Q1 2013 Investor Call

May 7, 2013

“Safe Harbor”

LIBERTY GLOBAL

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995:

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including our expectations with respect to our operating momentum and 2013 prospects, including our expectations for continued organic growth in subscribers, the penetration of our advanced services, and our ARPU per customer; our assessment of the strength of our balance sheet, our liquidity and access to capital markets, including our borrowing availability, potential uses of our excess capital, including for acquisitions and continued stock buybacks, our ability to continue to do opportunistic refinancings and debt maturity extensions and the adequacy of our currency and interest rate hedges; our expectations with respect to the timing and impact of our expanded roll-out of advanced products and services, including Horizon TV; our assessment of the impacts of the unencryption of our basic digital channels; our insight and expectations regarding competitive and economic factors in our markets, statements regarding the acquisition of Virgin Media, including the anticipated consequences and benefits of the acquisition and the targeted quarter in which we expect to close the transaction, the availability of accretive M&A opportunities and the impact of our M&A activity on our operations and financial performance and other information and statements that are not historical fact. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. These risks and uncertainties include the continued use by subscribers and potential subscribers of the Company's services and willingness to upgrade to our more advanced offerings, our ability to meet challenges from competition and economic factors, the continued growth in services for digital television at a reasonable cost, the effects of changes in technology, law and regulation, our ability to obtain regulatory approval and satisfy the conditions necessary to close acquisitions and dispositions, our ability to achieve expected operational efficiencies and economies of scale, our ability to generate expected revenue and operating cash flow, control property and equipment additions as measured by percentage of revenue, achieve assumed margins and control the phasing of our FCF, our ability to access cash of our subsidiaries and the impact of our future financial performance and market conditions generally, on the availability, terms and deployment of capital, fluctuations in currency exchange and interest rates, the continued creditworthiness of our counterparties, the ability of vendors and suppliers to timely meet delivery requirements, as well as other factors detailed from time to time in the Company's filings with the Securities and Exchange Commission including our most recently filed Forms 10-K/A and 10-Q. These forward-looking statements speak only as of the date of this presentation. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Nothing in this presentation shall constitute a solicitation to buy or subscribe for or an offer to sell any securities of Liberty Global, Virgin Media or Liberty Global Corporation Limited (New Liberty Global). In connection with the proposed transaction, Liberty Global and Virgin Media have filed with the Securities Exchange Commission (SEC) and mailed to their respective stockholders a joint proxy statement/prospectus, and New Liberty Global has filed a Registration Statement on Form S-4 with the SEC. STOCKHOLDERS OF EACH COMPANY AND OTHER INVESTORS ARE URGED TO READ THE REGISTRATION STATEMENT AND JOINT PROXY STATEMENT/PROSPECTUS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) REGARDING THE PROPOSED TRANSACTION BECAUSE THEY CONTAIN IMPORTANT INFORMATION. Stockholders can obtain a free copy of the registration statement and joint proxy statement/prospectus, as well as other filings containing information about Liberty Global, Virgin Media and New Liberty Global, without charge, at the SEC's Internet site (http://www.sec.gov). Copies of the registration statement and joint proxy statement/prospectus and the filings with the SEC that are incorporated by reference therein can also be obtained, without charge, by directing a request to Liberty Global, Inc., 12300 Liberty Boulevard, Englewood, Colorado, 80112, USA, Attention: Investor Relations, Telephone: +1 303 220 6600, or to Virgin Media Limited, Communications House, Bartley Wood Business Park, Bartley Way, Hook, RG27 9UP, United Kingdom, Attn: Investor Relations Department, Telephone +44 (0) 1256 753037.

The respective directors and executive officers of Liberty Global and Virgin Media and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Liberty Global's directors and executive officers is available in its Form 10-K/A filed with the SEC by Liberty Global on April 25, 2013, and information regarding Virgin Media's directors and executive officers is available in its Form 10-K/A filed with the SEC by Virgin Media on April 24, 2013. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available. These documents can be obtained free of charge from the sources indicated above.

Additional Information Relating to Defined Terms:

Please refer to the Appendix at the end of this presentation, as well as the Company’s Press Release dated May 6, 2013 and SEC filings, for the definitions of the following terms which may be used herein including: Rebased Growth, Operating Cash Flow (“OCF”), Free Cash Flow (“FCF”), Adjusted Free Cash Flow (“Adjusted FCF”), Revenue Generating Units (“RGUs”), Average Revenue per Unit (“ARPU”), as well as GAAP reconciliations, where applicable.

