Derivative Instruments

In general, we seek to enter into derivative instruments to protect against (i) increases in the interest rates on our variable-rate debt and (ii) foreign currency movements, particularly with respect to borrowings that are denominated in a currency other than the functional currency of the borrowing entity. In this regard, through our subsidiaries, we have entered into various derivative instruments to manage interest rate exposure and foreign currency exposure with respect to the U.S. dollar ($), the euro (€), the British pound sterling (£), the Swiss franc (CHF), the Chilean peso (CLP), the Czech koruna (CZK), the Hungarian forint (HUF), the Polish zloty (PLN) and the Romanian lei (RON). We generally do not apply hedge accounting to our derivative instruments. Accordingly, changes in the fair values of most of our derivative instruments are recorded in realized and unrealized gains or losses on derivative instruments, net, in our condensed consolidated statements of operations.

The following table provides details of the fair values of our derivative instrument assets and liabilities:

	March 31, 2014			December 31, 2013		
	Current (a)	Long-term (a)	Total	Current (a)	Long-term (a)	Total
	in millions					
Assets:						
Cross-currency and interest rate derivative contracts (b)	$ 498.5	$ 461.4	$ 959.9	$ 248.4	$ 520.8	$ 769.2
Equity-related derivative instruments (c)	—	439.4	439.4	—	430.4	430.4
Foreign currency forward contracts	3.1	—	3.1	2.6	—	2.6
Other	0.5	0.7	1.2	1.1	0.9	2.0
Total	$ 502.1	$ 901.5	$ 1,403.6	$ 252.1	$ 952.1	$ 1,204.2
Liabilities:						
Cross-currency and interest rate derivative contracts (b)	$ 1,150.7	$ 2,071.9	$ 3,222.6	$ 727.2	$ 2,191.4	$ 2,918.6
Equity-related derivative instruments (c)	83.2	—	83.2	15.6	101.3	116.9
Foreign currency forward contracts	3.5	16.1	19.6	8.2	12.0	20.2
Other	0.2	0.2	0.4	0.2	0.6	0.8
Total	$ 1,237.6	$ 2,088.2	$ 3,325.8	$ 751.2	$ 2,305.3	$ 3,056.5

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(a) Our long-term derivative assets and liabilities are included in other assets, net, and other long-term liabilities, respectively, in our condensed consolidated balance sheets.

(b) We consider credit risk in our fair value assessments. As of March 31, 2014 and December 31, 2013, (i) the fair values of our cross-currency and interest rate derivative contracts that represented assets have been reduced by credit risk valuation adjustments aggregating $8.8 million and $9.8 million, respectively, and (ii) the fair values of our cross-currency and interest rate derivative contracts that represented liabilities have been reduced by credit risk valuation adjustments aggregating $142.6 million and $173.0 million, respectively. The adjustments to our derivative assets relate to the credit risk associated

with counterparty nonperformance and the adjustments to our derivative liabilities relate to credit risk associated with our own nonperformance. In all cases, the adjustments take into account offsetting liability or asset positions within a given contract. Our determination of credit risk valuation adjustments generally is based on our and our counterparties' credit risks, as observed in the credit default swap market and market quotations for certain of our subsidiaries' debt instruments, as applicable. The changes in the credit risk valuation adjustments associated with our cross-currency and interest rate derivative contracts resulted in net losses of $29.5 million and $32.5 million during the three months ended March 31, 2014 and 2013, respectively. These amounts are included in realized and unrealized gains (losses) on derivative instruments, net, in our condensed consolidated statements of operations. For further information concerning our fair value measurements, see note 5.

(c) Our equity-related derivative instruments include the fair value of (i) the Ziggo Collar with respect to the Ziggo shares held by our company, (ii) the share collar (the Sumitomo Collar) with respect to the Sumitomo shares held by our company and (iii) Virgin Media's conversion hedges with respect to the VM Convertible Notes, as defined and described in note 7, (the Virgin Media Capped Calls). The fair values of the Ziggo Collar and the Sumitomo Collar do not include credit risk valuation adjustments as we have assumed that any losses incurred by our company in the event of nonperformance by the respective counterparty would be, subject to relevant insolvency laws, fully offset against amounts we owe to such counterparty pursuant to the secured borrowing arrangements of the Ziggo Collar and Sumitomo Collar. For additional information regarding the Ziggo Collar, see note 3.

The details of our realized and unrealized gains (losses) on derivative instruments, net, are as follows:

	Three months ended March 31, 2014	Three months ended March 31, 2013
	in millions	
Cross-currency and interest rate derivative contracts	$ (420.2)	$ 180.6
Equity-related derivative instruments:		
Ziggo Collar	15.4	—
Sumitomo Collar	8.5	(87.7)
Virgin Media Capped Calls	0.2	—
Total equity-related derivative instruments	24.1	(87.7)
Foreign currency forward contracts	20.0	102.4
Other	(0.5)	0.2
Total	$ (376.6)	$ 195.5

The net cash received or paid related to our derivative instruments is classified as an operating, investing or financing activity in our condensed consolidated statements of cash flows based on the objective of the derivative instrument and the classification of the applicable underlying cash flows. For cross-currency or interest rate derivative contracts that are terminated prior to maturity, the cash paid or received upon termination that relates to future periods is classified as a financing activity. The classification of these cash outflows are as follows:

	Three months ended March 31, 2014	Three months ended March 31, 2013
	in millions	
Operating activities	$ (210.8)	$ (209.2)
Financing activities	(98.2)	(11.1)
Total	$ (309.0)	$ (220.3)

Counterparty Credit Risk

We are exposed to the risk that the counterparties to our derivative instruments will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of, and concentration of risk with, the respective counterparties. In this regard, credit risk associated with our derivative instruments is spread across a relatively broad counterparty base of banks and financial institutions. We and our counterparties do not post collateral or other security, nor have we entered into master netting arrangements with any of our counterparties. At March 31, 2014, our exposure to counterparty credit risk included derivative assets with an aggregate fair value of $588.7 million.

Details of our Derivative Instruments

In the following tables, we present the details of the various categories of our subsidiaries' derivative instruments. For each subsidiary, the notional amount of multiple derivative instruments that mature within the same calendar month are shown in the aggregate and interest rates are presented on a weighted average basis. In addition, for derivative instruments that were in effect as of March 31, 2014, we present a single date that represents the applicable final maturity date. For derivative instruments that become effective subsequent to March 31, 2014, we present a range of dates that represents the period covered by the applicable derivative instruments.

Cross-currency and Interest Rate Derivative Contracts

Cross-currency Derivative Contracts:

The terms of our outstanding cross-currency swap contracts at March 31, 2014 are as follows:

Subsidiary / Final maturity date		Notional amount due from counterparty		Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to counterparty
		in millions				
Virgin Media Investment Holdings Limited (VMIH), a subsidiary of Virgin Media:						
February 2022	$	1,400.0	£	873.6	5.01%	5.49%
June 2020	$	1,384.6	£	901.4	6 mo. LIBOR + 2.75%	6 mo. GBP LIBOR + 3.18%
October 2020	$	1,370.4	£	881.6	6 mo. LIBOR + 2.75%	6 mo. GBP LIBOR + 3.10%
January 2018	$	1,000.0	£	615.7	6.50%	7.05%
January 2021	$	500.0	£	308.9	5.25%	6 mo. GBP LIBOR + 2.06%
October 2019	$	500.0	£	302.3	8.38%	9.07%
January 2022	$	425.0	£	255.8	5.50%	5.82%
April 2019	$	291.5	£	186.2	5.38%	5.49%
November 2016 (a)	$	55.0	£	27.7	6.50%	7.03%
UPC Holding:						
April 2016 (a)	$	400.0	CHF	441.8	9.88%	9.87%
UPC Broadband Holding BV (UPC Broadband Holding), a subsidiary of UPC Holding:						
July 2018	$	525.0	€	396.3	6 mo. LIBOR + 1.99%	6.25%
September 2014	$	440.0	€	316.3	6 mo. LIBOR	6 mo. EURIBOR - 0.04%
December 2014	$	340.0	€	244.6	6 mo. LIBOR	6 mo. EURIBOR

Subsidiary / Final maturity date		Notional amount due from counterparty		Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to counterparty
		in millions				
September 2014 - January 2020	$	327.5	€	249.5	6 mo. LIBOR + 4.92%	7.52%
January 2015 - July 2021	$	312.0	€	240.0	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.87%
January 2015	$	300.0	€	226.5	6 mo. LIBOR + 1.75%	5.78%
October 2020	$	300.0	€	219.1	6 mo. LIBOR + 3.00%	6 mo. EURIBOR + 3.04%
January 2017 - July 2021	$	262.1	€	194.1	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.51%
November 2019	$	250.0	€	181.5	7.25%	7.74%
November 2021	$	250.0	€	181.4	7.25%	7.50%
December 2014 - July 2018	$	200.0	€	151.0	6 mo. LIBOR + 3.00%	7.31%
January 2020	$	197.5	€	150.5	6 mo. LIBOR + 4.92%	6 mo. EURIBOR + 4.91%
September 2014 - July 2021	$	128.0	€	97.2	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.90%
January 2015 - July 2018	$	100.0	€	75.4	6 mo. LIBOR + 1.75%	5.77%
December 2016	$	340.0	CHF	370.9	6 mo. LIBOR + 3.50%	6 mo. CHF LIBOR + 4.01%
January 2017 - July 2021	$	300.0	CHF	278.3	6 mo. LIBOR + 2.50%	6 mo. CHF LIBOR + 2.46%
November 2019	$	250.0	CHF	226.8	7.25%	6 mo. CHF LIBOR + 5.01%
January 2020	$	225.0	CHF	206.3	6 mo. LIBOR + 4.81%	5.44%
January 2015 - July 2021	$	200.0	CHF	186.0	6 mo. LIBOR + 2.50%	6 mo. CHF LIBOR + 2.55%
January 2015	$	171.5	CHF	187.1	6 mo. LIBOR + 2.75%	6 mo. CHF LIBOR + 2.95%
December 2014	$	340.0	CLP	181,322.0	6 mo. LIBOR + 1.75%	8.76%
December 2016	$	201.5	RON	489.3	6 mo. LIBOR + 3.50%	14.01%
January 2015	€	898.4	CHF	1,466.0	6 mo. EURIBOR + 1.68%	6 mo. CHF LIBOR + 1.94%
January 2015 - September 2022	€	383.8	CHF	477.0	6 mo. EURIBOR + 2.00%	6 mo. CHF LIBOR + 2.22%
January 2015 - January 2017	€	360.4	CHF	589.0	6 mo. EURIBOR + 3.75%	6 mo. CHF LIBOR + 3.94%
January 2020	€	175.0	CHF	258.6	7.63%	6.76%
July 2020	€	107.4	CHF	129.0	6 mo. EURIBOR + 3.00%	6 mo. CHF LIBOR + 3.28%
January 2017	€	75.0	CHF	110.9	7.63%	6.98%
December 2014	€	134.2	CLP	107,800.0	6 mo. EURIBOR + 2.00%	10.00%
December 2015	€	69.1	CLP	53,000.0	3.50%	5.75%
January 2015	€	365.8	CZK	10,521.8	5.48%	5.99%
January 2015 - January 2017	€	60.0	CZK	1,703.1	5.50%	6.99%
July 2017	€	39.6	CZK	1,000.0	3.00%	3.75%
January 2015	€	260.0	HUF	75,570.0	5.50%	9.40%
January 2015 - January 2017	€	260.0	HUF	75,570.0	5.50%	10.56%
December 2016	€	150.0	HUF	43,367.5	5.50%	9.20%

Subsidiary / Final maturity date		Notional amount due from counterparty		Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to counterparty
		in millions				
July 2018	€	78.0	HUF	19,500.0	5.50%	9.15%
January 2015	€	400.5	PLN	1,605.6	5.50%	7.50%
January 2015 - January 2017	€	245.0	PLN	1,000.6	5.50%	9.03%
September 2016	€	200.0	PLN	892.7	6.00%	8.19%
July 2017	€	82.0	PLN	318.0	3.00%	5.60%
December 2014		CLP 181,322.0	USD	340.0	8.76%	6 mo. LIBOR + 1.75%
December 2014		CLP 107,800.0	EUR	134.2	10.00%	6 mo. EURIBOR + 2.00%
December 2015		CLP 53,000.0	EUR	69.1	5.75%	3.50%
Unitymedia Hessen GmbH & Co. KG, a subsidiary of Unitymedia KabelBW:						
January 2021	$	1,000.0	€	688.2	5.50%	5.58%
March 2019	$	459.3	€	326.5	7.50%	7.98%
VTR GlobalCom:						
January 2022	$	1,400.0	CLP	760,340.0	6.88%	10.94%
September 2014	$	134.9	CLP	74,639.5	6 mo. LIBOR + 3.00%	11.34%
September 2014		CLP 74,639.5	USD	134.9	11.34%	6 mo. LIBOR + 3.00%

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(a) Unlike the other cross-currency swaps presented in this table, the identified cross-currency swaps do not involve the exchange of notional amounts at the inception and maturity of the instruments. Accordingly, the only cash flows associated with these instruments are interest payments and receipts.

Interest Rate Swaps:

The terms of our outstanding interest rate swap contracts at March 31, 2014 are as follows:

Subsidiary / Final maturity date		Notional amount	Interest rate due from counterparty	Interest rate due to counterparty
		in millions		
VMIH:				
October 2018	£	2,155.0	6 mo. GBP LIBOR	1.52%
January 2021	£	650.0	5.50%	6 mo. GBP LIBOR + 1.84%
January 2021	£	650.0	6 mo. GBP LIBOR + 1.84%	3.87%
December 2015	£	600.0	6 mo. GBP LIBOR	2.86%
April 2018	£	300.0	6 mo. GBP LIBOR	1.37%
UPC Broadband Holding:				
July 2020	$	1,000.0	6.63%	6 mo. LIBOR + 3.03%
January 2022	$	750.0	6.88%	6 mo. LIBOR + 4.89%
January 2015	€	1,554.0	1 mo. EURIBOR + 3.75%	6 mo. EURIBOR + 3.56%

Subsidiary / Final maturity date		Notional amount	Interest rate due from counterparty	Interest rate due to counterparty
		in millions		
January 2015	€	1,364.8	6 mo. EURIBOR	3.44%
July 2020	€	750.0	6.38%	6 mo. EURIBOR + 3.16%
January 2015 - January 2021	€	750.0	6 mo. EURIBOR	2.57%
January 2015 - December 2016	€	500.0	6 mo. EURIBOR	4.32%
July 2014	€	337.0	6 mo. EURIBOR	3.94%
January 2015 - January 2023	€	290.0	6 mo. EURIBOR	2.79%
December 2015	€	263.3	6 mo. EURIBOR	3.97%
January 2023	€	210.0	6 mo. EURIBOR	2.88%
January 2015 - January 2018	€	175.0	6 mo. EURIBOR	3.74%
January 2015 - July 2020	€	171.3	6 mo. EURIBOR	3.95%
July 2020	€	171.3	6 mo. EURIBOR	4.32%
December 2014	€	107.0	6 mo. EURIBOR	4.73%
January 2015 - November 2021	€	107.0	6 mo. EURIBOR	2.89%
January 2015	CHF	2,380.0	6 mo. CHF LIBOR	2.81%
January 2015 - January 2022	CHF	711.5	6 mo. CHF LIBOR	1.89%
January 2015 - January 2021	CHF	500.0	6 mo. CHF LIBOR	1.65%
January 2015 - January 2018	CHF	400.0	6 mo. CHF LIBOR	2.51%
January 2015 - December 2016	CHF	370.9	6 mo. CHF LIBOR	3.82%
January 2015 - November 2019	CHF	226.8	6 mo. CHF LIBOR + 5.01%	6.88%
Telenet International Finance S.a.r.l (Telenet International):				
July 2017 - July 2019	€	600.0	3 mo. EURIBOR	3.29%
August 2015	€	350.0	3 mo. EURIBOR	3.54%
August 2015 - December 2018	€	305.0	3 mo. EURIBOR	2.46%
December 2015 - June 2021	€	250.0	3 mo. EURIBOR	3.49%
July 2019	€	200.0	3 mo. EURIBOR	3.55%
July 2017	€	150.0	3 mo. EURIBOR	3.55%
July 2017 - December 2018	€	70.0	3 mo. EURIBOR	3.00%
June 2021	€	55.0	3 mo. EURIBOR	2.29%
June 2015	€	50.0	3 mo. EURIBOR	3.55%
December 2017	€	50.0	3 mo. EURIBOR	3.52%
December 2015 - July 2019	€	50.0	3 mo. EURIBOR	3.40%
December 2017 - July 2019	€	50.0	3 mo. EURIBOR	2.99%
July 2017 - June 2021	€	50.0	3 mo. EURIBOR	3.00%
August 2015 - June 2021	€	45.0	3 mo. EURIBOR	3.20%

Interest Rate Caps

Our purchased and sold interest rate cap contracts with respect to EURIBOR are detailed below:

	March 31, 2014		
Subsidiary / Final maturity date		**Notional amount**	**EURIBOR cap rate**
		in millions	
Interest rate caps purchased (a):			
Liberty Global Europe Financing BV (LGE Financing), the immediate parent of UPC Holding:			
January 2015 - January 2020	€	735.0	7.00%
Telenet International:			
June 2015 - June 2017	€	50.0	4.50%
Telenet NV, a subsidiary of Telenet:			
December 2017	€	1.3	6.50%
December 2017	€	1.3	5.50%
Interest rate cap sold (b):			
UPC Broadband Holding:			
January 2015 - January 2020	€	735.0	7.00%

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(a) Our purchased interest rate caps entitle us to receive payments from the counterparty when EURIBOR exceeds the EURIBOR cap rate.

(b) Our sold interest rate cap requires that we make payments to the counterparty when EURIBOR exceeds the EURIBOR cap rate.

Interest Rate Collars

Our interest rate collar contracts establish floor and cap rates with respect to EURIBOR on the indicated notional amounts, as detailed below:

	March 31, 2014			
Subsidiary / Final maturity date		**Notional amount**	**EURIBOR floor rate (a)**	**EURIBOR cap rate (b)**
		in millions		
UPC Broadband Holding:				
January 2015 - January 2020	€	1,135.0	1.00%	3.54%
Telenet International:				
July 2017	€	950.0	2.00%	4.00%

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(a) We make payments to the counterparty when EURIBOR is less than the EURIBOR floor rate.

(b) We receive payments from the counterparty when EURIBOR is greater than the EURIBOR cap rate.

UPC Holding Cross-Currency Options

Pursuant to its cross-currency option contracts, UPC Holding has the option to deliver U.S. dollars to the counterparty in exchange for Swiss francs at a fixed exchange rate of 0.7354 Swiss francs per one U.S. dollar, in the notional amounts listed below:

Contract expiration date		Notional amount at March 31, 2014
		in millions
April 2018	$	419.8
October 2016	$	19.8
April 2017	$	19.8
October 2017	$	19.8

Foreign Currency Forwards

The following table summarizes our outstanding foreign currency forward contracts at March 31, 2014:

Subsidiary		Currency purchased forward		Currency sold forward	Maturity dates
		in millions			
LGE Financing	$	2.6	€	2.0	April 2014 - October 2014
LGE Financing	€	109.1	$	150.0	April 2014
UPC Holding	$	479.0	CHF	415.1	October 2016 - April 2018
UPC Broadband Holding	$	3.0	CZK	59.3	April 2014 - March 2015
UPC Broadband Holding	€	59.2	CHF	72.5	April 2014 - March 2015
UPC Broadband Holding	€	18.0	CZK	477.6	April 2014 - March 2015
UPC Broadband Holding	€	16.5	HUF	5,100.0	April 2014 - March 2015
UPC Broadband Holding	€	48.0	PLN	208.5	April 2014 - March 2015
UPC Broadband Holding	£	3.6	€	4.3	April 2014 - March 2015
UPC Broadband Holding	CHF	27.5	€	22.6	April 2014
UPC Broadband Holding	CZK	300.0	€	10.9	April 2014
UPC Broadband Holding	HUF	3,100.0	€	10.0	April 2014
UPC Broadband Holding	PLN	50.0	€	12.0	April 2014
UPC Broadband Holding	RON	16.0	€	3.6	April 2014
Telenet NV	$	36.0	€	26.6	April 2014 - December 2014
VTR GlobalCom	$	26.3	CLP	14,250.1	April 2014 - February 2015

(5) Fair Value Measurements

We use the fair value method to account for (i) certain of our investments and (ii) our derivative instruments. The reported fair values of these investments and derivative instruments as of March 31, 2014 likely will not represent the value that will be paid or received upon the ultimate settlement or disposition of these assets and liabilities. In the case of the investments that we account for using the fair value method, the values we realize upon disposition will be dependent upon, among other factors, market conditions and the forecasted financial performance of the investees at the time of any such disposition. With respect to our derivative instruments, we expect that the values realized generally will be based on market conditions at the time of settlement, which may occur at the maturity of the derivative instrument or at the time of the repayment or refinancing of the underlying debt instrument.

GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. We record transfers of assets or liabilities in or out of Levels 1, 2 or 3 at the beginning of the quarter during which the transfer occurred. During the three months ended March 31, 2014, no such transfers were made.

All of our Level 2 inputs (interest rate futures, swap rates and certain of the inputs for our weighted average cost of capital calculations) and certain of our Level 3 inputs (forecasted volatilities and credit spreads) are obtained from pricing services. These inputs, or interpolations or extrapolations thereof, are used in our internal models to calculate, among other items, yield curves, forward interest and currency rates and weighted average cost of capital rates. In the normal course of business, we receive market value assessments from the counterparties to our derivative contracts. Although we compare these assessments to our internal valuations and investigate unexpected differences, we do not otherwise rely on counterparty quotes to determine the fair values of our derivative instruments. The midpoints of applicable bid and ask ranges generally are used as inputs for our internal valuations.

For our investments in Ziggo and Sumitomo, the recurring fair value measurements are based on the quoted closing price of the respective shares at each reporting date. Accordingly, the valuations of these investments fall under Level 1 of the fair value hierarchy. Our other investments that we account for at fair value are privately-held companies, and therefore, quoted market prices are unavailable. The valuation technique we use for such investments is a combination of an income approach (discounted cash flow model based on forecasts) and a market approach (market multiples of similar businesses). With the exception of certain inputs for our weighted average cost of capital calculations that are derived from pricing services, the inputs used to value these investments are based on unobservable inputs derived from our assumptions. Therefore, the valuation of our privately-held investments falls under Level 3 of the fair value hierarchy. Any reasonably foreseeable changes in assumed levels of unobservable inputs would not be expected to have a material impact on our financial position or results of operations.

The recurring fair value measurement of our equity-related derivatives are based on binomial option pricing models, which require the input of observable and unobservable variables such as exchange traded equity prices, risk-free interest rates, dividend yields and forecasted volatilities of the underlying equity securities. The valuations of our equity-related derivatives are based on a combination of Level 1 inputs (exchange traded equity prices), Level 2 inputs (interest rate futures and swap rates) and Level 3 inputs (forecasted volatilities). As changes in volatilities could have a significant impact on the overall valuations, we have determined that these valuations fall under Level 3 of the fair value hierarchy. For the March 31, 2014 valuation of the Ziggo Collar, we used a forecasted volatility of 24%. At March 31, 2014, the valuations of the Sumitomo Collar and the Virgin Media Capped Calls were not significantly impacted by forecasted volatilities.

As further described in note 4, we have entered into various derivative instruments to manage our interest rate and foreign currency exchange risk. The recurring fair value measurements of these derivative instruments are determined using discounted cash flow models. Most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these derivative instruments. This observable data includes applicable interest rate futures and swap rates, which are retrieved or derived from available market data. Although we may extrapolate or interpolate this data, we do not otherwise alter this data in performing our valuations. We incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own nonperformance risk and the nonperformance risk of our counterparties. Our and our counterparties' credit spreads are Level 3 inputs that are used to derive the credit risk valuation adjustments with respect to our various interest rate and foreign currency derivative valuations. As we would not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these derivative instruments, we have determined that these valuations fall under Level 2 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our cross-currency and interest rate swaps are quantified and further explained in note 4.

Fair value measurements are also used in connection with nonrecurring valuations performed in connection with impairment assessments and acquisition accounting. These nonrecurring valuations include the valuation of reporting units, customer relationship intangible assets, property and equipment and the implied value of goodwill. The valuation of private reporting units is based at least in part on discounted cash flow analyses. With the exception of certain inputs for our weighted average cost of capital and discount rate calculations that are derived from pricing services, the inputs used in our discounted cash flow analyses, such as forecasts of future cash flows, are based on our assumptions. The valuation of customer relationships is primarily based on an excess earnings methodology, which is a form of a discounted cash flow analysis. The excess earnings methodology requires

us to estimate the specific cash flows expected from the customer relationship, considering such factors as estimated customer life, the revenue expected to be generated over the life of the customer, contributory asset charges, and other factors. Tangible assets are typically valued using a replacement or reproduction cost approach, considering factors such as current prices of the same or similar equipment, the age of the equipment and economic obsolescence. The implied value of goodwill is determined by allocating the fair value of a reporting unit to all of the assets and liabilities of that unit as if the reporting unit had been acquired in a business combination, with the residual amount allocated to goodwill. All of our nonrecurring valuations use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy. We did not perform significant nonrecurring fair value measurements during the three months ended March 31, 2014 or 2013.

A summary of our assets and liabilities that are measured at fair value on a recurring basis is as follows:

		Fair value measurements at March 31, 2014 using:		
Description	March 31, 2014	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		in millions		
Assets:				
Derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 959.9	$ —	$ 959.9	$ —
Equity-related derivative instruments	439.4	—	—	439.4
Foreign currency forward contracts	3.1	—	3.1	—
Other	1.2	—	1.2	—
Total derivative instruments	1,403.6	—	964.2	439.4
Investments	3,422.3	3,113.3	—	309.0
Total assets	$ 4,825.9	$ 3,113.3	$ 964.2	$ 748.4
Liabilities - derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 3,222.6	$ —	$ 3,222.6	$ —
Equity-related derivative instruments	83.2	—	—	83.2
Foreign currency forward contracts	19.6	—	19.6	—
Other	0.4	—	0.4	—
Total liabilities	$ 3,325.8	$ —	$ 3,242.6	$ 83.2

Description	December 31, 2013	Fair value measurements at December 31, 2013 using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		in millions		
Assets:				
Derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 769.2	$ —	$ 769.2	$ —
Equity-related derivative instruments	430.4	—	—	430.4
Foreign currency forward contracts	2.6	—	2.6	—
Other	2.0	—	2.0	—
Total derivative instruments	1,204.2	—	773.8	430.4
Investments	3,481.8	3,182.4	—	299.4
Total assets	$ 4,686.0	$ 3,182.4	$ 773.8	$ 729.8
Liabilities - derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 2,918.6	$ —	$ 2,918.6	$ —
Equity-related derivative instruments	116.9	—	—	116.9
Foreign currency forward contracts	20.2	—	20.2	—
Other	0.8	—	0.8	—
Total liabilities	$ 3,056.5	$ —	$ 2,939.6	$ 116.9

A reconciliation of the beginning and ending balances of our assets and liabilities measured at fair value on a recurring basis using significant unobservable, or Level 3, inputs is as follows:

	Investments	Equity-related derivative instruments	Total
		in millions	
Balance of net assets at January 1, 2014	$ 299.4	$ 313.5	$ 612.9
Partial settlement of the Ziggo Collar (a)	—	17.9	17.9
Gains included in net loss (b):			
Realized and unrealized gains on derivative instruments, net	—	24.1	24.1
Realized and unrealized gains due to changes in fair values of certain investments, net	8.9	—	8.9
Foreign currency translation adjustments and other	0.7	0.7	1.4
Balance of net assets at March 31, 2014	$ 309.0	$ 356.2	$ 665.2

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(a) For additional information regarding the Ziggo Collar, see note 3.

(b) Most of these net gains relate to assets and liabilities that we continue to carry on our condensed consolidated balance sheet as of March 31, 2014.

(6) Long-lived Assets

Property and Equipment, Net

The details of our property and equipment and the related accumulated depreciation are set forth below:

	March 31, 2014	December 31, 2013
	in millions	
Distribution systems	$ 25,666.0	$ 25,193.2
Customer premises equipment	6,350.4	6,126.0
Support equipment, buildings and land	3,662.1	3,581.9
	35,678.5	34,901.1
Accumulated depreciation	(11,864.7)	(10,926.2)
Total property and equipment, net	$ 23,813.8	$ 23,974.9

During the three months ended March 31, 2014 and 2013, we recorded non-cash increases to our property and equipment related to assets acquired under capital leases of $49.0 million and $18.3 million, respectively. In addition, during the three months ended March 31, 2014 and 2013, we recorded non-cash increases related to vendor financing arrangements of $170.5 million and $76.1 million, respectively, which amounts exclude related value-added taxes (VAT) of $16.3 million and $7.7 million, respectively, that were also financed by our vendors under these arrangements.

Goodwill

Changes in the carrying amount of our goodwill during the three months ended March 31, 2014 are set forth below:

	January 1, 2014	Foreign currency translation adjustments	March 31, 2014
		in millions	
European Operations Division			
U.K. (Virgin Media)	$ 9,598.2	$ 66.4	$ 9,664.6
Germany (Unitymedia KabelBW)	3,939.4	(4.7)	3,934.7
Belgium (Telenet)	2,255.1	(2.7)	2,252.4
The Netherlands	1,260.4	(1.5)	1,258.9
Switzerland	3,197.4	15.9	3,213.3
Other Western Europe	1,079.7	(1.3)	1,078.4
Total Western Europe	21,330.2	72.1	21,402.3
Central and Eastern Europe	1,520.1	(16.0)	1,504.1
Total European Operations Division	22,850.3	56.1	22,906.4
Chile (VTR Group)	508.5	(22.2)	486.3
Corporate and other	390.0	—	390.0
Total	$ 23,748.8	$ 33.9	$ 23,782.7

Intangible Assets Subject to Amortization, Net

The details of our intangible assets subject to amortization are set forth below:

	March 31, 2014			December 31, 2013		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	in millions					
Customer relationships	$ 8,005.8	$ (2,577.3)	$ 5,428.5	$ 8,116.7	$ (2,458.4)	$ 5,658.3
Other	266.0	(134.0)	132.0	288.1	(151.0)	137.1
Total	$ 8,271.8	$ (2,711.3)	$ 5,560.5	$ 8,404.8	$ (2,609.4)	$ 5,795.4

(7) Debt and Capital Lease Obligations

The U.S. dollar equivalents of the components of our consolidated debt and capital lease obligations are as follows:

	March 31, 2014							
	Weighted average interest rate (a)	Unused borrowing capacity (b)		Estimated fair value (c)		Carrying value (d)		
		Borrowing currency	U.S. $ equivalent	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
				in millions			
Debt:							
VM Notes	6.26%	—	$ —	$ 10,926.8	$ 9,188.7	$ 10,692.6	$ 9,150.1
VM Credit Facility	3.77%	£ 660.0	1,100.9	4,390.2	4,388.9	4,364.5	4,352.8
VM Convertible Notes (e)	6.50%	—	—	157.5	164.1	57.4	57.5
UPCB SPE Notes	6.88%	—	—	4,564.1	4,536.5	4,217.6	4,219.5
UPC Broadband Holding Bank Facility	3.71%	€ 1,046.2	1,440.8	3,479.8	5,717.8	3,438.0	5,671.4
UPC Holding Senior Notes (f)	7.51%	—	—	3,402.2	3,297.4	3,099.3	3,099.2
Unitymedia KabelBW Notes	6.89%	—	—	8,289.7	8,058.2	7,644.4	7,651.9
Unitymedia KabelBW Revolving Credit Facilities	3.33%	€ 417.5	575.0	—	—	—	—
Telenet SPE Notes	5.94%	—	—	2,959.5	2,916.5	2,755.7	2,759.2
Telenet Credit Facility	3.72%	€ 158.0	217.6	1,945.4	1,956.9	1,934.6	1,936.9
VTR Finance Senior Secured Notes	6.88%	—	—	1,456.0	—	1,400.0	—
Sumitomo Collar Loan	1.88%	—	—	957.5	939.3	913.2	894.3
Ziggo Collar Loan	0.45%	—	—	682.3	852.9	682.1	852.6
Liberty Puerto Rico Bank Facility	6.89%	$ 21.0	21.0	660.5	666.2	657.6	665.0
Ziggo Margin Loan (g)	—	—	—	—	634.3	—	634.3
Vendor financing (h)	3.74%	—	—	575.8	603.1	575.8	603.1
Other (i)	8.91%	(j)	200.0	196.9	308.2	196.9	308.2
Total debt	5.75%		$ 3,555.3	$ 44,644.2	$ 44,229.0	42,629.7	42,856.0
Capital lease obligations:							
Unitymedia KabelBW						943.9	952.0
Telenet						462.9	451.2
Virgin Media						360.2	373.5
Other subsidiaries						74.9	71.6
Total capital lease obligations						1,841.9	1,848.3
Total debt and capital lease obligations						44,471.6	44,704.3
Current maturities						(3,470.8)	(1,023.4)
Long-term debt and capital lease obligations						$ 41,000.8	$ 43,680.9

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(a) Represents the weighted average interest rate in effect at March 31, 2014 for all borrowings outstanding pursuant to each debt instrument including any applicable margin. The interest rates presented represent stated rates and do not include the impact of our interest rate derivative contracts, deferred financing costs, original issue premiums or discounts or commitment fees, all of which affect our overall cost of borrowing. Including the effects of derivative instruments, original issue premiums and discounts and commitment fees, but excluding the impact of financing costs, our weighted average interest rate on our aggregate variable- and fixed-rate indebtedness was 6.8% at March 31, 2014. For information concerning our derivative instruments, see note 4.

(b) Unused borrowing capacity represents the maximum availability under the applicable facility at March 31, 2014 without regard to covenant compliance calculations or other conditions precedent to borrowing. At March 31, 2014, the full amount of unused borrowing capacity was available to be borrowed under each of the respective subsidiary facilities based on the applicable leverage and other financial covenants, except as noted below. At March 31, 2014, (i) our availability under the UPC Broadband Holding Bank Facility (as defined and described below) was limited to €776.0 million ($1,068.7 million) and (ii) none of the unused borrowing capacity under Virgin Media's £660.0 million ($1,100.9 million) senior secured revolving credit facility (the VM Credit Facility) was available to be borrowed. When the relevant March 31, 2014 compliance reporting requirements have been completed and assuming no changes from March 31, 2014 borrowing levels, we anticipate that our availability under the UPC Broadband Holding Bank Facility will be limited to €744.3 million ($1,025.1 million) and all of the unused borrowing capacity under the VM Credit Facility will continue to be unavailable. In addition to the limitations noted above, the debt instruments of our subsidiaries contain restricted payment tests that limit the amount that can be loaned or distributed to other Liberty Global subsidiaries and ultimately to Liberty Global. At March 31, 2014, these restrictions did not impact our ability to access the liquidity of our subsidiaries to satisfy our corporate liquidity needs beyond what is described above, except that the availability to be loaned or distributed by Unitymedia KabelBW was limited to €367.4 million ($506.0 million) and none of the liquidity of Virgin Media or Liberty Puerto Rico was available to be loaned or distributed. When the relevant March 31, 2014 compliance reporting requirements have been completed and assuming no changes from March 31, 2014 borrowing levels, we anticipate that the availability to be loaned or distributed by Unitymedia KabelBW will be unlimited and that all of the liquidity of Virgin Media or Liberty Puerto Rico will continue to be unavailable to be loaned or distributed. Upon completion of the relevant March 31, 2014 compliance reporting requirements and the April 2014 redemption of the 2018 VM Sterling Senior Secured Notes (as defined and described below), and assuming no other changes from March 31, 2014 borrowing levels, we anticipate that £655.7 million ($1,093.7 million) of unused borrowing capacity under the VM Credit Facility will be available to be borrowed and that £159.5 million ($266.1 million) of this amount will be available to be loaned or distributed. For information concerning transactions completed subsequent to March 31, 2014 that could have an impact on unused borrowing capacity, see below and note 15.

(c) The estimated fair values of our debt instruments were determined using the average of applicable bid and ask prices (mostly Level 1 of the fair value hierarchy) or, when quoted market prices are unavailable or not considered indicative of fair value, discounted cash flow models (mostly Level 2 of the fair value hierarchy). The discount rates used in the cash flow models are based on the market interest rates and estimated credit spreads of the applicable entity, to the extent available, and other relevant factors. For additional information concerning fair value hierarchies, see note 5.

(d) Amounts include the impact of premiums and discounts, where applicable.

(e) The 6.50% convertible senior notes issued by Virgin Media (the VM Convertible Notes) are exchangeable under certain conditions for (subject to further adjustment as provided in the underlying indenture and subject to Virgin Media's right to settle in cash or a combination of Liberty Global ordinary shares and cash) 13.4339 of our Class A ordinary shares, 33.4963 of our Class C ordinary shares and $910.51 in cash (without interest) for each $1,000 in principal amount of VM Convertible Notes exchanged. The amount reported in the estimated fair value column for the VM Convertible Notes represents the estimated fair value of the remaining VM Convertible Notes outstanding as of March 31, 2014, including both the debt and equity components.

(f) During April 2014, we used existing cash to repay in full UPC Holding's $400.0 million principal amount of 9.875% senior notes due 2018 (the UPC Holding 9.875% Senior Notes).

(g) During the first quarter of 2014, we used existing cash to repay the full amount of the limited recourse margin loan (the Ziggo Margin Loan) that was secured by a portion of our investment in Ziggo. In connection with this transaction, we recognized a loss on debt modification and extinguishment of $2.3 million related to the write-off of deferred financing costs. For information regarding our investment in Ziggo, see note 3.

(h) Represents amounts owed pursuant to interest-bearing vendor financing arrangements that are generally due within one year. At March 31, 2014 and December 31, 2013, the amounts owed pursuant to these arrangements include $49.3 million and $47.3 million, respectively, of VAT that was paid on our behalf by the vendor. Repayments of vendor financing obligations are included in repayments and repurchases of debt and capital lease obligations in our condensed consolidated statements of cash flows.

(i) The December 31, 2013 amounts include outstanding borrowings of $113.1 million under VTR Wireless's then-existing CLP 60.0 billion ($109.2 million) term loan bank facility (the VTR Wireless Bank Facility). In January 2014, all outstanding amounts under the VTR Wireless Bank Facility were repaid and the VTR Wireless Bank Facility was cancelled. In connection with this transaction, we recognized a loss on debt modification and extinguishment of $2.0 million related to the write-off of deferred financing costs.

(j) Unused borrowing capacity relates to the senior secured revolving credit facility of entities within the VTR Group, which includes a $160.0 million U.S. dollar facility (the VTR Dollar Senior Credit Facility) and a CLP 22.0 billion ($40.0 million) Chilean peso facility (the VTR CLP Senior Credit Facility), each of which were undrawn at March 31, 2014. The VTR Dollar Senior Credit Facility and the VTR CLP Senior Credit Facility have commitment fees on unused and uncancelled balances of 1.1% and 1.34% per year, respectively.

VM Notes

On March 14, 2014, Virgin Media Secured Finance PLC (Virgin Media Secured Finance), a wholly-owned subsidiary of Virgin Media, issued (i) $425.0 million principal amount of 5.5% senior secured notes due January 15, 2025 (the 2025 VM Dollar Senior Secured Notes), (ii) £430.0 million ($717.3 million) principal amount of 5.5% senior secured notes due January 15, 2025 (the 2025 VM Sterling Senior Secured Notes and, together with the 2025 VM Dollar Senior Secured Notes, the 2025 VM Senior Secured Notes) and (iii) £225.0 million ($375.3 million) principal amount of 6.25% senior secured notes due March 28, 2029 (the Original 2029 VM Senior Secured Notes). In April 2014, the net proceeds from the 2025 VM Senior Secured Notes and the Original 2029 VM Senior Secured Notes were used to redeem all of the £875.0 million ($1,459.5 million) principal amount of 7.0% senior secured notes due 2018 (the 2018 VM Sterling Senior Secured Notes), including the related redemption premium. Accordingly, the carrying value of the 2018 VM Sterling Senior Secured Notes has been reclassified to current portion of debt and capital lease obligations in our March 31, 2014 condensed consolidated balance sheet.

On April 1, 2014, Virgin Media Secured Finance issued £175.0 million ($291.9 million) principal amount of 6.25% senior secured notes due March 28, 2029 (the Additional 2029 VM Senior Secured Notes and, together with the Original 2029 VM Senior Secured Notes, the 2029 VM Senior Secured Notes) at an issue price of 101.75%. On May 22, 2014, the net proceeds from the Additional 2029 VM Senior Secured Notes, along with borrowings under VM Facility D and VM Facility E (each as defined and described in note 15) will be used to fully redeem the $1.0 billion principal amount of 6.5% senior secured notes due 2018 (2018 VM Dollar Senior Secured Notes), including the related redemption premium.

The 2025 VM Senior Secured Notes and 2029 VM Senior Secured Notes are senior obligations of Virgin Media Secured Finance that rank equally with all of the existing and future senior debt of Virgin Media Secured Finance and are senior to all existing and future subordinated debt of Virgin Media Secured Finance. The 2025 VM Senior Secured Notes and 2029 VM Senior Secured Notes are guaranteed on a senior basis by Virgin Media and certain subsidiaries of Virgin Media (the VM Senior Secured Guarantors) and are secured by liens on substantially all of the assets of Virgin Media Secured Finance and the VM Senior Secured Guarantors (except for Virgin Media).

The 2025 VM Senior Secured Notes and 2029 VM Senior Secured Notes contain certain customary incurrence-based covenants. For example, the ability to raise certain additional debt and make certain distributions or loans to other subsidiaries of Liberty Global is subject to a Consolidated Leverage Ratio test, as defined in the applicable indenture. In addition, the 2025 VM Senior Secured Notes and 2029 VM Senior Secured Notes provide that any failure to pay principal prior to expiration of any applicable grace period, or any acceleration with respect to other indebtedness of £50.0 million ($83.4 million) or more in the aggregate of

Virgin Media, Virgin Media Finance PLC, Virgin Media Secured Finance or VMIH (as applicable under the relevant indenture), or the Restricted Subsidiaries (as defined in the applicable indenture) is an event of default under the 2025 VM Senior Secured Notes and 2029 VM Senior Secured Notes.

Subject to the circumstances described below, the 2025 VM Senior Secured Notes are non-callable until January 15, 2019 and the 2029 VM Senior Secured Notes are non-callable until January 15, 2021. At any time prior to January 15, 2019, in the case of the 2025 VM Senior Secured Notes, or January 15, 2021, in the case of the 2029 VM Senior Secured Notes, Virgin Media Secured Finance may redeem some or all of the 2025 VM Senior Secured Notes or the 2029 VM Senior Secured Notes (as applicable) by paying a "make-whole" premium, which is the present value of all remaining scheduled interest payments to January 15, 2019 or January 15, 2021 (as applicable) using the discount rate (as specified in the applicable indenture) as of the redemption date plus 50 basis points.