Agenda

Q1 2013 Highlights

Financial Results

Q&A

Recent Highlights[1]

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Organic Growth

- Organic RGU additions of **373,000 in Q1**
- Q1 revenue of **$2.8 bn, 5.8% rebased**
- Q1 OCF of **$1.3 bn, 4.1% rebased**

M&A | Innovation

- **Virgin Media** acquisition on track to close Q2
- Opportunistic & strategic investment in **Ziggo**
- **Horizon TV** platform continues to evolve

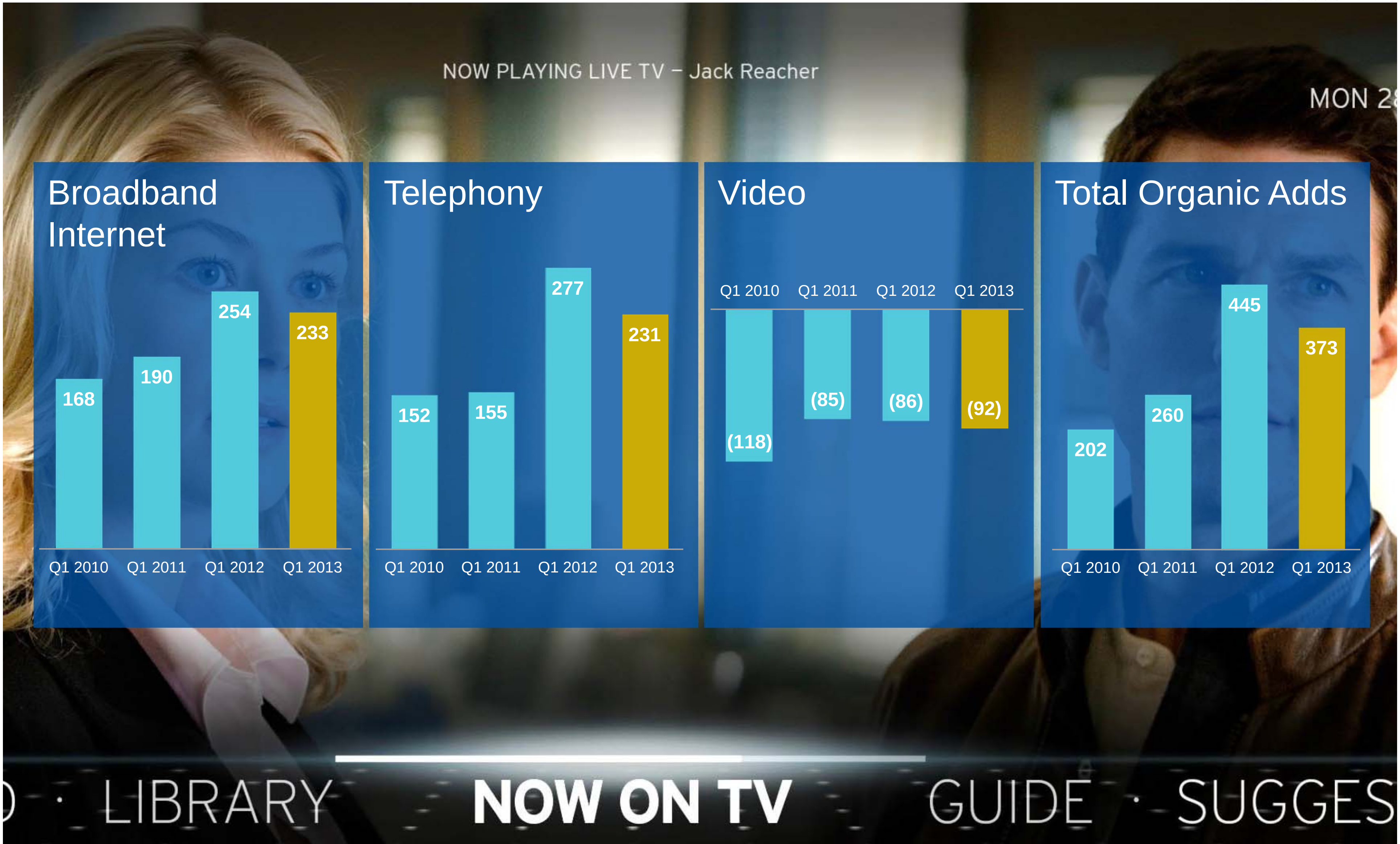
Balance Sheet

- Financing completed for **Virgin Media** acquisition
- **Liquidity of $5.1 bn**, including $2.9 bn cons. cash
- Maturity profile improved, **borrowing cost <7.0%** [2]