Virgin Media Secured Finance may redeem some or all of the 2025 VM Senior Secured Notes or the 2029 VM Senior Secured Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and Additional Amounts (as defined in the applicable indenture), if any, to the applicable redemption date, if redeemed during the twelve-month period commencing on January 15 of the years set forth below:

	Redemption price	
Year	2025 VM Senior Secured Notes	2029 VM Senior Secured Notes
2019	102.750%	N.A.
2020	101.833%	N.A.
2021	100.000%	103.125%
2022	100.000%	102.083%
2023	100.000%	101.042%
2024 and thereafter	100.000%	100.000%

UPC Broadband Holding Bank Facility

The UPC Broadband Holding Bank Facility, as amended, is the senior secured credit facility of UPC Broadband Holding. The details of our borrowings under the UPC Broadband Holding Bank Facility as of March 31, 2014 are summarized in the following table:

Facility	Final maturity date	Interest rate	Facility amount (in borrowing currency) (a)	Unused borrowing capacity (b)	Carrying value (c)
				in millions	
Q	July 31, 2014	EURIBOR + 2.75%	€ 30.0	$ 41.3	$ —
V (d)	January 15, 2020	7.625%	€ 500.0	—	688.6
Y (d)	July 1, 2020	6.375%	€ 750.0	—	1,032.9
Z (d)	July 1, 2020	6.625%	$ 1,000.0	—	1,000.0
AC (d)	November 15, 2021	7.250%	$ 750.0	—	750.0
AD (d)	January 15, 2022	6.875%	$ 750.0	—	750.0
AG	March 31, 2021	EURIBOR + 3.75%	€ 1,554.4	—	2,136.3
AH	June 30, 2021	LIBOR + 2.50% (e)	$ 1,305.0	—	1,301.7
AI	April 30, 2019	EURIBOR + 3.25%	€ 1,016.2	1,399.5	—
Elimination of Facilities V, Y, Z, AC and AD in consolidation (d)				—	(4,221.5)
Total				$ 1,440.8	$ 3,438.0

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(a) Except as described in (d) below, amounts represent total third-party facility amounts at March 31, 2014 without giving effect to the impact of discounts.

(b) At March 31, 2014, our availability under the UPC Broadband Holding Bank Facility was limited to €776.0 million ($1,068.7 million). When the relevant March 31, 2014 compliance reporting requirements have been completed, we anticipate that our availability under the UPC Broadband Holding Bank Facility will be limited to €744.3 million ($1,025.1 million). Facilities Q and AI have commitment fees on unused and uncancelled balances of 0.75% and 1.3% per year, respectively.

(c) The carrying values of Facilities AG and AH include the impact of discounts.

(d) Amounts related to certain senior secured notes (the UPCB SPE Notes) issued by special purpose financing entities (the UPCB SPEs) that are consolidated by UPC Holding and Liberty Global. The proceeds from the UPCB SPE Notes were used to fund additional Facilities V, Y, Z, AC and AD, with our wholly-owned subsidiary UPC Financing Partnership as the borrower. Accordingly, the amounts outstanding under Facilities V, Y, Z, AC and AD are eliminated in our condensed consolidated financial statements.

(e) Facility AH has a LIBOR floor of 0.75%.

In January 2014, VTR Finance B.V. (VTR Finance), our wholly-owned subsidiary, issued $1.4 billion principal amount of 6.875% senior secured notes due January 15, 2024 (the VTR Finance Senior Secured Notes) in connection with the extraction of VTR GlobalCom and certain of its parents and all of its subsidiaries from the UPC Holding credit pool. The net proceeds from the VTR Finance Senior Secured Notes, together with cash from another subsidiary of Liberty Global, were loaned to UPC Broadband Holding and used to repay all of the outstanding indebtedness under Facilities R, S and AE. In connection with this transaction, we recognized a loss on debt modification and extinguishment of $7.2 million related to the write-off of deferred financing costs.

During the first quarter of 2014, we used existing cash to repay all of the outstanding borrowings under Facility AF. In connection with this transaction, we recognized a loss on debt modification and extinguishment of $9.3 million, including (i) a $4.9 million write-off of an unamortized discount and (ii) a $4.4 million write-off of deferred financing costs.

Ziggo Bridge Facility

On January 27, 2014, LGE HoldCo VI B.V., our wholly-owned subsidiary, entered into a bridge facility agreement (the Ziggo Bridge Facility). The Ziggo Bridge Facility, which was never drawn, was cancelled on February 17, 2014.

Maturities of Debt and Capital Lease Obligations

Maturities of our debt and capital lease obligations as of March 31, 2014 are presented below for the named entity and its subsidiaries, unless otherwise noted. Amounts presented below represent U.S. dollar equivalents based on March 31, 2014 exchange rates:

Debt:

	Virgin Media (a)	UPC Holding (b)	Unitymedia KabelBW	Telenet (c)	Other (d)	Total
			in millions			
Year ending December 31:						
2014 (remainder of year)	$ 1,533.5	$ 738.9	$ 45.8	$ 10.2	$ 731.2	$ 3,059.6
2015	—	100.4	31.0	10.2	9.8	151.4
2016	—	—	—	147.9	375.9	523.8
2017	—	—	—	603.8	860.2	1,464.0
2018	1,000.0	—	—	251.2	339.3	1,590.5
2019	1,555.5	—	2,387.6	1,123.2	—	5,066.3
Thereafter	10,838.5	10,390.9	5,259.8	2,722.7	1,400.0	30,611.9
Total debt maturities	14,927.5	11,230.2	7,724.2	4,869.2	3,716.4	42,467.5
Unamortized premium (discount)	206.1	(36.0)	(3.0)	1.2	(6.1)	162.2
Total debt	$ 15,133.6	$ 11,194.2	$ 7,721.2	$ 4,870.4	$ 3,710.3	$ 42,629.7
Current portion	$ 1,598.3	$ 821.8	$ 76.8	$ 10.2	$ 728.8	$ 3,235.9
Noncurrent portion	$ 13,535.3	$ 10,372.4	$ 7,644.4	$ 4,860.2	$ 2,981.5	$ 39,393.8

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(a) The current portion includes the $1,459.5 million (equivalent) principal amount of the 2018 VM Sterling Senior Secured Notes. In April 2014, the net proceeds from the 2025 VM Senior Secured Notes and the Original 2029 VM Senior Secured Notes were used to redeem all of the 2018 VM Sterling Senior Secured Notes, as further described above.

(b) Amounts include the UPCB SPE Notes issued by the UPCB SPEs. As described above, the UPCB SPEs are consolidated by UPC Holding. In addition, the current portion includes the $400.0 million principal amount of the UPC Holding 9.875% Senior Notes that were repaid in full in April 2014.

(c) Amounts include certain senior secured notes issued by special purpose financing entities that are consolidated by Telenet.

(d) The current portion includes the $689.1 million (equivalent) principal amount outstanding under the Ziggo Collar Loan, which we expect to settle on or before the closing of the acquisition of Ziggo. The Ziggo Collar Loan may be settled with cash, shares or a combination thereof. For information regarding our pending acquisition of Ziggo, see note 2.

Capital lease obligations:

	Unitymedia KabelBW	Telenet	Virgin Media	Other	Total
			in millions		
Year ending December 31:					
2014 (remainder of year)	$ 75.9	$ 59.9	$ 123.5	$ 19.4	$ 278.7
2015	101.0	70.0	120.2	17.5	308.7
2016	101.0	68.8	67.8	17.7	255.3
2017	101.0	67.0	25.5	10.1	203.6
2018	101.0	63.3	5.0	4.4	173.7
2019	101.0	51.5	4.7	3.1	160.3
Thereafter	1,099.3	247.9	238.0	24.5	1,609.7
Total principal and interest payments	1,680.2	628.4	584.7	96.7	2,990.0
Amounts representing interest	(736.3)	(165.5)	(224.5)	(21.8)	(1,148.1)
Present value of net minimum lease payments	$ 943.9	$ 462.9	$ 360.2	$ 74.9	$ 1,841.9
Current portion	$ 29.3	$ 45.5	$ 143.9	$ 16.2	$ 234.9
Noncurrent portion	$ 914.6	$ 417.4	$ 216.3	$ 58.7	$ 1,607.0

Non-cash Refinancing Transactions

During the three months ended March 31, 2014 and 2013, certain of our refinancing transactions included non-cash borrowings and repayments of debt aggregating $1,375.5 million and $550.4 million, respectively.

Subsequent Events

For information concerning certain financing transactions completed subsequent to March 31, 2014, see note 15.

(8) Income Taxes

As a result of the June 7, 2013 Virgin Media Acquisition, pursuant to which Liberty Global became the publicly-held parent company of the successors by merger of LGI and Virgin Media, our statutory tax rate changed from the U.S. federal income tax rate of 35% to the U.K. statutory income tax rate of 21.5%. Liberty Global will file income tax returns in the U.K. and U.S. for 2013 and future years, and LGI will continue to file consolidated income tax returns in the U.S. The income taxes of Liberty Global and its subsidiaries are presented on a separate return basis for each tax-paying entity or group.

Income tax benefit (expense) attributable to our earnings (loss) from continuing operations before income taxes differs from the amounts computed using the applicable income tax rate as a result of the following:

	Three months ended March 31,	
	2014	2013
	in millions	
Computed "expected" tax benefit (expense) (a)	$ 115.5	$ (14.1)
International rate differences (b)	51.2	18.7
Change in valuation allowances	(50.3)	(0.8)
Tax effect of intercompany financing	40.5	—
Basis and other differences in the treatment of items associated with investments in subsidiaries and affiliates	(34.1)	13.2
Non-deductible or non-taxable interest and other expenses	(31.0)	(34.2)
Recognition of previously unrecognized tax benefits	28.8	—
Other, net	(3.6)	(3.1)
Total income tax benefit (expense)	$ 117.0	$ (20.3)

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(a) The statutory or "expected" tax rate is the U.K. rate of 21.5% for the three months ended March 31, 2014 and the U.S. rate of 35.0% for the three months ended March 31, 2013. In July 2013, a law was enacted that decreased the U.K. corporate income tax rate to 21.0% in April 2014, with a further decline to 20.0% scheduled for April 2015. Substantially all of the impact of these rate changes on our deferred tax balances was recorded in the third quarter of 2013.

(b) Amounts reflect statutory rates in jurisdictions in which we operate outside of the U.K. for the three months ended March 31, 2014 and outside of the U.S. for the three months ended March 31, 2013.

As of March 31, 2014, our unrecognized tax benefits included $315.6 million of tax benefits that would have a favorable impact on our effective income tax rate if ultimately recognized, after considering amounts that we would expect to be offset by valuation allowances.

We are currently under income tax audit in Germany, the Netherlands, Slovakia and the U.S. During the next twelve months, it is reasonably possible that the resolution of ongoing examinations by tax authorities as well as expiration of statutes of limitation could result in significant reductions to our unrecognized tax benefits related to tax positions taken as of March 31, 2014. The amount of any such reductions could range up to $230 million. Other than the potential impacts of these ongoing examinations and the expected expiration of certain statutes of limitation, we do not expect that any changes in our unrecognized tax benefits during the next twelve months will have a material impact on our unrecognized tax benefits. No assurance can be given as to the nature or impact of any changes in our unrecognized tax positions during the next twelve months.

(9) Equity

Share Repurchases

During the three months ended March 31, 2014, we purchased a total of 2,879,280 shares of our Liberty Global Class A ordinary shares at a weighted average price of $42.65 per share and 6,470,980 shares of our Liberty Global Class C ordinary shares at a weighted average price of $41.35 per share, for an aggregate purchase price of $390.4 million, including direct acquisition costs and the effects of derivative instruments. As of March 31, 2014, the remaining amount authorized under our most recent share repurchase program was $3,133.9 million.

Acquisition of Interests in VTR GlobalCom and VTR Wireless

On March 14, 2014, a subsidiary of VTR Finance acquired each of the 20.0% noncontrolling ownership interests in VTR GlobalCom and VTR Wireless (the VTR NCI Acquisition) from Inversiones Corp Comm 2 SpA, formerly known as Corp Comm S.A. (the VTR NCI Owner). The consideration for the VTR NCI Acquisition was satisfied by the allotment and issuance of 10,091,178 Liberty Global Class C ordinary shares to the VTR NCI Owner. The VTR NCI Acquisition has been accounted for as an equity transaction, the net effect of which was to record the issued Liberty Global Class C shares at the $185.4 million carrying value of the acquired noncontrolling interests.

(10) Share-based Compensation

Our share-based compensation expense is based on the share-based incentive awards held by our and our subsidiaries' employees, including share-based incentive awards related to Liberty Global shares and the shares of certain of our subsidiaries. The following table summarizes our share-based compensation expense:

	Three months ended March 31,	
	2014	2013
	in millions	
Liberty Global shares:		
Performance-based incentive awards (a)	$ 20.6	$ 4.1
Other share-based incentive awards	30.2	11.2
Total Liberty Global shares (b)	50.8	15.3
Telenet share-based incentive awards (c)	2.9	11.0
Other	1.4	0.5
Total	$ 55.1	$ 26.8
Included in:		
Continuing operations:		
Operating expense	$ 1.3	$ 3.9
SG&A expense	53.8	22.4
Total - continuing operations	55.1	26.3
Discontinued operation	—	0.5
Total	$ 55.1	$ 26.8

(a) Includes share-based compensation expense related to Liberty Global performance-based restricted share units (PSUs) and, for the 2014 period, the challenge performance award plan (the Challenge Performance Awards).

(b) In connection with the Virgin Media Acquisition, we issued Liberty Global share-based incentive awards (Virgin Media Replacement Awards) to employees and former directors of Virgin Media in exchange for corresponding Virgin Media awards. During the 2014 period, Virgin Media recorded share-based compensation expense of $19.3 million, primarily related to the Virgin Media Replacement Awards.

(c) The amount for the 2013 period includes $6.4 million related to the accelerated vesting of options granted under the Telenet 2010 specific stock option plan (Telenet 2010 SSOP).

The following table provides certain information related to share-based compensation not yet recognized for share incentive awards related to Liberty Global ordinary shares and Telenet ordinary shares as of March 31, 2014:

	Liberty Global ordinary shares (a)	Liberty Global performance-based awards (b)	Telenet ordinary shares (c)
Total compensation expense not yet recognized (in millions)	$ 110.5	$ 141.3	$ 8.7
Weighted average period remaining for expense recognition (in years)	2.2	2.0	2.5

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(a) Amounts relate to awards granted or assumed by Liberty Global under (i) the Liberty Global 2014 Incentive Plan, (ii) the Liberty Global, Inc. 2005 Incentive Plan (as amended and restated effective June 7, 2013) (the Liberty Global Incentive Plan), (iii) the Liberty Global, Inc. 2005 Nonemployee Director Incentive Plan (as amended and restated effective June 7, 2013) (the Liberty Global Director Incentive Plan), (iv) the Virgin Media Inc. 2010 Stock Incentive Plan (as amended and restated effective June 7, 2013) (the VM Incentive Plan) and (v) certain other incentive plans of Virgin Media pursuant to which awards may no longer be granted. On January 30, 2014, our shareholders approved the Liberty Global 2014 Incentive Plan and the Liberty Global 2014 Nonemployee Director Incentive Plan and, accordingly, no further awards will be granted under the Liberty Global Incentive Plan, the Liberty Global Director Incentive Plan or the VM Incentive Plan.

(b) Amounts relate to (i) the Challenge Performance Awards, which include performance-based share appreciation rights (PSARs) and restricted share units (RSUs) that were granted in June 2013, and (ii) PSUs.

(c) Amounts relate to various equity incentive awards granted to employees of Telenet.

The following table summarizes certain information related to the incentive awards granted and exercised with respect to Liberty Global ordinary shares. Assumptions used to estimate the fair value of options, share appreciation rights (SARs) and PSARs are not provided as grants of such awards were not significant during the three months ended March 31, 2014 and 2013.

	Three months ended March 31,	
	2014	2013
Weighted average grant-date fair value per PSU granted	$ 41.02	(a)
Total intrinsic value of awards exercised (in millions):		
Options	$ 26.0	$ 5.7
SARs	$ 9.4	$ 15.0
Cash received from exercise of options (in millions)	$ 14.0	$ 1.2
Income tax benefit related to share-based compensation (in millions)	$ 10.4	$ 3.0

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(a) Not applicable as there were no PSUs granted during the three months ended March 31, 2013.

Share-Based Award Activity - Liberty Global Ordinary Shares

The following tables summarize the share-based award activity during the three months ended March 31, 2014 with respect to Liberty Global ordinary shares:

PSUs — Class A ordinary shares	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2014	924,648	$ 32.05	
Granted	272,464	$ 41.61	
Performance adjustment (a)	(138,668)	$ 26.17	
Forfeited	(12,844)	$ 30.96	
Released from restrictions	(137,126)	$ 26.21	
Outstanding at March 31, 2014	908,474	$ 36.71	1.7

PSUs — Class C ordinary shares	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2014	2,744,452	$ 29.99	
Granted	546,016	$ 40.72	
Performance adjustment (a)	(416,004)	$ 24.73	
Forfeited	(38,532)	$ 29.03	
Released from restrictions	(411,378)	$ 24.76	
Outstanding at March 31, 2014	2,424,554	$ 34.21	1.7

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(a) Represents the reduction in PSUs associated with the first quarter 2014 determination that 66.3% of the PSUs that were granted in 2012 (the 2012 PSUs) had been earned. Half of the earned 2012 PSUs were released from restrictions on March 31, 2014 and, subject to forfeitures, the remainder will be released from restrictions on September 30, 2014.

In May 2014, the compensation committee of our board of directors authorized the grant of share incentive awards with respect to approximately 3.6 million, 1.0 million and 5.2 million Liberty Global Class A, B and C shares, respectively. The authorized awards include SARs, PSUs, RSUs and options.

(11) Restructuring Liability

A summary of the changes in our restructuring liability during the three months ended March 31, 2014 is set forth in the table below:

	Employee severance and termination	Office closures	Contract termination and other	Total
	in millions			
Restructuring liability as of January 1, 2014	$ 26.6	$ 14.9	$ 72.0	$ 113.5
Restructuring charges	12.0	0.5	87.1	99.6
Cash paid	(18.4)	(5.7)	(6.0)	(30.1)
Foreign currency translation adjustments and other	(0.1)	—	(3.3)	(3.4)
Restructuring liability as of March 31, 2014	$ 20.1	$ 9.7	$ 149.8	$ 179.6
Current portion	$ 20.0	$ 8.1	$ 33.3	$ 61.4
Noncurrent portion	0.1	1.6	116.5	118.2
Total	$ 20.1	$ 9.7	$ 149.8	$ 179.6

Prior to March 31, 2014, Telenet operated a digital terrestrial television (DTT) business that served a limited number of subscribers. The DTT network was accessed by Telenet pursuant to third-party capacity contracts that were accounted for as operating agreements. On March 31, 2014, Telenet discontinued the provision of DTT services and, accordingly, we recorded an $86.1 million restructuring charge during the three months ended March 31, 2014. This charge is equal to the estimated net present value of the remaining payments due under the DTT capacity contracts and is included in impairment, restructuring and other operating items, net, in our condensed consolidated statement of operations.

(12) Earnings or Loss per Ordinary Share

Basic earnings or loss per share attributable to Liberty Global shareholders is computed by dividing net earnings or loss attributable to Liberty Global shareholders by the weighted average number of ordinary shares (excluding restricted shares) outstanding for the period. Diluted earnings or loss per share attributable to Liberty Global shareholders presents the dilutive effect, if any, on a per share basis of potential ordinary shares (e.g., options, SARs, PSARs, restricted shares, RSUs and convertible securities) as if they had been exercised, vested or converted at the beginning of the periods presented.

The details of our net loss attributable to Liberty Global shareholders are set forth below:

	Three months ended March 31,	
	2014	2013
	in millions	
Amounts attributable to Liberty Global shareholders:		
Loss from continuing operations	$ (419.5)	$ (2.9)
Earnings from discontinued operation	340.7	1.9
Net loss attributable to Liberty Global shareholders	$ (78.8)	$ (1.0)

We reported losses from continuing operations attributable to Liberty Global shareholders for the three months ended March 31, 2014 and 2013. Therefore, the potentially dilutive effect at March 31, 2014 and 2013 of (i) the aggregate number of shares issuable pursuant to outstanding options, SARs, PSARs, restricted shares and RSUs of approximately 37.9 million and 18.5 million, respectively, (ii) the number of shares issuable pursuant to PSUs of approximately 3.3 million and 2.7 million, respectively, and (iii) the aggregate number of shares issuable pursuant to obligations that may be settled in cash or shares of approximately 2.6

million and 7.3 million, respectively, were not included in the computation of diluted loss per share attributable to Liberty Global shareholders because their inclusion would have been anti-dilutive to the computation or, in the case of certain PSUs, because such awards had not yet met the applicable performance criteria.

(13) Commitments and Contingencies

Commitments

In the normal course of business, we have entered into agreements that commit our company to make cash payments in future periods with respect to network and connectivity commitments, programming contracts, purchases of customer premises and other equipment, non-cancelable operating leases and other items. The U.S. dollar equivalents of such commitments as of March 31, 2014 are presented below:

	Payments due during:							
	Remainder of 2014	Year ending December 31, 2015	2016	2017	2018	2019	Thereafter	Total
	in millions							
Network and connectivity commitments	$ 285.7	$ 332.3	$ 274.8	$ 255.0	$ 133.5	$ 99.4	$ 1,187.6	$ 2,568.3
Programming commitments	401.7	418.6	298.8	145.0	38.4	0.4	—	1,302.9
Purchase commitments	754.3	156.7	67.7	11.4	3.8	—	—	993.9
Operating leases	138.0	154.7	128.4	103.1	67.9	55.9	270.2	918.2
Other commitments	335.3	275.9	186.6	139.2	82.8	31.7	38.4	1,089.9
Total (a)	$ 1,915.0	$ 1,338.2	$ 956.3	$ 653.7	$ 326.4	$ 187.4	$ 1,496.2	$ 6,873.2

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(a) The commitments reflected in this table do not reflect any liabilities that are included in our March 31, 2014 condensed consolidated balance sheet.

Network and connectivity commitments include (i) Telenet's commitments for certain operating costs associated with its leased network, (ii) commitments associated with our mobile virtual network operator (MVNO) agreements and (iii) certain repair and maintenance, fiber capacity and energy commitments of Unitymedia KabelBW. Subsequent to October 1, 2015, Telenet's commitments for certain operating costs are subject to adjustment based on changes in the network operating costs incurred by Telenet with respect to its own networks. These potential adjustments are not subject to reasonable estimation and, therefore, are not included in the above table. The amounts reflected in the table with respect to our MVNO commitments represent fixed minimum amounts payable under these agreements and therefore may be significantly less than the actual amounts we ultimately pay in these periods.

Programming commitments consist of obligations associated with certain of our programming, studio output and sports rights contracts that are enforceable and legally binding in that we have agreed to pay minimum fees without regard to (i) the actual number of subscribers to the programming services, (ii) whether we terminate service to a portion of our subscribers or dispose of a portion of our distribution systems or (iii) whether we discontinue our premium film or sports services. In addition, programming commitments do not include increases in future periods associated with contractual inflation adjustments. The amounts reflected in the table with respect to these contracts are significantly less than the amounts we expect to pay in these periods under these contracts. Payments to programming vendors have in the past represented, and are expected to continue to represent in the future, a significant portion of our operating costs. In this regard, during the three months ended March 31, 2014 and 2013, the third-party programming and copyright costs incurred by our broadband communications and DTH operations aggregated $517.0 million and $292.5 million, respectively. The ultimate amount payable in excess of the contractual minimums of our studio output contracts, which expire at various dates through 2019, is dependent upon the number of subscribers to our premium movie service and the theatrical success of the films that we exhibit.

Purchase commitments include unconditional purchase obligations associated with commitments to purchase customer premises and other equipment that are enforceable and legally binding on us.

Commitments arising from acquisition agreements (including with respect to the Ziggo Merger Agreement, as defined and described in note 2) are not reflected in the above table.

In addition to the commitments set forth in the table above, we have significant commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information concerning our derivative instruments, including the net cash paid or received in connection with these instruments during the three months ended March 31, 2014 and 2013, see note 4.

We also have commitments pursuant to agreements with, and obligations imposed by, franchise authorities and municipalities, which may include obligations in certain markets to move aerial cable to underground ducts or to upgrade, rebuild or extend portions of our broadband communication systems. Such amounts are not included in the above table because they are not fixed or determinable.

Guarantees and Other Credit Enhancements

In the ordinary course of business, we may provide indemnifications to our lenders, our vendors and certain other parties and performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

Legal and Regulatory Proceedings and Other Contingencies

Interkabel Acquisition. On November 26, 2007, Telenet and four associations of municipalities in Belgium, which we refer to as the pure intercommunalues or the "PICs," announced a non-binding agreement-in-principle to transfer the analog and digital television activities of the PICs, including all existing subscribers, to Telenet. Subsequently, Telenet and the PICs entered into a binding agreement (the 2008 PICs Agreement), which closed effective October 1, 2008. Beginning in December 2007, Belgacom NV/SA (Belgacom), the incumbent telecommunications operator in Belgium, instituted several proceedings seeking to block implementation of these agreements. It lodged summary proceedings with the President of the Court of First Instance of Antwerp to obtain a provisional injunction preventing the PICs from effecting the agreement-in-principle and initiated a civil procedure on the merits claiming the annulment of the agreement-in-principle. In March 2008, the President of the Court of First Instance of Antwerp ruled in favor of Belgacom in the summary proceedings, which ruling was overturned by the Court of Appeal of Antwerp in June 2008. Belgacom brought this appeal judgment before the Cour de Cassation (the Belgian Supreme Court), which confirmed the appeal judgment in September 2010. On April 6, 2009, the Court of First Instance of Antwerp ruled in favor of the PICs and Telenet in the civil procedure on the merits, dismissing Belgacom's request for the rescission of the agreement-in-principle and the 2008 PICs Agreement. On June 12, 2009, Belgacom appealed this judgment with the Court of Appeal of Antwerp. In this appeal, Belgacom is now also seeking compensation for damages should the 2008 PICs Agreement not be rescinded. However, the claim for compensation has not yet been quantified. At the introductory hearing, which was held on September 8, 2009, the proceedings on appeal were postponed indefinitely at the request of Belgacom.

In parallel with the above proceedings, Belgacom filed a complaint with the Government Commissioner seeking suspension of the approval by the PICs' board of directors of the agreement-in-principle and initiated suspension and annulment procedures before the Belgian Council of State against these approvals and subsequently against the board resolutions of the PICs approving the 2008 PICs Agreement. In this complaint, Belgacom's primary argument was that the PICs should have organized a public market consultation before entering into the agreement-in-principal and the 2008 PICs Agreement. Belgacom's efforts to suspend approval of these agreements were unsuccessful. In the annulment cases, the Belgian Council of State decided on May 2, 2012 to refer a number of questions of interpretation of European Union (EU) law for preliminary ruling to the European Court of Justice. On November 14, 2013, the European Court of Justice ruled that a majority of the reasons invoked by the PICs not to organize a market consultation were not overriding reasons of public interest to justify abolishing the PICs duty to organize such consultation. The annulment case was subsequently resumed with the Belgian Council of State, which will be required to follow the interpretation given by the European Court of Justice with respect to the points of EU law. On January 16, 2014, the Advocate General with the Council of State recommended that the decisions of the board of the PICs not to organize a public market consultation be annulled.

Written and oral pleadings will now be submitted and take place over the next several months with a final decision by the Belgian Council of State expected in 2014 or 2015.

It is possible that Belgacom or another third party or public authority will initiate further legal proceedings in an attempt to block the integration of the PICs' analog and digital television activities or obtain the rescission of the 2008 PICs Agreement. No assurance can be given as to the outcome of these or other proceedings. However, an unfavorable outcome of existing or future proceedings could potentially lead to the rescission of the 2008 PICs Agreement and/or to an obligation for Telenet to pay compensation for damages, subject to the relevant provisions of the 2008 PICs Agreement, which stipulate that Telenet is only responsible for damages in excess of €20.0 million ($27.5 million). In light of the fact that Belgacom has not quantified the amount of damages that it is seeking and we have no basis for assessing the amount of losses we would incur in the unlikely event that the 2008 PICs Agreement were to be rescinded, we cannot provide a reasonable estimate of the range of loss that would be incurred in the event the ultimate resolution of this matter were to be unfavorable to Telenet. However, we do not expect the ultimate resolution of this matter to have a material impact on our results of operations, cash flows or financial position.

Deutsche Telekom Litigation. On December 28, 2012, Unitymedia KabelBW filed a lawsuit against Telekom Deutschland GmbH (Deutsche Telekom), an operating subsidiary of Deutsche Telekom AG, in which Unitymedia KabelBW asserts that it pays excessive prices for the co-use of Deutsche Telekom's cable ducts in Unitymedia KabelBW's footprint. The Federal Network Agency approved rates for the co-use of certain ducts of Deutsche Telekom in March 2011. Based in part on these approved rates, Unitymedia KabelBW is seeking a reduction of the annual lease fees (approximately €76 million ($105 million) for 2012) by approximately two-thirds and the return of similarly calculated overpayments from 2009 through the ultimate settlement date, plus accrued interest. The resolution of this matter may take several years and no assurance can be given that Unitymedia KabelBW's claims will be successful. Any recovery by Unitymedia KabelBW will not be reflected in our consolidated financial statements until such time as the final disposition of this matter has been reached.

Vivendi Litigation. A wholly-owned subsidiary of our company is a plaintiff in certain litigation titled Liberty Media Corporation, et. al. v. Vivendi S.A. and Universal Studio. A predecessor of Liberty Global was a subsidiary of Liberty Media Corporation (Liberty Media) through June 6, 2004. In connection with Liberty Media's prosecution of the action, our subsidiary assigned its rights to Liberty Media in exchange for a contingent payout in the event Liberty Media recovered any amounts as a result of the action. Our subsidiary's interest in any such recovery will be equal to 10% of the recovery amount, including any interest awarded, less the amount to be retained by Liberty Media for (i) all fees and expenses incurred by Liberty Media in connection with the action (including expenses to be incurred in connection with any appeals and the payment of certain deferred legal fees) and (ii) agreed upon interest on such fees and expenses. On January 17, 2013, following a jury trial, the court entered a final judgment in favor of the plaintiffs in the amount of €944 million ($1,300 million), including prejudgment interest. Vivendi S.A. and Universal Studios have filed a notice of appeal of the court's final judgment to the Second Circuit Court of Appeals. As a result, the amount that our subsidiary may ultimately recover in connection with the final resolution of the action, if any, is uncertain. Any recovery by our company will not be reflected in our consolidated financial statements until such time as the final disposition of this matter has been reached.

Liberty Puerto Rico Matter. Liberty Puerto Rico, as the surviving entity in a series of transactions completed in November 2012 pursuant to which Liberty Cablevision of Puerto Rico LLC was combined with OneLink Communications (OneLink), with OneLink as the surviving entity, is a party to certain claims asserted by the incumbent telephone operator against OneLink based on alleged conduct of OneLink that occurred prior to the OneLink acquisition (the PRTC Claim), including a claim that OneLink acted in an anticompetitive manner in connection with a series of legal and regulatory proceedings it initiated against the incumbent telephone operator in Puerto Rico beginning in 2009. In December 2013, an additional claim was asserted against OneLink alleging harm to consumers based on the purported conduct of OneLink that formed the basis for the PRTC Claim. The claimant in the December 2013 action sought to join the PRTC Claim as a representative of the entire class of consumers who are alleged to have suffered harm as a result of the purported OneLink conduct. In February 2014, the court ruled that the December 2013 action could not be joined with the PRTC Claim. The court ruling did not preclude the claimant from pursuing a class action claim in a separate action. In March 2014, the claimant in the December 2013 claim filed a separate class action claim in Puerto Rico (the "Class Action Claim") substantially similar to the claims asserted in the December 2013 claim. The former owners of OneLink have partially indemnified us for any losses we may incur in connection with the PRTC Claim up to a specified maximum amount. However, the indemnity does not cover any potential losses resulting from the Class Action Claim. Our acquisition accounting for the OneLink acquisition includes a provision and a related indemnification asset representing Liberty Puerto Rico's best estimate of the net loss that it may incur upon the ultimate resolution of the PRTC Claim. While Liberty Puerto Rico expects that the net amount required to satisfy these contingencies will not materially differ from the estimated amount it has accrued, no assurance

can be given that the ultimate resolution of these matters will not have an adverse impact on our results of operations, cash flows or financial position in any given period.

Netherlands Regulatory Developments. In December 2011, the Autoriteit Consument & Markt (ACM), formerly Onafhankelijke Post en Telecommunicatia Authoriteit, completed a market assessment of the television market in the Netherlands, concluding that there were no grounds for regulation of that market. On December 22, 2011, referring to its final assessment of the television market, ACM rejected previously filed requests from a number of providers to perform a new market analysis of the television market. This decision by ACM was appealed by such providers to the Dutch Supreme Administrative Court. On November 5, 2012, the Dutch Supreme Administrative Court rejected the appeals against ACM's decision.

In May 2012, the Dutch Senate adopted laws that provide, among other matters, the power to ACM to impose an obligation for the mandatory resale of television services and to the Commissariaat voor de Media to supervise the resale obligation introduced by these new laws. These laws became effective on January 1, 2013 notwithstanding the above-described November 5, 2012 decision of the Dutch Supreme Administrative Court. On January 29, 2014, a Dutch civil court, in a proceeding initiated by UPC Netherlands B.V., declared the resale obligation laws non-binding because they infringe EU law. The Dutch Government did not appeal the January 19, 2014 decision, and the Dutch Minister of Economic Affairs has indicated that a new law will be prepared withdrawing the resale obligation laws. In addition, on October 24, 2012, the European Commission opened formal infringement proceedings against the Dutch government on the basis that the new laws pertaining to resale breach EU law. The Dutch government responded to the infringement proceedings on June 25, 2013 and the European Commission is currently reviewing the response. If such response is deemed to be unsatisfactory to the European Commission, it may refer the matter to the European Court of Justice. The infringement proceeding at the European Commission against the Dutch government is still pending. It is unclear how the Dutch civil court ruling and the indication by the Dutch Minister of Economic Affairs to withdraw the laws will impact the European Commission proceedings. We cannot predict the effect on our results of operations, cash flows or financial position from any implementation of a resale regime.

Belgium Regulatory Developments. In December 2010, the Belgisch Instituut voor Post en Telecommunicatie and the regional regulators for the media sectors (together, the Belgium Regulatory Authorities) published their respective draft decisions reflecting the results of their joint analysis of the broadcasting market in Belgium.

After a public consultation, the draft decisions were submitted to the European Commission. The European Commission issued a notice on the draft

upstream wholesale markets. It also expressed doubts as to the necessity and proportionality of the various remedies.

The Belgium Regulatory Authorities adopted a final decision on July 1, 2011 (the July 2011 Decision) with some minor revisions. The regulatory obligations imposed by the July 2011 Decision include (i) an obligation to make a resale offer at "retail minus'' of the cable analog package available to third-party operators (including Belgacom), (ii) an obligation to grant third-party operators (except Belgacom) access to digital television platforms (including the basic digital video package) at "retail minus," and (iii) an obligation to make a resale offer at "retail minus'' of broadband internet access available to beneficiaries of the digital television access obligation that wish to offer bundles of digital video and broadband internet services to their customers (except Belgacom).

After Telenet submitted draft reference offers regarding the obligations described above in February 2012, to which the Belgium Regulatory Authorities subsequently made their observations, launched a national consultation process and consulted with the European Commission. Although the European Commission expressed doubts regarding the analog resale offers on August 8, 2013, the European Commission did not object to the decision on the reference offers. The Belgium Regulatory Authorities published the final decision on September 9, 2013. The regulated wholesale services must be available approximately six months after a third-party operator files a letter of intent and pays an advance payment to each cable operator. On December 27, 2013, wireless operator Mobistar submitted a letter of intent and paid the advance payment on January 10, 2013. Accordingly, the reference offers could be operational as soon as the third quarter of 2014.

On April 2, 2013, the Belgium Regulatory Authorities issued a draft decision regarding the "retail-minus" tariffs of minus 35% for basic TV (basic analog and digital video package) and minus 30% for the bundle of basic TV and broadband internet services. A "retail-minus" method of pricing involves a wholesale tariff calculated as the retail price for the offered service by Telenet, excluding VATand copyrights, and further deducting the retail costs avoided by offering the wholesale service (such as

costs for billing, franchise, consumer service, marketing and sales). On October 4, 2013, the Belgium Regulatory Authorities notified a draft quantitative decision to the European Commission in which they changed the "retail-minus" tariffs to minus 30% for basic TV (basic analog and digital video package) and to minus 23% for the bundle of basic TV and broadband internet services. Even though the European Commission made a number of comments regarding the appropriateness of certain assumptions in the proposed costing methodology, the Belgium Regulatory Authorities adopted such retail-minus tariffs on December 11, 2013.

Telenet filed an appeal against the July 2011 Decision with the Brussels Court of Appeal. On September 4, 2012, the Brussels Court of Appeal rejected Telenet's request to suspend the July 2011 Decision pending the proceedings on the merits. Due to this rejection and the approval of the reference offers by the Belgium Regulatory Authorities, Telenet is now required to begin the process of implementing its reference offers. A final ruling on the merits can be expected during the second or third quarter of 2014. Telenet also filed an appeal with the Brussels Court of Appeal against the decision regarding the qualitative and the quantitative aspects of the reference offers. Wireless operator Mobistar also filed an appeal against the decision regarding the quantitative aspects of the reference offers. A decision with respect to these appeals is not expected before the fourth quarter of 2014. There can be no certainty that Telenet's appeals will be successful.

The July 2011 Decision aims to, and in its application may, strengthen Telenet's competitors by granting them resale access to Telenet's network to offer competing products and services notwithstanding Telenet's substantial historical financial outlays in developing the infrastructure. In addition, any resale access granted to competitors could (i) limit the bandwidth available to Telenet to provide new or expanded products and services to the customers served by its network and (ii) adversely impact Telenet's ability to maintain or increase its revenue and cash flows. The extent of any such adverse impacts ultimately will be dependent on the extent that competitors take advantage of the resale access ultimately afforded to Telenet's network and other competitive factors or market developments.

FCO Regulatory Issues. Our acquisition of Kabel BW GmbH (KBW) was subject to the approval of the Federal Cartel Office (FCO) in Germany, which approval was received in December 2011. In January 2012, two of our competitors, including the incumbent telecommunications operator, each filed an appeal against the FCO regarding its decision to approve our acquisition of KBW. On August 14, 2013, the Düsseldorf Court of Appeal issued a ruling that set aside the FCO's clearance decision. Although the Düsseldorf Court of Appeal did not grant the right to appeal against its ruling to the Federal Supreme Court, on September 16, 2013, we filed a formal request to appeal to the Federal Court of Justice seeking permission to appeal the Düsseldorf Court of Appeal's decision and our reasoned submission was filed on December 16, 2013. During the first quarter of 2014, interested third parties commented on our submission. We currently expect that the Federal Court of Justice will rule on our request during the third quarter of 2014. The Düsseldorf Court of Appeal's ruling is not legally binding until all appeals have been rejected. If we are not granted the right to appeal, or if any appeal is unsuccessful and the Düsseldorf Court of Appeal's ruling to overturn the FCO clearance becomes final and binding, our acquisition of KBW would be remitted to the FCO for a new phase II review. The FCO would have the power to clear the deal subject to additional remedies or, although we do not expect either to be the outcome, to refuse clearance of the transaction or clear the transaction unconditionally. We will continue to pursue any available opportunity to appeal the Düsseldorf Court of Appeal's ruling. We do not expect that the continued proceedings relating to these appeals will have any impact on the integration and development of our operations in Germany or the day-to-day running of our business. We cannot predict the final outcome of this appeal process, however, any new decision by the FCO with respect to our acquisition of KBW as a result of the Düsseldorf Court of Appeal's ruling, including any decision that increases the existing conditions we are subject to in connection with the FCO's initial approval of our acquisition of KBW or imposes additional conditions, could have a material adverse impact on our results of operations, cash flows or financial position.

FCO Communication. The FCO has communicated to us that it is reviewing customary practices regarding the duration of contracts with multiple dwelling units for analog television services, including with respect to one such contract that the FCO had previously identified between Unitymedia KabelBW and a landlord as potentially being subject to amendment by order. The FCO indicated that the contract term of 10 years may be an infringement of European and German antitrust laws and that it is inclined to open a test case that could set a precedent for all (or almost all) market participants. We cannot predict the outcome of these FCO proceedings, however, any FCO decision that would limit the duration of our contracts with multiple dwelling units could have a material adverse impact on our results of operations, cash flows or financial position.

Financial Transactions Tax. Eleven countries in the EU, including Belgium, Germany, Austria and Slovakia, are participating in an enhanced cooperation procedure to introduce a financial transactions tax (FTT). Under the draft language of the FTT proposal, a wide range of financial transactions could be taxed at rates of at least 0.01% for derivative transactions based on the notional amount and 0.1% for other covered financial transactions based on the underlying transaction price. Each of the individual countries

would be permitted to determine an exact rate, which could be higher than the proposed rates of 0.01% and 0.1%. Any implementation of the FTT could have a global impact because it would apply to all financial transactions where a financial institution is involved (including unregulated entities that engage in certain types of covered activity) and either of the parties (whether the financial institution or its counterparty) is in one of the eleven participating countries. Although ongoing debate in the relevant countries demonstrates continued momentum around the FTT, uncertainty remains as to when the FTT would be implemented and the breadth of its application. We currently believe that the likelihood of the FTT becoming effective during 2014 is remote. Any imposition of the FTT could increase banking fees and introduce taxes on internal transactions that we currently perform. Due to the uncertainty regarding the FTT, we are currently unable to estimate the financial impact that the FTT could have on our results of operations, cash flows or financial position.

Virgin Media VATMatter. Our application of the VATwith respect to certain revenue generating activities has been challenged by the U.K. tax authorities. We have estimated our maximum exposure in the event of an unfavorable outcome to be £37.2 million ($62.0 million) as of March 31, 2014. No portion of this exposure has been accrued by our company as the likelihood of loss is not considered to be probable. An initial hearing on these matters took place during 2013 but was adjourned with no conclusion. The next hearing is expected to take place in September 2014.

Other Regulatory Issues. Video distribution, broadband internet, fixed-line telephony, mobile and content businesses are regulated in each of the countries in which we operate. The scope of regulation varies from country to country, although in some significant respects regulation in European markets is harmonized under the regulatory structure of the EU. Adverse regulatory developments could subject our businesses to a number of risks. Regulation, including conditions imposed on us by competition or other authorities as a requirement to close acquisitions or dispositions, could limit growth, revenue and the number and types of services offered and could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing restrictions, interconnect and other access obligations, and restrictions or controls on content, including content provided by third parties. Failure to comply with current or future regulation could expose our businesses to various penalties.

We have security accreditations across a range of business-to-business (B2B) products and services in order to increase our offerings to public sector organizations in the U.K. These accreditations are granted subject to periodic reviews of our policies and procedures by U.K. governmental authorities. A review of one of our most significant accreditations is ongoing. If we were to fail to maintain this or other accreditations or obtain new accreditations when required, it could impact our ability to provide certain offerings to the public sector.

Other. In addition to the foregoing items, we have contingent liabilities related to matters arising in the ordinary course of business, including (i) legal proceedings, (ii) issues involving VATand wage, property and other tax issues and (iii) disputes over interconnection, programming, copyright and carriage fees. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our results of operations, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

(14) Segment Reporting

We generally identify our reportable segments as those consolidated subsidiaries that represent 10% or more of our revenue, operating cash flow (as defined below) or total assets. In certain cases, we may elect to include an operating segment in our segment disclosure that does not meet the above-described criteria for a reportable segment. We evaluate performance and make decisions about allocating resources to our operating segments based on financial measures such as revenue and operating cash flow (as defined below). In addition, we review non-financial measures such as subscriber growth, as appropriate.

Operating cash flow is the primary measure used by our chief operating decision maker to evaluate segment operating performance. Operating cash flow is also a key factor that is used by our internal decision makers to (i) determine how to allocate resources to segments and (ii) evaluate the effectiveness of our management for purposes of annual and other incentive compensation plans. As we use the term, operating cash flow is defined as revenue less operating and SG&A expenses (excluding share-based compensation, depreciation and amortization, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items). Other operating items include (a) gains and losses on the disposition of long-lived assets,

(b) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (c) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Our internal decision makers believe operating cash flow is a meaningful measure and is superior to available GAAP measures because it represents a transparent view of our recurring operating performance that is unaffected by our capital structure and allows management to (1) readily view operating trends, (2) perform analytical comparisons and benchmarking between segments and (3) identify strategies to improve operating performance in the different countries in which we operate. We believe our operating cash flow measure is useful to investors because it is one of the bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other public companies. Operating cash flow should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, operating income, net earnings (loss), cash flow from operating activities and other GAAP measures of income or cash flows. A reconciliation of total segment operating cash flow to our earnings (loss) from continuing operations before income taxes is presented below.

During the second quarter of 2013, we began presenting our Belgium (Telenet) segment within our European Operations Division as a result of our decision to change how Telenet reports into our management structure. Segment information for the prior period has been retrospectively revised to reflect this change and to present the Chellomedia Disposal Group as a discontinued operation. Unless otherwise noted, we present only the reportable segments of our continuing operations in the tables below. We have identified the following consolidated operating segments as our reportable segments:

- European Operations Division:
  - U.K. (Virgin Media)
  - Germany (Unitymedia KabelBW)
  - Belgium (Telenet)
  - The Netherlands
  - Switzerland
  - Other Western Europe
  - Central and Eastern Europe

- Chile (VTR Group)

All of the reportable segments set forth above derive their revenue primarily from broadband communications services, including video, broadband internet and fixed-line telephony services. Most of our reportable segments also provide B2B services and certain of our reportable segments provide mobile services. At March 31, 2014, our operating segments in the European Operations Division provided broadband communications services in 12 European countries and DTH services to customers in the Czech Republic, Hungary, Romania and Slovakia through a Luxembourg-based organization that we refer to as "UPC DTH." Our Other Western Europe segment includes our broadband communications operating segments in Austria and Ireland. Our Central and Eastern Europe segment includes our broadband communications operating segments in the Czech Republic, Hungary, Poland, Romania and Slovakia. The European Operations Division's central and other category includes (i) the UPC DTH operating segment, (ii) costs associated with certain centralized functions, including billing systems, network operations, technology, marketing, facilities, finance and other administrative functions, and (iii) intersegment eliminations within the European Operations Division. In Chile, the VTR Group includes VTR GlobalCom, which provides video, broadband internet and fixed-line telephony services, and VTR Wireless, which provides mobile services through a third-party wireless access arrangement. Our corporate and other category includes (a) less significant consolidated operating segments that provide (1) broadband communications services in Puerto Rico and (2) programming and other services and (b) our corporate category. Intersegment eliminations primarily represent the elimination of intercompany transactions between our broadband communications and programming operations.

Performance Measures of Our Reportable Segments

The amounts presented below represent 100% of each of our reportable segment's revenue and operating cash flow. As we have the ability to control Telenet and Liberty Puerto Rico, we consolidate 100% of the revenue and expenses of these entities in our condensed consolidated statements of operations despite the fact that third parties own significant interests in these entities. The noncontrolling owners' interests in the operating results of Telenet, Liberty Puerto Rico and other less significant majority-owned subsidiaries are reflected in net earnings or loss attributable to noncontrolling interests in our condensed consolidated statements of operations.

	Revenue	
	Three months ended March 31,	
	2014	2013
	in millions	
European Operations Division:		
U.K. (Virgin Media)	$ 1,727.9	$ —
Germany (Unitymedia KabelBW)	695.9	618.2
Belgium (Telenet)	574.2	536.2
The Netherlands	318.1	314.8
Switzerland	352.8	326.0
Other Western Europe	230.6	222.6
Total Western Europe	3,899.5	2,017.8
Central and Eastern Europe	289.2	287.8
Central and other	33.9	31.8
Total European Operations Division	4,222.6	2,337.4
Chile (VTR Group)	225.3	250.4
Corporate and other	93.1	93.0
Intersegment eliminations (a)	(7.3)	(8.9)
Total	$ 4,533.7	$ 2,671.9

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(a) Amounts are primarily related to transactions between our European Operations Division and our continuing programming operations.

	Operating cash flow	
	Three months ended March 31,	
	2014	2013
	in millions	
European Operations Division:		
U.K. (Virgin Media)	$ 736.5	$ —
Germany (Unitymedia KabelBW)	429.0	360.0
Belgium (Telenet)	302.1	247.5
The Netherlands	183.3	184.8
Switzerland	206.4	182.2
Other Western Europe	113.1	104.8
Total Western Europe	1,970.4	1,079.3
Central and Eastern Europe	147.0	140.6
Central and other	(59.7)	(45.8)
Total European Operations Division	2,057.7	1,174.1
Chile (VTR Group)	82.7	85.2
Corporate and other	(16.9)	(10.6)
Intersegment eliminations (a)	4.0	11.3
Total	$ 2,127.5	$ 1,260.0

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(a) Amounts are primarily related to transactions between our European Operations Division and the Chellomedia Disposal Group, which eliminations are no longer recorded following the completion of the Chellomedia Transaction on January 31, 2014.

The following table provides a reconciliation of total segment operating cash flow from continuing operations to earnings (loss) from continuing operations before income taxes:

	Three months ended March 31,	
	2014	2013
	in millions	
Total segment operating cash flow from continuing operations	$ 2,127.5	$ 1,260.0
Share-based compensation expense	(55.1)	(26.3)
Depreciation and amortization	(1,377.1)	(684.6)
Impairment, restructuring and other operating items, net	(113.6)	(20.9)
Operating income	581.7	528.2
Interest expense	(653.5)	(471.5)
Interest and dividend income	13.8	13.7
Realized and unrealized gains (losses) on derivative instruments, net	(376.6)	195.5
Foreign currency transaction losses, net	(20.8)	(136.3)
Realized and unrealized gains (losses) due to changes in fair values of certain investments, net	(60.2)	70.8
Losses on debt modification and extinguishment, net	(20.9)	(158.3)
Other expense, net	(0.5)	(1.7)
Earnings (loss) from continuing operations before income taxes	$ (537.0)	$ 40.4

Revenue by Major Category

Our revenue by major category is set forth below:

	Three months ended March 31,	
	2014	2013
	in millions	
Subscription revenue (a):		
Video	$ 1,640.5	$ 1,212.7
Broadband internet (b)	1,141.7	659.3
Fixed-line telephony (b)	823.1	409.4
Cable subscription revenue	3,605.3	2,281.4
Mobile subscription revenue (c)	257.3	62.1
Total subscription revenue	3,862.6	2,343.5
B2B revenue (d)	372.5	117.3
Other revenue (b) (c) (e)	298.6	211.1
Total revenue	$ 4,533.7	$ 2,671.9

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(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service.

(b) In connection with the Virgin Media Acquisition, we determined that we would no longer externally report digital subscriber line (DSL) subscribers as revenue generating units (RGUs). Accordingly, for the three months ended March 31, 2013, we have reclassified the revenue from our DSL subscribers in Austria from broadband internet and fixed-line telephony subscription revenue to other revenue.

(c) Mobile subscription revenue excludes $60.8 million and $23.2 million, respectively, of mobile interconnect revenue. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(d) These amounts include B2B revenue from business broadband internet, video, voice, wireless and data services offered to medium to large enterprises and, on a wholesale basis, to other operators. We also provide services to certain small office and home office (SOHO) subscribers. SOHO subscribers pay a premium price to receive enhanced service levels along with video, broadband internet or fixed-line telephony services that are the same or similar to the mass marketed products offered to our residential subscribers. Revenue from SOHO subscribers, which aggregated $46.5 million and $32.8 million, respectively, is included in cable subscription revenue.

(e) Other revenue includes, among other items, interconnect, carriage fee and installation revenue.

Geographic Segments

The revenue of our geographic segments is set forth below:

	Three months ended March 31,	
	2014	**2013**
	in millions	
European Operations Division:		
U.K.	$ 1,727.9	$ —
Germany	695.9	618.2
Belgium	574.2	536.2
Switzerland	352.8	326.0
The Netherlands	318.1	314.8
Poland	120.5	116.5
Ireland	119.6	114.4
Austria	111.0	108.2
Hungary	64.0	63.4
The Czech Republic	51.5	57.5
Romania	36.9	34.6
Slovakia	16.3	15.8
Other (a)	33.9	31.8
Total European Operations Division	4,222.6	2,337.4
Chile	225.3	250.4
Puerto Rico	74.7	73.2
Other, including intersegment eliminations	11.1	10.9
Total	$ 4,533.7	$ 2,671.9

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(a) Primarily represents revenue of UPC DTH from customers located in the Czech Republic, Hungary, Romania and Slovakia.

(15) <u>Subsequent Events</u>

Telenet Refinancing Transactions

In April 2014, Telenet entered into (i) a new €474.1 million ($652.9 million) term loan (Telenet Facility W) that matures on June 30, 2022 and (ii) a new €882.9 million ($1,215.9 million) term loan (Telenet Facility Y) that matures on June 30, 2023, each under Telenet's senior secured credit facility (the Telenet Credit Facility). Telenet Facility W and Telenet Facility Y, each of which were borrowed with an original issue discount of 25 basis points, bear interest at EURIBOR plus 3.25% and EURIBOR plus 3.50%, respectively. The net proceeds from these issuances, along with available cash and cash equivalents, were used to fully redeem (i) the outstanding amounts under existing Facilities Q, R and T under the Telenet Credit Facility and (ii) the €100.0 million ($137.7 million) principal amount of 5.3% senior secured notes due November 2016 that were issued by a special purpose financing entity that is consolidated by Telenet. In addition, the commitments under Telenet's then existing revolving credit facility (Telenet Facility S) were reduced from €158.0 million ($217.6 million) to €35.4 million ($48.8 million) and Telenet entered into a new €286.0 million ($393.9 million) revolving facility (Telenet Facility X) that matures on September 30, 2020 and bears interest at EURIBOR plus 2.75%. Telenet Facility X has a commitment fee on unused and uncancelled balances of 1.10% per year.

Virgin Media Refinancing Transactions

In April 2014, Virgin Media entered into (i) a new £100.0 million ($166.8 million) term loan (VM Facility D) that matures on June 30, 2022 and (ii) a new £849.4 million ($1,416.8 million) term loan (VM Facility E) that matures on June 30, 2023, each under the VM Credit Facility. VM Facility D and VM Facility E bear interest at LIBOR plus 3.25% and LIBOR plus 3.5%, respectively, in each case subject to a LIBOR floor of 0.75%. In connection with these transactions, certain lenders under the existing VM Facility C will effectively roll £500.4 million ($834.7 million) of their drawn commitments under VM Facility C to VM Facility D and VM Facility E. VM Facility D and VM Facility E are expected to be drawn on or around May 12, 2014 and, on May 22, 2014, the net proceeds, together with the net proceeds from the Additional 2029 VM Senior Secured Notes, will be used to fully redeem the 2018 VM Dollar Senior Secured Notes, including the related redemption premium.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis, which should be read in conjunction with our condensed consolidated financial statements and the discussion and analysis included in our 2013 Annual Report on Form 10-K/A, is intended to assist in providing an understanding of our financial condition, changes in financial condition and results of operations and is organized as follows:

- *Forward-Looking Statements.* This section provides a description of certain factors that could cause actual results or events to differ materially from anticipated results or events.
- *Overview.* This section provides a general description of our business and recent events.
- *Material Changes in Results of Operations.* This section provides an analysis of our results of operations for the three months ended March 31, 2014 and 2013.
- *Material Changes in Financial Condition.* This section provides an analysis of our corporate and subsidiary liquidity, condensed consolidated statements of cash flows and contractual commitments.
- *Quantitative and Qualitative Disclosures about Market Risk.* This section provides discussion and analysis of the foreign currency, interest rate and other market risk that our company faces.

The capitalized terms used below have been defined in the notes to our condensed consolidated financial statements. In the following text, the terms, "we," "our," "our company" and "us" may refer, as the context requires, to Liberty Global (or its predecessor) or collectively to Liberty Global (or its predecessor) and its subsidiaries.

Unless otherwise indicated, convenience translations into U.S. dollars are calculated as of March 31, 2014.

Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. To the extent that statements in this Quarterly Report are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In particular, statements under *Management's Discussion and Analysis of Financial Condition and Results of Operations* and *Quantitative and Qualitative Disclosures About Market Risk* may contain forward-looking statements, including statements regarding our business, product, foreign currency and finance strategies, our property and equipment additions, subscriber growth and retention rates, competitive, regulatory and economic factors, the maturity of our markets, the anticipated impacts of new legislation, anticipated revenue decreases or cost increases, liquidity, credit risks, foreign currency risks and target leverage levels. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. In addition to the risk factors described in our 2013 Annual Report on Form 10-K/A, the following are some but not all of the factors that could cause actual results or events to differ materially from anticipated results or events:

- economic and business conditions and industry trends in the countries in which we operate;
- the competitive environment in the industries in the countries in which we operate, including competitor responses to our products and services;
- fluctuations in currency exchange rates and interest rates;
- instability in global financial markets, including sovereign debt issues and related fiscal reforms;
- consumer disposable income and spending levels, including the availability and amount of individual consumer debt;
- changes in consumer television viewing preferences and habits;

- consumer acceptance of our existing service offerings, including our digital video, broadband internet, fixed-line telephony, mobile and business service offerings, and of new technology, programming alternatives and other products and services that we may offer in the future;
- our ability to manage rapid technological changes;
- our ability to maintain or increase the number of subscriptions to our digital video, broadband internet, fixed-line telephony and mobile service offerings and our average revenue per household;
- our ability to provide satisfactory customer service, including support for new and evolving products and services;
- our ability to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers;
- our ability to maintain our revenue from channel carriage arrangements, particularly in Germany;
- the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital;
- changes in, or failure or inability to comply with, government regulations in the countries in which we operate and adverse outcomes from regulatory proceedings;
- government intervention that opens our broadband distribution networks to competitors, such as the obligations imposed in Belgium;
- our ability to obtain regulatory approval and satisfy other conditions necessary to close acquisitions, including the pending acquisition of Ziggo, and dispositions, and the impact of conditions imposed by competition and other regulatory authorities in connection with acquisitions, including the impact of the present and any future conditions imposed in connection with the acquisition of KBW on our operations in Germany;
- our ability to successfully acquire new businesses and, if acquired, to integrate, realize anticipated efficiencies from, and implement our business plan with respect to, the businesses we have or may acquire, such as the Virgin Media Acquisition and the pending acquisition of Ziggo;
- changes in laws or treaties relating to taxation, or the interpretation thereof, in the U.S. or in countries in which we operate;
- changes in laws and government regulations that may impact the availability and cost of credit and the derivative instruments that hedge certain of our financial risks;
- the ability of suppliers and vendors to timely deliver quality products, equipment, software and services;
- the availability of attractive programming for our digital video services and the costs associated with such programming, including retransmission and copyright fees payable to public and private broadcasters;
- uncertainties inherent in the development and integration of new business lines and business strategies;
- our ability to adequately forecast and plan future network requirements;
- the availability of capital for the acquisition and/or development of telecommunications networks and services;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire;
- leakage of sensitive customer data;
- the outcome of any pending or threatened litigation;
- the loss of key employees and the availability of qualified personnel;

- changes in the nature of key strategic relationships with partners and joint venturers; and
- events that are outside of our control, such as political unrest in international markets, terrorist attacks, malicious human acts, natural disasters, pandemics and other similar events.

The broadband distribution services industries are changing rapidly and, therefore, the forward-looking statements of expectations, plans and intent in this Quarterly Report are subject to a significant degree of risk. These forward-looking statements and the above-described risks, uncertainties and other factors speak only as of the date of this Quarterly Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based. Readers are cautioned not to place undue reliance on any forward-looking statement.

Overview

We are an international provider of video, broadband internet, fixed-line telephony and mobile services with consolidated operations at March 31, 2014 in 14 countries. Through Virgin Media, Unitymedia KabelBW and Telenet, we provide video, broadband internet, fixed-line telephony and mobile services in the U.K., Germany and Belgium, respectively. Through UPC Holding, we provide (i) video, broadband internet and fixed-line telephony services in nine European countries and (ii) mobile services in three European countries. The operations of Virgin Media, Unitymedia KabelBW, Telenet and UPC Holding are collectively referred to herein as the "European Operations Division." Our broadband communications operations in Chile are provided through VTR GlobalCom. Through VTR Wireless, we also offer mobile services in Chile. The operations of VTR GlobalCom and VTR Wireless are collectively referred to herein as the "VTR Group." Our consolidated operations also include the broadband communications operations of Liberty Puerto Rico, an entity in which we hold a 60% ownership interest.

We have completed a number of transactions that impact the comparability of our 2014 and 2013 results of operations. The most significant of these was ant acquisitions in Europe during 2013three mo
2014.

On January 31, 2014, we completed the Chellomedia Transaction and, accordingly, the Chellomedia Disposal Group is reflected as a discontinued operation in our condensed consolidated statements of operations and cash flows for all periods presented. In the following discussion and analysis, the operating statistics, results of operations, cash flows and financial condition that we present and discuss are those of our continuing operations unless otherwise indicated.

For further information regarding our pending and completed acquisitions and our discontinued operation, see note 2 to our condensed consolidated financial statements.

Through our subsidiaries and affiliates, we are the largest international broadband communications operator in terms of customers. At March 31, 2014, we owned and operated networks that passed 47,349,900 homes and served 48,637,300 RGUs, consisting of 21,727,400 video subscribers, 14,611,800 broadband internet subscribers and 12,298,100 fixed-line telephony subscribers. In addition, at March 31, 2014, we served 4,143,200 mobile subscribers.

Including the effects of acquisitions, we added a total of 369,500 RGUs during the first three months of 2014. Excluding the effects of acquisitions (RGUs added on the acquisition date), but including post-acquisition date RGU additions, we added 345,100 RGUs on an organic basis during the three months ended March 31, 2014, as compared to 372,800 RGUs that we added on an organic basis during the corresponding period in 2013. The organic RGU growth during the three months ended March 31, 2014 is attributable to the growth of our (i) broadband internet services, which added 239,200 RGUs, (ii) fixed-line telephony services, which added 176,700 RGUs, and (iii) digital cable services, which added 117,700 RGUs. The growth of our broadband internet, fixed-line telephony and digital cable services was partially offset by a decline in our analog cable RGUs of 171,800 and less significant declines in our DTH video services and multi-channel multi-point (microwave) distribution system (MMDS) video RGUs.

We are experiencing significant competition from incumbent telecommunications operators (particularly in the Netherlands and, to a lesser extent, Switzerland, where the incumbent telecommunications operators are overbuilding our networks with fiber-to-the-home, -cabinet, -building or -node (referred to herein as FTTx) and advanced DSL technologies), DTH operators and/or other providers in all of our broadband communications markets. This significant competition, together with the maturation of certain of our markets, has contributed to organic declines in certain of our markets in revenue, RGUs and/or average monthly subscription revenue per average RGU (ARPU), the more notable of which include:

(i) organic declines in total subscription revenue and overall revenue in the Netherlands during the first quarter of 2014, as compared to the first quarter of 2013;

(ii) organic declines in subscription revenue from (a) broadband internet services in the Netherlands and (b) fixed-line telephony services in Belgium during the first quarter of 2014, as compared to the first quarter of 2013;

(iii) organic declines in subscription revenue from (a) broadband internet services in the Netherlands and (b) fixed-line telephony services in Belgium during the first quarter of 2014, as compared to the fourth quarter of 2013;

(iv) organic declines in video RGUs in most of our markets during the first quarter of 2014, as net declines in our analog cable RGUs generally exceeded net additions to our digital cable RGUs (including migrations from analog cable) in these markets;

(v) organic declines in ARPU from (a) broadband internet in the Netherlands and (b) fixed-line telephony services in all of our markets during the first quarter of 2014, as compared to the first quarter of 2013; and

(vi) organic declines in overall ARPU in the Netherlands and many of our other markets during the first quarter of 2014, as compared to the first quarter of 2013.

Material Changes in Results of Operations

As noted under *Overview* above, the comparability of our operating results during 2014 and 2013 is affected by acquisitions. In the following discussion, we quantify the estimated impact of acquisitions on our operating results. The acquisition impact represents our estimate of the difference between the operating results of the periods under comparison that is attributable to an acquisition. In general, we base our estimate of the acquisition impact on an acquired entity's operating results during the first three months following the acquisition date such that changes from those operating results in subsequent periods are considered to be organic changes. Accordingly, in the following discussion, variances attributed to an acquired entity during the first twelve months following the acquisition date represent differences between the estimated acquisition impact and the actual results. Our organic growth percentages may be impacted by the fact that the numerator for the organic growth percentages includes the organic growth of the acquired entity, while the denominator may not include any amounts related to the acquired entity. Normally, any such impacts would not be significant, however, due to the size of the Virgin Media Acquisition, certain of our consolidated organic revenue growth rates are significantly different from the growth rates we would have reported if we had excluded Virgin Media's organic growth from the organic growth rate calculations. Accordingly, to provide an additional perspective on the growth of the components of our consolidated revenue, we present organic revenue growth rates that exclude Virgin Media's organic growth in a note to our consolidated product revenue table included under *Discussion and Analysis of our Consolidated Operations* .

Changes in foreign currency exchange rates have a significant impact on our reported operating results as all of our operating segments, except for Puerto Rico, have functional currencies other than the U.S. dollar. Our primary exposure to foreign currency translation effects (FX) during the three months ended March 31, 2014 was to the euro and British pound sterling as 41.5% and 38.1% of our U.S. dollar revenue during the period was derived from subsidiaries whose functional currencies are the euro and British pound sterling, respectively. In addition, our reported operating results are impacted by changes in the exchange rates for the Swiss franc and other local currencies in Europe, as well as the Chilean peso. The portions of the changes in the various components of our results of operations that are attributable to changes in FX are highlighted under *Discussion and Analysis of our Reportable Segments* and *Discussion and Analysis of our Consolidated Operating Results* below. For information concerning applicable foreign currency exchange rates in effect for the periods covered by this Quarterly Report, see *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Exchange Rates* below.

The amounts presented and discussed below represent 100% of each operating segment's revenue and operating cash flow. As we have the ability to control Telenet and Liberty Puerto Rico, we consolidate 100% of the revenue and expenses of these

entities in our condensed consolidated statements of operations despite the fact that third parties own significant interests in these entities. The noncontrolling owners' interests in the operating results of Telenet, Liberty Puerto Rico and other less significant majority-owned subsidiaries are reflected in net earnings or loss attributable to noncontrolling interests in our condensed consolidated statements of operations.

Discussion and Analysis of our Reportable Segments

General

All of the reportable segments set forth below derive their revenue primarily from broadband communications services, including video, broadband internet and fixed-line telephony services. Most of our reportable segments also provide B2B services, and certain of our reportable segments provide mobile services. For detailed information regarding the composition of our reportable segments, see note 14 to our condensed consolidated financial statements.

The tables presented below in this section provide a separate analysis of each of the line items that comprise operating cash flow (revenue, operating expenses and SG&A expenses, excluding allocable share-based compensation expense, as further discussed in note 14 to our condensed consolidated financial statements) as well as an analysis of operating cash flow by reportable segment for the three months ended March 31, 2014 and 2013. These tables present (i) the amounts reported by each of our reportable segments for the comparative periods, (ii) the U.S. dollar change and percentage change from period to period and (iii) the organic percentage change from period to period (percentage change after removing FX and the estimated impacts of acquisitions). The comparisons that exclude FX assume that exchange rates remained constant at the prior year rate during the comparative periods that are included in each table. We also provide a table showing the operating cash flow margins of our reportable segments for the three months ended March 31, 2014 and 2013 at the end of this section.

The revenue of our reportable segments includes revenue earned from subscribers for broadband communications and mobile services, revenue earned from B2B services, interconnect fees, installation fees, channel carriage fees, late fees and advertising revenue. Consistent with the presentation of our revenue categories in note 14 to our condensed consolidated financial statements, we use the term "subscription revenue" in the following discussion to refer to amounts received from subscribers for ongoing services, excluding installation fees and late fees. In the following tables, mobile subscription revenue excludes the related interconnect revenue.

Most of our revenue is derived from jurisdictions that administer value-added or similar revenue-based taxes. Any increases in these taxes could have an adverse impact on our ability to maintain or increase our revenue to the extent that we are unable to pass such tax increases on to our customers. In the case of revenue-based taxes for which we are the ultimate taxpayer, we will also experience increases in our operating expenses and corresponding declines in our operating cash flow and operating cash flow margins to the extent of any such tax increases. In this regard, VATrates have increased in certain of the countries in which we operate over the past few years. In addition, the VATrates that are applicable to the operations of UPC DTH in Hungary, the Czech Republic and Slovakia are scheduled to increase significantly effective January 1, 2015.

We pay interconnection fees to telephony providers when calls or text messages from our subscribers terminate on another network and receive similar fees from providers when calls or text messages from their customers terminate on our network through interconnection points. The amounts we charge and incur with respect to fixed-line telephony and mobile interconnection fees are subject to regulatory oversight in many of our markets. To the extent that regulatory authorities introduce fixed-line or mobile termination rate changes in future periods, we would experience corresponding changes in our interconnect revenue and costs. The ultimate impact of any such changes in termination rates on our operating cash flow would be dependent on the call or text messaging patterns that are subject to the changed termination rates.

Revenue of our Reportable Segments

	Three months ended March 31,		Increase (decrease)		Organic increase (decrease)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K. (Virgin Media)	$ 1,727.9	$ —	$ 1,727.9	N.M.	N.M.
Germany (Unitymedia KabelBW)	695.9	618.2	77.7	12.6	8.4
Belgium (Telenet)	574.2	536.2	38.0	7.1	3.2
The Netherlands	318.1	314.8	3.3	1.0	(2.6)
Switzerland	352.8	326.0	26.8	8.2	3.6
Other Western Europe	230.6	222.6	8.0	3.6	(0.5)
Total Western Europe	3,899.5	2,017.8	1,881.7	93.3	5.1
Central and Eastern Europe	289.2	287.8	1.4	0.5	(0.5)
Central and other	33.9	31.8	2.1	6.6	3.6
Total European Operations Division	4,222.6	2,337.4	1,885.2	80.7	4.4
Chile (VTR Group)	225.3	250.4	(25.1)	(10.0)	5.1
Corporate and other	93.1	93.0	0.1	0.1	(0.6)
Intersegment eliminations	(7.3)	(8.9)	1.6	N.M.	N.M.
Total	$ 4,533.7	$ 2,671.9	$ 1,861.8	69.7	4.4

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N.M. — Not Meaningful.

General. While not specifically discussed in the below explanations of the changes in the revenue of our reportable segments, we are experiencing significant competition in all of our broadband communications markets. This competition has an adverse impact on our ability to increase or maintain our RGUs and/or ARPU. For a description of the more notable recent impacts of this competition on our broadband communications markets, see *Overview* above.

U.K. (*Virgin Media*). The increase in Virgin Media's revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, is entirely attributable to the June 7, 2013 Virgin Media Acquisition. During the three months ended March 31, 2014, Virgin Media generated revenue of $1,727.9 million, representing a $16.3 million or 1.0% organic increase over the revenue reported by Virgin Media during the corresponding 2013 period, as adjusted to reflect (i) a pro forma $15.0 million decrease in revenue associated with the assumed alignment of Virgin Media's policy to our policy for accounting for installation and certain nonrecurring fees received on B2B contracts effective June 7, 2012 and (ii) the impact of an acquisition. The pro forma organic increase in Virgin Media's revenue during the three months ended March 31, 2014 is primarily attributable to the net effect of (i) an increase in cable subscription revenue of $33.1 million or 3.0%, (ii) an increase in mobile subscription revenue of $8.5 million or 5.0% and (iii) a decrease in non-subscription revenue of $25.3 million or 7.4%.

The increase in Virgin Media's cable subscription revenue is due to increases in (i) ARPU and (ii) the average number of RGUs, as an increase in the average number of broadband internet RGUs was only partially offset by declines in the average numbers of digital cable and fixed-line telephony RGUs. The increase in Virgin Media's cable subscription revenue related to a change in ARPU is primarily due to a net increase resulting from the following factors: (a) higher ARPU due to February 2013 and 2014 price increases for broadband internet, digital cable and fixed-line telephony services and an October 2013 price increase for certain broadband internet services, (b) lower ARPU due to the impacts of higher discounts, (c) lower ARPU due to lower usage of fixed-line telephony and (d) higher ARPU due to increased penetration of Tivo-enabled set-top boxes.

The increase in Virgin Media's mobile subscription revenue is primarily due to the net effect of (i) an increase in the number of customers taking postpaid mobile services, (ii) a decline in the number of prepaid mobile customers, (iii) a reduction in

chargeable usage as subscribers moved to higher-limit and unlimited usage bundles, (iv) a decrease due to higher proportions of our postpaid customers taking lower-priced subscriber identification module or "SIM"-only contracts and (v) a July 2013 price increase. In addition, the growth in our mobile subscription revenue was negatively impacted by the $6.0 million net impact of certain nonrecurring adjustments that were recorded during the first quarter of 2013.

The decrease in Virgin Media's non-subscription revenue is primarily attributable to decreases in (i) interconnect revenue as a result of lower mobile and fixed-line telephony termination rates, (ii) Virgin Media's non-cable subscriber base, (iii) mobile handset sales and (iv) B2B revenue. The decrease in B2B revenue is primarily attributable to the net effect of (a) a decline in B2B voice revenue and (b) an increase in B2B data revenue.

On March 19, 2014, the U.K. government announced a change in legislation with respect to the charging of VATin connection with prompt payment discounts such as those that Virgin Media offers to its fixed-line telephony customers. The change took effect on May 1, 2014 and will have effects on Virgin Media and some of its competitors. Virgin Media currently believes that this legislative change will result in a reduction in revenue and operating income of approximately £28 million ($47 million) to £30 million ($50 million) from the effective date of May 1, 2014 through the end of 2014.

Germany (Unitymedia KabelBW). The increase in Unitymedia KabelBW's revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, includes (i) an organic increase of $52.0 million or 8.4% and (ii) the impact of FX, as set forth below:

	Subscription revenue (a)	Non-subscription revenue (b)	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (c)	$ 27.1	$ —	$ 27.1
ARPU (d)	9.0	—	9.0
Total increase in cable subscription revenue	36.1	—	36.1
Increase in mobile subscription revenue (e)	1.4	—	1.4
Total increase in subscription revenue	37.5	—	37.5
Increase in B2B revenue	—	1.0	1.0
Increase in other non-subscription revenue (f)	—	13.5	13.5
Total organic increase	37.5	14.5	52.0
Impact of FX	22.9	2.8	25.7
Total	$ 60.4	$ 17.3	$ 77.7

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(a) Unitymedia KabelBW's subscription revenue includes revenue from multi-year bulk agreements with landlords or housing associations or with third parties that operate and administer the in-building networks on behalf of housing associations. These bulk agreements, which generally allow for the procurement of the basic video signals at volume-based discounts, provide access to nearly two-thirds of Unitymedia KabelBW's video subscribers. Unitymedia KabelBW's bulk agreements are, to a significant extent, medium- and long-term contracts, although bulk agreements related to approximately 15% of the video subscribers that Unitymedia KabelBW serves through these agreements expire by the end of 2015. During the three months ended March 31, 2014, Unitymedia KabelBW's 20 largest bulk agreement accounts generated approximately 7% of its total revenue (including estimated amounts billed directly to the building occupants for premium cable, broadband internet and fixed-line telephony services). No assurance can be given that Unitymedia KabelBW's bulk agreements will be renewed or extended on financially equivalent terms or at all, particularly in light of the commitments we made to the FCO in connection with the December 15, 2011 acquisition of KBW. In this regard, we have, among other items, agreed to grant a special termination right with respect to certain of Unitymedia KabelBW's existing access agreements (the Remedy HA Agreements). The total number of dwelling units covered by the Remedy HA Agreements was approximately 340,000 as of December 15, 2011. At March 31, 2014, approximately 14% of the dwelling units covered by the Remedy HA Agreements remain subject to special termination rights. These dwelling units (which include agreements that are

not among the 20 largest bulk agreements) as of March 31, 2014 accounted for less than 1% of Unitymedia KabelBW's total revenue during the three months ended March 31, 2014. During the third quarter of 2013, the Düsseldorf Court of Appeal decided to overturn the FCO's decision to clear our acquisition of KBW. For additional information, see note 13 to our condensed consolidated financial statements.

(b) Unitymedia KabelBW's other non-subscription revenue includes fees received for the carriage of certain channels included in Unitymedia KabelBW's analog and digital cable offerings. This carriage fee revenue is subject to contracts that expire or are otherwise terminable by either party on various dates ranging from 2014 through 2018. The aggregate amount of revenue related to these carriage contracts represented approximately 5% of Unitymedia KabelBW's total revenue during the three months ended March 31, 2014. In 2012, public broadcasters sent us notices purporting to terminate their carriage fee arrangements effective December 31, 2012. We have rejected these termination notices and we are seeking to negotiate with the public broadcasters to reach an acceptable agreement. Accordingly, beginning in 2013, we ceased recognition of the impacted revenue and will not recognize any future related revenue until such time as we resolve these disputes. In addition, some private broadcasters are seeking to change the distribution model to eliminate the payment of carriage fees and instead require that cable operators pay license fees to the broadcasters. In this regard, we are currently in negotiations with certain of the larger commercial broadcasters and we expect to reach agreements that are acceptable to all parties, although no assurance can be given that any of our agreements with broadcasters will be renewed or extended on financially equivalent terms, or at all. Also, our ability to increase the aggregate carriage fees that Unitymedia KabelBW receives for each channel is limited by certain commitments we made to regulators in connection with the acquisition of KBW.

(c) The increase in Unitymedia KabelBW's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of broadband internet, fixed-line telephony and digital cable RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(d) The increase in Unitymedia KabelBW's cable subscription revenue related to a change in ARPU is due to (i) an improvement in RGU mix attributable to higher proportions of broadband internet and fixed-line telephony RGUs and (ii) a net increase resulting primarily from the following factors: (a) higher ARPU from broadband internet and digital cable services, (b) lower ARPU from fixed-line telephony services due to the net impact of (1) a decrease in ARPU associated with lower fixed-line telephony call volume for customers on usage-based calling plans and (2) an increase in ARPU associated with the migration of customers to fixed-rate calling plans and related value-added services and (c) lower ARPU from analog cable services primarily due to lower negotiated rates for certain bulk agreements and higher proportions of customers receiving discounted analog cable services through these agreements.

(e) The increase in Unitymedia KabelBW's mobile subscription revenue is primarily due to the net effect of (i) an increase in the average number of mobile subscribers and (ii) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of mobile services.

(f) The increase in Unitymedia KabelBW's other non-subscription revenue is primarily attributable to the net effect of (i) an increase in network usage revenue of $11.4 million, substantially all of which relates to the settlement of prior year amounts, (ii) a $4.3 million decrease in interconnect revenue, substantially all of which is attributable to lower fixed-line termination rates, and (iii) an increase in installation revenue.

Belgium (Telenet). The increase in Telenet's revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, includes (i) an organic increase of $17.0 million or 3.2% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 13.2	$ —	$ 13.2
ARPU (b)	2.9	—	2.9
Total increase in cable subscription revenue	16.1	—	16.1
Increase in mobile subscription revenue (c)	3.7	—	3.7
Total increase in subscription revenue	19.8	—	19.8
Increase in B2B revenue	—	1.2	1.2
Decrease in other non-subscription revenue (d)	—	(4.0)	(4.0)
Total organic increase (decrease)	19.8	(2.8)	17.0
Impact of FX	18.1	2.9	21.0
Total	$ 37.9	$ 0.1	$ 38.0

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(a) The increase in Telenet's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of fixed-line telephony, digital cable and broadband internet RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The increase in Telenet's cable subscription revenue related to a change in ARPU is due to the net effect of (i) an improvement in RGU mix, attributable to higher proportions of digital cable, broadband internet and fixed-line telephony RGUs, and (ii) a net decrease resulting primarily from the following factors: (a) higher ARPU due to (1) higher-priced tiers of services in our bundles and (2) February 2014 price increases for certain existing analog and digital cable, broadband internet and fixed-line telephony services, (b) lower ARPU due to the impacts of higher bundling and promotional discounts, (c) lower ARPU from fixed-line telephony services due to (I) lower fixed-line telephony call volume for customers on usage-based plans and (II) a higher proportion of customers migrating to fixed-rate calling plans and (d) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of broadband internet services.

(c) The increase in Telenet's mobile subscription revenue is due primarily to the net effect of (i) an increase in the average number of mobile subscribers and (ii) lower ARPU due to (a) the impact of an increase in the proportion of subscribers receiving lower-priced tiers of mobile services and (b) a reduction in billable usage.

(d) The decrease in Telenet's other non-subscription revenue is primarily due to the net effect of (i) a decrease in mobile handset sales of $5.8 million, (ii) an increase in interconnect revenue of $3.9 million, primarily associated with growth in mobile services, and (iii) individually insignificant changes in other non-subscription revenue categories. The decrease in Telenet's mobile handset sales, which typically generate relatively low margins, is primarily due to a decrease in sales to third-party retailers.

For information concerning certain regulatory developments that could have an adverse impact on our revenue in Belgium, see note 13 to our condensed consolidated financial statements.

The Netherlands. The increase in the Netherlands' revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, includes (i) an organic decrease of $8.3 million or 2.6% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 0.1	$ —	$ 0.1
ARPU (b)	(7.1)	—	(7.1)
Total decrease in cable subscription revenue	(7.0)	—	(7.0)
Decrease in B2B revenue	—	(0.5)	(0.5)
Decrease in other non-subscription revenue (c)	—	(0.8)	(0.8)
Total organic decrease	(7.0)	(1.3)	(8.3)
Impact of FX	10.6	1.0	11.6
Total	$ 3.6	$ (0.3)	$ 3.3

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(a) The increase in the Netherlands' cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of fixed-line telephony, broadband internet and digital cable RGUs that were largely offset by a decline in the average number of analog cable RGUs.

(b) The decrease in the Netherlands' cable subscription revenue related to a change in ARPU is due to the net effect of (i) a decrease resulting primarily from the following factors: (a) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of broadband internet and fixed-line telephony services and (b) lower ARPU due to a decrease in fixed-line telephony call volume and (ii) an improvement in RGU mix, primarily attributable to higher proportions of digital cable RGUs.

(c) The decrease in the Netherlands' other non-subscription revenue is due to individually insignificant changes in various non-subscription revenue categories.

For information concerning certain regulatory developments that could have an adverse impact on our revenue in the Netherlands, see note 13 to our condensed consolidated financial statements.

Switzerland. The increase in Switzerland's revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, includes (i) an organic increase of $11.8 million or 3.6%, (ii) the impact of acquisitions and (iii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 7.6	$ —	$ 7.6
ARPU (b)	6.0	—	6.0
Total increase in cable subscription revenue	13.6	—	13.6
Increase in B2B revenue	—	1.4	1.4
Decrease in other non-subscription revenue (c)	—	(3.2)	(3.2)
Total organic increase (decrease)	13.6	(1.8)	11.8
Impact of acquisitions	1.3	(0.7)	0.6
Impact of FX	12.3	2.1	14.4
Total	$ 27.2	$ (0.4)	$ 26.8

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(a) The increase in Switzerland's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of broadband internet, digital cable and fixed-line telephony RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The increase in Switzerland's cable subscription revenue related to a change in ARPU is due to (i) an improvement in RGU mix, primarily attributable to higher proportions of broadband internet and digital cable RGUs, and (ii) a net increase resulting largely from the following factors: (a) higher ARPU due to January 2014 price increases for broadband internet and video services, (b) higher ARPU from incremental digital cable services and (c) lower ARPU due to the impact of bundling discounts.

(c) The decrease in Switzerland's other non-subscription revenue is primarily attributable to (i) a decrease in installation revenue and (ii) a net decrease resulting from individually insignificant changes in other non-subscription revenue categories.

Other Western Europe. The increase in Other Western Europe's revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, includes (i) an organic decrease of $1.1 million or 0.5%, (ii) the impact of an acquisition and (iii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in (a):			
Average number of RGUs (b)	$ 9.7	$ —	$ 9.7
ARPU (c)	(5.8)	—	(5.8)
Total increase in cable subscription revenue	3.9	—	3.9
Decrease in B2B revenue	—	(2.3)	(2.3)
Decrease in other non-subscription revenue (a) (d)	—	(2.7)	(2.7)
Organic increase (decrease)	3.9	(5.0)	(1.1)
Impact of an acquisition	0.5	—	0.5
Impact of FX	7.9	0.7	8.6
Total	$ 12.3	$ (4.3)	$ 8.0

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(a) In connection with the Virgin Media Acquisition, we determined that we would no longer externally report DSL subscribers as RGUs. Accordingly, for the three months ended March 31, 2013, we have reclassified the revenue from our DSL subscribers in Austria from broadband internet and fixed-line telephony subscription revenue to other non-subscription revenue.

(b) The increase in Other Western Europe's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of fixed-line telephony, broadband internet and, to a lesser extent, digital cable RGUs in each of Ireland and Austria that were only partially offset by a decline in the average number of analog cable RGUs in each of Austria and Ireland and, to a lesser extent, MMDS video RGUs in Ireland.

(c) The decrease in Other Western Europe's cable subscription revenue related to a change in ARPU is attributable to a decrease in ARPU in each of Ireland and Austria. Other Western Europe's overall ARPU was impacted by an adverse change in RGU mix, primarily attributable to a higher proportion of digital cable RGUs in Ireland and a lower proportion of fixed-line telephony RGUs in each of Ireland and Austria. The lower ARPU in Ireland is also largely due to the net effect of (i) lower ARPU due to the impact of bundling discounts, (ii) higher ARPU due to the inclusion of higher-priced tiers of broadband internet and digital cable services in our promotional bundles and (iii) lower ARPU due to a decrease in fixed-line telephony call volume for customers on usage-based plans. Austria's ARPU slightly decreased as the impact of higher bundling discounts was only partially offset by a January 2014 price increase for video services.

(d) The decrease in Other Western Europe's other non-subscription revenue is due primarily to (i) a decrease in installation revenue in Ireland and (ii) a net decrease resulting from individually insignificant changes in other non-subscription revenue categories.

Central and Eastern Europe. The increase in Central and Eastern Europe's revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, includes (i) an organic decrease of $1.4 million or 0.5% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 5.3	$ —	$ 5.3
ARPU (b)	(6.6)	—	(6.6)
Total decrease in cable subscription revenue	(1.3)	—	(1.3)
Increase in B2B revenue	—	0.9	0.9
Decrease in other non-subscription revenue (c)	—	(1.0)	(1.0)
Total organic decrease	(1.3)	(0.1)	(1.4)
Impact of FX	2.4	0.4	2.8
Total	$ 1.1	$ 0.3	$ 1.4

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(a) The increase in Central and Eastern Europe's cable subscription revenue related to a change in the average number of RGUs is primarily attributable to increases in the average numbers of digital cable, broadband internet and fixed-line telephony RGUs in Poland, Romania, Hungary and Slovakia that were only partially offset by (i) declines in the average numbers of analog cable RGUs in Poland, Romania, Hungary and Slovakia and (ii) declines in the average numbers of digital cable and fixed-line telephony RGUs in the Czech Republic.

(b) The decrease in the Central and Eastern Europe's cable subscription revenue related to a change in ARPU is due to the net effect of (i) a decrease resulting primarily from the following factors: (a) lower ARPU due to the impact of higher bundling discounts, (b) higher ARPU due to the inclusion of higher-priced tiers of digital cable and broadband internet services in our promotional bundles, (c) lower ARPU from fixed-line telephony services, primarily due to (1) an increase in the proportion of subscribers receiving lower-priced calling plans and (2) a decrease in call volume for customers on usage-based calling plans and (d) lower ARPU from incremental digital cable services and (ii) an improvement in RGU mix, primarily attributable to higher proportions of digital cable and broadband internet RGUs.