More power, more joy

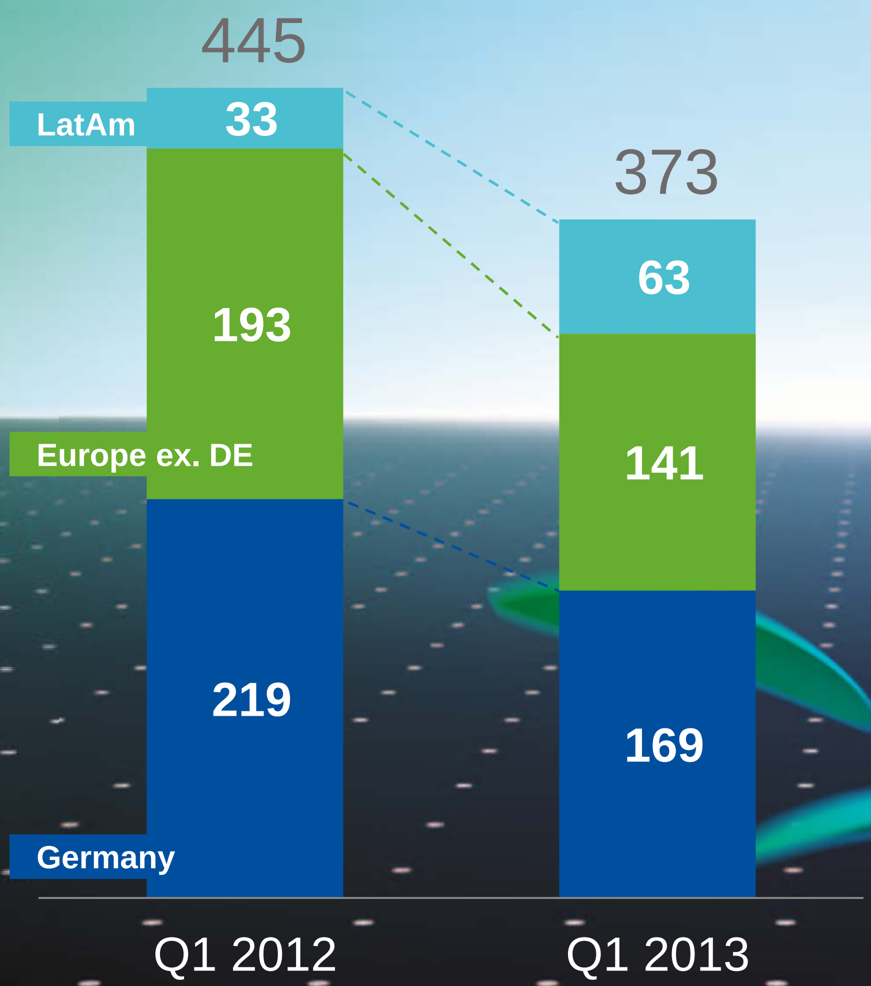
(1) Please see Appendix for the definitions and information, including reconciliations where applicable, on organic RGU additions, rebased growth, OCF, liquidity and cash & cash equivalents.
(2) Adjusted for transactions after March 31, 2013.

Net Adds Success By Product[1]



(1) Organic RGU additions in the graphs are in thousands. Please see Appendix for the definition and information on organic RGU additions.

Subscriber Growth Remains at High Levels



- **Latin America**[2] net adds up ~90%
- **Europe,** excluding DE, variance explained by UPC NL
- **German** result includes the loss of housing contract: 16k impact
- **CEE and Belgium** increased net adds by 30% and 17%, respectively

(1) Organic RGU additions in the graph are in thousands. Please see Appendix for the definition and information on organic RGU additions.
(2) Latin America includes our operations in Chile and Puerto Rico.

Germany & Belgium[1]

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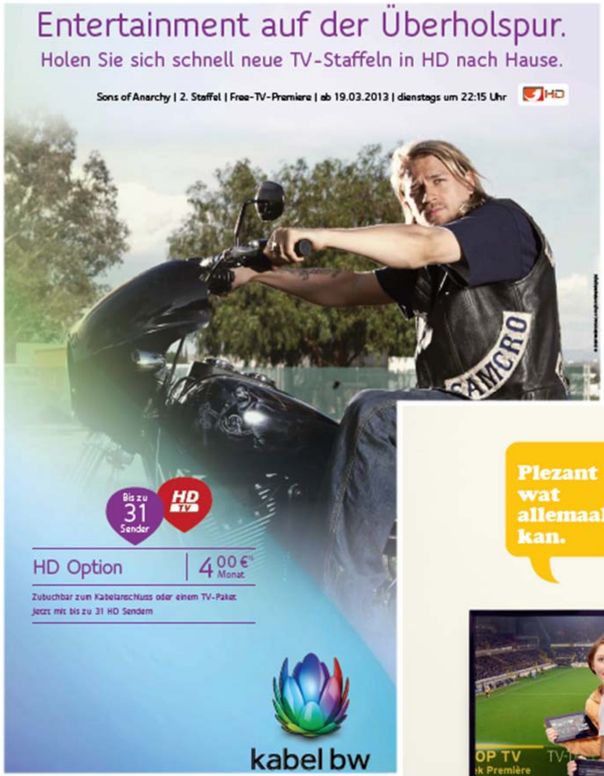
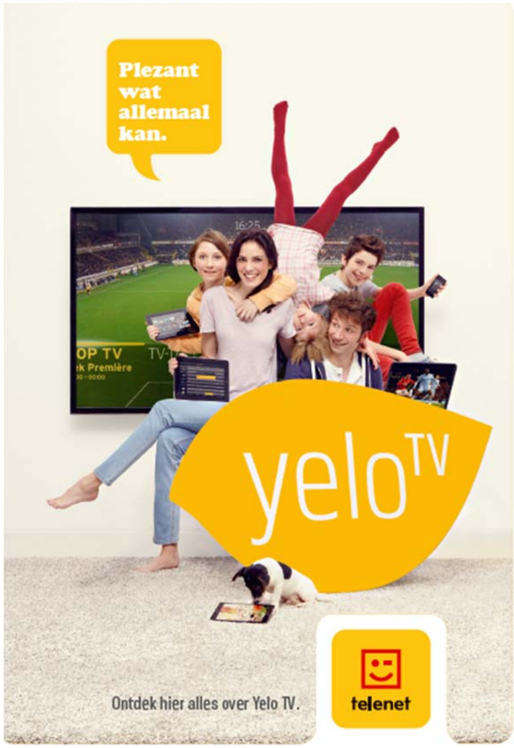
DE | Continued Strong Momentum

- Rebased revenue at 10% & OCF at 11%
- > 700k LTM organic RGU adds
- Unencrypted basic digital video at Unity
- Expanded HD & harmonized bundles

BE | Robust Mobile Fueling Growth

- Rebased revenue at 12% & OCF at 4%
- ~100k mobile adds in Q1
- Driving triple-play penetration, up to 42%
- New TV experience across all screens (YeloTV)





(1) Please see Appendix for the definition of rebased growth.

The Netherlands & Switzerland[1]

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NL | Investments Drive Innovation

- Increased speeds in 3-play bundles in April
- Roll out of 200 Mbps product
- Launched basic DTV unencryption post Q1
- Over 145,000 Horizon TV subscribers to date

CH | Successful Horizon Launch

- Strong rebased revenue growth at 5%
- Over 55,000 Horizon TV subscribers since launch
- Unencrypted basic DTV well received
- Reconfirmed speed leadership with 150 Mbps offer

(1) Please see Appendix for the definition of rebased growth.

Update on Virgin Media Acquisition

Process

- **Completed all financings** necessary to close the Virgin Media acquisition
- EU **regulatory approval** received
- **Proxy cleared** by SEC
- **Shareholder meetings** have been scheduled for early June
- **Expected closing: Q2 2013**

Combined LGI / Virgin Media Results(1)

($ in billions)	Q1 '13	YoY Growth(2)
Revenue	$4.4	5.0%
OCF	$1.9	5.3%
OCF Margin	43.7%	

(1) LGI amounts are on an as reported basis. Please see Appendix for the definitions. The Virgin Media amounts are on a reported basis, as adjusted to conform to the OCF definition of LGI (see Appendix). Reported Virgin Media numbers have been converted at the average Q1 2013 GBP/USD foreign exchange rate as disclosed in the Q1 2013 10-Q of LGI. The combined LGI/Virgin Media results have not been prepared with a view towards complying with Article 11 of Regulation S-X. In addition, the combined LGI/Virgin Media results are not necessarily indicative of the revenue and OCF that would have occurred if the LGI/Virgin Media transaction had occurred on the dates assumed for purposes of calculating the combined results or the revenue or OCF that will occur in the future.

(2) For purposes of calculating these growth rates, the combined revenue and OCF of LGI and Virgin Media for the three months ended March 31, 2013 is compared to LGI's rebased revenue and OCF for the three months ended March 31, 2012 plus Virgin Media's reported revenue and OCF for the three months ended March 31, 2012, as translated at the average Q1 2013 GBP/USD foreign exchange rate as disclosed in the Q1 2013 10-Q of LGI. We have not adjusted Virgin Media's revenue and OCF amounts for the effects of any policy differences or the effects of acquisition accounting adjustments that may be identified upon the completion of the acquisition and reflected in our post-acquisition rebased growth calculations.

Agenda

Q1 2013 Highlights

Financial Results

Q&A

Mid-Single-Digit Rebased Growth(1,2)

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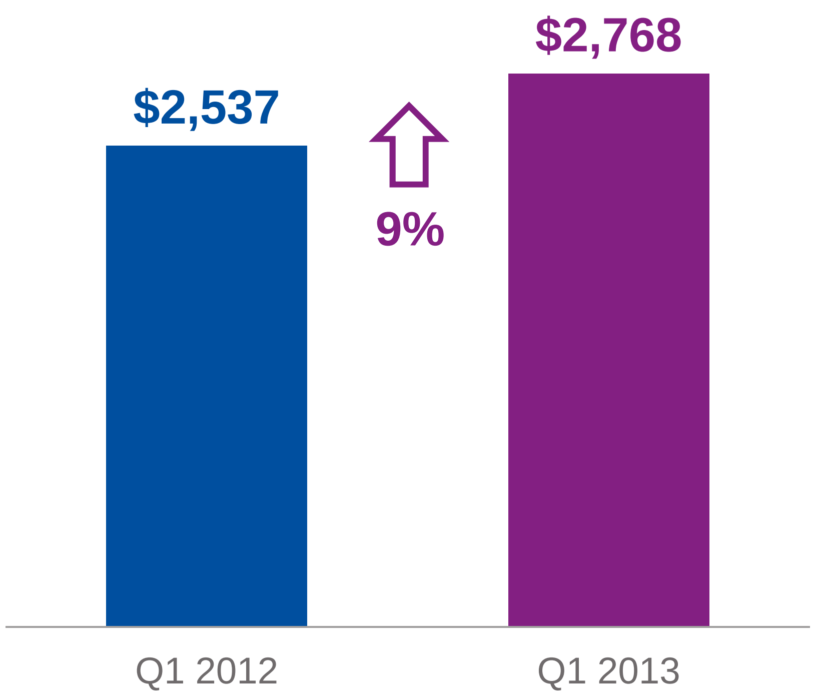
Top-line growth driven by triple-play and mobile volume