(c) The decrease in Central and Eastern Europe's non-subscription revenue is primarily due to a decrease in interconnect revenue, largely in Poland as a result of lower fixed-line telephony termination rates.

Chile (VTR Group). The decrease in the VTR Group's revenue during the three months ended March 31, 2014, as compared to the corresponding period in 2013, includes (i) an organic increase of $12.9 million or 5.1% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 11.3	$ —	$ 11.3
ARPU (b)	5.5	—	5.5
Total increase in cable subscription revenue	16.8	—	16.8
Decrease in mobile subscription revenue	(0.3)	—	(0.3)
Total increase in subscription revenue	16.5	—	16.5
Decrease in non-subscription revenue (c)	—	(3.6)	(3.6)
Total organic increase (decrease)	16.5	(3.6)	12.9
Impact of FX	(35.8)	(2.2)	(38.0)
Total	$ (19.3)	$ (5.8)	$ (25.1)

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(a) The increase in the VTR Group's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of digital cable, broadband internet and fixed-line telephony RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The increase in the VTR Group's cable subscription revenue related to a change in ARPU is due to (i) a net increase resulting from the following factors: (a) higher ARPU due to semi-annual inflation and other price adjustments for video, broadband internet and fixed-line telephony services, (b) higher ARPU from broadband internet services, (c) lower ARPU due to the impact of higher bundling and promotional discounts and (d) lower ARPU due to a decrease in fixed-line telephony call volume for customers on usage-based plans and (ii) an improvement in RGU mix, primarily attributable to higher proportions of digital cable, fixed-line telephony and broadband internet RGUs.

(c) The decrease in the VTR Group's non-subscription revenue is primarily attributable to (i) a decrease in interconnect revenue primarily associated with a January 2014 decline in mobile terminations rates, (ii) a decrease in prepaid mobile handset sales and (iii) a decrease in installation revenue.

Operating Expenses of our Reportable Segments

	Three months ended March 31,		Increase (decrease)		Organic increase (decrease)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K. (Virgin Media)	$ 768.7	$ —	$ 768.7	N.M.	N.M.
Germany (Unitymedia KabelBW)	162.0	161.7	0.3	0.2	(3.4)
Belgium (Telenet)	206.5	230.9	(24.4)	(10.6)	(13.6)
The Netherlands	96.1	95.3	0.8	0.8	(2.9)
Switzerland	98.4	92.2	6.2	6.7	2.3
Other Western Europe	85.5	86.9	(1.4)	(1.6)	(5.6)
Total Western Europe	1,417.2	667.0	750.2	112.5	(6.4)
Central and Eastern Europe	103.9	109.5	(5.6)	(5.1)	(6.1)
Central and other	35.5	31.3	4.2	13.4	10.3
Total European Operations Division	1,556.6	807.8	748.8	92.7	(5.7)
Chile (VTR Group)	101.4	120.5	(19.1)	(15.9)	(1.7)
Corporate and other	50.2	54.1	(3.9)	(7.2)	(8.0)
Intersegment eliminations	(10.7)	(19.5)	8.8	N.M.	N.M.
Total operating expenses excluding share-based compensation expense	1,697.5	962.9	734.6	76.3	(4.5)
Share-based compensation expense	1.3	3.9	(2.6)	(66.7)	
Total	$ 1,698.8	$ 966.8	$ 732.0	75.7	

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N.M. — Not Meaningful.

General. Operating expenses include programming and copyright, network operations, interconnect, customer operations, customer care, share-based compensation and other costs related to our operations. We do not include share-based compensation in the following discussion and analysis of the operating expenses of our reportable segments as share-based compensation expense is not included in the performance measures of our reportable segments. Share-based compensation expense is discussed under *Discussion and Analysis of Our Consolidated Operating Results* below. Programming and copyright costs, which represent a significant portion of our operating costs, are expected to rise in future periods as a result of (i) growth in the number of our digital video subscribers, (ii) higher costs associated with the expansion of our digital video content, including rights associated with ancillary product offerings and rights that provide for the broadcast of live sporting events, and (iii) rate increases. In addition, we are subject to inflationary pressures with respect to our labor and other costs and foreign currency exchange risk with respect to costs and expenses that are denominated in currencies other than the respective functional currencies of our operating segments (non-functional currency expenses). Any cost increases that we are not able to pass on to our subscribers through service rate increases would result in increased pressure on our operating margins.

European Operations Division. The European Operations Division's operating expenses (exclusive of share-based compensation expense) increased $748.8 million or 92.7% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase includes $720.0 million attributable to the impact of acquisitions. Excluding the effects of acquisitions and FX, the European Operations Division's operating expenses decreased $45.9 million or 5.7%. This decrease includes the following factors:

- A decrease in mobile handset costs of $19.7 million in Belgium, due primarily to (i) lower costs associated with subscriber promotions involving free or heavily-discounted handsets and (ii) decreased mobile handset sales to third-party retailers;

- A decrease in interconnect costs of $15.2 million or 15.7%, due primarily to the net effect of (i) decreased costs due to lower call volumes predominantly in Belgium, the Netherlands, Ireland, Germany and the U.K., (ii) increased costs in Belgium attributable to mobile subscriber growth, (iii) decreased costs due to lower rates, primarily in Germany and the U.K., and (iv) a decrease of $2.6 million in Belgium due to the impact of an accrual release in the first quarter of 2014 associated with the reassessment of an operational contingency;

- A decrease in personnel costs of $12.5 million or 9.1%, due primarily to the net effect of (i) decreased staffing levels, primarily as a result of integration and reorganization activities in the U.K. associated with the Virgin Media Acquisition, (ii) annual wage increases, primarily in the U.K., Germany, Belgium and the Netherlands, and (iii) decreased costs related to a higher proportion of capitalizable activities, primarily in Germany;

- An increase in programming and copyright costs of $5.8 million or 2.4%, due primarily to (i) growth in digital video services in the U.K., Belgium, Switzerland, Germany and Hungary and (ii) increased costs for sports rights in the U.K. In addition, accrual releases related to the settlement or reassessment of operational contingencies resulted in a net decrease in programming and copyright costs of $19.4 million, as the impact of accrual releases during the first quarter of 2014 in Belgium of $16.9 million and in Poland of $7.0 million more than offset the $4.5 million aggregate impact of similar reassessments and settlements that reduced the first quarter 2013 costs in Belgium and the Netherlands; and

- A decrease in outsourced labor and professional fees of $4.0 million or 7.1%, due primarily to the net effect of (i) lower call center costs in Belgium, the Netherlands and the U.K., and (ii) higher call center costs in Germany.

Chile (VTR Group). The VTR Group's operating expenses (exclusive of share-based compensation expense) decreased $19.1 million or 15.9% during the three months ended March 31, 2014 as compared to the corresponding period in 2013. Excluding the effects of FX, the VTR Group's operating expenses decreased $2.1 million or 1.7%. This decrease includes the following factors:

- An increase in programming and copyright costs of $6.8 million or 17.8%, primarily associated with (i) growth in digital cable services and (ii) an increase arising from foreign currency exchange rate fluctuations with respect to the VTR Group's U.S. dollar denominated programming contracts. A significant portion of the VTR Group's programming costs are denominated in U.S. dollars;

- A decrease in facilities expenses of $4.9 million or 86.9%, due primarily to lower tower and real estate rental costs, as the discounted fair value of all remaining payments due under these leases was included in the restructuring charges recorded by VTR Wireless during the third and fourth quarters of 2013 in connection with certain strategic changes that were implemented with regard to the mobile operations of VTR Wireless;

- A decrease in mobile access and interconnect costs of $0.2 million or 0.9%, primarily attributable to the net effect of (i) lower mobile access charges at VTR Wireless due to the impact of lower rates and (ii) higher interconnect costs at VTR GlobalCom, as the impact of higher call volume was only partially offset by lower rates; and

- A net decrease resulting from individually insignificant changes in other operating expense categories.

SG&A Expenses of our Reportable Segments

	Three months ended March 31,		Increase (decrease)		Organic increase (decrease)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K. (Virgin Media)	$ 222.7	$ —	$ 222.7	N.M.	N.M.
Germany (Unitymedia KabelBW)	104.9	96.5	8.4	8.7	4.7
Belgium (Telenet)	65.6	57.8	7.8	13.5	9.4
The Netherlands	38.7	34.7	4.0	11.5	7.6
Switzerland	48.0	51.6	(3.6)	(7.0)	(10.8)
Other Western Europe	32.0	30.9	1.1	3.6	(0.9)
Total Western Europe	511.9	271.5	240.4	88.5	(0.9)
Central and Eastern Europe	38.3	37.7	0.6	1.6	0.5
Central and other	58.1	46.3	11.8	25.5	21.3
Total European Operations Division	608.3	355.5	252.8	71.1	2.1
Chile (VTR Group)	41.2	44.7	(3.5)	(7.8)	7.4
Corporate and other	59.8	49.5	10.3	20.8	18.2
Intersegment eliminations	(0.6)	(0.7)	0.1	N.M.	N.M.
Total SG&A expenses excluding share-based compensation expense	708.7	449.0	259.7	57.8	4.5
Share-based compensation expense	53.8	22.4	31.4	140.2	
Total	$ 762.5	$ 471.4	$ 291.1	61.8	

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N.M. — Not Meaningful.

General. SG&A expenses include human resources, information technology, general services, management, finance, legal and sales and marketing costs, share-based compensation and other general expenses. We do not include share-based compensation in the following discussion and analysis of the SG&A expenses of our reportable segments as share-based compensation expense is not included in the performance measures of our reportable segments. Share-based compensation expense is discussed under *Discussion and Analysis of Our Consolidated Operating Results* below. As noted under *Operating Expenses of our Reportable Segments* above, we are subject to inflationary pressures with respect to our labor and other costs and foreign currency exchange risk with respect to non-functional currency expenses.

European Operations Division. The European Operations Division's SG&A expenses (exclusive of share-based compensation expense) increased $252.8 million or 71.1% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase includes $217.8 million attributable to the impact of acquisitions. Excluding the effects of acquisitions and FX, the European Operations Division's SG&A expenses increased $7.6 million or 2.1%. This increase includes the following factors:

- An increase in information technology-related expenses of $10.2 million or 58.0%, due primarily to higher software and other information technology-related maintenance costs, primarily in the U.K., the European Operations Division's central operations and Germany;
- An increase in outsourced labor and professional fees of $5.8 million or 25.2%, due primarily to an increase in consulting costs related to strategic initiatives in the European Operations Division's central operations, Belgium and Germany;

- A decrease in sales and marketing costs of $6.8 million or 5.4%, due primarily to the net effect of (i) lower third-party sales commissions, primarily in the U.K. , Belgium and Switzerland, and (ii) higher costs associated with rebranding and other advertising campaigns, as increased costs in Belgium and Germany more than offset decreases in the U.K. and Switzerland; and

- A decrease in personnel costs of $1.2 million or 0.9%, due to the net effect of (i) decreased staffing levels in the U.K. as a result of integration and reorganization activities associated with the Virgin Media Acquisition, (ii) annual wage increases, primarily in the U.K., the Netherlands, Belgium, the European Operations Division's central operations and Germany, (iii) increased staffing levels in Germany, the European Operations Division's central operations and the Netherlands, and (iv) higher bonus costs in the European Operations Division's central operations.

Chile (VTR Group). The VTR Group's SG&A expenses (exclusive of share-based compensation expense) decreased $3.5 million or 7.8% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. Excluding the effects of FX, the VTR Group's SG&A expenses increased $3.3 million or 7.4%. This increase includes the following factors:

- An increase in sales and marketing costs of $4.0 million or 29.1%, primarily due to the net effect of (i) higher advertising costs and third-party sales commissions at VTR GlobalCom and (ii) lower third-party sales commissions at VTR Wireless;

- An increase in VTR GlobalCom's personnel costs of $0.2 million or 1.2%, primarily due to the net effect of (i) a $2.0 million decrease due to lower staffing levels and (ii) a $1.5 million increase due to higher severance costs; and

- A net decrease resulting from individually insignificant changes in other SG&A expense categories.

Operating Cash Flow of our Reportable Segments

Operating cash flow is the primary measure used by our chief operating decision maker to evaluate segment operating performance. As we use the term, operating cash flow is defined as revenue less operating and SG&A expenses (excluding share-based compensation, depreciation and amortization, provisions and provision releases related to significant litigation, and impairment, restructuring and other operating items). For additional information concerning this performance measure and for a reconciliation of total segment operating cash flow to our earnings (loss) from continuing operations before income taxes, see note 14 to our condensed consolidated financial statements.

	Three months ended March 31,		Increase (decrease)		Organic increase (decrease)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K. (Virgin Media)	$ 736.5	$ —	$ 736.5	N.M.	N.M.
Germany (Unitymedia KabelBW)	429.0	360.0	69.0	19.2	14.7
Belgium (Telenet)	302.1	247.5	54.6	22.1	17.4
The Netherlands	183.3	184.8	(1.5)	(0.8)	(4.4)
Switzerland	206.4	182.2	24.2	13.3	8.3
Other Western Europe	113.1	104.8	8.3	7.9	3.9
Total Western Europe	1,970.4	1,079.3	891.1	82.6	13.7
Central and Eastern Europe	147.0	140.6	6.4	4.6	3.6
Central and other	(59.7)	(45.8)	(13.9)	(30.3)	(26.4)
Total European Operations Division	2,057.7	1,174.1	883.6	75.3	12.0
Chile (VTR Group)	82.7	85.2	(2.5)	(2.9)	13.6
Corporate and other	(16.9)	(10.6)	(6.3)	(59.4)	N.M.
Intersegment eliminations	4.0	11.3	(7.3)	N.M.	N.M.
Total	$ 2,127.5	$ 1,260.0	$ 867.5	68.8	11.1

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N.M. — Not Meaningful.

Operating Cash Flow Margin

The following table sets forth the operating cash flow margins (operating cash flow divided by revenue) of each of our reportable segments:

	Three months ended March 31,	
	2014	**2013**
	%	
European Operations Division:		
U.K. (Virgin Media)	42.6	N.M.
Germany (Unitymedia KabelBW)	61.6	58.2
Belgium (Telenet)	52.6	46.2
The Netherlands	57.6	58.7
Switzerland	58.5	55.9
Other Western Europe	49.0	47.1
Total Western Europe	50.5	53.5
Central and Eastern Europe	50.8	48.9
Total European Operations Division	48.7	50.2
Chile (VTR Group)	36.7	34.0

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N.M. — Not Meaningful.

With the exception of the Netherlands, the operating cash flow margins of the European Operations Division's reportable segments increased during the three months ended March 31, 2014, as compared to the corresponding period in 2013. These increases are attributable to (i) improved operational leverage, resulting from revenue growth that more than offset the accompanying increases in operating and SG&A expenses, and (ii) the favorable impact of nonrecurring items in Belgium, Poland and Germany. For additional information regarding the favorable nonrecurring items, see the applicable discussion under the European Operations Division (operating expenses) and the Unitymedia KabelBW (revenue) sections of the *Discussion and Analysis of our Reportable Segments.* As discussed above under *Overview,* the incumbent telecommunications operator is overbuilding our network in the Netherlands using FTTx and advanced DSL technologies. As a result, the Netherlands is experiencing significant competition from this telecommunications operator and we expect that the Netherlands will be challenged to maintain its current operating cash flow margin for the remainder of 2014 and future periods. In addition, the operating cash flow margin of the European Operations Division during the first quarter of 2014 was negatively impacted by (a) the inclusion of the relatively lower operating cash flow margin of Virgin Media and (b) increases in the operating cash flow deficit of the European Operations Division's central and other category, primarily attributable to (1) an increase in personnel costs and (2) increases in consulting and information technology-related expenses associated with strategic initiatives.

The increase in the VTR Group's operating cash flow margin reflects the net effect of (i) improved operational leverage at VTR GlobalCom, (ii) lower facilities expenses at VTR Wireless and (iii) increases in programming and copyright costs at VTR GlobalCom, as described under the VTR Group section of the *Operating Expenses of our Reportable Segments* .

For additional discussion of the factors contributing to the changes in the operating cash flow margins of our reportable segments, see the above analyses of the revenue, operating expenses and SG&A expenses of our reportable segments.

Discussion and Analysis of our Consolidated Operating Results

General

For more detailed explanations of the changes in our revenue, operating expenses and SG&A expenses, see the *Discussion and Analysis of our Reportable Segments* above.

Revenue

Our revenue by major category is set forth below:

	Three months ended March 31,		Increase		Organic increase (decrease) (f)
	2014	2013	$	%	%
	in millions				
Subscription revenue (a):					
Video	$ 1,640.5	$ 1,212.7	$ 427.8	35.3	0.2
Broadband internet (b)	1,141.7	659.3	482.4	73.2	16.8
Fixed-line telephony (b)	823.1	409.4	413.7	101.1	0.7
Cable subscription revenue	3,605.3	2,281.4	1,323.9	58.0	5.1
Mobile subscription revenue (c)	257.3	62.1	195.2	314.3	13.3
Total subscription revenue	3,862.6	2,343.5	1,519.1	64.8	5.3
B2B revenue (d)	372.5	117.3	255.2	217.6	7.3
Other revenue (b) (c) (e)	298.6	211.1	87.5	41.4	(7.9)
Total revenue	$ 4,533.7	$ 2,671.9	$ 1,861.8	69.7	4.4

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(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service.

(b) In connection with the Virgin Media Acquisition, we determined that we would no longer externally report DSL subscribers as RGUs. Accordingly, for the three months ended March 31, 2013, we have reclassified the revenue from our DSL subscribers in Austria from broadband internet and fixed-line telephony subscription revenue to other revenue.

(c) Mobile subscription revenue excludes $60.8 million and $23.2 million, respectively, of mobile interconnect revenue. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(d) These amounts include B2B revenue from business broadband internet, video, voice, wireless and data services offered to medium to large enterprises and, on a wholesale basis, to other operators. We also provide services to certain SOHO subscribers. SOHO subscribers pay a premium price to receive enhanced service levels along with video, broadband internet or fixed-line telephony services that are the same or similar to the mass marketed products offered to our residential subscribers. Revenue from SOHO subscribers, which aggregated $46.5 million and $32.8 million, respectively, is included in cable subscription revenue.

(e) Other revenue includes, among other items, interconnect, carriage fee and installation revenue.

(f) As further described under *Material Changes in Results of Operations* above, our organic revenue growth rates are impacted by the organic growth of Virgin Media. Excluding the impacts of the organic growth of Virgin Media, our organic growth rates would have been as follows:

	Organic increase (decrease)
	%
Subscription revenue:	
Video	0.4
Broadband internet	11.1
Fixed-line telephony	0.6
Cable subscription revenue	3.6
Mobile	7.6
Total subscription revenue	3.7
B2B revenue	0.5
Other revenue	(0.5)
Total revenue	3.2

Total revenue. Our consolidated revenue increased $1,861.8 million during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase includes $1,587.6 million attributable to the impact of acquisitions. Excluding the effects of acquisitions and FX, total consolidated revenue increased $116.8 million or 4.4%.

Subscription revenue. The details of the increase in our consolidated subscription revenue for three months ended March 31, 2014, as compared to the corresponding period in 2013, are as follows (in millions):

Increase in cable subscription revenue due to change in:	
Average number of RGUs	$ 119.0
ARPU	(2.3)
Total increase in cable subscription revenue	116.7
Increase in mobile subscription revenue	8.2
Total organic increase in subscription revenue	124.9
Impact of acquisitions	1,266.3
Impact of FX	127.9
Total	$ 1,519.1

Excluding the effects of acquisitions and FX, our consolidated cable subscription revenue increased $124.9 million or 5.1% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase is attributable to (i) an increase in subscription revenue from broadband internet services of $110.9 million or 16.8%, primarily attributable to an increase in the average number of broadband internet RGUs and, to a lesser extent, higher ARPU from broadband internet services, (ii) an increase in subscription revenue from video services of $3.0 million or 0.2%, as the impact of higher ARPU from video services was only partially offset by a decline in the average number of video RGUs, and (iii) an increase in subscription revenue from fixed-line telephony services of $2.8 million or 0.7%, as the impact of an increase in the average number of fixed-line telephony RGUs was only partially offset by lower ARPU from fixed-line telephony services. Our consolidated mobile subscription revenue increased $8.2 million or 13.3% during the three months ended March 31, 2014, as compared to the corresponding period in 2013, primarily in Belgium, the U.K. and Germany.

B2B revenue. Excluding the effects of acquisitions and FX, our consolidated B2B revenue increased $8.6 million or 7.3% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase is primarily

due to the net effect of (i) increases in the U.K. and, to a lesser extent, Switzerland, Belgium and Germany and (ii) decreases in Ireland and Austria.

Other revenue. Excluding the effects of acquisitions and FX, our consolidated other revenue decreased $16.7 million or 7.9% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This decrease is primarily attributable to the net impact of (i) a decrease in fixed-line interconnect revenue, (ii) an increase in Germany's network usage revenue of $11.4 million, substantially all of which relates to the settlement of prior year amounts, (iii) a decrease in mobile handset sales in Belgium and Chile and (iv) a decrease in installation revenue.

For additional information concerning the changes in our subscription and other revenue, see *Discussion and Analysis of Reportable Segments* above. For information regarding the competitive environment in certain of our markets, see *Overview* and *Discussion and Analysis of our Reportable Segments* above.

Operating expenses

Our operating expenses increased $732.0 million during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase includes $720.0 million attributable to the impact of acquisitions. Our operating expenses include share-based compensation expense, which decreased $2.6 million during the three months ended March 31, 2014. For additional information, see the discussion following *SG&A expenses* below. Excluding the effects of acquisitions, FX and share-based compensation expense, our operating expenses decreased $43.2 million or 4.5% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This decrease is primarily attributable to the net effect of (i) a decrease in mobile handset costs in Belgium, (ii) a decrease in personnel costs, (iii) a decrease in interconnect costs and (iv) an increase in programming and copyright costs. For additional information regarding the changes in our operating expenses, see *Operating Expenses of our Reportable Segments* above.

SG&A expenses

Our SG&A expenses increased $291.1 million during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase includes $217.8 million attributable to the impact of acquisitions. Our SG&A expenses include share-based compensation expense, which increased $31.4 million during the three months ended March 31, 2014. For additional information, see the discussion in the following paragraph. Excluding the effects of acquisitions, FX and share-based compensation expense, our SG&A expenses increased $20.1 million or 4.5% during the three months ended March 31, 2014, as compared to the corresponding period in 2013. This increase is due primarily to increases in (i) information technology-related expenses, (ii) personnel costs and (iii) outsourced labor and professional fees. For additional information regarding the changes in our SG&A expenses, see *SG&A Expenses of our Reportable Segments* above.

Share-based compensation expense (included in operating and SG&A expenses)

We record share-based compensation that is associated with Liberty Global shares and the shares of certain of our subsidiaries. A summary of the aggregate share-based compensation expense that is included in our operating and SG&A expenses is set forth below:

	Three months ended March 31,	
	2014	2013
	in millions	
Liberty Global shares:		
Performance-based incentive awards (a)	$ 20.6	$ 4.1
Other share-based incentive awards	30.2	11.2
Total Liberty Global shares (b)	50.8	15.3
Telenet share-based incentive awards (c)	2.9	11.0
Other	1.4	0.5
Total	$ 55.1	$ 26.8
Included in:		
Operating expense	$ 1.3	$ 3.9
SG&A expense	53.8	22.4
Total	$ 55.1	$ 26.3

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(a) Includes share-based compensation expense related to Liberty Global PSUs and, for the 2014 period, the Challenge Performance Awards.

(b) In connection with the Virgin Media Acquisition, we issued Virgin Media Replacement Awards to employees and former directors of Virgin Media in exchange for corresponding Virgin Media awards. During the 2014 period, Virgin Media recorded share-based compensation expense of $19.3 million, primarily related to the Virgin Media Replacement Awards.

(c) The amount for the 2013 period includes $6.4 million related to the accelerated vesting of options granted under the Telenet 2010 SSOP.

For additional information concerning our share-based compensation, see note 10 to our condensed consolidated financial statements.

Depreciation and amortization expense

Our depreciation and amortization expense increased $692.5 million during the three months ended March 31, 2014, as compared to the corresponding period in 2013. Excluding the effects of FX, depreciation and amortization expense increased $676.4 million or 98.8%. This increase is due primarily to the impact of the Virgin Media Acquisition. In addition, the net effect of (i) an increase associated with property and equipment additions related to the installation of customer premises equipment, the expansion and upgrade of our networks and other capital initiatives and (ii) a decrease associated with certain assets becoming fully depreciated, largely in Belgium, Chile and Switzerland, contributed to the increase.

Impairment, restructuring and other operating items, net

We recognized impairment, restructuring and other operating items, net, of $113.6 million during the three months ended March 31, 2014, as compared to $20.9 million during the corresponding period in 2013. The 2014 amount includes (i) restructuring charges of $99.6 million, including an $86.1 million charge related to Telenet capacity contracts, as described below, and $12.7 million of employee severance and termination costs related to certain reorganization activities, primarily in

the U.K. and Germany, and (ii) direct acquisition costs of $17.8 million, primarily related to the Ziggo Merger Agreement. The 2013 amount includes (i) direct acquisition costs of $18.8 million related to the Virgin Media Acquisition and (ii) $2.9 million associated with employee severance and termination costs related to certain reorganization activities, primarily in Germany.

Prior to March 31, 2014, Telenet operated a DTT business that served a limited number of subscribers. The DTT network was accessed by Telenet pursuant to third-party capacity contracts that were accounted for as operating agreements. On March 31, 2014, Telenet discontinued the provision of DTT services and, accordingly, we recorded an $86.1 million restructuring charge during the three months ended March 31, 2014. This charge is equal to the estimated net present value of the remaining payments due under the DTT capacity contracts and is included in impairment, restructuring and other operating items, net, in our condensed consolidated statement of operations.

If, among other factors, (i) our equity values were to decline significantly or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill, and to a lesser extent, other long-lived assets. Any such impairment charges could be significant.

Interest expense

Our interest expense increased $182.0 million during the three months ended March 31, 2014, as compared to the corresponding period in 2013. Excluding the effects of FX, interest expense increased $168.9 million or 35.8%. This increase is primarily attributable to the net impact of (i) a higher average outstanding debt balance, due primarily to debt incurred in connection with the Virgin Media Acquisition, and (ii) a lower weighted average interest rate. The decrease in our weighted average interest rate is primarily related to the completion of certain financing transactions (including the financing transactions related to the Virgin Media Acquisition) that resulted in extended maturities and net decreases to certain of our interest rates. For additional information regarding our outstanding indebtedness, see note 7 to our condensed consolidated financial statements.

It is possible that (i) the interest rates on any new borrowings could be higher than the current interest rates on our existing indebtedness and (ii) the interest rates on our variable-rate indebtedness could increase in future periods. As further discussed in note 4 to our condensed consolidated financial statements and under *Qualitative and Quantitative Disclosures about Market Risk* below, we use derivative instruments to manage our interest rate risks.

Interest and dividend income

Our interest and dividend income remained relatively constant, as slightly higher dividend income related to our investment in shares of Sumitomo (before taking into account the impact of the Sumitomo Collar) was largely offset by slightly lower interest income. For information regarding the Sumitomo Collar, see note 4 to our condensed consolidated financial statements.

Realized and unrealized gains (losses) on derivative instruments, net

Our realized and unrealized gains or losses on derivative instruments include (i) unrealized changes in the fair values of our derivative instruments that are non-cash in nature until such time as the derivative contracts are fully or partially settled and (ii) realized gains or losses upon the full or partial settlement of the derivative contracts. The details of our realized and unrealized gains (losses) on derivative instruments, net, are as follows:

	Three months ended March 31,	
	2014	**2013**
	in millions	
Cross-currency and interest rate derivative contracts (a)	$ (420.2)	$ 180.6
Equity-related derivative instruments (b):		
Ziggo Collar	15.4	—
Sumitomo Collar	8.5	(87.7)
Other	0.2	—
Total equity-related derivative instruments	24.1	(87.7)
Foreign currency forward contracts (c)	20.0	102.4
Other	(0.5)	0.2
Total	$ (376.6)	$ 195.5

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(a) The loss during the 2014 period is primarily attributable to the net effect of (i) losses associated with decreases in market interest rates in the euro, Swiss franc and British pound sterling markets, (ii) losses associated with an increase in the value of the British pound sterling relative to the U.S. dollar, (iii) gains associated with decreases in the values of the Hungarian forint and Chilean peso relative to the euro, and (iv) gains associated with a decrease in the value of the Chilean peso relative to the U.S. dollar. In addition, the loss during the 2014 period includes a net loss of $29.5 million resulting from changes in our credit risk valuation adjustments. The gain during the 2013 period is primarily attributable to the net effect of (i) gains associated with decreases in the values of the euro and Swiss franc relative to the U.S. dollar, (ii) gains associated with decreases in the values of the Hungarian forint, Polish zloty, Swiss franc and Czech koruna relative to the euro, (iii) gains associated with increases in market interest rates in the euro and Swiss franc markets and (iv) losses associated with increases in market interest rates in the U.S. dollar market. In addition, the gain during the 2013 period includes a net loss of $32.5 million resulting from changes in our credit risk valuation adjustments.

(b) For information concerning the factors that impact the valuations of our equity-related derivative instruments, see note 5 to our condensed consolidated financial statements.

(c) The amount for the 2013 period includes activity related to deal contingent foreign currency forward contracts that were settled in connection with the Virgin Media Acquisition.

For additional information concerning our derivative instruments, see notes 4 and 5 to our condensed consolidated financial statements and *Quantitative and Qualitative Disclosure about Market Risk* below.

Foreign currency transaction losses, net

Our foreign currency transaction gains or losses primarily result from the remeasurement of monetary assets and liabilities that are denominated in currencies other than the underlying functional currency of the applicable entity. Unrealized foreign currency transaction gains or losses are computed based on period-end exchange rates and are non-cash in nature until such time as the amounts are settled. The details of our foreign currency transaction losses, net, are as follows:

	Three months ended March 31,	
	2014	2013
	in millions	
U.S. dollar denominated debt issued by a British pound sterling functional currency entity	$ 27.9	$ —
Yen denominated debt issued by a U.S. dollar functional currency entity	(19.0)	86.0
Intercompany payables and receivables denominated in a currency other than the entity's functional currency (a)	(17.3)	(182.2)
Cash and restricted cash denominated in a currency other than the entity's functional currency	(9.5)	58.4
U.S. dollar denominated debt issued by euro functional currency entities	(4.4)	(106.7)
Other	1.5	8.2
Total	$ (20.8)	$ (136.3)

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(a) Amounts primarily relate to (i) loans between certain of our non-operating and operating subsidiaries in Europe, which generally are denominated in the currency of the applicable operating subsidiary, and (ii) loans between certain of our non-operating subsidiaries in the U.S., Europe and Chile.

Realized and unrealized gains (losses) due to changes in fair values of certain investments, net

Our realized and unrealized gains or losses due to changes in fair values of certain investments include unrealized gains or losses associated with changes in fair values that are non-cash in nature until such time as these gains or losses are realized through cash transactions. For additional information regarding our investments and fair value measurements, see notes 3 and 5 to our condensed consolidated financial statements. The details of our realized and unrealized gains (losses) due to changes in fair values of certain investments, net, are as follows:

	Three months ended March 31,	
	2014	2013
	in millions	
Ziggo	$ (77.7)	$ 79.7
Sumitomo	8.6	(5.6)
Other, net	8.9	(3.3)
Total	$ (60.2)	$ 70.8

Losses on debt modification and extinguishment, net

We recognized losses on debt modification and extinguishment, net, of $20.9 million during the three months ended March 31, 2014. This loss includes the following:

- a $16.5 million loss related to the repayment of Facilities R, S, AE and AF under the UPC Broadband Holding Bank Facility, including (i) a $11.6 million write-off of deferred financing costs and (ii) a $4.9 million write-off of an unamortized discount; and

- an aggregate loss of $4.3 million related to the write-off of deferred financing costs, including (i) a $2.3 million loss associated with the repayment of the Ziggo Margin Loan and (ii) a $2.0 million loss associated with the repayment of the VTR Wireless Bank Facility.

We recognized losses on debt modification and extinguishment, net, of $158.3 million during the three months ended March 31, 2013. This loss includes the following:

- an $85.5 million loss, which includes (i) $35.6 million of aggregate redemption premiums related to UPC Holding's then existing euro-denominated 8.0% senior notes (the UPC Holding 8.0% Senior Notes) and euro-denominated 9.75% senior notes (the UPC Holding 9.75% Senior Notes), (ii) the write-off of $24.5 million of an unamortized discount related to the UPC Holding 9.75% Senior Notes, (iii) the write-off of $19.0 million of aggregate deferred financing costs associated with the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes and (iv) $6.4 million of aggregate interest incurred on the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes between the respective dates that we and the trustee were legally discharged; and

- a $71.1 million loss related to the redemption of a portion of Unitymedia KabelBW's then existing euro-denominated 8.125% senior secured notes, including (i) $50.5 million representing the difference between the principal amount and redemption price of the debt redeemed and (ii) $20.6 million associated with the write-off of deferred financing costs and an unamortized discount.

For additional information concerning our losses on debt modification and extinguishment, net, see note 7 to our condensed consolidated financial statements.

Income tax benefit (expense)

We recognized income tax benefit of $117.0 million and tax expense of $20.3 million during the three months ended March 31, 2014 and 2013, respectively.

The income tax benefit during the three months ended March 31, 2014 differs from the expected income tax benefit of $115.5 million (based on the U.K. statutory income tax rate of 21.5%) due primarily to the positive impacts of (i) statutory tax rates in certain jurisdictions in which we operate that are different than the U.K. statutory income tax rate, (ii) the tax effect of intercompany financing and (iii) the recognition of previously unrecognized tax benefits. The positive impacts of these items were partially offset by the negative impact of (i) a net increase in valuation allowances, (ii) certain permanent differences between the financial and tax accounting treatment of items associated with investments in subsidiaries and affiliates and (iii) certain permanent differences between the financial and tax accounting treatment of interest and other items.

The income tax expense during the three months ended March 31, 2013 differs from the expected income tax expense of $14.1 million (based on the U.S. federal 35% income tax rate) due primarily to the negative impact of certain permanent differences between the financial and tax accounting treatment of interest and other items. The negative impact of this item was partially offset by the positive impacts of (i) statutory tax rates in certain jurisdictions in which we operate that are lower than the U.S. federal income tax rate and (ii) certain permanent differences between the financial and tax accounting treatment of items associated with investments in subsidiaries and affiliates.

For additional information concerning our income taxes, see note 8 to our condensed consolidated financial statements.

Earnings (loss) from continuing operations

During the three months ended March 31, 2014 and 2013, we reported earnings (loss) from continuing operations of ($420.0 million) and $20.1 million, respectively, including (i) operating income of $581.7 million and $528.2 million, respectively, (ii) non-operating expense of $1,118.7 million and $487.8 million, respectively, and (iii) income tax benefit (expense) of $117.0 million and ($20.3 million), respectively.

Gains or losses associated with (i) changes in the fair values of derivative instruments, (ii) movements in foreign currency exchange rates and (iii) the disposition of assets and changes in ownership are subject to a high degree of volatility, and as such, any gains from these sources do not represent a reliable source of income. In the absence of significant gains in the future from these sources or from other non-operating items, our ability to achieve earnings from continuing operations is largely dependent on our ability to increase our aggregate operating cash flow to a level that more than offsets the aggregate amount of our (a) share-based compensation expense, (b) depreciation and amortization, (c) impairment, restructuring and other operating items, net, (d) interest expense, (e) other net non-operating expenses and (f) income tax expenses.

Due largely to the fact that we seek to maintain our debt at levels that provide for attractive equity returns, as discussed under *Material Changes in Financial Condition — Capitalization* below, we expect that we will continue to report significant levels of interest expense for the foreseeable future. For information concerning our expectations with respect to trends that may affect certain aspects of our operating results in future periods, see the discussion under *Overview* above. For information concerning the reasons for changes in specific line items in our condensed consolidated statements of operations, see the discussion under *Discussion and Analysis of our Reportable Segments* and *Discussion and Analysis of our Consolidated Operating Results* above.

Discontinued operation

Our earnings from discontinued operation, net of taxes, of $0.8 million and $1.8 million during the three months ended March 31, 2014 and 2013, respectively, relate to the operations of the Chellomedia Disposal Group. In addition, we recognized an after-tax gain on the disposal of a discontinued operation of $339.9 million during the three months ended March 31, 2014 related to the January 31, 2014 completion of the Chellomedia Transaction. For additional information, see note 2 to our condensed consolidated financial statements.

Net loss (earnings) attributable to noncontrolling interests

Net earnings or loss attributable to noncontrolling interests includes the noncontrolling interests' share of the results of our continuing and discontinued operations. We reported a net loss attributable to noncontrolling interests of $0.5 million during the three months ended March 31, 2014, as compared to net earnings attributable to noncontrolling interests of $22.9 million during the corresponding period in 2013. This change is primarily attributable to a decrease in the results of operations of Telenet.

Material Changes in Financial Condition

Sources and Uses of Cash

We are a holding company that is dependent on the capital resources of our subsidiaries to satisfy our liquidity requirements at the corporate level. Although our consolidated operating subsidiaries generate cash from operating activities, each of our significant operating subsidiaries is included within one of our six subsidiary "borrowing groups," which borrowing groups comprise Virgin Media, UPC Holding, Unitymedia KabelBW, Telenet, VTR Finance and Liberty Puerto Rico, each together with their respective restricted subsidiaries. As set forth in the table below, our borrowing groups accounted for a significant portion of our consolidated cash and cash equivalents at March 31, 2014. The terms of the instruments governing the indebtedness of these borrowing groups restrict our ability to access the assets of these subsidiaries. In addition, our ability to access the liquidity of these and other subsidiaries may be limited by tax and legal considerations, the presence of noncontrolling interests and other factors.

Cash and cash equivalents

The details of the U.S. dollar equivalent balances of our consolidated cash and cash equivalents at March 31, 2014 are set forth in the following table (in millions):

Cash and cash equivalents held by:	
Liberty Global and unrestricted subsidiaries:	
Liberty Global (a)	$ 677.0
Unrestricted subsidiaries (b) (c)	366.8
Total Liberty Global and unrestricted subsidiaries	1,043.8
Borrowing groups (d):	
Virgin Media (c)	1,576.7
Telenet	297.6
VTR Finance	105.8
UPC Holding	31.4
Unitymedia KabelBW	27.9
Liberty Puerto Rico	8.9
Total borrowing groups	2,048.3
Total cash and cash equivalents	$ 3,092.1

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(a) Represents the amount held by Liberty Global on a standalone basis.

(b) Represents the aggregate amount held by subsidiaries of Liberty Global that are outside of our borrowing groups.

(c) The Virgin Media borrowing group includes certain subsidiaries of Virgin Media, but excludes Virgin Media. The $116.3 million of cash and cash equivalents held by Virgin Media is included in the amount shown for Liberty Global's unrestricted subsidiaries. In April 2014, the Virgin Media borrowing group used $1,524.6 million of its cash and cash equivalents to redeem all the 2018 VM Sterling Senior Secured Notes, including the related redemption premium.

(d) Except as otherwise noted, represents the aggregate amounts held by the parent entity and restricted subsidiaries of our borrowing groups.

Liquidity of Liberty Global and its Unrestricted Subsidiaries

The $677.0 million of cash and cash equivalents held by Liberty Global and, subject to certain tax and legal considerations, the $366.8 million of cash and cash equivalents held by Liberty Global's unrestricted subsidiaries, represented available liquidity

at the corporate level at March 31, 2014. Our remaining cash and cash equivalents of $2,048.3 million at March 31, 2014 were held by our borrowing groups as set forth in the table above. As noted above, various factors may limit our ability to access the cash of our borrowing groups. For information regarding certain limitations imposed by our subsidiaries' debt instruments at March 31, 2014, see note 7 to our condensed consolidated financial statements.

Our current sources of corporate liquidity include (i) cash and cash equivalents held by Liberty Global and, subject to certain tax and legal considerations, Liberty Global's unrestricted subsidiaries, (ii) interest payments received on a note receivable from a subsidiary (outstanding principal of $9.6 billion at March 31, 2014) and (iii) interest and dividend income received on our and, subject to certain tax and legal considerations, our unrestricted subsidiaries' cash and cash equivalents and investments.

From time to time, Liberty Global and its unrestricted subsidiaries may also receive (i) proceeds in the form of distributions or loan repayments from Liberty Global's borrowing groups or affiliates, including any principal payments received on the aforementioned note receivable from a subsidiary, upon (a) the completion of recapitalizations, refinancings, asset sales or similar transactions by these entities or (b) the accumulation of excess cash from operations or other means, (ii) proceeds upon the disposition of investments and other assets of Liberty Global and its unrestricted subsidiaries and (iii) proceeds in connection with the incurrence of debt by Liberty Global or its unrestricted subsidiaries or the issuance of equity securities by Liberty Global. No assurance can be given that any external funding would be available to Liberty Global or its unrestricted subsidiaries on favorable terms, or at all. For information regarding the disposition of the Chellomedia Disposal Group, see note 2 to our condensed consolidated financial statements.

At March 31, 2014, our consolidated cash and cash equivalents balance includes $1,526.2 million that is held outside of the U.K. Based on our assessment of our ability to access the liquidity of our subsidiaries on a tax efficient basis and our expectations with respect to our corporate liquidity requirements, we do not anticipate that tax considerations will adversely impact our corporate liquidity over the next 12 months. Our ability to access the liquidity of our subsidiaries on a tax efficient basis is a consideration in assessing the extent of our share repurchase programs.

The ongoing cash needs of Liberty Global and its unrestricted subsidiaries include (i) corporate general and administrative expenses and (ii) interest payments on the Sumitomo Collar Loan and the Ziggo Collar Loan. In addition, Liberty Global and its unrestricted subsidiaries may require cash in connection with (a) the repayment of outstanding debt, (b) the satisfaction of contingent liabilities, (c) acquisitions, (d) the repurchase of equity and debt securities, (e) other investment opportunities or (f) income tax payments. For information concerning the cash requirements of the Ziggo Merger Agreement, see note 2 to our condensed consolidated financial statements. For information concerning the contingencies of Liberty Global and its unrestricted subsidiaries, see note 13 to our condensed consolidated financial statements.

During the first three months of 2014, we repurchased a total of 2,879,280 shares of our Liberty Global Class A ordinary shares at a weighted average price of $42.65 per share and 6,470,980 shares of our Liberty Global Class C ordinary shares at a weighted average price of $41.35 per share, for an aggregate purchase price of $390.4 million, including direct acquisition costs and the effects of derivative instruments. At March 31, 2014, the remaining amount authorized for share repurchases was $3,133.9 million.

Liquidity of Borrowing Groups

The cash and cash equivalents of our borrowing groups are detailed in the table above. In addition to cash and cash equivalents, the primary sources of liquidity of our borrowing groups are cash provided by operations and, in the case of UPC Broadband Holding, Virgin Media, Unitymedia KabelBW, Telenet, VTR Group and Liberty Puerto Rico, borrowing availability under their respective debt instruments. For the details of the borrowing availability of such entities at March 31, 2014, see note 7 to our condensed consolidated financial statements. The aforementioned sources of liquidity may be supplemented in certain cases by contributions and/or loans from Liberty Global and its unrestricted subsidiaries. Our borrowing groups' liquidity generally is used to fund property and equipment additions and debt service requirements. From time to time, our borrowing groups may also require funding in connection with (i) acquisitions and other investment opportunities, (ii) loans to Liberty Global, (iii) capital distributions to Liberty Global and other equity owners or (iv) the satisfaction of contingencies. No assurance can be given that any external funding would be available to our borrowing groups on favorable terms, or at all. For information concerning the contingencies of our subsidiaries, see note 13 to our condensed consolidated financial statements.