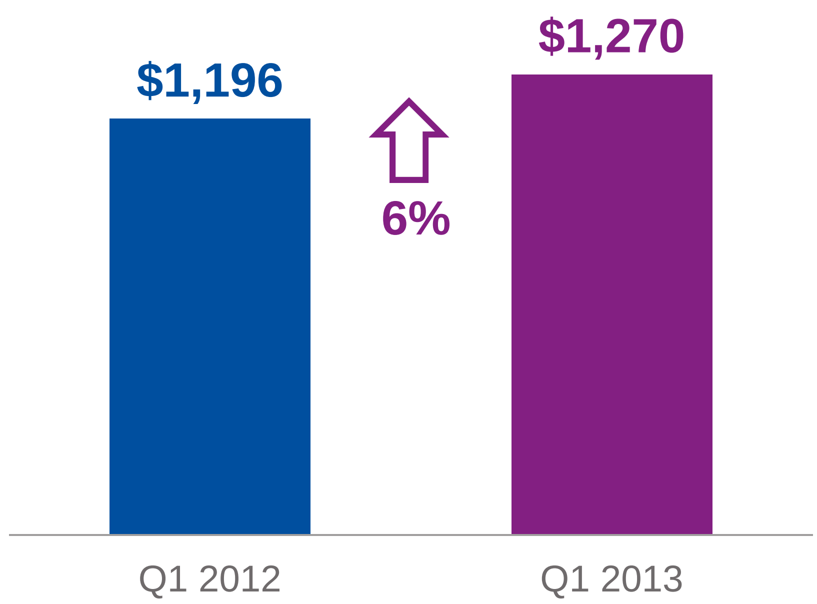
Revenue

Rebased Growth of 6%



OCF

Rebased Growth of 4%



(1) All amounts are in USD millions.
(2) Please see Appendix for the definition and reconciliation of OCF and for information on rebased growth.

Q1 2013 Regional Summary[1]

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Western European operations fuel our rebased growth

Three months ended March 31, 2013

	Revenue ($mm)	Rebased Growth	OCF ($mm)	Rebased Growth
Europe[2]	$2,338	6.5%	$1,174	4.5%
Western Europe	*2,018*	*7.2%*	*1,079*	*5.7%*
CEE	*288*	*0.9%*	*141*	*0.6%*
Chile (VTR)	250	7.7%	85	9.5%
Total LGI[3]	$2,768	5.8%	$1,270	4.1%

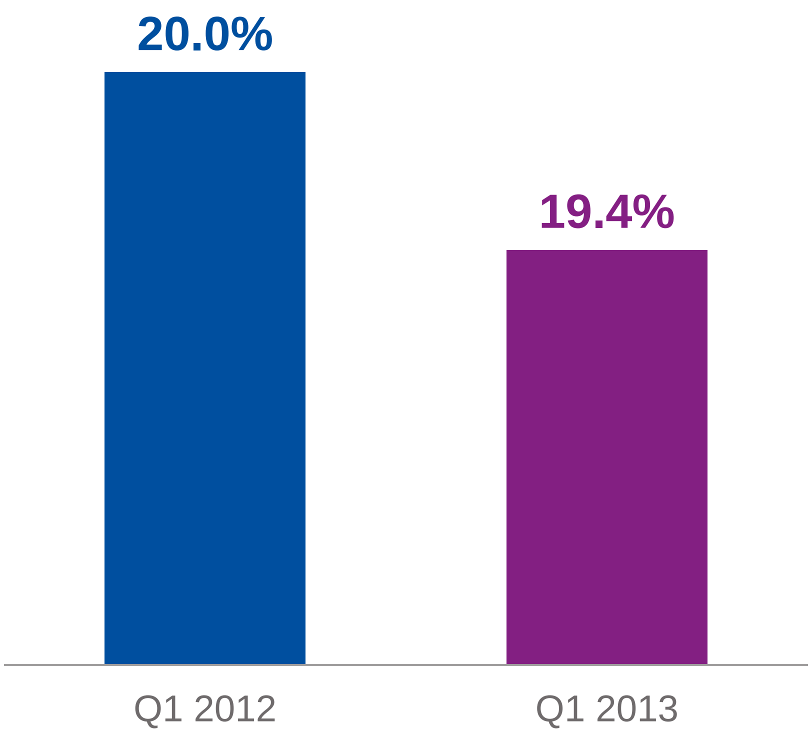
(1) Please see Appendix for information on rebased growth and the definition and reconciliation of OCF.
(2) Europe consists of the UPC/Unity Division and Belgium (Telenet) and excludes Chellomedia. Consolidated figures of Europe include the Central and other category with revenue of $32 mm and ($46 mm) of OCF.
(3) Consolidated figures include the Corporate and other category and intersegment eliminations, totaling approximately $180 mm of revenue and $10 mm of OCF.