For additional information concerning our consolidated capital expenditures and cash provided by operating activities, see the discussion under *Condensed Consolidated Statements of Cash Flows* below.

Capitalization

We seek to maintain our debt at levels that provide for attractive equity returns without assuming undue risk. In this regard, we generally seek to cause our operating subsidiaries to maintain their debt at levels that result in a consolidated debt balance (excluding the Sumitomo Collar Loan and the Ziggo Collar Loan and measured using subsidiary debt figures at swapped foreign currency exchange rates, consistent with the covenant calculation requirements of our subsidiary debt agreements) that is between four and five times our consolidated operating cash flow, although it should be noted that the timing of our acquisitions and financing transactions may temporarily cause this ratio to exceed our targeted range. The ratio of our March 31, 2014 consolidated debt to our annualized consolidated operating cash flow for the quarter ended March 31, 2014 was 5.1x. In addition, the ratio of our March 31, 2014 consolidated net debt (debt, as defined above, less cash and cash equivalents) to our annualized consolidated operating cash flow for the quarter ended March 31, 2014 was 4.8x.

When it is cost effective, we generally seek to match the denomination of the borrowings of our subsidiaries with the functional currency of the operations that are supporting the respective borrowings. As further discussed in note 4 to our condensed consolidated financial statements, we also use derivative instruments to mitigate foreign currency and interest rate risk associated with our debt instruments.

Our ability to service or refinance our debt and to maintain compliance with the leverage covenants in the credit agreements and indentures of our borrowing groups is dependent primarily on our ability to maintain or increase the operating cash flow of our operating subsidiaries and to achieve adequate returns on our property and equipment additions and acquisitions. In addition, our ability to obtain additional debt financing is limited by the leverage covenants contained in the various debt instruments of our borrowing groups. For example, if the operating cash flow of UPC Broadband Holding were to decline, we could be required to partially repay or limit our borrowings under the UPC Broadband Holding Bank Facility in order to maintain compliance with applicable covenants. No assurance can be given that we would have sufficient sources of liquidity, or that any external funding would be available on favorable terms, or at all, to fund any such required repayment. The ability to access available borrowings under the UPC Broadband Holding Bank Facility and/or UPC Holding's ability to complete additional financing transactions can also be impacted by the interplay of average and spot foreign currency rates with respect to leverage calculations under the indentures for UPC Holding's senior notes. At March 31, 2014, each of our borrowing groups was in compliance with its debt covenants. In addition, we do not anticipate any instances of non-compliance with respect to the debt covenants of our borrowing groups that would have a material adverse impact on our liquidity during the next 12 months.

At March 31, 2014, our outstanding consolidated debt and capital lease obligations aggregated $44.5 billion, including $3,470.8 million that is classified as current in our consolidated balance sheet and $38.6 billion that is not due until 2018 or thereafter. The amount classified as current includes $1,521.8 million related to the 2018 VM Sterling Senior Secured Notes, $682.1 million related to the Ziggo Margin Loan and $382.5 million related to the UPC Holding 9.875% Senior Notes. In April 2014, the net proceeds from the 2025 VM Senior Secured Notes and the Original 2029 VM Senior Secured Notes were used to redeem all of the 2018 VM Sterling Senior Secured Notes. For additional information concerning our current debt maturities, see note 7 to our condensed consolidated financial statements.

Notwithstanding our negative working capital position at March 31, 2014, we believe that we have sufficient resources to repay or refinance the current portion of our debt and capital lease obligations and to fund our foreseeable liquidity requirements during the next 12 months. However, as our maturing debt grows in later years, we anticipate that we will seek to refinance or otherwise extend our debt maturities. No assurance can be given that we will be able to complete these refinancing transactions or otherwise extend our debt maturities. In this regard, it is not possible to predict how political and economic conditions, sovereign debt concerns or any adverse regulatory developments could impact the credit and equity markets we access and, accordingly, our future liquidity and financial position. However, (i) the financial failure of any of our counterparties could (a) reduce amounts available under committed credit facilities and (b) adversely impact our ability to access cash deposited with any failed financial institution and (ii) tightening of the credit markets could adversely impact our ability to access debt financing on favorable terms, or at all. In addition, any weakness in the equity markets could make it less attractive to use our shares to satisfy contingent or other obligations, and sustained or increased competition, particularly in combination with adverse economic or regulatory developments, could have an unfavorable impact on our cash flows and liquidity.

All of our consolidated debt and capital lease obligations have been borrowed or incurred by our subsidiaries at March 31, 2014.

For additional information concerning our debt and capital lease obligations, see note 7 to our condensed consolidated financial statements.

Condensed Consolidated Statements of Cash Flows

General. Our cash flows are subject to significant variations due to FX. All of the cash flows discussed below are those of our continuing operations.

Summary. Our condensed consolidated statements of cash flows for the three months ended March 31, 2014 and 2013 are summarized as follows:

	Three months ended March 31,		
	2014	**2013**	**Change**
		in millions	
Net cash provided by operating activities	$ 1,320.4	$ 551.7	$ 768.7
Net cash provided (used) by investing activities	231.7	(493.8)	725.5
Net cash provided (used) by financing activities	(1,162.3)	835.1	(1,997.4)
Effect of exchange rate changes on cash	15.0	(21.5)	36.5
Net increase in cash and cash equivalents	$ 404.8	$ 871.5	$ (466.7)

Operating Activities. The increase in net cash provided by our operating activities is primarily attributable to the net effect of (i) an increase in the cash provided by our operating cash flow and related working capital items, due largely to the impact of the Virgin Media Acquisition, (ii) a decrease in cash provided due to higher cash payments for interest, due largely to the impact of the Virgin Media Acquisition, (iii) an increase in the reported net cash provided by operating activities due to FX and(iv) a decrease in cash provided due to higher net cash payments for taxes.

Investing Activities. The change in net cash provided (used) by our investing activities is primarily attributable to the net effect of (i) an increase in cash of $993.0 million associated with cash proceeds received in connection with the Chellomedia Transaction and (ii) a decrease in cash of $235.6 million due to higher capital expenditures. Capital expenditures increased from $499.4 million during the first three months of 2013 to $735.0 million during the first three months of 2014, primarily due to an increase related to the Virgin Media Acquisition that was only partially offset by a net decrease in the local currency capital expenditures of our other subsidiaries.

The capital expenditures that we report in our consolidated statements of cash flows do not include amounts that are financed under vendor financing or capital lease arrangements. Instead, these amounts are reflected as non-cash additions to our property and equipment when the underlying assets are delivered, and as repayments of debt when the principal is repaid. In the following discussion, we refer to (i) our capital expenditures as reported in our consolidated statements of cash flows, which exclude amounts financed under vendor financing or capital lease arrangements, and (ii) our total property and equipment additions, which include our capital expenditures on an accrual basis and amounts financed under vendor financing or capital lease arrangements. A reconciliation of our consolidated property and equipment additions to our consolidated capital expenditures as reported in our condensed consolidated statements of cash flows is set forth below:

	Three months ended March 31,	
	2014	**2013**
	in millions	
Property and equipment additions	$ 910.2	$ 531.0
Assets acquired under capital-related vendor financing arrangements	(170.5)	(76.1)
Assets acquired under capital leases	(49.0)	(18.3)
Changes in current liabilities related to capital expenditures	44.3	62.8
Capital expenditures	$ 735.0	$ 499.4

The European Operations Division accounted for $849.1 million and $455.9 million (including $344.4 million and nil attributable to Virgin Media, $146.0 million and $101.5 million attributable to Unitymedia KabelBW and $91.8 million and $99.8 million attributable to Telenet) of our consolidated property and equipment additions during the three months ended March 31, 2014 and 2013, respectively. The increase in the European Operations Division's property and equipment additions is due primarily to the net effect of (i) an increase due to the Virgin Media Acquisition, (ii) an increase in expenditures for new build and upgrade projects to expand services, (iii) a decrease in expenditures for the purchase and installation of customer premises equipment, (iv) an increase due to FX and (v) an increase in expenditures for support capital, such as information technology upgrades and general support systems.

The VTR Group accounted for $45.3 million and $55.0 million of our consolidated property and equipment additions during the three months ended March 31, 2014 and 2013, respectively. The decrease in the VTR Group's property and equipment additions is due primarily to the net effect of (i) a decrease due to FX, (ii) an increase in expenditures for support capital, such as information technology upgrades and general support systems, (iii) a decrease in expenditures for the purchase and installation of customer premises equipment, (iv) a decrease in expenditures for new build and upgrade projects and (v) a decrease in expenditures related to the construction of the VTR Wireless mobile network.

Financing Activities. The change in net cash provided (used) by our financing activities is primarily attributable to the net effect of (i) a decrease in cash of $1,539.7 million due to the release of restricted cash in connection with the February 2013 completion of our subsidiary's public cash offer (the Telenet Tender) for certain of Telenet's issued shares and outstanding employee warrants, (ii) a decrease in cash of $587.9 million related to lower net borrowings of debt, (iii) an increase in cash of $454.5 million related to shares purchased in connection with the Telenet Tender during the 2013 period, (iv) a decrease in cash of $211.5 million related to higher cash paid in connection with call option contracts, (v) a decrease in cash of $191.3 million related to higher repurchases of our shares and (vi) an increase in cash of $142.6 million due to lower payments for financing costs and debt premiums.

Free cash flow

We define free cash flow as net cash provided by our operating activities, plus (i) excess tax benefits related to the exercise of share-based incentive awards and (ii) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, less (a) capital expenditures, as reported in our consolidated statements of cash flows, (b) principal payments on vendor financing obligations and (c) principal payments on capital leases (exclusive of the portions of the network lease in Belgium and the duct leases in Germany that we assumed in connection with certain acquisitions), with each item excluding any cash provided or used by our discontinued operations. We believe that our presentation of free cash flow provides

useful information to our investors because this measure can be used to gauge our ability to service debt and fund new investment opportunities. Free cash flow should not be understood to represent our ability to fund discretionary amounts, as we have various mandatory and contractual obligations, including debt repayments, which are not deducted to arrive at this amount. Investors should view free cash flow as a supplement to, and not a substitute for, GAAP measures of liquidity included in our consolidated statements of cash flows.

The following table provides the details of our free cash flow:

	Three months ended March 31,	
	2014	**2013**
	in millions	
Net cash provided by operating activities of our continuing operations	$ 1,320.4	$ 551.7
Excess tax benefits from share-based compensation	—	1.3
Cash payments for direct acquisition and disposition costs	11.2	8.4
Capital expenditures	(735.0)	(499.4)
Principal payments on vendor financing obligations	(220.8)	(37.0)
Principal payments on certain capital leases	(46.4)	(3.1)
Free cash flow	$ 329.4	$ 21.9

Off Balance Sheet Arrangements

In the ordinary course of business, we may provide indemnifications to our lenders, our vendors and certain other parties and performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

Contractual Commitments

The U.S. dollar equivalents of our commitments as of March 31, 2014 are presented below:

	Payments due during:							
	Remainder of 2014	Year ending December 31,						
		2015	2016	2017	2018	2019	Thereafter	Total
	in millions							
Debt (excluding interest)	$ 3,059.6	$ 151.4	$ 523.8	$ 1,464.0	$ 1,590.5	$ 5,066.3	$ 30,611.9	$ 42,467.5
Capital leases (excluding interest)	186.0	197.7	154.4	111.1	88.4	81.5	1,022.8	1,841.9
Network and connectivity commitments	285.7	332.3	274.8	255.0	133.5	99.4	1,187.6	2,568.3
Programming commitments	401.7	418.6	298.8	145.0	38.4	0.4	—	1,302.9
Purchase commitments	754.3	156.7	67.7	11.4	3.8	—	—	993.9
Operating leases	138.0	154.7	128.4	103.1	67.9	55.9	270.2	918.2
Other commitments	335.3	275.9	186.6	139.2	82.8	31.7	38.4	1,089.9
Total (a)	$ 5,160.6	$ 1,687.3	$ 1,634.5	$ 2,228.8	$ 2,005.3	$ 5,335.2	$ 33,130.9	$ 51,182.6
Projected cash interest payments on debt and capital lease obligations (b)	$ 1,743.7	$ 2,357.5	$ 2,343.0	$ 2,288.2	$ 2,156.9	$ 2,001.5	$ 4,250.7	$ 17,141.5

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(a) The commitments reflected in this table do not reflect any liabilities that are included in our March 31, 2014 condensed consolidated balance sheet other than debt and capital lease obligations. Our liability for uncertain tax positions in the various jurisdictions in which we operate ($371.5 million at March 31, 2014) has been excluded from the table as the amount and timing of any related payments are not subject to reasonable estimation.

(b) Amounts are based on interest rates, interest payment dates and contractual maturities in effect as of March 31, 2014. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. In addition, the amounts presented do not include the impact of our interest rate derivative contracts, deferred financing costs, discounts or premiums, all of which affect our overall cost of borrowing.

Network and connectivity commitments include (i) Telenet's commitments for certain operating costs associated with its leased network, (ii) commitments associated with our MVNO agreements and (iii) certain repair and maintenance, fiber capacity and energy commitments of Unitymedia KabelBW. Subsequent to October 1, 2015, Telenet's commitments for certain operating costs are subject to adjustment based on changes in the network operating costs incurred by Telenet with respect to its own networks. These potential adjustments are not subject to reasonable estimation, and therefore, are not included in the above table. The amounts reflected in the table with respect to our MVNO commitments represent fixed minimum amounts payable under these agreements and therefore may be significantly less than the actual amounts we ultimately pay in these periods.

Programming commitments consist of obligations associated with certain of our programming, studio output and sports rights contracts that are enforceable and legally binding on us in that we have agreed to pay minimum fees without regard to (i) the actual number of subscribers to the programming services, (ii) whether we terminate service to a portion of our subscribers or dispose of a portion of our distribution systems or (iii) whether we discontinue our premium film or sports services. In addition, programming commitments do not include increases in future periods associated with contractual inflation adjustments. The amounts reflected in the table with respect to these contracts are significantly less than the amounts we expect to pay in these periods under these contracts. Payments to programming vendors have in the past represented, and are expected to continue to represent in the future, a significant portion of our operating costs. In this regard, during the three months ended March 31,

2014 and 2013, the third-party programming and copyright costs incurred by our broadband communications and DTH operations aggregated $517.0 million and $292.5 million, respectively. The ultimate amount payable in excess of the contractual minimums of our studio output contracts, which expire at various dates through 2019, is dependent upon the number of subscribers to our premium movie service and the theatrical success of the films that we exhibit.

Purchase commitments include unconditional purchase obligations associated with commitments to purchase customer premises and other equipment that are enforceable and legally binding on us.

Commitments arising from acquisition agreements (including with respect to the Ziggo Merger Agreement, as defined and described in note 2) are not reflected in the above table.

In addition to the commitments set forth in the table above, we have significant commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information concerning projected cash flows associated with these derivative instruments, see *Quantitative and Qualitative Disclosures about Market Risk - Projected Cash Flows Associated with Derivatives* below. For information concerning our derivative instruments, including the net cash paid or received in connection with these instruments during the three months ended March 31, 2014 and 2013, see note 4.

We also have commitments pursuant to agreements with, and obligations imposed by, franchise authorities and municipalities, which may include obligations in certain markets to move aerial cable to underground ducts or to upgrade, rebuild or extend portions of our broadband communication systems. Such amounts are not included in the above table because they are not fixed or determinable.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

General

The information in this section should be read in conjunction with the more complete discussion that appears under *Quantitative and Qualitative Disclosures About Market Risk* in our 2013 Annual Report on Form 10-K/A. The following discussion updates selected numerical information to March 31, 2014.

We are exposed to market risk in the normal course of our business operations due to our investments in various foreign countries and ongoing investing and financing activities. Market risk refers to the risk of loss arising from adverse changes in foreign currency exchange rates, interest rates and stock prices. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. As further described below, we have established policies, procedures and processes governing our management of market risks and the use of derivative instruments to manage our exposure to such risks.

Cash

We invest our cash in highly liquid instruments that meet high credit quality standards. From a U.S. dollar perspective, we are exposed to exchange rate risk with respect to certain of our cash balances that are denominated in currencies other than the U.S. dollar. At March 31, 2014, $1,684.9 million or 54.5%, $699.5 million or 22.6% and $587.5 million or 19.0% of our consolidated cash balances were denominated in British pounds sterling, U.S. dollars and euros, respectively. Subject to applicable debt covenants, certain tax considerations and other factors, these British pound sterling, U.S. dollar and euro cash balances are available to be used for future liquidity requirements that may be denominated in such currencies.

Foreign Currency Exchange Rates

The relationship between (i) the euro, the British pound sterling, the Swiss franc, the Hungarian forint, the Polish zloty, the Czech koruna, the Romanian lei and the Chilean peso and (ii) the U.S. dollar, which is our reporting currency, is shown below, per one U.S. dollar:

	March 31, 2014	December 31, 2013
Spot rates:		
Euro	0.7261	0.7252
British pound sterling	0.5995	0.6036
Swiss franc	0.8842	0.8886
Hungarian forint	223.23	215.62
Polish zloty	3.0241	3.0135
Czech koruna	19.931	19.828
Romanian lei	3.2385	3.2434
Chilean peso	549.42	525.45

	Three months ended March 31,	
	2014	2013
Average rates:		
Euro	0.7296	0.7575
British pound sterling	0.6041	0.6453
Swiss franc	0.8924	0.9304
Hungarian forint	224.63	224.55
Polish zloty	3.0522	3.1461
Czech koruna	20.021	19.353
Romanian lei	3.2845	3.3216
Chilean peso	552.13	472.45

Interest Rate Risks

In general, we seek to enter into derivative instruments to protect against increases in the interest rates on our variable-rate debt. Accordingly, we have entered into various derivative transactions to reduce exposure to increases in interest rates. We use interest rate derivative contracts to exchange, at specified intervals, the difference between fixed and variable interest rates calculated by reference to an agreed-upon notional principal amount. We also use interest rate cap and collar agreements that lock in a maximum interest rate if variable rates rise, but also allow our company to benefit, to a limited extent in the case of collars, from declines in market rates. At March 31, 2014, we effectively paid a fixed interest rate on 98% of our total debt after considering the impact of our interest rate derivative instruments that convert variable rates to fixed rates, including interest rate caps and collars for which the specified maximum rate is in excess of the applicable March 31, 2014 base rate (out-of-the-money caps and collars). If out-of-the-money caps and collars are excluded from this analysis, the percentage of our total debt on which we effectively paid a fixed interest rate at March 31, 2014 declines to 95%. The final maturity dates of our various portfolios of interest rate derivative instruments generally fall short of the respective maturities of the underlying variable-rate debt. In this regard, we use judgment to determine the appropriate maturity dates of our portfolios of interest rate derivative instruments, taking into account the relative costs and benefits of different maturity profiles in light of current and expected future market conditions, liquidity issues and other factors. For additional information concerning the terms of these interest rate derivative instruments, see note 4 to our condensed consolidated financial statements.

Sensitivity Information

Information concerning the sensitivity of the fair value of certain of our more significant derivative instruments to changes in market conditions is set forth below. The potential changes in fair value set forth below do not include any amounts associated with the remeasurement of the derivative asset or liability into the applicable functional currency. For additional information, see notes 4 and 5 to our condensed consolidated financial statements.

Virgin Media Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at March 31, 2014:

(i) an instantaneous increase (decrease) of 10% in the value of the British pound sterling relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Virgin Media cross-currency and interest rate derivative contracts by approximately £532 million ($887 million);

(ii) an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the Virgin Media cross-currency and interest rate derivative contracts by approximately £64 million ($107 million); and

(iii) an instantaneous increase in Virgin Media's credit spread of 50 basis points (0.50%) would have increased the

aggregate fair value of the Virgin Media cross-currency and interest rate derivative contracts by approximately £14 million ($24 million) and, conversely, a decrease of 50 basis points would have decreased the aggregate fair value by approximately £16 million ($26 million).

UPC Broadband Holding Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at March 31, 2014:

(i) an instantaneous increase (decrease) of 10% in the value of the Swiss franc, Polish zloty, Hungarian forint, Czech koruna and Chilean peso relative to the euro would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €389 million ($536 million);

(ii) an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €251 million ($346 million);

(iii) an instantaneous increase (decrease) of 10% in the value of the Swiss franc, Chilean peso, and Romanian lei relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €143 million ($197 million);

(iv) an instantaneous increase in the relevant base rate of 50 basis points (0.50%) would have increased the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €110 million ($151 million) and, conversely, a decrease of 50 basis points would have decreased the aggregate fair value by approximately €115 million ($158 million); and

(v) an instantaneous increase (decrease) in UPC Broadband Holding's credit spread of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €17 million ($23 million).

Unitymedia KabelBW Cross-currency Derivative Contracts

Holding all other factors constant, at March 31, 2014, an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate value of the Unitymedia KabelBW cross-currency derivative contracts by approximately €134 million ($185 million).

Telenet Interest Rate Caps, Collars and Swaps

Holding all other factors constant, at March 31, 2014, an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have decreased (increased) the aggregate fair value of the Telenet interest rate cap, collar and swap contracts by approximately €48 million ($66 million).

UPC Holding Cross-currency Derivative Contracts, Options and Foreign Currency Forwards

Holding all other factors constant, at March 31, 2014, an instantaneous increase of 10% in the value of the Swiss franc relative to the U.S. dollar would have decreased the aggregate fair value of the UPC Holding cross-currency option and foreign currency forward contracts by approximately €34 million ($47 million) and, conversely, a decrease of 10% would have increased the aggregate fair value by approximately €40 million ($55 million).

VTR GlobalCom Cross-currency Derivative Contracts

Holding all other factors constant, at March 31, 2014, an instantaneous increase (decrease) of 10% in the value of the Chilean peso relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the VTR GlobalCom cross-currency derivative contracts by approximately CLP 117.1 billion ($213 million).

Ziggo Collar

Holding all other factors constant, at March 31, 2014, an instantaneous increase of 10% in the per share market price of Ziggo's common stock would have decreased the fair value of the Ziggo Collar by approximately €49 million ($67 million) and conversely, a decrease of 10% would have increased the fair value by €46 million ($63 million).

Sumitomo Collar

Holding all other factors constant, at March 31, 2014, an instantaneous increase (decrease) of 10% in the per share market price of Sumitomo's common stock would have decreased (increased) the fair value of the Sumitomo Collar by approximately ¥5.3 billion ($51 million).

Projected Cash Flows Associated with Derivative Instruments

The following table provides information regarding the projected cash flows of our continuing operations associated with our derivative instruments. The U.S. dollar equivalents presented below are based on interest rates and exchange rates that were in effect as of March 31, 2014. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. For additional information regarding our derivative instruments, including our counterparty credit risk, see note 4 to our condensed consolidated financial statements.

	Payments (receipts) due during:							
	Remainder of	Year ending December 31,						
	2014	2015	2016	2017	2018	2019	Thereafter	Total
	in millions							
Projected derivative cash payments (receipts), net:								
Interest-related (a)	$ 241.4	$ 429.5	$ 376.8	$ 243.8	$ 205.7	$ 104.6	$ 157.3	$ 1,759.1
Principal-related (b)	(37.6)	266.5	36.6	136.6	39.6	20.1	376.0	837.8
Other (c)	51.5	62.6	(133.4)	(121.2)	(70.2)	—	—	(210.7)
Total	$ 255.3	$ 758.6	$ 280.0	$ 259.2	$ 175.1	$ 124.7	$ 533.3	$ 2,386.2

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(a) Includes (i) the cash flows of our interest rate cap, collar and swap contracts and (ii) the interest-related cash flows of our cross-currency and interest rate swap contracts.

(b) Includes the principal-related cash flows of our cross-currency contracts.

(c) Includes amounts related to our equity-related derivative instruments and, to a lesser extent, our foreign currency forward contracts. We may elect to use cash or the collective value of the related shares and equity-related derivative instrument to settle the Sumitomo Collar Loan and Ziggo Collar Loan.

Item 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

In accordance with Exchange Act Rule 13a-15, we carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer, principal accounting officer, and principal financial officer (the Executives), of the effectiveness of our disclosure controls and procedures as of March 31, 2014. In designing and evaluating the disclosure controls and procedures, the Executives recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is necessarily required to apply judgment in evaluating the cost-benefit relationship of possible controls and objectives. Based on that evaluation, the Executives concluded that our disclosure controls and procedures are effective as of March 31, 2014, in timely making known to them material information relating to us and our consolidated subsidiaries required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal controls over financial reporting identified in connection with the evaluation described above that occurred during the fiscal quarter covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II — OTHER INFORMATION

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(c) ***Issuer Purchases of Equity Securities***

The following table sets forth information concerning our company's purchase of its own equity securities during the three months ended March 31, 2014:

Period	Total number of shares purchased	Average price paid per share (a)	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
January 1, 2014 through January 31, 2014:				
Class A	107,900	$ 41.53	107,900	(b)
Class C	1,758,500	$ 41.14	1,758,500	(b)
February 1, 2014 through February 28, 2014:				
Class A	203,900	$ 41.56	203,900	(b)
Class C	1,898,500	$ 41.29	1,898,500	(b)
March 1, 2014 through March 31, 2014:				
Class A	2,567,480	$ 42.78	2,567,480	(b)
Class C	2,813,980	$ 41.52	2,813,980	(b)
Total — January 1, 2014 through March 31, 2014:				
Class A	2,879,280	$ 42.65	2,879,280	(b)
Class C	6,470,980	$ 41.35	6,470,980	(b)

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(a) Average price paid per share includes direct acquisition costs and the effects of derivative instruments, where applicable.

(b) At March 31, 2014, the remaining amount authorized for share repurchases was $3,133.9 million.

Item 6. EXHIBITS

Listed below are the exhibits filed as part of this Quarterly Report (according to the number assigned to them in Item 601 of Regulation S-K):

4 — Instruments Defining the Rights of Securities Holders, including Indentures:

4.1	Indenture, dated January 24, 2014, between VTR Finance B.V., the Bank of New York Mellon, London Branch, as trustee and security agent, and the Bank of New York Mellon as paying agent, registrar and transfer agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed January 24, 2014 (File No. 001-35961)).
4.2	Acquisition Facilities Agreement, dated January 27, 2014, as amended and restated by a Supplemental Agreement dated February 10, 2014 (the Holdco VII Facilities Agreement), by and among LGE Holdco VII B.V. as Original Borrower and Original Guarantor, Bank of America Merrill Lynch International Limited and Credit Suisse AG, London Branch, as Global Coordinators, certain banks and financial institutions as Bookrunners, certain banks and financial institutions, as Mandated Lead Arrangers, The Bank of Nova Scotia as Facility Agent, ING Bank N.V. as Security Agent and the banks and financial institutions listed therein as lenders (incorporated by reference to Exhibit 4.71 to the Registrant's Annual Report on Form 10-K/A filed February 13, 2014 (File No. 001-35961) (the 2013 10-K/A)).
4.3	High Yield Bridge Facilities Agreement, dated January 27, 2014, by and among Holdco VI B.V. as Original Borrower, Bank of America Merrill Lynch International Limited and Credit Suisse AG, London Branch, as Global Coordinators, certain banks and financial institutions as Bookrunners, certain banks and financial institutions as Mandated Lead Arrangers, Bank of America Merrill Lynch International Limited as Facility Agent and as Security Agent and the lenders listed therein (incorporated by reference to Exhibit 4.72 to the 2013 10-K/A).
4.4	Second Supplemental Indenture, dated as of March 3, 2014, among Virgin Media Inc., the Registrant and the Bank of New York Mellon as trustee to the Indenture, dated as of April 16, 2008, as amended and supplemented, for the Virgin Media 6.5% Convertible Senior Notes due 2016.*
4.5	Registration Agreement, dated as of March 14, 2014, by and between the Registrant and Inversiones Corp Comm 2 SpA (incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-3 filed March 14, 2014 (File No. 333-194555)).
4.6	Indenture, dated March 28, 2014 between Virgin Media Secured Finance PLC, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent, The Bank of New York Mellon as paying agent, and The Bank of New York Mellon (Luxembourg) S.A., as registrar (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed April 3, 2014 (File No. 001-35961)).
4.7	Telenet Additional Facility W Accession Agreement, dated April 9, 2014, among, inter alia, Telenet International Finance S.à.r.l. as Borrower, Telenet NV and Telenet International Finance S.à.r.l. as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility W Lenders, under the €2,300,000,000 Credit Agreement, originally dated August 1, 2007, as amended and restated from time to time, among Telenet Bidco NV (now known as Telenet NV) as borrower, Toronto Dominion (Texas) LLC as facility agent, the parties listed therein as original guarantors, ABN AMRO Bank N.V., BNP Paribas S.A. and J.P. Morgan PLC as mandated lead arrangers, KBC Bank NV as security agent, and the financial institutions listed therein as initial original lenders (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 15, 2014 (File No. 001-35961) (the April 15, 2014 8-K)).
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4.9 Telenet Additional Facility X Accession Agreement, dated April 11, 2014, among, inter alia, Telenet International Finance S.à.r.l. as Borrower, Telenet NV and Telenet International Finance S.à.r.l. as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility X Lenders, under the €2,300,000,000 Credit Agreement, originally dated August 1, 2007, as amended and restated from time to time, among Telenet Bidco NV (now known as Telenet NV) as borrower, Toronto Dominion (Texas) LLC as facility agent, the parties listed therein as original guarantors, ABN AMRO Bank N.V., BNP Paribas S.A. and J.P. Morgan PLC as mandated lead arrangers, KBC Bank NV as security agent, and the financial institutions listed therein as initial original lenders (incorporated by reference to Exhibit 4.3 to the April 15, 2014 8-K).

4.10 Virgin Additional Facility D Accession Agreement, dated April 17, 2014, among, inter alia, Virgin Media SFA Finance Limited as Borrower, certain other subsidiaries of Virgin Media Inc., The Bank of Nova Scotia as Facility Agent and the financial institutions listed therein as Additional Facility D Lenders, under the Senior Facilities Agreement, originally dated as of June 7, 2013, as amended, among, among others, Virgin Media Finance PLC, certain other subsidiaries of Virgin Media Inc. and the lenders thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 23, 2014 (File No. 001-35961) (the April 23, 2014 8-K)).

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10 — Material Contracts:

10.1 Liberty Global 2014 Incentive Plan (Effective March 1, 2014) (the Incentive Plan) (incorporated by reference to Appendix A to the Registrant's Proxy Statement on Schedule 14A filed December 19, 2013 (File No. 001-35961)).

10.2 Liberty Global 2014 Nonemployee Director Incentive Plan (Effective March 1, 2014) (incorporated by reference to Appendix B to the Registrant's Proxy Statement on Schedule 14A filed December 19, 2013 (File No. 001-35961)) .

10.3 Merger Protocol, dated January 27, 2014, among LGE Holdco VII B.V., Ziggo N.V. and the Registrant (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed January 31, 2014 (File No. 001-35961)).

10.4 Liberty Global 2014 Performance Incentive Plan for executive officers under the Incentive Plan (a description of said plan is incorporated by reference to the description thereof included in Item 5.02(e) of the Registrant's Current Report on Form 8-K filed April 4, 2014 (File No. 001-35961) (the April 2014 8-K)).

10.5 Liberty Global 2014 Annual Cash Performance Award Program for executive officers under the Incentive Plan (description of said plan is incorporated by reference to the description thereof included in Item 5.01(e) of the April 2014 8-K).

10.6 Form of Performance Share Units Agreement under the Incentive Plan.*

10.7 Employment Agreement, dated as of April 30, 2014, by and among the Registrant, Liberty Global, Inc. and Michael T. Fries.*

10.8 Form of Performance Grant Award Agreement under the Incentive Plan dated as of April 30, 2014, between the Registrant and Michael T. Fries.*

31 — Rule 13a-14(a)/15d-14(a) Certification:

31.1 Certification of President and Chief Executive Officer*

31.2 Certification of Executive Vice President and Co-Chief Financial Officer (Principal Financial Officer)*

31.3 Certification of Executive Vice President and Co-Chief Financial Officer (Principal Accounting Officer)*

32 — Section 1350 Certification**

101.INS XBRL Instance Document*

101.SCH	XBRL Taxonomy Extension Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

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* Filed herewith

** Furnished herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LIBERTY GLOBAL PLC

Dated: May 6, 2014	/s/ MICHAEL T. FRIES
	Michael T. Fries *President and Chief Executive Officer*
Dated: May 6, 2014	/s/ CHARLES H.R. BRACKEN
	Charles H.R. Bracken *Executive Vice President and Co-Chief Financial Officer (Principal Financial Officer)*
Dated: May 6, 2014	/s/ BERNARD G. DVORAK
	Bernard G. Dvorak *Executive Vice President and Co-Chief Financial Officer (Principal Accounting Officer)*

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31.1 Certification of President and Chief Executive Officer*

31.2 Certification of Executive Vice President and Co-Chief Financial Officer (Principal Financial Officer)*

31.3 Certification of Executive Vice President and Co-Chief Financial Officer (Principal Accounting Officer)*

32 — Section 1350 Certification**

101.INS	XBRL Instance Document*
101.SCH	XBRL Taxonomy Extension Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

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* Filed herewith

** Furnished herewith

Exhibit 4.4

VIRGIN MEDIA INC.
(formerly named Viper US MergerCo 1 Corp.),

LIBERTY GLOBAL PLC

and

THE BANK OF NEW YORK MELLON,

as Trustee

____

Second Supplemental Indenture

Dated as of March 3, 2014

____

6.50% Convertible Senior Notes due 2016

SECOND SUPPLEMENTAL INDENTURE, dated as of March 3, 2014 (this "**Second Supplemental Indenture**"), among Virgin Media Inc. (formerly named Viper US MergerCo 1 Corp.), a Colorado corporation (the "**Company**"), Liberty Global plc, a U.K. public limited company ("**Liberty Global**"), and The Bank of New York Mellon, a New York banking corporation, as trustee (the "**Trustee**").

RECITALS

WHEREAS, Virgin Media Inc. ("**VMI**"), the predecessor of the Company, and the Trustee entered into the Indenture, dated as of April 16, 2008 (the "**Original Indenture**"), pursuant to which VMI issued the Securities;

WHEREAS, the Company, Liberty Global and the Trustee entered into the Supplemental Indenture, dated as of June 7, 2013 (the "**Supplemental Indenture**"), which amended and supplemented the Original Indenture (the Original Indenture, as amended and supplemented by the Supplemental Indenture, the "**Amended Indenture**"), in connection with a series of mergers contemplated by an Agreement and Plan of Merger, dated as of February 5, 2013, among VMI, Liberty Global and the other parties thereto pursuant to which VMI underwent a merger (the "**Merger**"), as a result of which the Company became (i) the successor to VMI in accordance with Article 8 of the Original Indenture and (ii) the "Company" for all purposes of the Amended Indenture;

WHEREAS, as a result of the Merger, the right of Holders of Securities to convert each $1,000 principal amount of Securities was changed to a right to convert such Securities by reference to the Reference Property that a holder of a number of shares of Common Stock equal to the Conversion Rate immediately prior to the Merger would be entitled to receive in the Merger;

WHEREAS, on the date hereof the constitution of the Reference Property is 13.4339 Class A Shares, 10.0312 Class C Shares and $910.51 in cash (without interest);

WHEREAS, pursuant to Section 12.04(m) of the Amended Indenture, if Liberty Global takes any action of the type described in Section 12.04 of the Amended Indenture with respect to the Class A Shares or Class C Shares, which, in either case, if taken with respect to the Common Stock would have required an adjustment to the Conversion Rate, then the Company shall effect an adjustment to the number of Class A Shares or Class C Shares, as the case may be, included in the Reference Property so as to approximate, in the reasonable judgment of the Board of Directors, the adjustment contemplated by Section 12.04 of the Amended Indenture;

WHEREAS, Liberty Global has declared a share dividend of one Class C Share for each outstanding Class A Share, Class C Share and Class B Ordinary Share, nominal value $0.01 per share, of Liberty Global, held of record as of the close of business on February 14, 2014 (the "**Class C Dividend**");

WHEREAS, the Ex date for the Class C Dividend will be March 4, 2014 (the "**Class C Dividend Ex Date**");

WHEREAS, in accordance with Section 12.04(m) of the Amended Indenture, the Company has determined to adjust the constitution of the Reference Property, as a result of the Class C Dividend, to be 13.4339 Class A Shares, 33.4963 Class C Shares and $910.51 in cash (without interest), such adjustment to become effective as of the opening of business on the date that is immediately after the Class C Dividend Ex Date;

WHEREAS, the foregoing adjustment to the constitution of the Reference Property approximates, in the reasonable judgment of the Board of Directors, the adjustment contemplated by Section 12.04 of the Amended Indenture, taking into account the other provisions of Section 12.04;

WHEREAS, the foregoing adjustment to the constitution of the Reference Property requires amendments to certain definitions which are based upon the constitution of the Reference Property;

WHEREAS, the Company, Liberty Global and the Trustee are entering into this Second Supplemental Indenture to effect the foregoing adjustments and amendments and to add additional provisions to the Indenture that will obviate the need in the future to execute a further supplemental indenture in connection with certain ordinary course share

transactions which require, in accordance with Section 12.04(m) of the Indenture, an adjustment to the Reference Property that increases (but does not decrease) one or more components of the Reference Property;

WHEREAS, Section 9.01 of the Amended Indenture provides that the Company, when authorized by a Board Resolution, and the Trustee may enter into a supplemental indenture, without the consent of any Holders: (i) pursuant to clause (a) of Section 9.01, to cure any ambiguity, manifest error, defect or omission or inconsistency, (ii) pursuant to clause (i) of Section 9.01, to make provision with respect to the conversion rights of Holders pursuant to the requirements of Article 12 of the Amended Indenture; and (iii) pursuant to clause (j) of Section 9.01, to make any change that does not adversely affect the rights of any Holder in any material respect;

WHEREAS, the Company and Liberty Global are entering into this Second Supplemental Indenture in accordance with Section 9.01(a), (i) and (j) of the Original Indenture (the Amended Indenture, as amended and supplemented by this Second Supplemental Indenture, is referred to herein as the "**Indenture**"); and

WHEREAS, all requirements necessary to make this Second Supplemental Indenture a valid, binding and enforceable instrument in accordance with its terms have been done and performed, and the execution and delivery of this Second Supplemental Indenture has been duly authorized in all respects.

NOW, THEREFORE, in consideration of the premises hereof, the parties have executed and delivered this Second Supplemental Indenture, and the Company, Liberty Global and the Trustee agree for the benefit of each other and for the equal and ratable benefit of the Holders, as follows:

SECTION 1. Capitalized Terms.

Any capitalized term used and not otherwise defined herein shall have the meaning assigned to such term in the Indenture.

SECTION 2. Settlement upon Conversion.

From and after the opening of business on the date that is immediately after the Class C Dividend Ex Date, Holders of Securities shall have the right to convert the Securities (pursuant to, and subject to the conditions of, the Indenture) into the following Reference Property (subject to further adjustment as provided in Article 12 of the Indenture) with respect to each $1,000 principal amount of Securities: (i) 13.4339 Class A Shares; (ii) 33.4963 Class C Shares; and (iii) $910.51 in cash (without interest).

SECTION 3. Amendments to Amended Indenture

(a) For all purposes of the Indenture, the definitions of the following terms in Section 1.01 of the Amended Indenture are amended and restated in relation to the Class C Dividend to read in full as follows:

"**Daily Conversion Value**" of the Reference Property means, for each of the 30 consecutive VWAP Trading Days during the Observation Period, one-thirtieth (1/30) of the product of (a) the applicable Conversion Rate and (b) the sum of (i) the product of 0.2582 times the Daily VWAP of the Class A Shares on such VWAP Trading Day, (ii) the product of 0.6438 times the Daily VWAP of the Class C Shares on such VWAP Trading Day and (z) $17.50 (without interest), as determined by the Company. Any such determination shall be conclusive absent manifest error.

"**Reference Property Daily VWAP**" means, for each of the 30 consecutive VWAP Trading Days during the Observation Period, the sum of (a) the product of (i) the Daily VWAP for the Class A Shares times (ii) 0.2582, (b) the product of (i) the Daily VWAP for the Class C Shares times (ii) 0.6438, and (c) $17.50 (without interest).

"Reference Property Value" means, on any Trading Day, the sum of (x) the product of 0.2582 times the Last Reported Sale Price of the Class A Shares on such Trading Day, (y) the product of 0.6438 times the Last Reported Sale Price of the Class C Shares on such Trading Day and (z) $17.50.

(b) Section 12.04 of the Amended Indenture is amended by inserting the following paragraph (n) at the end thereof:

"(n) In the event the Reference Property is adjusted, pursuant to Section 12.04(m) of the Indenture due to an action involving the Class A Shares or the Class C Shares (or both) of the type described in subsections (a) or (b) of Section 12.04 of the Indenture, to increase one or more components of the Reference Property, the Company shall deliver the required Officer's Certificate and Opinion of Counsel in connection therewith and no Supplemental Indenture shall be required to effect such adjustment. Such Officer's Certificate shall set forth all the adjustments made to any definitions included in the Indenture that are based on the constitution of the Reference Property, including but not limited to the terms "Daily Conversion Value," "Reference Property Daily VWAP," and "Reference Property Value," in full text and the Indenture shall be deemed to be amended, *mutatis mutandis*, to give effect to such adjustment for each such future calculation made by the Company and set forth in such Officer's Certificate. If the Company is required to make any adjustment to one or more components of the Reference Property following an action involving the Class A Shares or the Class C Shares (or both) of the type described in subsections (a) or (b) of Section 12.04 of the Indenture that decreases one or more components of the Reference Property, those adjustments shall be made in a Supplemental Indenture entered into in accordance with the requirements of Article 9 of the Indenture. Any and all adjustments of the Reference Property that are required to be made due to an action involving the Class A Shares or the Class C Shares (or both) of the type described in subsections (c), (d) or (e) of Section 12.04 of the Indenture shall also be evidenced by Supplemental Indenture entered into in accordance with Article 9 of the Indenture."

SECTION 4. Global Securities.

Each Global Security shall be deemed supplemented, modified and amended in such manner as necessary to make the terms of such Global Security consistent with the terms of the Indenture.

SECTION 5. Ratification and Effect.

Except as hereby expressly amended, the Amended Indenture is in all respects ratified and confirmed and all the terms, provisions and conditions thereof, including, without limitation, Section 12.10, shall be and remain in full force and effect. Upon and after the execution of this Second Supplemental Indenture, and the occurrence of the Class C Dividend Ex Date, the Amended Indenture shall be supplemented in accordance herewith, this Second Supplemental Indenture shall form a part of the Indenture for all purposes and each reference in the Amended Indenture shall mean and be a reference to the Amended Indenture as modified hereby.

SECTION 6. Governing Law.

This Second Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York. This Second Supplemental Indenture is subject to the provisions of the *Trust Indenture Act* that are required to be part of this Second Supplemental Indenture and shall, to the extent applicable, be governed by such provisions.

SECTION 7. The Trustee.

The recitals in this Second Supplemental Indenture shall be taken as the statements of the Company and Liberty Global, and the Trustee assumes no responsibility for their correctness. The Trustee shall not be responsible or accountable in any manner whatsoever for or with respect to the validity or sufficiency of this Second Supplemental Indenture. The Trustee shall be under no duty whatsoever to make any determination whether any execution, modification, amendment, supplement or confirmation to any document is necessary to implement such amendments and waivers, including those contained herein, and shall be entitled to conclusively rely on the documentation required to be provided under the terms of the Indenture in a form reasonably satisfactory to the Trustee.

SECTION 8. Conflicts.

To the extent of any inconsistency between the terms of the Amended Indenture or the Global Securities and this Second Supplemental Indenture, the terms of this Second Supplemental Indenture will control.

SECTION 9. Miscellaneous.

This Second Supplemental Indenture constitutes the entire agreement of the parties hereto with respect to the amendments to the Amended Indenture set forth herein. All covenants and agreements in this Second Supplemental Indenture given by the parties hereto shall bind their successors. In case any provision in this Second Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof or of the Amended Indenture shall not in any way be affected or impaired thereby. The section headings are for convenience only and shall not affect the construction hereof. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement, binding on the parties hereto.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed as of the date first written above.

VIRGIN MEDIA INC.

By: Authorized Signatory

LIBERTY GLOBAL PLC

By: Authorized Signatory

THE BANK OF NEW YORK MELLON,
as Trustee

By: Authorized Signatory

Exhibit 10.6

[Class __]
[Executives]

LIBERTY GLOBAL 2014 INCENTIVE PLAN

(Effective March 1, 2014)

PERFORMANCE SHARE UNITS AGREEMENT

THIS PERFORMANCE SHARE UNITS AGREEMENT ("Agreement") is made as of [DATE], by and between LIBERTY GLOBAL PLC, a public limited company incorporated under the laws of England and Wales (the "Company"), and the individual whose name, address, and Optionee ID number appear on the signature page hereto (the "Grantee").

The Company has adopted the Liberty Global 2014 Incentive Plan effective March 1, 2014 (the "Plan"), which by this reference is made a part hereof, for the benefit of eligible employees of the Company and its Subsidiaries. Capitalized terms used and not otherwise defined herein will have the meaning given thereto in the Plan. [CLICK HERE TO READ THE PLAN.]

Pursuant to the Plan, the Compensation Committee appointed by the Board pursuant to Article 3 of the Plan to administer the Plan (the "Committee") has determined that it is in the best interest of the Company and its Shareholders to award performance-based restricted share units to the Grantee effective as of [Date] (the "Grant Date"), subject to the conditions and restrictions set forth herein and in the Plan, in order to provide the Grantee additional remuneration for services rendered, to encourage the Grantee to continue to provide services to the Company or its Subsidiaries and to increase the Grantee's personal interest in the continued success and progress of the Company.

The Company and the Grantee therefore agree as follows:

1. **Definitions**. The following terms, when used in this Agreement, have the following meanings:

"Act" means the U.K. companies Act of 2006, as amended from time to time, and the rules and regulations thereunder.

"Annual Performance Rating" means the performance rating received by the Grantee during the Company's Annual Performance Review Process.

"Base Performance Objective" has the meaning ascribed to such term in **Appendix A**.

"Cause" has the meaning specified for "cause" in Section 11.2(c) of the Plan.

"Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor statute or statutes thereto. Reference to any specific code section shall include any successor section.

“Committee” has the meaning specified in the recitals to this Agreement.

“Company” means Liberty Global plc, a public limited company incorporated under the laws of England and Wales.

“Earned Percentage” means the percentage determined by the Committee after the end of the Performance Period in accordance with the terms set forth in **Appendix A** taking into account the level of achievement of the Performance Metric or Performance Metrics set forth in **Appendix A** during the Performance Period and, if applicable, the relative weighting of the Performance Metrics.

“Earned Performance Share Units” means the number of Performance Share Units that following the completion of the Performance Period the Grantee is determined in accordance with Section 3 to have earned under this Agreement, subject to reduction, forfeiture or acceleration during the Service Period in accordance with Section 4 and Section 6, as applicable.

“Good Reason” for the Grantee to resign from his or her employment with the Company and its Subsidiaries means that any of the following occurs, is not consented to by the Grantee and, except for purposes of Section 7(b), is not the result of the Grantee’s poor performance:

(i) any material diminution in the Grantee’s base compensation;

(ii) the material diminution of the Grantee’s official position or authority, but excluding isolated or inadvertent action not taken in bad faith that is remedied promptly after notice; or

(iii) the Company requires the Grantee to relocate his/her principal business office to a different country.

For the Grantee’s Termination of Service to constitute resignation for Good Reason, the Grantee must notify the Committee in writing within 30 days of the occurrence of such event that Good Reason exists for resignation, the Company must not have taken corrective action within 60 days after such notice is given so that Good Reason for resignation ceases to exist, and the Grantee must terminate his or her employment with the Company and its Subsidiaries within six months after such notice is given or such longer period (but in any event not to exceed two years following the initial occurrence of such event) as may be required by the provisions of any employment agreement or other contract or arrangement with the Company or its Subsidiaries to which the Grantee is a party.

“Grant Date” has the meaning specified in the recitals to this Agreement.

“Grantee” has the meaning specified in the preamble to this Agreement.

“LBTY__” and “Share” means the Class A ordinary shares, nominal value $.01 per share, of the Company.

“Maximum Percentage” has the meaning ascribed to such term in **Appendix A**.

"NEO" means the Company's Chief Executive Officer (or an individual acting in such capacity) and each other person who is a "covered employee" within the meaning of Section 162(m)(3) of the Code and related Regulations and Treasury pronouncements as of the last day of the Performance Period or is projected to be a "covered employee" as of the last day of the following calendar year based on the compensation and benefits approved for such person for that calendar year as of the time achievement of the Base Performance Objective is certified by the Committee.

"Performance Metric" or "Performance Metrics" means the performance goal or goals established by the Committee pursuant to Section 10.2 of the Plan and set forth in **Appendix A** hereto.

"Performance Period" means the two-year period beginning on January 1 of the calendar year in which the Grant Date occurs.

"Performance Share Unit" is a Restricted Share representing the right to receive one share of LBTY__, subject to the performance and other conditions and restrictions set forth herein and in the Plan.

"Plan" has the meaning specified in the preamble to this Agreement.

"Regulations" means the rules and regulations under the Code or a specified section of the Code, as applicable.

"Required Withholding Amount" has the meaning specified in Section 17 of this Agreement.

"RSU Dividend Equivalents" with respect to a Performance Share Unit means, to the extent specified by the Committee only, an amount equal to all dividends and other distributions (or the economic equivalent thereof) which are payable or transferable to Shareholders of record during the Performance Period and Service Period with respect to one share of LBTY__.

"Section 409A" means Section 409A of the Code and related Regulations and Treasury pronouncements.

"Section 409A Cap Payment Date" means, with respect to any Vesting Date, the March 15 of the calendar year following the calendar year in which such Vesting Date occurred.

"Service Period" means the period beginning on the January 1 immediately following the expiration of the Performance Period and ending on September 30 of that calendar year.

"Target Performance Share Units" means the initial number of Performance Share Units granted to the Grantee pursuant to this Agreement, with such number subject to adjustment or forfeiture in accordance with the terms of this Agreement and the Plan.

"Termination of Service" means the termination for any reason of the Grantee's provision of services to the Company and its Subsidiaries, as an officer, employee or independent contractor. Whether any leave of absence constitutes a Termination of Service will be determined

by the Committee subject to Section 11.2(d) of the Plan. Unless the Committee otherwise determines, neither transfers of employment among the Company and its Subsidiaries, nor a change in Grantee's status from an independent contractor to an employee will be a Termination of Service for purposes of this Agreement. Unless the Committee otherwise determines, however, any change in Grantee's status from an employee to an independent contractor will be a Termination of Service within the meaning of this Agreement; provided, however, that, to the extent Section 409A is applicable to Grantee, any amounts otherwise be payable hereunder as nonqualified deferred compensation within the meaning of Section 409A on account of Termination of Service shall not be payable before Grantee "separates from service", as that term is defined in Section 409A, and shall be paid in accordance with Section 17.(c) of this Agreement.

"Unpaid RSU Dividend Equivalents" has the meaning specified in Section 4(b) of this Agreement.

"Vesting Date" means each date on which any Performance Share Units cease to be subject to a risk of forfeiture or vest, as determined in accordance with this Agreement and the Plan.

"Vested RSU Dividend Equivalents" has the meaning specified in Section 10 of this Agreement.

2. Grant of Target Performance Share Units. Pursuant to the Plan, the Company grants to the Grantee, effective as of the Grant Date, an Award of the number of Target Performance Share Units set forth on the signature page hereto, subject to the terms, conditions and restrictions set forth herein and in the Plan.

3. Performance Conditions For Performance Period.

(a) Except as otherwise provided in Section 7, if the Grantee receives less than an Annual Performance Rating of "strong", or its equivalent, for any year in the Performance Period, then upon conclusion of the Company's Annual Performance Review Process for that year, this Award and Grantee's Target Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be forfeited and the Grantee shall have no further rights hereunder. Except as otherwise provided in Section 7, if the Base Performance Objective is not met and the Grantee is an NEO, this Award and Grantee's Target Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be forfeited and the Grantee shall have no further rights hereunder.

(b) The Base Performance Objective and Performance Metric or Performance Metrics established by the Committee for the Performance Period are set forth on **Appendix A** attached hereto and made a part hereof for all purposes. If the Grantee is not an NEO, the Earned Performance Share Units for the Grantee shall initially be determined by multiplying the number of Target Performance Share Units by the Earned Percentage determined by the Committee in accordance with **Appendix A**. If the Grantee is an NEO, then the Earned Performance Share Units for the Grantee shall initially be determined by multiplying the number of Target Performance Share Units by the Maximum Percentage, subject to reduction to such lower number as the Committee may determine in its sole discretion, but, except as provided in the following sentence, not below the number determined by multiplying the number of Grantee's Target Performance Share Units

by the Earned Percentage determined by the Committee in accordance with **Appendix A**. If the Grantee received at least a "strong" (or its equivalent) but less than an "exceeds" (or its equivalent) Annual Performance Rating for any year in the Performance Period, then the Committee may in its discretion reduce the number of Earned Performance Share Units initially so determined in accordance with the applicable of the preceding two sentences to such number of Earned Performance Share Units as the Committee shall determine.

(c) Following the close of the Performance Period, the Committee shall certify whether the Base Performance Objective has been met and the extent to which the Performance Metric or Performance Metrics have been achieved and the calculation of the Earned Percentage in the manner required for qualified performance-based compensation within the meaning of Section 162(m) of the Code and the Regulations. The Committee may, but shall not be obligated to, engage an independent accounting firm to perform agreed upon procedures to verify the calculations. Upon completing its determination, the Committee shall notify the Grantee, in the form and manner as determined by the Committee, of the number of Earned Performance Share Units that will be subject to the service vesting provisions of Section 4.

(d) If the number of Grantee's Earned Performance Share Units is less than the number of Grantee's Target Performance Share Units, the excess Target Performance Share Units and any related unpaid RSU Dividend Equivalents will immediately be cancelled. If the number of Grantee's Earned Performance Share Units exceeds the number of Grantee's Target Performance Units, Grantee will be awarded a number of additional Performance Share Units so that the number of Grantee's Target Performance Share Units and such additional Performance Share Units will equal the number of Grantee's Earned Performance Share Units.

4. Vesting during Service Period.

(a) Unless the Committee otherwise determines in its sole discretion, subject to earlier vesting in accordance with Section 5, 6 or 7 of this Agreement or Section 11.1(b) of the Plan and subject to the forfeiture provisions of this Agreement, the Earned Performance Share Units shall become vested in accordance with the following schedule (each date specified below being a Vesting Date):

(i) On March 31 during the Service Period, 50% of the Earned Performance Share Units shall become vested; and

(ii) On September 30 during the Service Period, 50% of the Earned Performance Share Units shall become vested.

[Please refer to the website of the Third Party Administrator, UBS Financial Services Inc., which maintains the database for the Plan and provides related services, for the specific Vesting Dates related to the Performance Share Units (click on the specific grant under the tab labeled "Grants/Award/Units").]

(b) On each Vesting Date, subject to the satisfaction of any other applicable restrictions, terms and conditions, any RSU Dividend Equivalents with respect to the Earned

Performance Share Units that have not theretofore become Vested RSU Dividend Equivalents ("Unpaid RSU Dividend Equivalents") will become vested to the extent that the Earned Performance Share Units related thereto shall have become vested in accordance with this Agreement.

5. Termination, Death or Disability during Performance Period.

Subject to the remaining provisions of this Section 5 and to Sections 7 and 8, in the event of Termination of Service at any time during the Performance Period, the Grantee shall thereupon forfeit the Grantee's Target Performance Share Units, any related Unpaid RSU Dividend Equivalents and any rights hereunder, except as indicated below:

(a) If the Termination of Service occurs after June 30 of the first year of the Performance Period and is due to death, then provided that the Grantee's Annual Performance Rating for any full year, if any, of the Performance Period prior to Termination of Service was not less than "strong" , or its equivalent, the Grantee's estate will be entitled to a prorated portion of the Grantee's Target Performance Share Units and any related Unpaid RSU Dividend Equivalents based on the number of full days of service by the Grantee during the Performance Period. Subject to the foregoing, the prorated portion of the Target Performance Share Units and any related Unpaid RSU Dividend Equivalent will thereupon become vested and will be settled in accordance with Section 9 as soon as administratively practicable after the Termination of Service, but in no event later than March 15 of the calendar year immediately following the calendar year in which the Termination of Service occurred.

(b) If the Termination of Service occurs after June 30 of the first year of the Performance Period and is due to Disability, then provided that the Grantee's most recent Annual Performance Rating prior to Termination of Service was not less than "strong" , or its equivalent, the Grantee will retain the right to earn a pro rata portion of the Grantee's Target Performance Share Units and any related Unpaid RSU Dividend Equivalents. The number of the Grantee's Earned Performance Share Units will initially be determined in accordance with Section 3 on the same basis as would otherwise apply had no Termination of Service occurred, but if the Termination of Service occurs in the first year of the Performance Period, the level of achievement of the Performance Metric or Performance Metrics will be determined based on the Company's relative performance during that year as if the Performance Period were one year. The number of Earned Performance Share Units so determined will then be prorated based on the number of full days of service by the Grantee during the full Performance Period. Subject to the foregoing, the prorated portion of the Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and will be settled in accordance with Section 9 as soon as administratively practicable after the Termination of Service, but in no event later than March 15 of the calendar year immediately following the calendar year in which Grantee's Termination of Service occurred.

(c) If the Termination of Service occurs after June 30 of the first year of the Performance Period and is due to termination of the Grantee by the Company or any of its Subsidiaries without Cause or resignation by the Grantee for Good Reason, then the Committee may determine, in its sole discretion, that a portion of the Grantee's Earned Performance Share Units (determined in the manner described in Section 5(b)) and any related Unpaid RSU Dividend

Equivalents will thereupon become vested and no longer be subject to a risk of forfeiture in such amount as the Committee may determine, and shall be settled in accordance with Section 9 as soon as administratively practicable after the Termination of Service, but in no event later than March 15 of the calendar year immediately following the calendar year in which the Termination of Service occurred, provided that in no event shall the amount or terms of such settlement be more favorable to the Grantee than if the Grantee's service had terminated due to Disability.

6. Termination, Death, Disability or Retirement during Service Period.

Subject to the remaining provisions of this Section 6 and to Sections 7 and 8, in the event of Termination of Service at any time during the Service Period, the Grantee shall, effective upon such Termination of Service, forfeit any Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents, the Vesting Date for which has not yet occurred, except as indicated below:

(a) If the Termination of Service is due to death or Disability, the Grantee's unvested Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and no longer be subject to a risk of forfeiture. Such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will be settled in accordance with Section 9 as of the originally scheduled Vesting Dates.

(b) If the Termination of Service is due to termination of the Grantee by the Company or any of its Subsidiaries without Cause or resignation by the Grantee for Good Reason, then the Committee may determine, in its sole discretion, that a portion of the Grantee's Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will become vested and no longer be subject to a risk of forfeiture in such amount as the Committee may determine, and shall be settled in accordance with Section 9 as of the originally scheduled Vesting Dates, provided that in no event shall the amount or terms of such settlement be more favorable to the Grantee than if the Grantee's service had terminated due to death or Disability.

(c) If the Termination of Service is due to Retirement, the Grantee's unvested Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and no longer subject to a risk of forfeiture in a pro-rata amount determined by multiplying such unvested Earned Performance Share Units (including any Unpaid RSU Dividend Equivalents) by a fraction, the numerator of which shall be the number of months (with any partial month being deemed a full month) of the Grantee's employment with the Company and its Subsidiaries during the period beginning on the Grant Date of such Award and ending on the date of the Grantee's Retirement, and the denominator of which shall be the number of full months in the period beginning on the Grant Date of such Award and ending on the date such Unvested Earned Performance Share Units would otherwise have become vested and exercisable in full in accordance with its terms had the Grantee remained employed with the Company through such date. Such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will be settled in accordance with Section 9 as of the originally scheduled Vesting Dates.

7. Change in Control.

(a) If an Approved Transaction, Board Change or Control Purchase occurs on or before the Grantee's Termination of Service and (x) this Agreement is not continued on the same terms and conditions or (y) in the case of an Approved Transaction, the Committee as constituted prior to such Approved Transaction has not determined, in its discretion, that effective provision has been made for the assumption or continuation of this Agreement on terms and conditions that in the opinion of the Committee are as nearly as practicable equivalent for the Grantee to the terms and conditions of this Agreement, taking into account, to the extent applicable, the kind and amount of securities, cash or other assets into or for which the LBTY__ may be changed, converted or exchanged in connection with the Approved Transaction, then the provisions of this Section 7(a) will apply, subject to Section 8:

(i) If the Approved Transaction, Board Change or Control Purchase occurs during the Performance Period, then provided that the Grantee's Annual Performance Rating for any full year, if any, of the Performance Period prior to such event was not less than "strong", or its equivalent, the Grantee will be deemed to have earned a number of Earned Performance Share Units equal to the Grantee's Target Performance Share Units. Such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents shall thereupon become vested and will be settled in accordance with Section 9 promptly following the occurrence of the Board Change or Control Purchase, but in any event no later than 30 days following such occurrence, or immediately prior to consummation of the Approved Transaction. The accelerated vesting and settlement contemplated by this clause (i) will be in full satisfaction of the Grantee's rights hereunder.

(ii) If the Approved Transaction, Board Change or Control Purchase occurs during the Service Period, the Grantee's remaining Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will vest and no longer be subject to a risk of forfeiture upon the occurrence of the Board Change or Control Purchase or immediately prior to consummation of the Approved Transaction. Such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be settled in accordance with Section 9 promptly following the occurrence of the Board Change or Control Purchase, but in any event no later than 30 days following such occurrence, or immediately prior to consummation of the Approved Transaction. The accelerated vesting and settlement contemplated by this clause (ii) will be in full satisfaction of the Grantee's rights hereunder.

(b) If an Approved Transaction, Board Change or Control Purchase occurs on or before the Grantee's Termination of Service and the provisions of Section 7(a) do not apply because of the assumption or continuation of this Agreement as described therein, then the following will apply, subject to Section 8:

(iii) If the Approved Transaction, Board Change or Control Purchase occurs during the Performance Period, then provided that the Grantee's Annual Performance Rating for any full year, if any, of the Performance Period prior to such event was not less than "strong", or its equivalent, the Grantee will thereupon be deemed to have earned a number of Earned Performance Share Units equal to the Grantee's Target Performance Share Units, and the Grantee

shall continue to be subject to the service and vesting requirements of, and to have the rights otherwise provided under, this Agreement with respect to such Earned Performance Share Units.

(iv) If the Approved Transaction, Board Change or Control Purchase occurs during the Service Period, the Grantee will continue to have the rights otherwise provided under this Agreement with respect to the Earned Performance Share Units.

(v) In the event of Termination of Service thereafter due to termination of the Grantee by the Company or any of its Subsidiaries for Cause or resignation by the Grantee, but excluding resignation as a result of Disability or for Good Reason, the Grantee shall, effective upon such Termination of Service, forfeit any then unvested Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents, the Vesting Date for which has not yet occurred.

(vi) In the event of Termination of Service thereafter due to death or Disability, resignation by the Grantee for Good Reason or termination by the Company or any of its Subsidiaries without Cause, then effective upon such Termination of Service, the Grantee's then unvested Earned Performance Share Units and any related Unpaid RSU Dividend Equivalent shall become vested and no longer subject to a risk of forfeiture. Settlement in accordance with Section 9 of such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will be made, (x) if the Termination of Service occurs during the Performance Period, as soon as administratively practicable after the Termination of Service, but in no event later than March 15 of the calendar year immediately following the calendar year in which the Termination of Service occurred, and (y) if the Termination of Service occurs during the Service Period, as of the originally scheduled Vesting Dates.

8. Forfeiture and Recoupment Policy.

(a) Except when the Grantee's Termination of Service is due to death or Disability, the accelerated vesting of Performance Share Units contemplated or permitted by Sections 5 and 6 shall be contingent upon execution by the Grantee, no later than the 60th day after the Termination of Service, of a general release, non-solicitation agreement and confidentiality agreement and, if the Committee in its discretion so requires, a non-competition agreement, in each case in favor of the Company and its Subsidiaries and in substance and form approved by the Committee, which form shall be provided by the Company to the Grantee within 15 days after the Termination of Service.

(b) If the Grantee breaches any restrictions, terms or conditions provided in or established by the Committee pursuant to the Plan or this Agreement with respect to the Performance Share Units prior to the vesting thereof (including any attempted or completed transfer of any such unvested Performance Share Units contrary to the terms of the Plan or this Agreement), the unvested Performance Share Units, together with any related Unpaid RSU Dividend Equivalents, will be forfeited immediately.

(c) If the Company's consolidated financial statements for any of the years taken into account in the Performance Metrics are required to be restated at any time as a result of an error (whether or not involving fraud or misconduct) and the Committee determines that if the financial

results had been properly reported the number of Earned Performance Share Units would have been lower, then the Grantee shall be required to forfeit the excess amount of his or her Earned Performance Share Units, together with any related Unpaid RSU Dividend Equivalents, or to refund any amounts previously delivered to the Grantee. The Grantee's excess amount will be allocated ratably across the portions of his or her Earned Performance Share Units previously settled and the portions remaining to be settled, unless otherwise determined by the Committee. The amount allocated to portions of the Grantee's Earned Performance Share Units that have previously been settled shall be promptly refunded to the Company by the Grantee in cash or by transfer of a number of Shares with a Fair Market Value as of the date transferred to the Company that is equal to the Fair Market Value of the Shares as of the date such shares were previously issued or transferred in settlement of the Earned Performance Share Units and the value of any RSU Dividend Equivalents previously paid with respect thereto. The Company shall have the right, exercisable in the Committee's discretion, to offset, or cause to be offset, any amounts that the Grantee is required to refund to the Company pursuant to this Section 8(c) against any amounts otherwise owed by the Company or any of its subsidiaries to the Grantee.

(d) Upon forfeiture of any Target Performance Share Units or Earned Performance Share Units, such Performance Share Units and any related Unpaid RSU Dividend Equivalents will be immediately cancelled, and the Grantee will cease to have any rights hereunder with respect thereto.

9. Settlement of Vested Performance Share Units. Except as otherwise provided in Section 6 and Section 7(a), settlement of Performance Share Units that vest in accordance with this Agreement shall be made as soon as administratively practicable after the applicable Vesting Date, but in no event later than the Section 409A Cap Payment Date applicable to such Vesting Date. Settlement of vested Performance Share Units shall be made in payment of Shares , together with any related Unpaid RSU Dividend Equivalents, in accordance with Section 11.

10. Shareholder Rights; RSU Dividend Equivalents. The Grantee shall have no rights of a Shareholder with respect to any Shares represented by any Performance Share Units unless and until such time as Shares represented by vested Performance Share Units have been delivered to the Grantee in accordance with Section 9. The Grantee will have no right to receive, or otherwise with respect to, any RSU Dividend Equivalents until such time, if ever, as the Performance Share Units with respect to which such RSU Dividend Equivalents relate shall have become vested and, if vesting does not occur, the related RSU Dividend Equivalents will be forfeited. RSU Dividend Equivalents shall not bear interest or be segregated in a separate account. Notwithstanding the foregoing, the Committee may, in its sole discretion, accelerate the vesting of any portion of the RSU Dividend Equivalents (the "Vested RSU Dividend Equivalents"). The settlement of any Vested RSU Dividend Equivalents shall be made as soon as administratively practicable after the accelerated vesting date, but in no event later than March 15 of the calendar year following the calendar year in which the Vested RSU Dividend Equivalents became vested.

11. Delivery by Company. As soon as practicable after the vesting of Performance Share Units, and any related Unpaid RSU Dividend Equivalents, and subject to the withholding referred to in Section 17 of this Agreement, the Company will deliver or cause to be delivered to or at the direction

of the Grantee (i)(a) a certificate or certificates issued or transferred in the Grantee's name for the Shares represented by such vested Performance Share Units, (b) a statement of holdings reflecting that the Shares represented by such vested Performance Share Units are held for the benefit of the Grantee in uncertificated form by a third party service provider designated by the Company, or (c) a confirmation of deposit of the Shares represented by such vested Performance Share Units, in book-entry form, into the broker's account designated by the Grantee, (ii) any securities constituting related vested Unpaid RSU Dividend Equivalents by any applicable method specified in clause (i) above, and (iii) any cash payment constituting related vested Unpaid RSU Dividend Equivalents. Any delivery of securities will be deemed effected for all purposes when (1) a certificate representing or statement of holdings reflecting such securities and, in the case of any Unpaid RSU Dividend Equivalents, any other documents necessary to reflect ownership thereof by the Grantee has been delivered personally to the Grantee or, if delivery is by mail, when the Company or its share transfer agent has deposited the certificate or statement of holdings and/or such other documents in the United States or local country mail, addressed to the Grantee, or (2) confirmation of deposit into the designated broker's account of such securities, in written or electronic format, is first made available to the Grantee. Any cash payment will be deemed effected when a check from the Company, payable to or at the direction of the Grantee and in the amount equal to the amount of the cash payment, has been delivered personally to or at the direction of the Grantee or deposited in the United States mail, addressed to the Grantee or his or her nominee.

12. Nontransferability of Performance Share Units Before Vesting.

(a) Before vesting and during the Grantee's lifetime, the Performance Share Units and any related Unpaid RSU Dividend Equivalents may not be sold, assigned, transferred by gift or otherwise, pledged, exchanged, encumbered or disposed of (voluntarily or involuntarily), other than an assignment pursuant to a Domestic Relations Order. In the event of an assignment pursuant to a Domestic Relations Order, the unvested Performance Share Units and any related Unpaid RSU Dividend Equivalents so assigned shall be subject to all the restrictions, terms and provisions of this Agreement and the Plan, and the assignee shall be bound by all applicable provisions of this Agreement and the Plan in the same manner as the Grantee.

(b) The Grantee may designate a beneficiary or beneficiaries to whom the Performance Share Units, to the extent then vested, and any related Unpaid RSU Dividend Equivalents will pass upon the Grantee's death and may change such designation from time to time by filing a written designation of beneficiary or beneficiaries with the Committee on such form as may be prescribed by the Committee, provided that no such designation will be effective unless so filed prior to the death of the Grantee. If no such designation is made or if the designated beneficiary does not survive the Grantee's death, the Performance Share Units, to the extent then vested, and any related Unpaid RSU Dividend Equivalents will pass by will or the laws of descent and distribution. Following the Grantee's death, the person to whom such vested Performance Share Units and any related Unpaid RSU Dividend Equivalents pass according to the foregoing will be deemed the Grantee for purposes of any applicable provisions of this Agreement. [CLICK HERE TO ACCESS THE DESIGNATION OF BENEFICIARY FORM.]

13. Adjustments. The Performance Share Units and any related Unpaid RSU Dividend Equivalents will be subject to adjustment pursuant to Section 4.2 of the Plan in such manner as the Committee may deem equitable and appropriate in connection with the occurrence following the Grant Date of any of the events described in Section 4.2 of the Plan.

14. Company's Rights. The existence of this Agreement will not affect in any way the right or power of the Company or its Shareholders to accomplish any corporate act, including, without limitation, the acts referred to in Section 11.16 of the Plan.

15. Limitation of Rights; Executive Share Ownership Policy. Nothing in this Agreement or the Plan will be construed to give the Grantee any right to be granted any future Award other than in the sole discretion of the Committee or give the Grantee or any other person any interest in any fund or in any specified asset or assets of the Company or any of its Subsidiaries. Neither the Grantee nor any person claiming through the Grantee will have any right or interest in Shares represented by any Performance Share Units or any related Unpaid RSU Dividend Equivalents unless and until there shall have been full compliance with all the terms, conditions and provisions of this Agreement and the Plan. Grantee acknowledges and agrees that the transfer by Grantee of the Shares received upon vesting of Performance Share Units shall be subject to Grantee's compliance with the Company's Executive Share Ownership Policy, as in effect from time to time.

16. Restrictions Imposed by Law. Without limiting the generality of Section 11.8 of the Plan, the Company shall not be obligated to deliver any Shares represented by vested Performance Share Units or securities constituting any Unpaid RSU Dividend Equivalents if counsel to the Company determines that the issuance or delivery thereof would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange upon which Shares or such other securities are listed. The Company will in no event be obligated to take any affirmative action in order to cause the delivery of Shares represented by vested Performance Share Units or securities constituting any Unpaid RSU Dividend Equivalents to comply with any such law, rule, regulation, or agreement. Any certificates representing any such securities issued or transferred under this Agreement may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws.

17. Taxes.

(a) To the extent that the Company is subject to withholding tax or employee social security withholding requirements under any national, state, local or other governmental law with respect to the award of the Performance Share Units to the Grantee or the vesting thereof, or the designation of any RSU Dividend Equivalents as payable or distributable or the payment or distribution thereof, the Grantee must make arrangements satisfactory to the Company to make payment to the Company of the amount required to be withheld under such tax laws or employer social security contribution laws, as determined by the Company (collectively, the "Required Withholding Amount"). To the extent such withholding is required because the Grantee vests in some or all of the Performance Share Units and any related RSU Dividend Equivalents, the Company shall withhold (i) from the Shares represented by vested Performance Share Units and otherwise deliverable to the Grantee a number of Shares and/or (ii) from any related RSU Dividend Equivalents

otherwise deliverable to the Grantee an amount of such RSU Dividend Equivalents, which collectively have a value (or, in the case of securities withheld, a Fair Market Value) equal to the Required Withholding Amount (subject to compliance with applicable law, including, but not limited to, "financial assistance" prohibitions under UK law), unless the Grantee remits the Required Withholding Amount to the Company in cash in such form and by such time as the Company may require or other provisions for withholding such amount satisfactory to the Company have been made. Without limitation to the foregoing sentence, the Grantee hereby agrees that the Required Withholding Amount can also be collected by (i) deducting from cash amounts otherwise payable to the Grantee (including wages or other cash compensation) or (ii) withholding from proceeds of the sale of Shares acquired upon vesting of the Earned Performance Share Units through a sale arranged by the Company (on the Grantee's behalf pursuant to this authorization without further consent). Notwithstanding any other provisions of this Agreement, the delivery of any shares of LBTY__ represented by vested Performance Share Units and any related RSU Dividend Equivalents may be postponed until any required withholding taxes have been paid to the Company.

(b) If the Grantee is subject to tax in the United Kingdom and the withholding of any income tax due is not made within 90 days of the event giving rise to the income tax liability or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), the amount of any uncollected income tax shall (assuming the Grantee is not a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act)) constitute a loan owed by the Grantee to the Grantee's employer (the "Employer"), effective on the Due Date. The Grantee agrees that the loan will bear interest at the then-current HM Revenue & Customs ("HMRC") Official Rate, it will be immediately due and repayable, and the Company and/or the Employer may recover it at any time thereafter by any of the means referred to in Section 17(a). If the Grantee is a director or executive officer and income tax is not collected from or paid by him or her by the Due Date, the amount of any uncollected income tax will constitute a benefit to the Grantee on which additional income tax and national insurance contributions ("NICs") will be payable. The Grantee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer, as applicable, for the value of any NICs due on this additional benefit.

(c) At all times prior to the Vesting Date, the benefit payable under this Agreement is subject to a substantial risk of forfeiture within the meaning of Section 409A and Regulation 1.409A-1(d) (or any successor Regulation). Accordingly, this Agreement is not subject to Section 409A under the short term deferral exclusion. Notwithstanding any other provision of this Agreement, if Grantee is a "specified employee" as such term is defined in Section 409A, and determined as described below, any amounts that would otherwise be payable hereunder as nonqualified deferred compensation within the meaning of Section 409A on account of Termination of Service (other than by reason of death) to the Grantee shall not be payable before the earlier of (i) the date that is six months after the date of the Grantee's Termination of Service, (ii) the date of the Grantee's death or (iii) the date that otherwise complies with the requirements of Section 409A. The Grantee shall be deemed a "specified employee" for the twelve-month period beginning on April 1 of a year if the Grantee is a "key employee" as defined in Section 416(i) of the Code (without regard to Section 416(i)(5)) as of December 31 of the preceding year.

(d) Except as provided in Section 17(e) or 17(f), in the event it shall be determined that any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Grantee pursuant to this Agreement ("Payment"), would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest or penalties, are hereinafter collectively referred to as the "Excise Tax"), then the amount of "parachute payments" (as defined in Section 280G of the Code) payable or required to be provided to the Grantee under this Agreement shall be automatically reduced (a "Reduction") to the minimum extent necessary to avoid imposition of such Excise Tax.

(e) Notwithstanding any provision herein to the contrary, if a Reduction under Section 17(d) of the amount payable under this Agreement and any similar reduction made pursuant to the terms of any other award of Restricted Shares under the Plan or any similar incentive plan adopted by the Company would result in the amount of parachute payments being reduced by twenty percent (20%) or more of the aggregate parachute payments made to the Grantee under this Agreement and any such other arrangement, then no Reduction shall apply and the Grantee shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that, after payment (whether through withholding at the source or otherwise) by the Grantee of all federal, state or local taxes (including any interest or penalties imposed with respect to such taxes), including, without limitation, any income taxes (and any interest and penalties imposed with respect thereto), employment taxes and Excise Tax imposed upon the Gross-Up Payment, the Grantee retains an amount of the Gross-Up Payment equal to the Excise Tax imposed on the Payment. Any Gross-up Payment shall be made by the end of the Company's taxable year next following the Grantee's taxable year in which the Grantee pays the Excise Tax. For purposes of determining the Excise Tax attributable to the Payment, no portion of the "base amount" (within the meaning of Section 280G(b)(3) of the Code) shall be deemed to be allocable to the Payment so as to reduce the amount of the Gross-Up Payment. All determinations required to be made under this Section 17(e) shall be made by the Company's accounting firm (the "Accounting Firm"). The Accounting Firm shall provide detailed supporting calculations both to the Company and the Grantee. All fees and expenses of the Accounting Firm shall be borne solely by the Company. Absent manifest error, any determination by the Accounting Firm shall be binding upon the Company and the Grantee.

(f) In the event the Grantee is a party to or participant in any other plan or arrangement that provides for a gross-up payment to mitigate the impact of the excise tax imposed by Section 4999 of the Code, or any interest or penalties with respect to such excise tax, then (i) the provisions of Section 17(d) above shall be applied without taking into account any parachute payments payable under such plan or arrangement, and (ii) the provisions of Section 17(e) above shall apply without reference to the amount of any gross-up payment made to the Grantee pursuant to that plan or arrangement.

18. Notice. Unless the Company notifies the Grantee in writing of a different procedure, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by United States first class or local country mail, postage prepaid, sent by overnight courier, freight prepaid or sent by facsimile and addressed as follows:

Liberty Global plc
12300 Liberty Boulevard
Englewood, CO 80112
Attn: General Counsel
Fax: 303-220-6691

Any notice or other communication to the Grantee with respect to this Agreement will be in writing and will be delivered personally, or will be sent by United States first class or local country mail, postage prepaid, to the Grantee's address as listed in the records of the Company on the Grant Date, unless the Company has received written notification from the Grantee of a change of address.

19. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Committee. Without limiting the generality of the foregoing, without the consent of the Grantee,

(a) this Agreement may be amended or supplemented from time to time as approved by the Committee (i) to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or (ii) to add to the covenants and agreements of the Company for the benefit of the Grantee or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Shareholders and, provided, in each case, that such changes or corrections will not adversely affect the rights of the Grantee with respect to the Award evidenced hereby, or (iii) to reform the Award made hereunder as contemplated by Section 11.18 of the Plan or to exempt the Award made hereunder from coverage under Section 409A, or (iv) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in or of the interpretation of, any law or governmental rule or regulation, including any applicable tax or securities laws; and

(b) subject to any required action by the Board or the Shareholders, the Performance Share Units granted under this Agreement may be canceled by the Company and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect any Performance Share Units that are then vested.

20. Grantee Employment or Service.

(a) Nothing contained in this Agreement, and no action of the Company or the Committee with respect hereto, will confer or be construed to confer on the Grantee any right to continue in the employ or service of the Company or any of its Subsidiaries or interfere in any way with any right of the Company or any Subsidiary, subject to the terms of any separate employment or service agreement to the contrary, to terminate the Grantee's employment or service at any time, with or without cause, or to increase or decrease the Grantee's compensation from the rate in effect at the date hereof or to change the Grantee's title or duties.

(b) The Award hereunder is special incentive compensation that will not be taken into account, in any manner, as salary, earnings, compensation, bonus or benefits, in determining

the amount of any payment under any pension, retirement, profit sharing, 401(k), life insurance, salary continuation, severance or other employee benefit plan, program or policy of the Company or any of its Subsidiaries or any employment or service agreement or arrangement with the Grantee.

(c) It is a condition of the Grantee's Award that, in the event of Termination of Service for whatever reason, whether lawful or not, including in circumstances which could give rise to a claim for wrongful and/or unfair dismissal (whether or not it is known at the time of Termination of Service that such a claim may ensue), the Grantee will not by virtue of such Termination of Service, subject to Sections 5, 6 and 7 of this Agreement, become entitled to any damages or severance or any additional amount of damages or severance in respect of any rights or expectations of whatsoever nature the Grantee may have hereunder or under the Plan. Notwithstanding any other provision of the Plan or this Agreement, the Award hereunder will not form part of the Grantee's entitlement to remuneration or benefits pursuant to the Grantee's employment or service agreement or arrangement, if any. The rights and obligations of the Grantee under the terms of his or her employment or service agreement, if any, will not be enhanced hereby.

(d) In the event of any inconsistency between the terms hereof or of the Plan and any employment, severance or other agreement with the Grantee, the terms hereof and of the Plan shall control.

21. Nonalienation of Benefits. Except as provided in Section 12 of this Agreement, (i) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (ii) no right or benefit hereunder will in any manner be liable for or subject to the debts, contracts, liabilities or torts of the Grantee or other person entitled to such benefits.

22. Data Privacy.

(a) The Grantee's acceptance hereof shall evidence the Grantee's explicit and unambiguous consent to the collection, use and transfer, in electronic or other form, of the Grantee's personal data by and among, as applicable, the Grantee's employer (the "Employer") and the Company and its subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that the Company and the Employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, bonus and employee benefits, nationality, job title and description, any Shares or directorships or other positions held in the Company, its subsidiaries and affiliates, details of all options, share appreciation rights, restricted shares, restricted share units or any other entitlement to Shares or other Awards granted, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, annual performance objectives, performance reviews and performance ratings, for the purpose of implementing, administering and managing Awards under the Plan ("Data").

(b) The Grantee understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients

may be located in the Grantee's country or elsewhere, and that the recipients' country (e.g. the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Grantee may elect to deposit any Shares acquired with respect to an Award.

(c) The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that the Grantee may at any time view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Grantee's local human resources representative. Further, the Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke his or her consent, the Grantee's employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Grantee's consent is that the Company would not be able to grant him or her Target Performance Share Units or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing his or her consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Grantee may contact the Grantee's local human resources representative.

23. Governing Law; Jurisdiction. This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Colorado. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

24. Construction. References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all Exhibits and Schedules appended hereto, including the Plan. This Agreement is entered into, and the Award evidenced hereby is granted, pursuant to the Plan and shall be governed by and construed in accordance with the Plan and the administrative interpretations adopted by the Committee thereunder. The word "include" and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Committee upon questions regarding this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

25. Duplicate Originals. The Company and the Grantee may sign any number of copies of this Agreement. Each signed copy will be an original, but all of them together represent the same agreement.

26. Rules by Committee. The rights of the Grantee and the obligations of the Company hereunder will be subject to such reasonable rules and regulations as the Committee may adopt from time to time.

27. Entire Agreement. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and the Grantee regarding the subject matter hereof. The Grantee and the Company hereby declare and represent that no promise or agreement not herein expressed has been made and that this Agreement contains the entire agreement between the parties hereto with respect to the Award and replaces and makes null and void any prior agreements between the Grantee and the Company regarding the Award. This Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

28. Grantee Acceptance. The Grantee will signify acceptance hereof and consent to all the terms and conditions of this Agreement by signing in the space provided on the signature page hereto and returning a signed copy to the Company. If the Grantee does not execute and return this Agreement within 90 days of the Grant Date, the grant of Performance Share Units shall be null and void.

Signature Page to Performance Share Units Agreement dated as of ______ __, 2014, between Liberty Global plc and the Grantee

LIBERTY GLOBAL PLC

By: Authorized Signatory
Name: Authorized Signatory
Title: Executive Vice President

ACCEPTED:

__

Grantee Name: ________
Address: ________
City/State/Country: ________

Optionee ID: __________

Grant No. ____________

Number of Target Performance Share Units (LBTY__) Awarded ____

Exhibit 10.7

EXECUTION COPY

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT is made as of this 30th day of April, 2014 (this " Agreement"), by and among Liberty Global plc, a public limited company incorporated under the laws of England and Wales and Liberty Global, Inc., a Delaware corporation (collectively, the "Company") and Michael T. Fries (the "Executive") (collectively, the "Parties").

WHEREAS, the Company desires to employ the Executive as President and Chief Executive Officer (" CEO"), and the Parties desire to enter into this Agreement to secure the Executive's employment during the term hereof, on the terms and conditions set forth herein.

NOW, THEREFORE, the Parties agree as follows:

1. Title. The Company hereby employs the Executive, and the Executive agrees to serve the Company as President and CEO, on the terms and conditions hereinafter set forth, headquartered principally in the Company's Colorado offices.

2. Employment Term and Location. The Executive's employment by the Company pursuant to this Agreement will commence on April 30, 2014 (the "Effective Date") and will continue through the fifth anniversary of the Effective Date (the " Initial Term"), unless terminated earlier pursuant to Paragraph 9 hereof; provided, however, that the Employment Period will automatically be extended for a one-year period on the fifth anniversary of the Effective Date (and on each anniversary of the Effective Date thereafter) (each a "Renewal Term"), unless either Party provides the other Party with written notice at least 180 days prior to the fifth anniversary of the Effective Date (or 180 days prior to each anniversary of the Effective Date thereafter) of its intention not to further extend the Employment Period (the Initial Term and each subsequent Renewal Term, if any, shall constitute the "Term"). The Executive's period of employment pursuant to this Agreement shall hereinafter be referred to as the " Employment Period."

3. Duties. The Executive shall report directly and solely to the Board of Directors of Liberty Global plc (the " Board"). The Executive shall have all of the power, authority and responsibilities customarily attendant to the position of President and CEO, including the supervision and responsibility for all operations and management of the Company and its subsidiaries (the " Company Entities") and, so long as he is a member of the Board and the Executive Committee of the Board (or a successor committee of the Board with similar powers and responsibilities) is in existence, the Executive shall be a member of the Executive Committee of the Board (or a successor committee of the Board with similar powers and responsibilities). The Executive shall also be a member of the board of directors of Liberty Global, Inc. During the Employment Period, the Board shall not give another employee a title which includes the word "chairman," except to the extent the current Chairman of the Board becomes an employee. The Executive shall be the most senior executive having management responsibilities for the assets and day-to-day operations of the Company. The Executive shall work under the direction and control of the Board. The Executive agrees to render his services under this Agreement loyally and faithfully, to the best of his abilities and in substantial conformance with all laws, rules and Company policies. The Executive shall be subject to all of the Company's policies, including conflicts of interest.