Q1 2013 P&E Additions[1]

Continued focus on optimizing capital efficiency

P&E Additions to Revenue

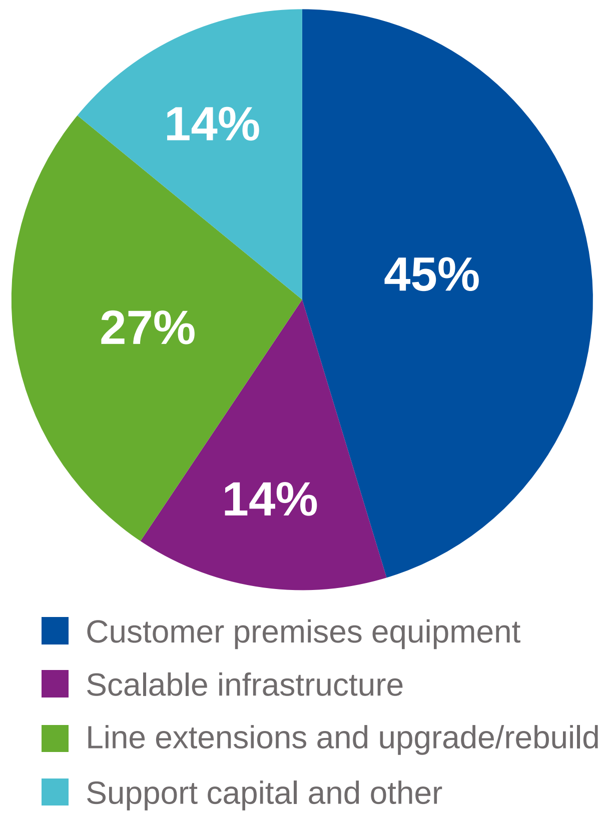
Declined YoY by 60 bps



Figures (mm): $507 $536

P&E Additions by Category

CPE largest component of spend



(1) Please see Appendix for the definitions of P&E Additions and CapEx.

Q1 2013 FCF & Adjusted FCF Results[1]

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YoY FCF impacted by working capital movement

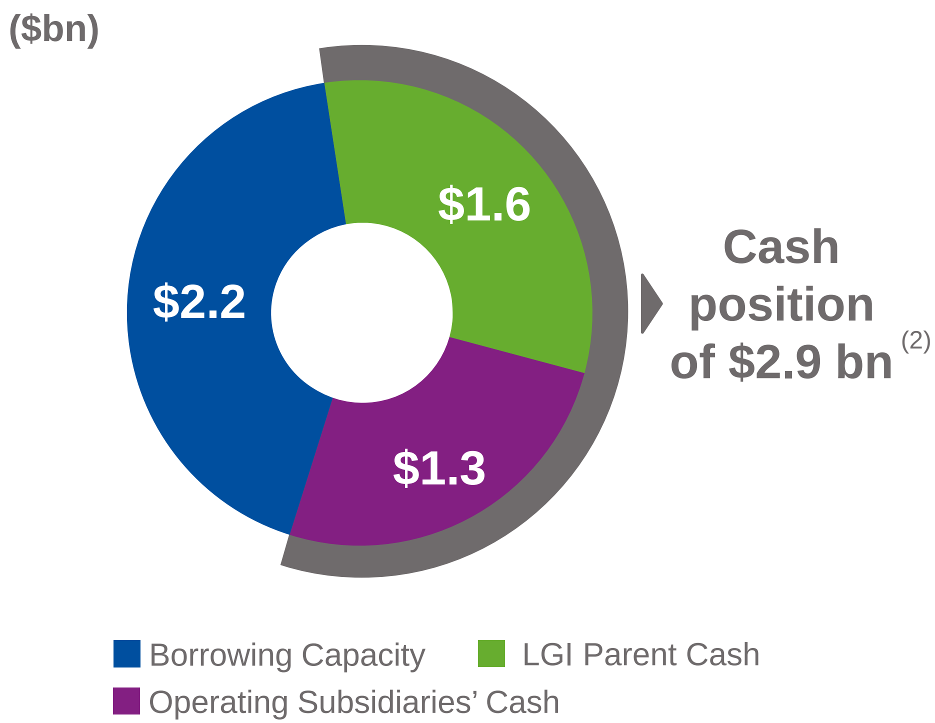
($ in millions)	Q1 2013 [2]	Q1 2012	Variance [2]
Cash flow from continuing operations	$ 558	$ 755	$ (197)
CapEx	(504)	(521)	17
Principal payments on VF/CL obligations[3]	(40)	(5)	(35)
Other items[4]	10	13	(3)
Free Cash Flow	23	242	(219)
VTR Wireless Adjustments	44	37	7
Adjusted Free Cash Flow	$ 68	$ 279	$ (211)

(1) Please see Appendix for the definition and reconciliation of FCF and Adjusted FCF.
(2) May not summate due to rounding.
(3) Sum of principal payments on vendor financing obligations and principal payments on capital leases (excluding certain leases that we assumed in acquisitions).
(4) Includes excess tax benefits from stock-based compensation and cash payments for direct acquisition costs.