4. Compensation.

(a) Base Salary. The Company shall pay the Executive a base salary (the " Base Salary"), to be paid on the same payroll cycle as other U.S.-based executive officers of the Company (which shall be not less than bi-monthly), at an annual rate of Two Million Dollars ($2,000,000). The Base Salary will be reviewed annually and may be adjusted upward (but not downward) by the Compensation Committee of the Board (the "Compensation Committee") in its discretion.

(b) Commitment Cash Award. No later than the tenth (10th) day following the execution of this Agreement, the Company shall pay the Executive a lump sum payment equal to Five Million Dollars ($5,000,000).

(c) Performance Grant Award. On the Effective Date, the Company shall grant the Executive Two Million (2,000,000) performance-based restricted share units under the terms of the Company's 2014 Incentive Plan (the " Incentive Plan"), with such grant (the "Performance Grant Award") to be settled one-half (1/2) in Class A ordinary shares and one-half (1/2) in Class B ordinary shares (with the withholding pursuant to subparagraph 4(h) to first come with respect to the portion to be settled in Class A ordinary shares). The Performance Grant Award shall be earned (if and to the extent) that the performance metrics set forth in the implementing award agreements attached hereto as Exhibit A and Exhibit B ("Performance Grant Award Agreements") are achieved. The Compensation Committee shall certify whether and the extent to which the performance metrics with respect to the Performance Grant Award were achieved no later than December 20, 2014. To the extent the Executive earns the Performance Grant Award, the earned Performance Grant Award shall (i) if no directors' remuneration policy is approved by the Company's shareholders in accordance with section 439A of the Companies Act 2006 prior to December 20, 2014, be settled and the underlying shares delivered to the Executive no later than December 20, 2014, with such Performance Grant Award, if earned and settled, to be subject to the terms of the clawback set forth in this subparagraph 4(c) or (ii) if a directors' remuneration policy is approved by the Company's shareholders in accordance with section 439A of the Companies Act 2006 prior to December 20, 2014, be settled in three equal installments on each of March 15, 2015, March 15, 2016 and March 15, 2017, subject to the Executive's continued employment through each of March 15, 2015, March 15, 2016 and March 15, 2017, as applicable (subject to acceleration in accordance with Paragraph 9 of this Agreement). In the event that the Performance Grant Award is settled in accordance with clause (i) of the previous sentence and (A) the Executive's employment is terminated by the Company for Cause or voluntarily by the Executive without Good Reason on or before March 15, 2015, then the Executive must deliver to the Company all of the Class A ordinary shares and all of the Class B ordinary shares delivered to the Executive in settlement of the Performance Grant Award, taking into account any shares that were withheld or cancelled to cover taxes or other withholding obligations relating to the Performance Grant Award (the "Net Performance Shares") (or cash equal to the net after-tax proceeds received upon the sale of such shares) for no consideration or (B) the Executive's employment is terminated by the Company for Cause or voluntarily by the Executive without Good Reason after March 15, 2015, but on or before March 15, 2016, then the Executive must deliver to the Company, two-thirds (2/3) of the Net Performance Shares (or cash equal to the net after-tax proceeds received upon the sale of such shares) for no consideration or (C) the Executive's employment is terminated by the Company for Cause or voluntarily by the Executive

without Good Reason after March 15, 2016, but on or before March 15, 2017, then the Executive must deliver to the Company, one-third (1/3) of the Net Performance Shares (or cash equal to the net after-tax proceeds received upon the sale of such shares) for no consideration. For the avoidance of doubt, in no event shall the Executive be required to deliver to the Company more than the Net Performance Shares (or cash equal to the net after-tax proceeds received upon the sale of such shares) that he received pursuant to this subparagraph 4(c).

(d) Annual Bonus. For each calendar year ending during the Employment Period (or as otherwise specifically provided in Paragraph 9 following termination of employment), beginning 2014, the Executive will be eligible to earn an " Annual Bonus," provided the Executive remains employed under this Agreement throughout the calendar year (or as otherwise specifically provided in Paragraph 9 following termination of employment). The Executive's maximum Annual Bonus opportunity for 2014 is Eight Million Dollars ($8,000,000) and shall increase by $500,000 per annum for each subsequent calendar year during the Employment Period; provided that, if the base objective for a performance period is not achieved, there is no obligation for the Company to increase the Executive's maximum Annual Bonus opportunity with respect to the subsequent performance period. No portion of the Annual Bonus shall be guaranteed. The Annual Bonus shall be subject to the terms and conditions established by the Compensation Committee with respect to the Company's annual incentive program, including any recoupment provision, and shall be paid in the calendar year following the year of performance, in accordance with past practice, but in no event later than March 31 of such following year. Notwithstanding the foregoing, with respect to the Annual Bonus relating to 2014, the Compensation Committee shall certify whether and the extent to which the base objective relating to growth in either consolidated revenue or consolidated operating cash flow (operating cash flow less property and equipment additions) relative to budgeted growth (as described in the Company's current report on Form 8-K filed with the Securities and Exchange Commission on April 4, 2014) has been achieved no later than December 20, 2014 and shall determine and cause the Company to pay such Annual Bonus, if any, to the Executive no later than December 31, 2014.

(e) Annual Equity Awards. During the Employment Period, the Executive shall be granted annual equity awards under the terms of the Incentive Plan and the implementing award agreements in each year during the Employment Period, conditioned upon the Executive being employed by the Company on the applicable grant date therefore (the " Annual Equity Grant"). The Executive shall be granted an Annual Equity Grant with the same target equity value for 2015 as the 2014 annual equity grant, with the target equity value for each subsequent Annual Equity Grant to be increased by Two Million Five Hundred Thousand Dollars ($2,500,000) per year thereafter during the Employment Period (the "Annual Grant Value"); provided, however, that the Compensation Committee shall have the discretion to reduce the target equity value in its sole discretion, subject to subparagraph 9(c)(iv). The Annual Equity Grant shall be granted in the same mix of performance-based restricted share units (" PSUs") and share appreciation rights ("SARs") (or other forms of equity awards or any other compensation settled in or based on equity of the Company or that replaces the Company's Annual Equity Grant, in each case as determined by the Compensation Committee) and at the same time and on substantially the same terms and conditions as annual equity grants are made to the Company's other senior executive officers (except as set forth in this Agreement).

(f) Registration of Shares. All awards granted as part of the Annual Equity Grants, that are settled in shares or in which shares may be issued upon exercise of the award, the Performance Grant Award shall be settled in the form of the Company's Class A ordinary shares or Class B Ordinary shares, as applicable (as adjusted in accordance with the terms of the Incentive Plan for occurrences such as share splits, recapitalizations, etc., in order to maintain the expected economics of the Annual Equity Grants provided herein), registered on a Form S-8 under the Incentive Plan. The Company has reserved (and in the future will continue to reserve) sufficient shares under the Form S-8 to enable the Company to settle the Executive's Annual Equity Grants, the Performance Grant Award with such shares. This provision shall not require the Company to deliver registered shares in settlement of any equity award if the Form S-8 registration has been suspended or otherwise is not in effect (for example, because all of the Company's periodic information statements have not been timely filed).

(g) Treatment of Outstanding Equity Awards. In the event that no directors' remuneration policy is approved by the Company's shareholders in accordance with section 439A of the Companies Act 2006 prior to December 20, 2014, then all outstanding PSUs granted on or after June 27, 2012 (excluding the Performance Grant Award) held by the Executive shall vest at maximum level and settle in shares no later than December 20, 2014 and all outstanding SARs granted on or after June 27, 2012 (including the performance-based SARs granted in June 2013 as the "2013 Challenge Awards") held by the Executive shall vest, to the extent unvested (with the performance-based SARs vesting at maximum level), no later than December 20, 2014, and, at the Executive's written election delivered to the Company on or prior to December 20, 2014 **,** be exercised no later than December 29, 2014. In addition, if any of the Executive's outstanding SARs are exercised pursuant to the prior sentence, the Company shall grant the Executive on the day following such exercise **(**subject to delay in accordance with the last sentence of this subparagraph 4(g)) the same number of SARs that were exercised in accordance with the foregoing sentence (the " Reload SARs") with such Reload SARs to be granted with a base price equal to the applicable closing share price on the grant date (or, if higher, the base price of the exercised SARs to which they relate) and all other terms and conditions shall be the same as the corresponding SARs to which the Reload SARs relate (other than the performance SARs, which shall no longer have performance conditions); provided that the Reload SARs shall not be exercisable until the later of the date that (i) the exercise of the Reload SARs is consistent with a directors' remuneration policy that is approved by the Company's shareholders in accordance with section 439A of the Companies Act 2006 and (ii) the Reload SARs become exercisable in accordance with their terms. Notwithstanding the foregoing, to the extent that the Company is not able to grant all of the Reload SARs in 2014 because of limits set forth in the Incentive Plan, the Company shall grant the portion of the Reload SARs that could not be granted in 2014 no later than January 2, 2015 with a base price equal to the applicable closing share price on the grant date.

(h) Withholding. The Company will have the right to withhold from payments otherwise due and owing to the Executive, an amount sufficient to satisfy any federal, state, and/or local income and payroll taxes, any amount required to be deducted under any employee benefit plan in which Executive participates or as required to satisfy any valid lien or court order. The Compensation Committee will use reasonable efforts to enable the Executive to pay any taxes required to be withheld in respect of the settled equity-based awards either (i) by having the Company withhold

from the shares delivered to the Executive a number of shares with a fair market value equal to such taxes, and/or (ii) to the extent the Compensation Committee reasonably believes to be appropriate for the Company's cash flow requirements, through a contemporaneous broker-assisted sale of shares by the Executive.

5. Employee Benefits.

(a) During the Employment Period, the Executive shall be eligible to participate in all employee benefit plans and arrangements sponsored or maintained by the Company for the benefit of its senior executive group, including, without limitation, all group insurance plans (term life, medical and disability) and retirement plans, as long as any such plan or arrangement remains generally applicable to its senior executive group. The Executive shall be entitled to vacation leave that is no less favorable than the vacation leave that the Executive was entitled to immediately prior the Effective Date in accordance with Company policy.

(b) The Company will (i) provide the Executive with office space and such other facilities, support staff (Executive Assistant) and services suitable to his position, adequate for the performance of his duties and reasonably acceptable to the Executive and (ii) provide and pay all such reasonable expenses related to the Executive's maintenance of home office facilities and the use of mobile technology in order to fulfill his duties and responsibilities during the Employment Period in a manner consistent with the Company's policies and practices as of the date hereof.

6. Business Expenses. The Executive shall be reimbursed for all reasonable expenses incurred by him in the discharge of his duties, including, but not limited to, expenses for entertainment and travel, provided the Executive shall account for and substantiate all such expenses in accordance with the Company's written policies for its senior executive group. Executive shall be entitled to travel via Company aircraft, pursuant to Company policy, or first class air transportation. The Executive or his designee shall manage and approve the business use of Company aircraft generally consistent with past practices and consistent with Company policy as may be in effect from time to time.

7. Airplane. During the Employment Period, in addition to the other compensation payable under Paragraph 4 of the Agreement, the Executive shall be eligible to use the Company's aircraft, without reimbursement for up to one hundred and twenty (120) hours of personal use in each calendar year. In the event that the Executive exceeds one hundred and twenty (120) hours of personal use in the applicable calendar year, the Executive shall reimburse the Company for such personal use in accordance with the applicable Company policy regarding airplane usage and the Executive's Aircraft Time Sharing Agreement with the Company, dated as of August 23, 2011.

8. Freedom to Contract. The Executive agrees to hold the Company harmless from any and all liability arising out of any prior contractual obligations entered into by the Executive with another employer. The Executive represents and warrants that he has not made and, during the Employment Period, will not make any contractual or other commitments that would conflict with or prevent his performance of any portion of this Agreement or conflict with the full enjoyment by the Company of the rights herein granted. The Company acknowledges that it intends to have the directors' remuneration policy that is submitted for approval at its Annual General Meeting of Shareholders

dated June 26, 2014 approved by the Company's shareholders in accordance with section 439A of the Companies Act 2006 with such policy to be in the form included in the Company's annual proxy statement filed with the U.S. Securities and Exchange Commission on April 30, 2014. The Company further acknowledges and agrees that, in the event that such directors' remuneration policy is not approved by shareholders, the Company shall not submit a directors' remuneration policy for approval of its shareholders that has an effective date prior to January 1, 2015 that is inconsistent in any way with the Company's obligations and the Executive's rights pursuant to subparagraphs 4(c), 4(d) and 4(g) of this Agreement.

9. Termination. Notwithstanding the provisions of Paragraph 2 of this Agreement, the Executive's employment under this Agreement and the Employment Period hereunder may terminate prior to the end of the Term under the following circumstances.

(a) Death. If not terminated earlier, the Executive's employment under this Agreement and the Employment Period shall terminate upon the date of the Executive's death. In such event, the Company shall pay to the Executive's legal representatives or named beneficiaries (as the Executive may designate from time to time in a writing delivered to the Company): (i) the Executive's accrued but unpaid Base Salary through the date of termination, plus (ii) any Annual Bonus for a completed year which was earned but not paid as of the date of termination; plus (iii) any accrued but unused vacation leave pay as of the date of termination; plus (iv) any accrued vested benefits under the Company's employee welfare and tax-qualified retirement plans, in accordance with the terms of those plans; plus (v) reimbursement of any business expenses in accordance with Paragraph 6 hereof ((i), (ii), (iii), (iv) and (v) hereinafter, the "Accrued Benefits"). In addition, (w) the Company shall pay an amount equal to a fraction of the Annual Bonus the Executive would have received for the calendar year of the Executive's death, where the numerator of the fraction is the number of calendar days the Executive was actively employed during the calendar year and the denominator of the fraction is three hundred and sixty-five (365), which amount shall be payable at the time the Company normally pays the Annual Bonus (the " Pro-Rata Bonus"); plus (x) the vesting and exercisability of any options or SARs and the vesting and settlement of any other non-performance based award granted as part of any Annual Equity Grant and the Performance Grant Award (with the performance objective deemed to have been achieved, to the extent not already achieved) shall be accelerated and settled in accordance with the applicable award agreement (with the settlement of the Performance Grant Award to be made as provided in the Performance Grant Award Agreements) and all vested options and SARs granted under this Agreement shall remain outstanding until the earlier of the third anniversary of the date of termination of employment and the expiration of the option or SAR, as applicable, by its original terms; plus (y) the Performance Grant Award shall no longer be subject to the clawback provision set forth in subparagraph 4(c); plus (z) the Executive's family may elect to (1) continue to receive coverage under the Company's group health benefits plan to the extent permitted by, and under the terms of, such plan and to the extent such benefits continue to be provided to the survivors of Company executives at Executive's level in the Company generally, or (2) receive COBRA continuation of the group health benefits previously provided to the Executive's family pursuant to Paragraph 5 (provided his family timely elects such COBRA coverage) in which case the Company shall pay the premiums for such COBRA coverage up to the maximum COBRA period, provided that if the Company determines that the provision of continued group health coverage at the Company's expense may result in Federal

taxation of the benefit provided thereunder to the Executive's family, or in other penalties applied to the Company, then the family shall be obligated to pay the full monthly premium for such coverage and, in such event, the Company shall pay Executive's surviving spouse, in a lump sum (or, if such lump sum would violate Section 409A of the Internal Revenue Code of 1986, as amended (" Section 409A"), in monthly installments), an amount equivalent to the monthly premium for COBRA coverage for the remaining balance of the maximum COBRA period (clause (1) and (2), "Health Benefits Continuation"). If the Executive dies during the Employment Period and prior to the last day of the performance period for any PSUs (or other performance based awards) granted as part of any Annual Equity Grant, then the Executive shall be entitled to a pro-rata portion of such PSUs (or other awards), based upon actual performance through the end of the year during which the Executive ceased providing services, with the number of PSUs (or other awards) earned, if any, to be prorated based on the number of days during the applicable performance period that the Executive was employed by the Company divided by the total number of days in such performance period. The achievement of the pre-determined metrics for the PSUs (or other awards) granted as part of any Annual Equity Grant will be determined by the Compensation Committee at the end of the year during which the Executive ceased providing services and the earned PSUs (or other awards) granted as part of any Annual Equity Grant, after proration as described in the prior sentence, shall be paid no later than March 15 of the year following the year during which the Executive ceased providing services.

(b) Cause. If not terminated earlier, the Executive's employment under this Agreement and the Employment Period shall terminate upon the date specified in a written notice from the Board terminating the Executive's employment for "Cause." In such event, the Company shall pay to the Executive the Accrued Benefits and the Executive shall not be entitled to any other amounts under this Agreement.

The Company shall have "Cause" as a result of:

(i) Willful malfeasance by the Executive in connection with his employment, including embezzlement, misappropriation of funds, property or corporate opportunity or material breach of the Agreement, as determined by the Board after investigation, notice to Executive of the charge and provision to the Executive of an opportunity to respond;

(ii) The Executive committing any act or becoming involved in any situation or occurrence involving moral turpitude, which is materially damaging to the business or reputation of the Company;

(iii) The Executive being convicted of, or pleading guilty or *nolo contendere* to a felony or a crime involving moral turpitude; or

(iv) The Executive repeatedly or continuously refusing to perform his duties hereunder or to follow the lawful directions of the Board (provided such directions do not include meeting any specific financial performance metrics) and are consistent with his position as the Company's Chief Executive Officer.

The Executive's employment shall not be terminated for Cause under this subparagraph (b) unless the Company notifies the Executive in writing of its intention to terminate his employment for Cause, describes with reasonable specificity the circumstances giving rise thereto, gives the Executive the opportunity, together with counsel, to be heard before the Board at a meeting of the Board called and held solely for such purpose, and provides the Executive a period of at least twenty (20) business days after the Executive is heard by the Board to cure, and the Executive has failed to effect such a cure within such period.

(c) Other than for Cause or for Good Reason. If not terminated earlier, the Executive's employment under this Agreement and the Employment Period shall terminate upon the date specified in a written notice (A) from the Board terminating the Executive's employment for any reason other than for Cause, the Executive's death, the Executive's Disability, (and in the event no date is specified in the notice, the termination shall be effective upon the date on which the notice is delivered to the Executive); or (B) from the Executive terminating his employment for "Good Reason."

(i) In such event, the Company shall pay or provide to the Executive: (t) the Accrued Benefits; plus (u) a Pro-Rata Bonus, which amount shall be payable at the time the Company normally pays the Annual Bonus and subject to achievement of the applicable performance metric; plus (v) an amount equal to one-twelfth (1/12) of the average annualized Base Salary the Executive was earning in the calendar year of the termination of employment and the immediately preceding calendar year, multiplied by the applicable number of months in the Severance Period, which amount shall be paid in substantially equal payments over the course of the Severance Period in accordance with the Company's normal payroll practices during such period; plus (w) an amount equal to one-twelfth (1/12) of the average Annual Bonus paid to the Executive for the immediately preceding two (2) performance years (regardless of when the Annual Bonus is actually paid), multiplied by the number of months in the Severance Period, which amount shall be paid in substantially equal payments over the course of the Severance Period in accordance with the Company's normal payroll practices during such period; plus (x) the vesting and exercisability of any options or SARs and the vesting and settlement of other non-performance based award granted as part of any Annual Equity Grant and the Performance Grant Award (to the extent that the performance objective is achieved in accordance with the terms of the Performance Grant Award Agreements) shall be accelerated and settled in accordance with the applicable award agreement (with the settlement of the Performance Grant Award to be consistent with the terms of the Performance Grant Award Agreements) and all vested options and SARs granted under this Agreement shall remain outstanding until the earlier of the third anniversary of the date of termination of employment and the expiration of the option or SAR, as applicable, by its original terms; plus (y) the Performance Grant Award shall no longer be subject to the clawback provision set forth in subparagraph 4(c); plus (z) Health Benefits Continuation ((u), (v), (w), (x) (y) and (z) hereinafter, the " Severance Benefits"). For the purposes of this Agreement, the "Severance Period" shall be a period of twenty-four (24) months commencing on the termination of the Executive's employment.

(ii) If the Executive's employment is terminated by the Executive for Good Reason or by the Company other than for Cause, the Executive shall continue to earn each of the outstanding PSUs (or other performance based awards) granted as part of any Annual Equity Grant, if and to the extent the performance metrics are satisfied during the applicable performance period, based upon actual performance through the end of the applicable performance period, as certified by the Compensation Committee, as if the Executive's employment had not terminated. The earned PSUs (or other performance based awards) granted as part of any Annual Equity Grant, if any, shall be paid no later than March 15 of the year following the last year of the applicable performance period. If such termination occurs prior to the Executive receiving all of the Annual Equity Grants provided for in subparagraph 4(e), the Company shall pay the Executive additional amounts equal to the Applicable Percentage of the Annual Grant Value (disregarding the effect of any reduction by the Compensation Committee) of each of the Annual Equity Grants that would have been made between the date of the termination of the Executive's employment and December 31 of the year preceding the end of the Term, with such amounts to be paid to the Executive in lump sum cash payments during the first ninety (90) days of the applicable grant year and each such payment being equal to the Applicable Percentage of the Annual Grant Value of the Annual Equity Grant that was to be made in the applicable grant year. For purposes of this subparagraph 9(c)(ii), the "Applicable Percentage" shall mean the percentage of the Annual Grant Value of the most recent Annual Equity Grant prior to the Executive's date of termination that was made in the form of PSUs (or other full value awards); provided, however, that the Applicable Percentage shall never be less than fifty percent (50%).

(iii) If the Executive's employment is terminated by the Executive for Good Reason or by the Company other than for Cause prior to the Executive receiving all of the Annual Equity Grants provided for in subparagraph 4(e), then, in respect of SARs, options or other share-based appreciation awards that would have been granted as part of Annual Equity Grants between the date of the termination of the Executive's employment and December 31 of the year preceding the end of the Term (the "Ungranted Appreciation Awards"), the Company shall pay the Executive on each date in the future when Ungranted Appreciation Awards would have vested (based on (x) an assumed grant date of January 2 of the applicable year (or on the first day of public trading of the Company's ordinary shares after January 2 of the applicable year) (the " Deemed Grant Date"), (y) twenty-five percent (25%) annual vesting on each anniversary of the Deemed Grant Date, and (z) the number of Ungranted Appreciation Awards for each applicable Deemed Grant Date being determined based on the Appreciation Award Percentage of the Annual Grant Value (disregarding the effect of any reduction by the Compensation Committee) of the Annual Equity Grants that would have been made in the year of the Deemed Grant Date), a lump sum cash payment equal in amount to the product of (x) the number of shares underlying the Ungranted Appreciation Awards that would have vested on the applicable deemed vesting date and (y) the difference between (A) the applicable closing date share price on the deemed vesting date and (B) the applicable closing date share price on the Deemed Grant Date (the " Phantom Appreciation Awards"). In the event the Company does not have any publicly traded shares, or as a result of a Change in Control the publicly traded share price does not (in the reasonable determination of the Board) accurately reflect the value of the business managed by the

Executive, then the "base price" or "exercise price"(as applicable) and "appreciated value on exercise" of such Phantom Appreciation Awards shall be determined assuming a seven percent (7%) annual rate of growth (compounded annually), commencing from the date ten (10) days prior the last business day the Company had publicly traded shares, or the date ten (10) days prior to such Change in Control (as a result of which the Board determined the publicly traded share price does not accurately reflect the value of the business managed by the Executive), as applicable, in each case with such value determined using the average closing price of the applicable shares on the ten (10) days preceding and including such date and the ten (10) days following such date. For purposes of this subparagraph 9(c)(iii), the Appreciation Award Percentage shall be one hundred percent (100%) minus the Applicable Percentage.

(iv) The Executive shall have "Good Reason" as a result of the Company's:

(1) reduction of Executive's Base Salary;

(2) material reduction in the amount of the Annual Bonus which Executive is eligible to earn;

(3) reduction in the target equity value of an Annual Equity Grant to the Executive from the target equity value of the Annual Equity Grant granted to the Executive by the Company for the prior year or the failure of the Compensation Committee for two (2) consecutive years to grant the Executive an Annual Equity Grant with a target equity value that is greater than the target equity value for the prior year's Annual Equity Grant;

(4) relocation of Executive's primary office at the Company to a facility or location that is more than thirty-five (35) miles away from Executive's primary office location immediately prior to such relocation;

(5) a material and adverse change to the Executive's position, title, duties, authority reporting requirements, or responsibilities; including, without limitation, the Executive (A) no longer being the chief executive officer of a publicly traded entity or (B) being the chief executive officer of an entity that is the subsidiary of another entity (and not also the chief executive officer of the ultimate parent entity);

(6) the Executive ceasing to be a member of the Executive Committee of the Board (or of a successor committee of the Board that has similar powers and responsibilities), unless the Executive is no longer a member of the Board or there is no longer an Executive Committee of the Board (or a successor committee of the Board with similar powers and responsibilities);

(7) the Company's delivery to the Executive of a notice of intent not to renew the then Initial Term or the Renewal Term, as applicable, pursuant to Paragraph 2;

(8) the Company's failure to re-nominate the Executive to serve on the Board, the Company removing the Executive from the Board or the failure to re-elect the Executive to the Board;

(9) following a Change in Control, the Executive's target total direct compensation (including cash and equity incentive opportunities) is not increased such that it is at or above the 75 th percentile for chief executive officers at peer companies of the successor entity (based on the peer group used by such successor entity following consummation of the Change in Control) or, if no such peer group has been determined, at or above the 75 th percentile for chief executive officers of companies of comparable size and industry; provided that in no event shall such target total direct compensation be less than the 75th percentile for chief executive officers of the comparator group set forth in the Company's most recently filed annual proxy statement prior to the date of the consummation of the Change in Control; or

(10) a material breach of this Agreement.

The Executive's employment shall not be terminated for Good Reason under this subparagraph (c) unless the Executive notifies the Board in writing, within ninety (90) days of the event or last event giving rise to the alleged Good Reason, of his intention to terminate his employment for Good Reason, describes with reasonable specificity the circumstances giving rise thereto, and (provided such circumstances are susceptible of being cured by the Company) provides the Company a period of at least twenty (20) business days to cure, and the Company has failed to effect such a cure within such period and the Executive then resigns within thirty (30) business days following the end of the cure period.

(d) Disability. If not terminated earlier, the Executive's employment under this Agreement and the Employment Period shall terminate upon the date specified in a written notice from the Board of Directors terminating the Executive's employment for Disability. In the event of the Executive's Disability, the Company shall pay to the Executive (i) the Accrued Benefits; plus (ii) a Pro-Rata Bonus, which amount shall be payable at the time the Company normally pays the Annual Bonus; plus (iii) the vesting and exercisability of any options or SARs and the vesting and settlement of any other non-performance based award granted as part of any Annual Equity Grant and the Performance Grant Award (with the performance objective deemed to have been achieved, to the extent not already achieved) shall be accelerated and settled in accordance with the applicable award agreement (with the settlement of the Performance Grant Award to be made as provided in the Performance Grant Award Agreements) and all vested options and SARs granted under this Agreement shall remain outstanding until the earlier of the third anniversary of the date of termination of employment and the expiration of the option or SAR, as applicable, by its original terms; plus (iv) the Performance Grant Award shall no longer be subject to the clawback provision set forth in subparagraph 4(c); plus (v) Health Benefits Continuation. If the Executive's employment is terminated as a result of Disability prior to the last day of the performance period for any PSUs (or other performance based awards) granted as part of any Annual Equity Grant, then the Executive shall be entitled to a pro-rata portion of such PSUs (or other awards), based upon actual performance through the end of the year during which the termination of employment occurs, with the number of PSUs (or other awards) earned, if any, to be prorated based on the number of days during the applicable performance period that the Executive was employed by the Company divided by the total number of days in such performance period. The achievement of the pre-determined metrics for the PSUs (or other awards) granted as part of any Annual Equity Grant will be determined by the Compensation Committee at the end of the year during which the Executive's employment

terminated, and the earned PSUs (or other awards) granted as part of any Annual Equity Grant, after proration as described in the prior sentence, shall be paid no later than March 15 of the year following the year during which the Executive's employment terminated. For purposes of this Agreement, the Executive shall be deemed to have a "Disability" if the Executive is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months, as supported by a written opinion of a physician and determined by the Company.

(e) Termination by the Executive Without Good Reason. If not terminated earlier, the Executive's employment under this Agreement and the Employment Period shall terminate upon the date the Executive retires, resigns or otherwise terminates his employment with the Company other than for Good Reason or on account of Executive's death. In the event of the Executive terminates his employment other than for Good Reason, the Executive shall be entitled only to the Accrued Benefits and the Executive shall not be entitled to any other amounts under this Agreement.

(f) Change in Control. If the Executive remains employed by the Company (or its successor) for twelve (12) months following a Change in Control, then the outstanding unvested options, SARs or other non-performance based awards granted pursuant to this Agreement will become fully vested as of the first anniversary of the Change in Control and the outstanding PSUs (or other performance based awards, including the Performance Grant Award) granted pursuant to this Agreement shall vest (with performance deemed earned at maximum level for awards for which the performance period has not expired, regardless of actual performance) and shall settle on the first anniversary of the Change in Control. Immediately upon the consummation of a Change in Control, the Performance Grant Award shall no longer be subject to the clawback provision set forth in subparagraph 4(c). In the event the Executive's employment is terminated other than for Cause (which for the purposes of this subparagraph 9(f) shall be limited to clause (iii) of the definition of Cause set forth in subparagraph 9(b) or for Good Reason (pursuant to subparagraph 9(c)) within thirteen (13) months following a Change in Control, then the Executive shall be treated as if his employment was terminated pursuant to subparagraph 9(c) except that (x) the Severance Period shall be the lesser of: (1) thirty-six (36) months; or (2) the number of full calendar months remaining until the expiration of the Term; provided that in no event shall the Severance Period be less than the Severance Period determined under subparagraph 9(c) without regard to this subparagraph 9(f); and (y) the outstanding PSUs (or other performance based awards, including the Performance Grant Award) granted pursuant to this Agreement shall vest (with performance deemed earned at maximum level regardless of actual performance for awards for which the performance period has not expired) and shall be settled in accordance with the applicable award agreement (with the settlement of the Performance Grant Award to be consistent with the terms of the Performance Grant Award Agreements). For the purposes of this Agreement, "Change in Control" shall mean (A) an Approved Transaction; (B) a Control Purchase; or (C) a Board Change, each as defined in the Incentive Plan as in effect on the date hereof. Notwithstanding the foregoing, a Change in Control will not accelerate the payment of any "deferred compensation" (as defined under Section 409A) unless the Change in Control also qualifies as a change in control under Treasury Regulation 1.409A-3(i)(5).

(g) Following the termination of the Employment Period and the Executive's employment under this Agreement, the Company will have no further liability to the Executive hereunder and no further payments will be made to him, except as provided in subparagraphs (a) through (f) above. On or following the date of termination of the Executive's employment pursuant to subparagraph (c), (d) or (f) above, in consideration of the payments to be made to the Executive pursuant to such subparagraph and as a condition to the payment thereof, the Executive agrees to execute a release of any claims against the Company, its employees, officers, directors, members, shareholders, affiliates and subsidiaries arising out of, in connection with or relating to the Executive's employment with or termination of employment from the Company including any claims under the terms of this Agreement and including a release of claims under the Age Discrimination in Employment Act, in substantially the form attached hereto as Exhibit C. The release must become irrevocable within sixty (60) calendar days after termination. Payment of any "409A Payment" (as defined in subparagraph 12(a)) shall be made as provided in subparagraph (c), (d) or (f), as modified by subparagraph 12(a), but, in any event, not before the first business day of the year subsequent to the year in which occurs the date of termination if the sixty (60) calendar day period specified above ends in the calendar year subsequent to such date of termination.

10. Restrictive Covenants.

(a) Exclusive Services. The Executive shall during the Employment Period, except during vacation periods, periods of illness and the like, devote substantially all of his business time and attention to his duties and responsibilities for the Company. During the Executive's employment with the Company, the Executive shall not engage in any other business activity that would materially interfere with his responsibilities or the performance of his duties under this Agreement, provided that the Executive may sit on the boards of directors of other entities (and earn compensation relating to such service as a director) and (i) engage in civic and charitable activities and (ii) manage personal investments and affairs, in each case so long as such other activities do not materially interfere with the performance of his duties hereunder.

(b) Non-Solicitation, Non-Interference and Non-Competition. As a means to protect the Company's legitimate business interests including protection of the "Confidential Information" (as defined in subparagraph 10(c)) of the Company (Executive hereby agreeing and acknowledging that the activities prohibited by this Paragraph 10 would necessarily involve the use of Confidential Information), during the "Restricted Period" (as defined below), the Executive shall not, directly, indirectly or as an agent on behalf of any person, firm, partnership, corporation or other entity:

(i) solicit for employment, consulting or any other provision of services or hire any person who is a full-time or part-time employee of (or in the preceding six (6) months was employed by) the Company (or a Company Entity) or an individual performing, on average, twenty or more hours per week of personal services as an independent contractor to the Company (or a Company Entity), provided the prohibition in this clause (i) shall not apply to the Executive's Executive Assistant. This includes, but is not limited to, inducing or attempting to induce, or influencing or attempting to influence, any such person to terminate his or her employment or performance of services with or for the Company (or a Company Entity); or

(ii) (x) solicit or encourage any person or entity who is or, within the prior six (6) months, was a customer, producer, advertiser, distributor or supplier of the Company (or a Company Entity) during the Employment Period to discontinue such person's or entity's business relationship with the Company (or a Company Entity); or (y) discourage any prospective customer, producer, advertiser, distributor or supplier of the Company (or a Company Entity) from becoming a customer, producer, advertiser, distributor or supplier of the Company (or a Company Entity); provided that the restrictions of this clause (ii) shall apply only to customers, producers, advertisers, distributors or suppliers of the Company with which the Executive had personal contact, or for whom the Executive had some responsibility in the performance of the Executive's duties for the Company, during the Employment Period; or

(iii) hold any interest in (whether as owner, investor, shareholder, lender or otherwise) or perform any services for (whether as employee, consultant, advisor, director or otherwise), including the service of providing advice for, a Competitive Business. For the purposes of this Agreement, a "Competitive Business" shall be any entity that directly or through subsidiaries in which it has a controlling interest operates a cable, satellite or broadband communications system that is in direct competition with the Company in any country or other geographic market in which the Company has a market share in excess of 35% or owns a controlling interest in an entity that has a market share in excess of 35%.

(iv) The "Restricted Period" shall begin on the Effective Date and shall expire on the second anniversary of the Executive's termination of employment with the Company; provided that if the Executive's employment has terminated pursuant to subparagraph 9(c) or 9(f), then the Executive may elect to forego all Severance Benefits which would be paid more than one (1) year after the Executive's termination of employment with the Company, in which event the Restricted Period shall be limited to one (1) year after the Executive's termination of employment with the Company.

(v) Notwithstanding clauses (iii) and (iv) above, the Executive may own, directly or indirectly, an aggregate of not more than ten percent (10%) of the outstanding shares or other equity interest in any entity that engages in a Competitive Business, so long as such ownership therein is solely as a passive investor and does not include the performance of any services (as director, employee, consultant, advisor or otherwise) to such entity.

(c) Confidential Information.

(i) No Disclosure. Executive shall not, at any time (whether during or after the Employment Period) (x) retain or use for the benefit, purposes or account of himself or any other person or entity, or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any person or entity outside the Company (other than its shareholders, directors, officers, managers, employees, agents, counsel, investment advisers or representatives in the normal course of the performance of their duties), any non-public, proprietary or confidential information (including trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs,

products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approval) concerning the past, current or future business, activities and operations of the Company, any Company Entities and/or any third party that has disclosed or provided any of same to the Company on a confidential basis ("Confidential Information") without the prior authorization of the Board. Confidential Information shall not include any information that is (A) generally known to the industry or the public other than as a result of the Executive's breach of this Agreement; (B) is or was available to the Executive on a non-confidential basis prior to its disclosure to such Executive by the Company (or a Company Entity), or (C) made available to the Executive by a third party who, to the best of the Executive's knowledge, is or was not bound by a confidentiality agreement with (or other confidentiality obligation to) the Company (or a Company Entity) or another person or entity. The Executive shall handle Confidential Information in accordance with the applicable federal securities laws.

(ii) Permitted Disclosures. Notwithstanding the provisions of the immediately preceding clause (i), nothing in this Agreement shall preclude the Executive from (x) using any Confidential Information in any manner reasonably connected to the conduct of the Company's business; or (y) disclosing the Confidential Information to the extent required by applicable law, rule or regulation (including complying with any oral or written questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process to which Executive is subject), provided that the Executive gives the Company prompt notice of such request(s), to the extent practicable, so that the Company may seek an appropriate protective order or similar relief (and the Executive shall cooperate with such efforts by the Company, and shall in any event make only the minimum disclosure required by such law, rule or regulation). Nothing contained herein shall prevent the use in any formal dispute resolution proceeding (subject, to the extent possible, to a protective order) of Confidential Information in connection with the assertion or defense of any claim, charge or other dispute by or against the Company or the Executive.

(iii) Return All Materials. Upon termination of the Executive's employment for any reason, the Executive shall (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company (or a Company Entity), (y) immediately destroy, delete, or return to the Company (at the Company's option) all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in the Executive's possession or control (including any of the foregoing stored or located in the Executive's office, home, smartphone, laptop or other computer, whether or not such computer is Company property) that contain Confidential Information or otherwise relate to the business of the Company, except that the Executive may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information; and (z) notify and fully cooperate with the Company regarding the delivery or destruction of any other Confidential Information of which the Executive is or becomes aware; provided that nothing in this Agreement or elsewhere shall prevent the Executive from retaining and utilizing:

documents relating to his personal benefits, entitlements and obligations; documents relating to his personal tax obligations; his desk calendar, rolodex, and the like; and such other records and documents as may reasonably be approved by the Company.

(d) Reasonableness of Covenants. The Executive acknowledges and agrees that the services to be provided by him under this Agreement are of a special, unique and extraordinary nature. The Executive further acknowledges and agrees that the restrictions contained in this Paragraph 10 are necessary to prevent the use and disclosure of Confidential Information and to protect other legitimate business interests of the Company. The Executive acknowledges that all of the restrictions in this Paragraph 10 are reasonable in all respects, including duration, territory and scope of activity. The Executive agrees that the restrictions contained in this Paragraph 10 shall be construed as separate agreements independent of any other provision of this Agreement or any other agreement between the Executive and the Company. The Executive agrees that the existence of any claim or cause of action by the Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and restrictions in this Paragraph 10. The Executive agrees that the restrictive covenants contained in this Paragraph 10 are a material part of the Executive's obligations under this Agreement for which the Company has agreed to compensate the Executive as provided in this Agreement. The Restricted Period referenced above shall be tolled on a day-for-day basis for each day during which the Executive violates the provisions of the subparagraphs above in any respect, so that the Executive is restricted from engaging in the activities prohibited by the subparagraphs for the full period.

(e) No Other Post-Employment Restrictions. There shall be no contractual, or similar, restrictions on the Executive's right to terminate his employment with the Company, or on his post-employment activities, other than as expressly set forth in this Agreement.

11. Intangible Property. The Executive will not at any time during or after the Employment Period have or claim any right, title or interest in any trade name, trademark, or copyright belonging to or used by the Company or Company Entities it being the intention of the Parties that the Executive shall, and hereby does, recognize that the Company or Company Entities now has and shall hereafter have and retain the sole and exclusive rights in any and all such trade names, trademarks and copyrights (all the Executive's work in this regard being a work for hire for the Company under the copyright laws of the United States). The Executive shall cooperate fully with the Company during his employment and thereafter in the securing of trade name, patent, trademark or copyright protection or other similar rights in the United States and in foreign countries and shall give evidence and testimony and execute and deliver to the Company all papers reasonably requested by it in connection therewith, provided however that the Company shall reimburse the Executive for reasonable expenses related thereto.

12. Miscellaneous.

(a) 409A Limitations. To the extent that any payment to the Executive constitutes a "deferral of compensation" subject to Section 409A (a "409A Payment"), and such payment is triggered by the Executive's termination of employment for any reason other than death, then such 409A Payment shall not commence unless and until the Executive has experienced a "separation

from service," as defined in Treasury Regulation 1.409A-1(h) ("Separation from Service"). Furthermore, if on the date of the Executive's Separation from Service, the Executive is a "specified employee," as such term is defined in Treas. Reg. Section 1.409A-1(h), as determined from time to time by the Company, then such 409A Payment shall not be made to the Executive prior to the earlier of (i) six (6) months after the Executive's Separation from Service; or (ii) the date of his death. The 409A Payments under this Agreement that would otherwise be made during such period shall be aggregated and paid in one (1) lump sum, without interest, on the first business day following the end of the six (6) month period or following the date of the Executive's death, whichever is earlier, and the balance of the 409A Payments, if any, shall be paid in accordance with the applicable payment schedule provided in this Agreement. The intent of the parties hereto is that payments and benefits under this Agreement comply with or be exempt from Section 409A and the regulations and guidance promulgated thereunder. Accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith or exempt therefrom. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "paid within sixty (60) days") following the Executive's termination of employment, such payment shall commence following the Executive's Separation from Service and the actual date of payment within the specified period shall be within the sole discretion of the Company. With respect to reimbursements (whether such reimbursements are for business expenses or, to the extent permitted under the Company's policies, other expenses) and/or in-kind benefits, in each case, that constitute deferred compensation subject to Section 409A, each of the following shall apply: (x) no reimbursement of expenses incurred by the Executive during any taxable year shall be made after the last day of the following taxable year of the Executive; (y) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a taxable year of the Executive shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, to the Executive in any other taxable year; and (z) the right to reimbursement of such expenses or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(b) Equity Awards. If there is any discrepancy between the terms set forth herein for any equity awards promised to be awarded to the Executive under this Agreement, and the terms of the award agreements memorializing such awards, then the terms of the equity awards as set forth in this Agreement shall control.

(c) Legal Fees. The Company agrees to pay as incurred (within thirty (30) business days following the Company's receipt of an invoice from the Executive), all reasonable legal fees and expenses that the Executive incurs in connection with the negotiation and execution of this Agreement.

(d) Indemnification. The Company shall indemnify the Executive to the fullest extent permitted by applicable law and the Deed of Indemnity by and between the Executive and the Company in the event that he was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, by reason of the fact that the Executive is or was a director, officer, employee or agent of the Company or any of its affiliates. Expenses incurred by the Executive in defending any such claim, action, suit or proceeding shall accordingly be paid by the Company, to the fullest extent permitted by applicable law, in advance of the final disposition of such claim, action, suit or proceeding upon receipt of an undertaking by or on behalf of the

Executive to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Company as authorized in this subparagraph 12(d). In addition, a directors' and officers' liability insurance policy (or policies) shall be kept in place, during the Employment Period and thereafter for the duration of any period in which a civil, equitable, criminal or administrative proceeding may be brought against the Executive, providing coverage to the Executive that is no less favorable to the Executive in any respect (including with respect to scope, exclusions, amounts, and deductibles) than the coverage then being provided with respect to periods after the Effective Date to any other present or former senior executive or director of the Company.

(e) Waiver or Modification. Any waiver by either Party of a breach of any provision of this Agreement shall not operate as, or to be, construed to be a waiver of any other breach of such provision of this Agreement. The failure of a Party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be considered a waiver or deprive that Party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Neither this Agreement nor any part of it may be waived, changed or terminated orally, and any waiver, amendment or modification must be in writing and signed by each of the Parties.

(f) Successors and Assigns. The rights and obligations of the Company under this Agreement shall be binding on and inure to the benefit of the Company, its successors and permitted assigns. The rights and obligations of the Executive under this Agreement shall be binding on and inure to the benefit of the heirs and legal representatives of the Executive. The Company may assign this Agreement to a successor in interest, including the purchaser of all or substantially all of the assets of the Company, provided that the Company shall remain liable hereunder unless the assignee purchased all or substantially all of the assets of the Company. The Executive may not assign any of his duties under this Agreement.

(g) Mitigation/Offset. The Executive shall be under no obligation to seek other employment or to otherwise mitigate the obligations of the Company under this Agreement, and there shall be no offset against amounts or benefits due to the Executive under this Agreement or otherwise on account of any claim the Company or its affiliates may have against the Executive or any remuneration or other benefit earned or received by Executive after such termination.

(h) 280G Matters

(i) Gross-Up Waiver. The Executive hereby waives all rights to any additional payments intended to make him whole for any taxes relating to "parachute payments" (as defined in Section 280G of the Internal Revenue Code of 1986, as amended (the "Code")), including excise taxes imposed by Section 4999 of the Code and any related federal, state or local taxes (including any interest or penalties imposed with respect to such taxes) under any plans, agreements or arrangements, including the Performance Share Unit Agreements by and between the Executive and the Company.

(ii) Potential Reduction in Payments. The following shall apply with respect to all plans, agreements and arrangements applicable to the Executive and shall supersede any provisions in such plans, agreements or arrangements relating to the reduction of payments or benefits in connection with Section 280G and Section 4999 of the Code.

(1) (A) If the aggregate of all amounts and benefits due to the Executive under this Agreement or under any other arrangement with the Company would, if received by the Executive in full and valued under Section 280G of the Code, constitute "parachute payments" as defined in and under Section 280G of the Code (collectively, " 280G Benefits"), and if (B) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed pursuant to Section 4999 of the Code, be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate 280G Benefits equal (as valued under Section 280G of the Code) to three times the Executive's "base amount" as defined in and under Section 280G of the Code, less $1.00, then (C) such 280G Benefits shall be reduced by reducing payments and benefits to the extent necessary so that the aggregate 280G Benefits received by the Executive will not constitute parachute payments with such reduction to occur in the following order: (w) any cash severance payments under subparagraph 9(f), (x) any cash payments under subparagraph 9(c)(ii) and 9(c)(iii), (y) any other cash payments that would be made upon a termination of the Executive's employment, beginning with payments that would be made last in time and (z) any accelerated vesting of outstanding share awards, with the vesting of any outstanding share awards for which the amount considered contingent on the change in ownership or control is determined in accordance with Treasury Regulation 1.280G-1, Q&A 24(c) to be reduced last in time. The determinations with respect to this subparagraph 12(h)(ii) shall be made by an independent auditor (the "Auditor") paid by the Company. The Auditor shall be a nationally recognized certified public accounting firm or other professional organization that is a certified public accounting firm recognized as an expert in determinations and calculations for purposes of Section 280G of the Code that is selected by the Executive and reasonably acceptable to the Company (as it exists prior to a Change in Control) for purposes of making the applicable determinations hereunder

(2) It is possible that after the determinations and selections made pursuant to this subparagraph 12(h)(ii), the Executive will receive 280G Benefits that are, in the aggregate, either more or less than the amount provided under this subparagraph 12(h)(ii) (hereafter referred to as an "Excess Payment" or "Underpayment," respectively). If it is established, pursuant to a final determination of a court or an Internal Revenue Service proceeding that has been finally and conclusively resolved, that an Excess Payment has been made, then the Executive shall promptly pay an amount equal to the Excess Payment to the Company, together with interest on such amount at the applicable federal rate (as defined in and under Section 1274(d) of the Code) from the date of the Executive's receipt of such Excess Payment until the date of such payment. In the event that it is determined by the Auditor upon request by a Party, that an Underpayment has occurred, the Company shall promptly pay an amount equal to the Underpayment to the Executive, together with interest on such amount at the applicable federal rate from the date such amount would have been paid to the Executive had the provisions of this subparagraph 12(h)(ii) not been applied until the date of such payment.

(3) The Company agrees that, in connection with making determinations under this subparagraph 12(h)(ii), it shall instruct the Auditor to take into account the value of any reasonable compensation for services to be rendered by the Executive before or after the Change in Control in connection with making determinations with respect to Section 280G and/or Section 4999 of the Code, including the non-competition provisions applicable to the Executive under subparagraph 10(b) of this Agreement and any other non-competition provisions that may apply to the Executive, and the Company agrees to fully cooperate in the valuation of any such services, including any non-competition provisions.

(i) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall, when executed, be deemed to be an original and all of which shall be deemed to be one and the same instrument.

(j) Governing Law; Dispute Resolution. This Agreement will be governed and construed and enforced in accordance with the laws of the State of Colorado, without regard to its conflicts of law rules. Any dispute, controversy or claim, whether based on contract, tort or statute, between the Parties arising out of or relating to or in connection with this Agreement, or in any amendment, modification hereof (including, without limitation, any dispute, controversy or claim as to the validity, interpretation, enforceability or breach of this Agreement or any amendment or modification hereof, will be resolved in the state or federal courts located in the State of Colorado. The parties acknowledge that venue in such courts is proper and that those courts possess personal jurisdiction over them, to which the Parties' consent. It is agreed that service of process may be effectuated pursuant to subparagraph 12(m) of this Agreement.

(k) Entire Agreement. This Agreement contains the entire understanding of the Parties relating to the subject matter of this Agreement and supersedes all other prior written or oral agreements, understandings or arrangements regarding the subject matter hereof. The Parties each acknowledges that, in entering into this Agreement, he/it does not rely on any statements or representations not contained in this Agreement.

(l) Severability. Any term or provision of this Agreement which is determined to be invalid or unenforceable by any court of competent jurisdiction in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction and such invalid or unenforceable provision shall be modified by such court so that it is enforceable to the extent permitted by applicable law.

(m) Notices. Except as otherwise specifically provided in this Agreement, all notices and other communications required or permitted to be given under this Agreement shall be in writing and delivery thereof shall be deemed to have been made (i) three (3) business days following the date when such notice shall have been deposited in first class mail, postage prepaid, return receipt requested, or any comparable or superior postal or air courier service then in effect, or (ii) on the date transmitted by hand delivery to, or (iii) on the date transmitted by facsimile or email transmission (with receipt confirmed by telephone), to the Party entitled to receive the same, at the address

indicated below or at such other address as such Party shall have specified by written notice to the other Party hereto given in accordance herewith:

If to the Company:	Liberty Global plc Attn: General Counsel 12300 Liberty Boulevard Englewood, CO 80112 Tel: 303-220-6600 Fax: 303-220-6641
With a copy to:	Baker Botts LLP One Shell Plaza 910 Louisiana Street Attention: Gail Stewart, Esq. Houston, Texas 77002-4995 Tel: 713-229-1234 Fax: 713-229-1522
If to the Executive:	Michael T. Fries At the home address then on file with the Company
With a copy to:	Fried, Frank, Harris, Shriver & Jacobson LLP One New York Plaza Attention: Donald P. Carleen, Esq. New York, NY 10004 Tel: 212-859-8000 Fax: 212-859-4000

(n) General Interpretive Principles. The name assigned this Agreement and headings of the sections, paragraphs, subparagraphs, clauses and subclauses of this Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of any of the provisions hereof. Words of inclusion shall not be construed as terms of limitation herein, so that references to "include," "includes" and "including" shall not be limiting and shall be regarded as references to non-exclusive and non-characterizing illustrations. Any reference to a Section of the Internal Revenue Code of 1986, as amended, shall be deemed to include any successor to such Section.

(o) No Third Party Beneficiaries. This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this Agreement.

(p) Survival. The covenants, agreements, representations and warranties contained in this Agreement shall survive the termination of the Employment Period and the Executive's termination of employment with the Company for any reason.

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the Parties as of the first date written above.

Michael T. Fries

/s/ Michael T. Fries

LIBERTY GLOBAL PLC

By: /s/ Bryan H. Hall
Its: Authorized Signatory

LIBERTY GLOBAL, INC.

By: /s/ Bryan H. Hall
Its: EVP, Secretary and General Counsel

Exhibit A

Performance Grant Award Agreement - Class A

Exhibit B

Performance Grant Award Agreement - Class B

Exhibit C

Waiver and Release Agreement

WAIVER AND RELEASE AGREEMENT

I, Michael T. Fries, do freely and voluntarily enter into this WAIVER AND RELEASE AGREEMENT (this "Agreement"), intending to be legally bound, according to the terms set forth below. I acknowledge that my employment with any and all of Liberty Global plc, Liberty Global, Inc. (collectively, the "Company"), and their affiliates (together with the Company, the "Employer") has been terminated as of ____________________ (the "Termination Date").

I acknowledge that my Employer has agreed to provide me certain benefits (the "Benefits") pursuant to Section 9(__) of my employment agreement with Liberty Global plc and Liberty Global, Inc., effective as of April 30, 2014 (the "Employment Agreement"). Such Benefits shall be provided in accordance with the terms and conditions of the Employment Agreement.

I understand that the Company will not deduct from the Benefits any employee contributions to the Liberty Global, Inc. 401(k) Savings and Stock Ownership Plan (the "Plan").

For this valuable consideration, I hereby agree and state as follows:

1. I, individually and on behalf of my successors, heirs and assigns, release, waive and discharge Employer, and any of its parents, subsidiaries, or otherwise affiliated corporations, partnerships or business enterprises, and their respective present and former directors, officers, shareholders, employees, and assigns (hereinafter, "Released Parties"), from any and all causes of action, claims, charges, demands, losses, damages, costs, attorneys' fees and liabilities of any kind that I may have or claim to have relating to my employment relationship with the Employer, including my service as a director of the Company, or the termination thereof, relating to or arising out of any act of commission or omission from the beginning of time through the date of my execution of this Agreement; provided, however, nothing contained herein shall release any claim I may have: (i) for indemnification under Employer's constituent documents or any other agreement that I have with any of the Released Parties; (ii) for unemployment compensation benefits; (iii) to enforce the obligations of Employer set forth in the Employment Agreement; (iv) to vested amounts held in my name in accordance with the conditions and terms of any plan, program or arrangement sponsored or maintained by any of the Released Parties, including, without limitation the Plan and any nonqualified deferred compensation plan; (v) to outstanding equity awards granted to me (collectively, the "Grants"), which shall be subject to the terms and conditions of the applicable incentive plan and the agreement evidencing the respective Grant, as modified by the Employment Agreement; (vi) to benefits under any employee benefit plan maintained or sponsored by any of the Released Parties, including health care continuation under COBRA; (vii) to rights as a shareholder of the Company; or (viii) to rights under my letter agreement with the Malone LG 2013 Charitable Remainder Unitrust, dated as of February 13, 2014.

2. This release includes, but is not limited to, the following claims, and shall apply to claims made in the United States, and/or the United Kingdom where such a claim can be made in the United Kingdom:

a. Claims under federal, state, local or foreign laws prohibiting age, sex, race, national origin, disability, religion, sexual orientation, marital status, retaliation, or any other form of discrimination, or mistreatment, such as, but not limited to, the Age Discrimination in Employment Act, (29 U.S.C. §621 et seq), Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, 42 U.S.C. §1981, §1985, §1986, the Americans with Disabilities Act, and the National Labor Relations Act, as amended, 29 U.S.C. §151, et seq;

b. Intentional or negligent infliction of emotional distress, defamation, invasion of privacy, and other tort claims;

c. Breach of express or implied contract claims;

d. Promissory estoppel claims;

e. Retaliatory discharge claims;

f. Wrongful discharge claims;

g. Breach of any express or implied covenant of good faith and fair dealing;

h. Constructive discharge;

i. Claims arising out of or related to any applicable federal, state or foreign constitutions;

j. Claims for compensation, including without limitation, any wages, bonus payments, on call pay, overtime pay, commissions, and any other claim pertaining to local, state, federal or foreign wage and hour or other compensation laws, such as, but not limited to, the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §2101, et seq, and the Fair Labor Standards Act, as amended, 29 U.S.C. §201, et seq.;

k. Fraud, misrepresentation, and/or fraudulent inducement;

l. Claims made under or pursuant to any severance plan or program maintained by any of the Released Parties;

m. Claims of breach of any data privacy or similar laws in connection with the handling or investigation of any whistleblower complaints or any other investigation by Employer or its representatives; and

n. Other legal and equitable claims regarding my employment or the termination of my employment, other than as set forth herein.

3. I hereby warrant and represent that I have not filed or caused to be filed any charge or claim against any Released Party with any administrative agency, court of law or other tribunal. I agree that I am not entitled to any remedy or relief if I were to pursue any such claim, complaint or charge.

4. I hereby acknowledge that I am age forty (40) or older.

5. BY SIGNING THIS AGREEMENT, I ACKNOWLEDGE THAT EMPLOYER HAS ADVISED ME TO DISCUSS THIS WAIVER AND RELEASE AGREEMENT WITH AN ATTORNEY BEFORE SIGNING THIS AGREEMENT.I acknowledge and agree that the Released Parties are not responsible for any of my costs, expenses, and attorney's fees, if any, incurred in connection with any claim or the review and signing of this Agreement.

6. I acknowledge and state that I have been given a period of at least twenty-one (21) days in which to consider the terms of this Agreement.

7. I understand that I have the right to revoke this Agreement at any time within **seven (7) days** after signing it, by providing **written notice** to the Company, Attn. General Counsel at 12300 Liberty Boulevard, Englewood, CO 80112, and this Agreement is not effective or enforceable until the seven (7) day revocation period has expired. In the event I revoke this Agreement, the Company shall have no obligation to provide me the Benefits. I understand that failure to revoke my acceptance of this Agreement will result in this Agreement being permanent and irrevocable.

8. I agree that this Agreement is a compromise of claims and charges and/or potential claims and charges which are or may be in dispute, and that this Agreement does not constitute an admission of liability or an admission against interest of any Released Party.

9. This Agreement is made and is effective as of the date first written below.

10. This Agreement becomes null and void and has no further force or effect if Employer does not receive the executed Agreement by 5:00 p.m., Mountain Time, __________, 20___.

IN WITNESS WHEREOF, I have placed my signature this ____ day of _________, 20___.

EXECUTIVE:

____

Michael T. Fries

Exhibit 10.8

Class _

LIBERTY GLOBAL 2014 INCENTIVE PLAN

(Effective March 1, 2014)

PERFORMANCE GRANT AWARD AGREEMENT

THIS PERFORMANCE GRANT AWARD AGREEMENT ("Agreement") is made as of April 30, 2014, by and between LIBERTY GLOBAL PLC, a public limited company incorporated under the laws of England and Wales (the "Company"), and the individual whose name, address, and Optionee ID number appear on the signature page hereto (the "Grantee").

The Company has adopted the Liberty Global 2014 Incentive Plan effective March 1, 2014 (the "Plan"), which by this reference is made a part hereof, for the benefit of eligible employees of the Company and its Subsidiaries. Capitalized terms used and not otherwise defined herein will have the meaning given thereto in the Plan.

In satisfaction of the Performance Grant Award referenced in subparagraph 4(c) of the Employment Agreement, the Compensation Committee appointed by the Board pursuant to Article 3 of the Plan to administer the Plan (the "Committee") hereby awards performance-based restricted share units to the Grantee effective as of April 30, 2014 (the "Grant Date"), subject to the conditions and restrictions set forth herein and in the Plan, in order to provide the Grantee additional remuneration for services rendered, to encourage the Grantee to continue to provide services to the Company or its Subsidiaries and to increase the Grantee's personal interest in the continued success and progress of the Company.

The Company and the Grantee therefore agree as follows:

1. **Definitions**. The following terms, when used in this Agreement, have the following meanings:

"Act" means the U.K. companies Act of 2006, as amended from time to time, and the rules and regulations thereunder.

"Base Performance Objective" means the performance metrics established and approved by the Committee by resolution adopted April 30, 2014.

"Cause" has the meaning specified in the Employment Agreement (as modified by subparagraph 9(f) of the Employment Agreement in connection with a Change in Control).

"Change in Control" has the meaning specified in the Employment Agreement.

"Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor statute or statutes thereto. Reference to any specific code section shall include any successor section.

“Committee” has the meaning specified in the recitals to this Agreement.

“Company” means Liberty Global plc, a public limited company incorporated under the laws of England and Wales.

“Disability” has the meaning specified in the Employment Agreement.

“Earned Performance Share Units” means the number of Performance Share Units granted pursuant to this Award if and when the Committee certifies that the Base Performance Objective has been met pursuant to Section 3, subject to forfeiture or acceleration during the Service Period in accordance with Section 4, Section 6 and Section 7, as applicable.

“Employment Agreement” means that certain Employment Agreement, dated April 30, 2014, among the Company, Liberty Global, Inc. and the Grantee.

“Good Reason” has the meaning specified in the Employment Agreement.

“Grant Date” has the meaning specified in the recitals to this Agreement.

“Grantee” has the meaning specified in the preamble to this Agreement.

“LBTY_” and “Share” means the Class _ ordinary shares, nominal value $.01 per share, of the Company.

“Performance Period” means the period established and approved by the Committee by resolution adopted April 30, 2014.

“Performance Share Unit” is a Restricted Share representing the right to receive one share of LBTY_, subject to the performance and other conditions and restrictions set forth herein and in the Plan.

“Plan” has the meaning specified in the preamble to this Agreement.

“Regulations” means the rules and regulations under the Code or a specified section of the Code, as applicable.

“Required Withholding Amount” has the meaning specified in Section 17 of this Agreement.

“RSU Dividend Equivalents” with respect to a Performance Share Unit means, to the extent specified by the Committee only, an amount equal to all dividends and other distributions (or the economic equivalent thereof) which are payable or transferable to Shareholders of record during the Performance Period and Service Period with respect to one share of LBTY_.

“Section 409A” means Section 409A of the Code and related Regulations and Treasury pronouncements.

"Service Period" means the period beginning immediately following the expiration of the Performance Period and ending on the Vesting Date(s) as provided in Section 4, as applicable.

"Termination of Service" means the termination for any reason of the Grantee's provision of services to the Company and its Subsidiaries, as an officer, employee or independent contractor. Whether any leave of absence constitutes a Termination of Service will be determined by the Committee subject to Section 11.2(d) of the Plan. Unless the Committee otherwise determines, neither transfers of employment among the Company and its Subsidiaries, nor a change in Grantee's status from an independent contractor to an employee will be a Termination of Service for purposes of this Agreement. Unless the Committee otherwise determines, however, any change in Grantee's status from an employee to an independent contractor will be a Termination of Service within the meaning of this Agreement; provided, however, that, to the extent Section 409A is applicable to Grantee, any amounts otherwise payable hereunder as nonqualified deferred compensation within the meaning of Section 409A on account of Termination of Service shall not be payable before Grantee "separates from service", as that term is defined in Section 409A, and shall be paid in accordance with Section 17(c) of this Agreement.

"Unpaid RSU Dividend Equivalents" has the meaning specified in Section 4(b) of this Agreement.

"Vesting Date" means each date on which any Performance Share Units cease to be subject to a risk of forfeiture or vest, as determined in accordance with this Agreement and the Plan.

"Vested RSU Dividend Equivalents" has the meaning specified in Section 10 of this Agreement.

2. Grant of Performance Share Units. Pursuant to the Plan, the Company grants to the Grantee, effective as of the Grant Date, an Award of the number of Performance Share Units set forth on the signature page hereto, subject to the terms, conditions and restrictions set forth herein and in the Plan.

3. Performance Condition For Performance Period.

(a) Except as otherwise provided in Section 7, if the Base Performance Objective is not met, this Award and Grantee's Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be forfeited and the Grantee shall have no further rights hereunder.

(b) The Base Performance Objective established by the Committee for the Performance Period is made a part hereof for all purposes.

(c) No later than December 20, 2014, the Committee shall certify whether the Base Performance Objective has been met and, if the Base Performance Objective has been met, the Performance Share Units shall become Earned Performance Share Units. Upon completing its determination, the Committee shall notify the Grantee, in the form and manner as determined by the Committee, of the results of its certification.

4. Vesting during Service Period.

(a) Unless the Committee otherwise determines in its sole discretion, subject to earlier vesting in accordance with Section 5, 6 or 7 of this Agreement or Section 11.1(b) of the Plan and subject to the forfeiture provisions of this Agreement, the Earned Performance Share Units shall become vested in accordance with the following schedule (each date specified below being a Vesting Date):

(i) On March 15, 2015, 1/3 of the Earned Performance Share Units shall become vested;

(ii) On March 15, 2016, 1/3 of the Earned Performance Share Units shall become vested; and

(iii) On March 15, 2017, 1/3 of the Earned Performance Share Units shall become vested;

provided, however, that if no director's remuneration policy is approved by the Company's shareholders in accordance with section 439A of the Companies Act 2006 prior to December 20, 2014, the Service Period shall end and the Earned Performance Share Units shall vest and settle on December 20, 2014.

(b) On each Vesting Date, subject to the satisfaction of any other applicable restrictions, terms and conditions, any RSU Dividend Equivalents with respect to the Earned Performance Share Units that have not theretofore become Vested RSU Dividend Equivalents ("Unpaid RSU Dividend Equivalents") will become vested to the extent that the Earned Performance Share Units related thereto shall have become vested in accordance with this Agreement.

5. Termination, Death or Disability during Performance Period.

Subject to the remaining provisions of this Section 5 and to Sections 7 and 8, in the event of Termination of Service at any time during the Performance Period, the Grantee shall thereupon forfeit the Grantee's Performance Share Units, any related Unpaid RSU Dividend Equivalents and any rights hereunder, except as indicated below:

(a) If the Termination of Service occurs due to death or Disability, then the Grantee (or the Grantee's estate in the case of death) will vest in the Performance Share Units and any related Unpaid RSU Dividend Equivalents as of the date of Termination of Service.

(b) If the Termination of Service is due to termination of the Grantee by the Company or any of its Subsidiaries without Cause or resignation by the Grantee for Good Reason, then the Grantee will retain the right to earn the Grantee's Performance Share Units and any related Unpaid RSU Dividend Equivalents. The number of the Grantee's Earned Performance Share Units, if any, will be determined in accordance with Section 3 on the same basis as would otherwise apply had no Termination of Service occurred. Subject to the foregoing, the Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and will be settled no later than December 20, 2014.

6. Termination, Death or Disability during Service Period.

Subject to the provisions of Sections 7 and 8, in the event of Termination of Service at any time during the Service Period, the Grantee shall, effective upon such Termination of Service, forfeit any Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents, the Vesting Date for which has not yet occurred. Notwithstanding the foregoing, if the Termination of Service is due to (i) death or Disability, (ii) termination of the Grantee by the Company or any of its Subsidiaries without Cause or (iii) resignation by the Grantee for Good Reason, the Grantee's unvested Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and no longer be subject to a risk of forfeiture.

7. Change in Control.

If a Change in Control occurs on or before the Grantee's Termination of Service, then the provisions of this Section 7 will apply, subject to Section 8:

(a) If the Change in Control occurs during the Performance Period, then the Performance Share Units will be deemed to be Earned Performance Share Units. Such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents shall become vested upon the earlier of (i) the regular Vesting Date of the applicable Earned Performance Share Unit and any related Unpaid DSU Dividend Equivalent pursuant to Section 4 and (ii) the date that is the one year anniversary of the consummation of the Change in Control provided that the Grantee's Termination of Service does not occur prior to such date except as otherwise set forth in Section 6. The vesting and settlement contemplated by this Section 7(a) and Section 9 will be in full satisfaction of the Grantee's rights hereunder.

(b) If the Change in Control occurs during the Service Period, the Grantee's remaining Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents shall become vested on the earlier of (i) the regular Vesting Date of the applicable Earned Performance Share Unit and any related Unpaid DSU Dividend Equivalent pursuant to Section 4 and (ii) on the date that is the one year anniversary of the consummation of the Change in Control provided that the Grantee's Termination of Service does not occur prior to such date except as otherwise set forth in Section 6. The accelerated vesting and settlement contemplated by this Section 7(b) and Section 9 will be in full satisfaction of the Grantee's rights hereunder.

8. Forfeiture and Recoupment Policy.

(a) Except when the Grantee's Termination of Service is due to death, the accelerated vesting of Performance Share Units contemplated by Sections 5 and 6 shall be contingent upon execution by the Grantee of the release attached to the Grantee's Employment Agreement such that the release becomes irrevocable within 60 days after the Termination of Service.

(b) If the Grantee breaches any restrictions, terms or conditions provided in or established by the Committee pursuant to the Plan or this Agreement with respect to the Performance Share Units prior to the vesting thereof (including any attempted or completed transfer of any such unvested Performance Share Units contrary to the terms of the Plan or this Agreement), the unvested

Performance Share Units, together with any related Unpaid RSU Dividend Equivalents, will be forfeited immediately.

(c) If the Company's consolidated financial statements taken into account for the Base Performance Objective are required to be restated at any time as a result of an error (whether or not involving fraud or misconduct) and the Committee determines that if the financial results had been properly reported the Base Performance Objective would not have been met, then the Grantee shall be required to forfeit the Earned Performance Share Units, together with any related Unpaid RSU Dividend Equivalents, or to refund any amounts previously delivered to the Grantee. The amount allocated to portions of the Grantee's Earned Performance Share Units that have previously been settled shall be promptly refunded to the Company by the Grantee in cash or by transfer of a number of Shares with a Fair Market Value as of the date transferred to the Company that is equal to the Fair Market Value of the Shares as of the date such shares were previously issued or transferred in settlement of the Earned Performance Share Units and the value of any RSU Dividend Equivalents previously paid with respect thereto. The Company shall have the right, exercisable in the Committee's discretion, to offset, or cause to be offset, any amounts that the Grantee is required to refund to the Company pursuant to this Section 8(c) against any amounts otherwise owed by the Company or any of its subsidiaries to the Grantee.

(d) In addition to the foregoing, the Net Performance Shares (as defined in the Employment Agreement) or cash proceeds shall be subject to the clawback provisions of the Employment Agreement.

(e) Upon forfeiture of any Performance Share Units, such Performance Share Units and any related Unpaid RSU Dividend Equivalents will be immediately cancelled, and the Grantee will cease to have any rights hereunder with respect thereto.

9. Settlement of Vested Performance Share Units. Except as specifically set forth in Section 4 and Section 5(b), settlement of Performance Share Units that vest in accordance with this Agreement shall be made on the fifth business day following the applicable Vesting Date. Settlement of vested Performance Share Units shall be made in payment of Shares, together with any related Unpaid RSU Dividend Equivalents, in accordance with Section 11.

10. Shareholder Rights; RSU Dividend Equivalents. The Grantee shall have no rights of a Shareholder with respect to any Shares represented by any Performance Share Units unless and until such time as Shares represented by vested Performance Share Units have been delivered to the Grantee in accordance with Section 9 and Section 11. The Grantee will have no right to receive, or otherwise with respect to, any RSU Dividend Equivalents until such time, if ever, as the Performance Share Units with respect to which such RSU Dividend Equivalents relate shall have become vested and, if vesting does not occur, the related RSU Dividend Equivalents will be forfeited. RSU Dividend Equivalents shall not bear interest or be segregated in a separate account. Notwithstanding the foregoing, the Committee may, in its sole discretion, accelerate the vesting of any portion of the RSU Dividend Equivalents (the "Vested RSU Dividend Equivalents"). The settlement of any Vested RSU Dividend Equivalents shall be made as soon as administratively practicable after the accelerated vesting date, but in no event later than March 15 of the calendar year following the calendar year in which the Vested RSU Dividend Equivalents became vested.

11. Delivery by Company. As soon as practicable after the vesting of Performance Share Units, and any related Unpaid RSU Dividend Equivalents, and subject to the withholding referred to in Section 17 of this Agreement, the Company will deliver or cause to be delivered to or at the direction of the Grantee (i)(a) a certificate or certificates issued or transferred in the Grantee's name for the Shares represented by such vested Performance Share Units, (b) a statement of holdings reflecting that the Shares represented by such vested Performance Share Units are held for the benefit of the Grantee in uncertificated form by a third party service provider designated by the Company, or (c) a confirmation of deposit of the Shares represented by such vested Performance Share Units, in book-entry form, into the broker's account designated by the Grantee, (ii) any securities constituting related vested Unpaid RSU Dividend Equivalents by any applicable method specified in clause (i) above, and (iii) any cash payment constituting related vested Unpaid RSU Dividend Equivalents. Any delivery of securities will be deemed effected for all purposes when (1) a certificate representing or statement of holdings reflecting such securities and, in the case of any Unpaid RSU Dividend Equivalents, any other documents necessary to reflect ownership thereof by the Grantee has been delivered personally to the Grantee or, if delivery is by mail, when the Company or its share transfer agent has deposited the certificate or statement of holdings and/or such other documents in the United States or local country mail, addressed to the Grantee, or (2) confirmation of deposit into the designated broker's account of such securities, in written or electronic format, is first made available to the Grantee. Any cash payment will be deemed effected when a check from the Company, payable to or at the direction of the Grantee and in the amount equal to the amount of the cash payment, has been delivered personally to or at the direction of the Grantee or deposited in the United States mail, addressed to the Grantee or his nominee.

12. Nontransferability of Performance Share Units Before Vesting.

(a) Before vesting and during the Grantee's lifetime, the Performance Share Units and any related Unpaid RSU Dividend Equivalents may not be sold, assigned, transferred by gift or otherwise, pledged, exchanged, encumbered or disposed of (voluntarily or involuntarily), other than an assignment pursuant to a Domestic Relations Order. In the event of an assignment pursuant to a Domestic Relations Order, the unvested Performance Share Units and any related Unpaid RSU Dividend Equivalents so assigned shall be subject to all the restrictions, terms and provisions of this Agreement and the Plan, and the assignee shall be bound by all applicable provisions of this Agreement and the Plan in the same manner as the Grantee.

(b) The Grantee may designate a beneficiary or beneficiaries to whom the Performance Share Units, to the extent then vested, and any related Unpaid RSU Dividend Equivalents will pass upon the Grantee's death and may change such designation from time to time by filing a written designation of beneficiary or beneficiaries with the Committee on such form as may be prescribed by the Committee, provided that no such designation will be effective unless so filed prior to the death of the Grantee. If no such designation is made or if the designated beneficiary does not survive the Grantee's death, the Performance Share Units, to the extent then vested, and any related Unpaid RSU Dividend Equivalents will pass by will or the laws of descent and distribution. Following the Grantee's death, the person to whom such vested Performance Share Units and any related Unpaid RSU Dividend Equivalents pass according to the foregoing will be deemed the Grantee for purposes of any applicable provisions of this Agreement.

13. Adjustments. The Performance Share Units and any related Unpaid RSU Dividend Equivalents will be subject to adjustment pursuant to Section 4.2 of the Plan in such manner as the Committee may deem equitable and appropriate in connection with the occurrence following the Grant Date of any of the events described in Section 4.2 of the Plan.

14. Company's Rights. The existence of this Agreement will not affect in any way the right or power of the Company or its Shareholders to accomplish any corporate act, including, without limitation, the acts referred to in Section 11.16 of the Plan.

15. Limitation of Rights; Executive Share Ownership Policy. Nothing in this Agreement or the Plan will be construed to give the Grantee any right to be granted any future Award other than in the sole discretion of the Committee or give the Grantee or any other person any interest in any fund or in any specified asset or assets of the Company or any of its Subsidiaries. Neither the Grantee nor any person claiming through the Grantee will have any right or interest in Shares represented by any Performance Share Units or any related Unpaid RSU Dividend Equivalents unless and until there shall have been full compliance with all the terms, conditions and provisions of this Agreement and the Plan. Grantee acknowledges and agrees that the transfer by Grantee of the Shares received upon vesting of Performance Share Units shall be subject to Grantee's compliance with the Company's Executive Share Ownership Policy, as in effect from time to time.

16. Restrictions Imposed by Law. Without limiting the generality of Section 11.8 of the Plan, the Company shall not be obligated to deliver any Shares represented by vested Performance Share Units or securities constituting any Unpaid RSU Dividend Equivalents if counsel to the Company

determines that the issuance or delivery thereof would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange upon which Shares or such other securities are listed. The Company will in no event be obligated to take any affirmative action in order to cause the delivery of Shares represented by vested Performance Share Units or securities constituting any Unpaid RSU Dividend Equivalents to comply with any such law, rule, regulation, or agreement. Any certificates representing any such securities issued or transferred under this Agreement may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws.

17. Taxes.

(a) To the extent that the Company is subject to withholding tax or employee social security withholding requirements under any national, state, local or other governmental law with respect to the award, or vesting thereof, of the Performance Share Units to the Grantee under this Agreement or under the performance share units agreement dated as of April 30, 2014 with respect to Class _ ordinary shares, nominal value $.01 per share of the Company to which the Grantee is a party (the "Class _ PSU Award"), or the designation of any related RSU Dividend Equivalents as payable or distributable or the payment or distribution thereof, the Grantee must make arrangements satisfactory to the Company to make payment to the Company of the amount required to be withheld under such tax laws or employer social security contribution laws, as determined by the Company (collectively, the "Required Withholding Amount"). To the extent such withholding is required because the Grantee vests in some or all of the Performance Share Units and any related RSU Dividend Equivalents, the Company shall withhold (i) from the Shares represented by vested Performance Share Units otherwise deliverable to the Grantee pursuant to the Class _ PSU Award, a number of Shares and/or (ii) from any related RSU Dividend Equivalents otherwise deliverable to the Grantee pursuant to the Class _ PSU Award, an amount of such RSU Dividend Equivalents, which collectively have a value (or, in the case of securities withheld, a Fair Market Value) equal to the Required Withholding Amount (subject to compliance with applicable law, including, but not limited to, "financial assistance" prohibitions under UK law), unless the Grantee remits the Required Withholding Amount to the Company in cash in such form and by such time as the Company may require or other provisions for withholding such amount satisfactory to the Company have been made. Without limitation to the foregoing sentence, the Grantee hereby agrees that the Required Withholding Amount can also be collected by (i) deducting from cash amounts otherwise payable to the Grantee (including wages or other cash compensation), (ii) withholding from proceeds of the sale of Shares acquired upon vesting of the Earned Performance Share Units through a sale arranged by the Company (on the Grantee's behalf pursuant to this authorization without further consent), or (iii) if the amount withheld under the previous sentence is not sufficient to satisfy the Required Withholding Amount, by withholding from the Shares represented by vested Performance Share Units or related RSU Dividend Equivalents deliverable under this Award, a number of Shares and/or amount which would be sufficient to satisfy any unmet portion of the Required Withholding Amount. Notwithstanding any other provisions of this Agreement, the delivery of any shares of LBTY_ represented by vested Performance Share Units and any related RSU Dividend Equivalents may be postponed until any required withholding taxes have been paid to the Company.

(b) If the Grantee is subject to tax in the United Kingdom and the withholding of any income tax due is not made within 90 days of the event giving rise to the income tax liability or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the “Due Date”), the amount of any uncollected income tax shall (assuming the Grantee is not a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act)) constitute a loan owed by the Grantee to the Grantee’s employer (the “Employer”), effective on the Due Date. The Grantee agrees that the loan will bear interest at the then-current HM Revenue & Customs (“HMRC”) Official Rate, it will be immediately due and repayable, and the Company and/or the Employer may recover it at any time thereafter by any of the means referred to in Section 17(a). If the Grantee is a director or executive officer and income tax is not collected from or paid by him by the Due Date, the amount of any uncollected income tax will constitute a benefit to the Grantee on which additional income tax and national insurance contributions (“NICs”) will be payable. The Grantee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer, as applicable, for the value of any NICs due on this additional benefit.

(c) At all times prior to the Vesting Date, the benefit payable under this Agreement is subject to a substantial risk of forfeiture within the meaning of Section 409A and Regulation 1.409A-1(d) (or any successor Regulation). Accordingly, this Agreement is not subject to Section 409A under the short term deferral exclusion. Notwithstanding any other provision of this Agreement, if Grantee is a “specified employee” as such term is defined in Section 409A, and determined as described below, any amounts that would otherwise be payable hereunder as nonqualified deferred compensation within the meaning of Section 409A on account of Termination of Service (other than by reason of death) to the Grantee shall not be payable before the earlier of (i) the date that is six months after the date of the Grantee’s Termination of Service, (ii) the date of the Grantee’s death or (iii) the date that otherwise complies with the requirements of Section 409A. The Grantee shall be deemed a “specified employee” for the twelve-month period beginning on April 1 of a year if the Grantee is a “key employee” as defined in Section 416(i) of the Code (without regard to Section 416(i)(5)) as of December 31 of the preceding year.

(d) In the event it shall be determined that any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Grantee pursuant to this Agreement (“Payment”), would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest or penalties, are hereinafter collectively referred to as the “Excise Tax”), then the applicable provisions of subparagraph 12(h)(ii) of the Employment Agreement regarding potential reduction in payments shall apply.

18. Notice. Unless the Company notifies the Grantee in writing of a different procedure, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by United States first class or local country mail, postage prepaid, sent by overnight courier, freight prepaid or sent by facsimile and addressed as follows:

Liberty Global plc
12300 Liberty Boulevard
Englewood, CO 80112
Attn: General Counsel
Fax: 303-220-6691

Any notice or other communication to the Grantee with respect to this Agreement will be in writing and will be delivered personally, or will be sent by United States first class or local country mail, postage prepaid, to the Grantee's address as listed in the records of the Company on the Grant Date, unless the Company has received written notification from the Grantee of a change of address.

19. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Committee. Without limiting the generality of the foregoing, without the consent of the Grantee,

(a) this Agreement may be amended or supplemented from time to time as approved by the Committee (i) to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or (ii) to add to the covenants and agreements of the Company for the benefit of the Grantee or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Shareholders and, provided, in each case, that such changes or corrections will not adversely affect the rights of the Grantee with respect to the Award evidenced hereby, or (iii) to reform the Award made hereunder as contemplated by Section 11.18 of the Plan or to exempt the Award made hereunder from coverage under Section 409A, or (iv) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in or of the interpretation of, any law or governmental rule or regulation, including any applicable tax or securities laws; and

(b) subject to any required action by the Board or the Shareholders, the Performance Share Units granted under this Agreement may be canceled by the Company and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect any Performance Share Units that are then vested.

20. Grantee Employment or Service.

(a) Nothing contained in this Agreement, and no action of the Company or the Committee with respect hereto, will confer or be construed to confer on the Grantee any right to continue in the employ or service of the Company or any of its Subsidiaries or interfere in any way with any right of the Company or any Subsidiary, subject to the terms of the Employment Agreement or any separate employment or service agreement to the contrary, to terminate the Grantee's

employment or service at any time, with or without cause, or to increase or decrease the Grantee's compensation from the rate in effect at the date hereof or to change the Grantee's title or duties.

(b) The Award hereunder is special incentive compensation that will not be taken into account, in any manner, as salary, earnings, compensation, bonus or benefits, in determining the amount of any payment under any pension, retirement, profit sharing, 401(k), life insurance, salary continuation, severance or other employee benefit plan, program or policy of the Company or any of its Subsidiaries or any employment or service agreement or arrangement with the Grantee.

(c) It is a condition of the Grantee's Award that, in the event of Termination of Service for whatever reason, whether lawful or not, including in circumstances which could give rise to a claim for wrongful and/or unfair dismissal (whether or not it is known at the time of Termination of Service that such a claim may ensue), the Grantee will not by virtue of such Termination of Service, subject to Sections 5, 6 and 7 of this Agreement and the terms of the Employment Agreement, become entitled to any damages or severance or any additional amount of damages or severance in respect of any rights or expectations of whatsoever nature the Grantee may have hereunder or under the Plan. Notwithstanding any other provision of the Plan or this Agreement, the Award hereunder will not form part of the Grantee's entitlement to remuneration or benefits pursuant to the Grantee's employment or service agreement or arrangement, if any. The rights and obligations of the Grantee under the terms of his employment or service agreement, if any, will not be enhanced hereby.

(d) In the event of any inconsistency between the terms hereof or of the Plan and any employment, severance or other agreement with the Grantee, the terms hereof and of the Plan shall control.

21. Nonalienation of Benefits. Except as provided in Section 12 of this Agreement, (i) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (ii) no right or benefit hereunder will in any manner be liable for or subject to the debts, contracts, liabilities or torts of the Grantee or other person entitled to such benefits.

22. Data Privacy.

(a) The Grantee's acceptance hereof shall evidence the Grantee's explicit and unambiguous consent to the collection, use and transfer, in electronic or other form, of the Grantee's personal data by and among, as applicable, the Grantee's employer (the "Employer") and the Company and its subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that the Company and the Employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, bonus and employee benefits, nationality, job title and description, any Shares or directorships or other positions held in the Company, its subsidiaries and affiliates, details of all options, share appreciation rights, restricted shares, restricted share units or any other entitlement to Shares or other Awards granted, canceled, exercised, vested, unvested

or outstanding in the Grantee's favor, annual performance objectives, performance reviews and performance ratings, for the purpose of implementing, administering and managing Awards under the Plan ("Data").

(b) The Grantee understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere, and that the recipients' country (e.g. the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Grantee may elect to deposit any Shares acquired with respect to an Award.

(c) The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that the Grantee may at any time view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Grantee's local human resources representative. Further, the Grantee understands that he is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke his consent, the Grantee's employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Grantee's consent is that the Company would not be able to grant him Performance Share Units or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing his consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Grantee may contact the Grantee's local human resources representative.

23. Governing Law; Jurisdiction. This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Colorado. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

24. Construction. References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all Exhibits and Schedules appended hereto, including the Plan. This Agreement is entered into, and the Award evidenced hereby is granted, pursuant to the Plan and shall be governed by and construed in accordance with the Plan and the administrative interpretations adopted by the Committee thereunder. The word "include" and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Committee upon questions regarding this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement,

the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

25. Duplicate Originals. The Company and the Grantee may sign any number of copies of this Agreement. Each signed copy will be an original, but all of them together represent the same agreement.

26. Rules by Committee. The rights of the Grantee and the obligations of the Company hereunder will be subject to such reasonable rules and regulations as the Committee may adopt from time to time.

27. Entire Agreement. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and the Grantee regarding the subject matter hereof. The Grantee and the Company hereby declare and represent that no promise or agreement not herein expressed has been made and that this Agreement contains the entire agreement between the parties hereto with respect to the Award and replaces and makes null and void any prior agreements between the Grantee and the Company regarding the Award. This Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

28. Grantee Acceptance. The Grantee will signify acceptance hereof and consent to all the terms and conditions of this Agreement by signing in the space provided on the signature page hereto and returning a signed copy to the Company.

Signature Page to Performance Share Units Agreement dated as of April 30, 2014, between Liberty Global plc and the Grantee

LIBERTY GLOBAL PLC

By:
Name:
Title:

ACCEPTED:

____
Grantee Name: Michael T. Fries
Address: ________
Address: ______
City/State/Country: ______

Optionee ID: ________

Grant No. ____________

Number of Performance Share Units (LBTY_) Awarded 1,000,000

Exhibit 31.1

CERTIFICATION

I, Michael T. Fries, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Global plc;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and

    d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2014

/s/ Michael T. Fries

Michael T. Fries

President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Charles H.R. Bracken, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Global plc;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and

   d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2014

/s/ Charles H.R. Bracken

Charles H.R. Bracken
Executive Vice President and Co-Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.3

CERTIFICATION

I, Bernard G. Dvorak, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Global plc;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and
    d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2014

/s/ Bernard G. Dvorak

Bernard G. Dvorak
Executive Vice President and Co-Chief Financial Officer
(Principal Accounting Officer)

Exhibit 32

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Liberty Global plc (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the period ended March 31, 2014 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of March 31, 2014 and December 31, 2013, and for the three months ended March 31, 2014 and 2013.

Dated: May 6, 2014

/s/ Michael T. Fries
Michael T. Fries
Chief Executive Officer

Dated: May 6, 2014

/s/ Charles H.R. Bracken
Charles H.R. Bracken
Executive Vice President and Co-Chief Financial Officer
(Principal Financial Officer)

Dated: May 6, 2014

/s/ Bernard G. Dvorak
Bernard G. Dvorak
Executive Vice President and Co-Chief Financial Officer
(Principal Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document.