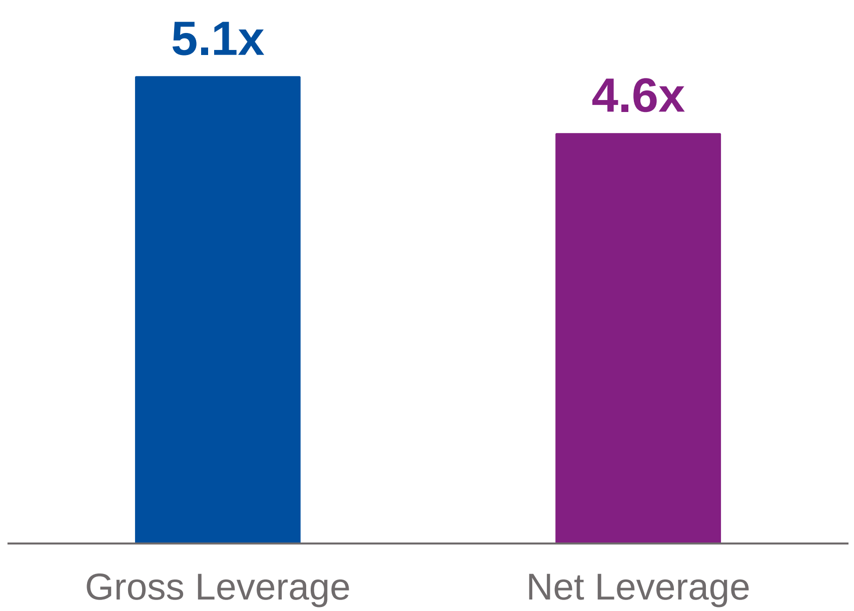
Total Liquidity and Leverage[1]

Adjusted leverage down modestly from Q4

Total Liquidity of $5.1 bn[2]



Adjusted Leverage Q1'13



(1) Please see Appendix for definitions of total liquidity and Adjusted Leverage ratio.
(2) Excludes $3.5 billion of restricted cash in segregated escrow accounts for the Virgin Media transaction.

Conclusions

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Top-line momentum continuing in 2013

German performance underpinning growth

Expect to close Virgin Media in Q2

Commitment to drive shareholder value

Appendix

Appendix

Definitions and Additional Information

GAAP are accounting principles generally accepted in the United States.

Revenue Generating Unit ("RGU") is separately an Analog Cable Subscriber, Digital Cable Subscriber, DTH Subscriber, MMDS Subscriber, Internet Subscriber or Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer in our Austrian system subscribed to our digital cable service, telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Analog Cable, Digital Cable, DTH, MMDS, Internet and Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g. a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled cable, internet or telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion.

Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers, free service to employees) generally are not counted as RGUs.

We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our March 31, 2013 RGU counts exclude 860,300 postpaid subscriber identification module ("SIM") cards in service in Belgium, Germany, Chile, Poland, Hungary and the Netherlands and 93,100 prepaid SIM cards in service in Chile.

Average Revenue Per Unit ("ARPU") refers to the average monthly subscription revenue per average customer relationship and is calculated by dividing the average monthly subscription revenue (excluding installation, late fees and mobile services revenue) for the indicated period, by the average of the opening and closing balances for customer relationships for the period. Customer relationships of entities acquired during the period are normalized. Unless otherwise indicated, ARPU per customer relationship for the UPC/Unity Division and LGI Consolidated are not adjusted for currency impacts.

Organic RGU additions exclude RGUs of acquired entities at the date of acquisition, but include the impact of changes in RGUs from the date of acquisition. All subscriber/RGU additions or losses refer to net organic changes, unless otherwise noted.

Advanced service RGUs represent our services related to digital video, including digital cable and direct-to-home satellite ("DTH"), broadband internet and telephony.

Appendix

Definitions and Additional Information

Digital penetration is calculated by dividing the number of digital cable RGUs by the total number of digital and analog cable RGUs.

Broadband internet and telephony penetration is calculated by dividing the number of broadband internet or telephony RGUs by the respective homes serviceable.

Bundling penetration is calculated by dividing the total number of double- and triple-play customers by the total number of customers.

DVR and HD refer to digital video recorder and high definition digital services, respectively.

DVR/HD penetration is calculated by dividing the total number of DVR and/or HD RGUs by total number of digital cable RGUs.

OCF margin is calculated by dividing OCF by total revenue for the applicable period.

Information on Rebased Growth: For purposes of calculating rebased growth rates on a comparable basis for all businesses that we owned during 2013, we have adjusted our historical revenue and OCF for the three months ended March 31, 2012 to (i) include the pre-acquisition revenue and OCF of certain entities acquired during 2012 and 2013 in our rebased amounts for the three months ended March 31, 2012 to the same extent that the revenue and OCF of such entities are included in our results for the three months ended March 31, 2013 and (ii) reflect the translation of our rebased amounts for the three months ended March 31, 2012 at the applicable average foreign currency exchange rates that were used to translate our results for the three months ended March 31, 2013. The acquired entities that have been included in whole or in part in the determination of our rebased revenue and OCF for the three months ended March 31, 2012 include OneLink and five small entities. We have reflected the revenue and OCF of the acquired entities in our 2012 rebased amounts based on what we believe to be the most reliable information that is currently available to us (generally pre-acquisition financial statements), as adjusted for the estimated effects of (i) any significant differences between GAAP and local generally accepted accounting principles, (ii) any significant effects of acquisition accounting adjustments, (iii) any significant differences between our accounting policies and those of the acquired entities and (iv) other items we deem appropriate. We do not adjust pre-acquisition periods to eliminate non-recurring items or to give retroactive effect to any changes in estimates that might be implemented during post-acquisition periods. As we did not own or operate the acquired businesses during the pre-acquisition periods, no assurance can be given that we have identified all adjustments necessary to present the revenue and OCF of these entities on a basis that is comparable to the corresponding post-acquisition amounts that are included in our historical results or that the pre-acquisition financial statements we have relied upon do not contain undetected errors. The adjustments reflected in our rebased amounts have not been prepared with a view towards complying with Article 11 of Regulation S-X. In addition, the rebased growth percentages are not necessarily indicative of the revenue and OCF that would have occurred if these transactions had occurred on the dates assumed for purposes of calculating our rebased amounts or the revenue and OCF that will occur in the future. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis, and are not presented as a measure of our pro forma financial performance. Therefore, we believe our rebased data is not a non-GAAP financial measure as contemplated by Regulation G or Item 10 of Regulation S-K.

Appendix

Operating Cash Flow Definition and Reconciliation

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 selling, general and administrative expenses (excluding stock-based compensation, depreciation and amortization, provisions for litigation and impairment, restructuring and other operating items). Other operating items include (i) gains and losses on the disposition of long-lived assets, (ii) direct acquisition costs, such as third-party due diligence, legal and advisory costs, and (iii) 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 (i) readily view operating trends, (ii) perform analytical comparisons and benchmarking between segments and (iii) 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 operating income is presented below.

	Three months ended March 31, 2013	Three months ended March 31, 2012
	in millions	
Total segment operating cash flow from continuing operations	$ 1,269.6	$ 1,195.6
Stock-based compensation expense	(26.8)	(27.7)
Depreciation and amortization	(693.1)	(670.7)
Impairment, restructuring and other operating items, net	(24.3)	(2.9)
Operating income	$ 525.4	$ 494.3

Appendix

Free Cash Flow and Adjusted Free Cash Flow Definitions and Reconciliations(*)

We define free cash flow as net cash provided by our operating activities, plus (i) excess tax benefits related to the exercise of stock incentive awards and (ii) cash payments for direct acquisition costs, less (a) capital expenditures, as reported in our consolidated cash flow statements, (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 operation. We also present Adjusted FCF, which adjusts FCF to eliminate the incremental FCF deficit associated with the VTR Wireless mobile initiative. 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 cash flow statements.The following table provides the reconciliation of our continuing operations' net cash provided by operating activities to FCF and Adjusted FCF for the indicated periods:

	Three months ended March 31, 2013	Three months ended March 31, 2012
	in millions	
Net cash provided by operating activities of continuing operations	$ 557.7	$ 754.8
Excess tax benefits from stock-based compensation[1]	1.3	0.5
Cash payments for direct acquisition costs[2]	8.5	12.9
Capital expenditures	(504.3)	(521.3)
Principal payments on vendor financing obligations	(37.0)	(2.0)
Principal payments on certain capital leases	(3.1)	(3.0)
FCF	$ 23.1	$ 241.9
FCF	$ 23.1	$ 241.9
FCF deficit of VTR Wireless	44.4	37.4
Adjusted FCF	$ 67.5	$ 279.3

(*) Please see next slide for accompanying footnotes.

Appendix

Footnotes to previous slide

1) Excess tax benefits from stock-based compensation represent the excess of tax deductions over the related financial reporting stock-based compensation expense. The hypothetical cash flows associated with these excess tax benefits are reported as an increase to cash flows from financing activities and a corresponding decrease to cash flows from operating activities in our consolidated cash flow statements.

2) Represents costs paid during the period to third parties directly related to acquisitions.

Q1 2013 P&E Additions

1) Property and equipment additions include our capital expenditures on an accrual basis and amounts financed under vendor financing or capital lease arrangements.

2) Capital expenditures refer to capital expenditures on a cash basis, as reported in our condensed consolidated statements of cash flows.

3) The capital expenditures that we report in our consolidated cash flow statements do not include amounts that are financed under vendor financing or capital lease arrangements.

   Instead, these expenditures are reflected as non-cash additions to our property and equipment when the underlying assets are delivered, and as repayments of debt when the related principal is repaid.

Total Liquidity and Leverage

1) Our gross and net debt ratios are defined as total debt and net debt to annualized OCF of the latest quarter. Net debt is defined as total debt less cash and cash equivalents and $3.5 billion of restricted cash in segregated escrow accounts related to the pending Virgin Media acquisition. For our adjusted ratios, the debt amount excludes the loan that is backed by the shares we hold in Sumitomo Corporation and the Lynx Bonds while the cash excludes the net proceeds from the Lynx Bonds that are held in escrow accounts.

2) Liquidity refers to our consolidated cash and cash equivalents plus our aggregate unused borrowing capacity, as represented by the maximum undrawn commitments under our subsidiaries' applicable facilities without regard to covenant compliance calculations, excluding $740 million attributable to our Binan Facility.

3) Our cash and cash equivalent balance excludes $3.5 billion of restricted cash that is held in escrow accounts for the Virgin Media acquisition.

Appendix

Virgin Media's Operating Cash Flow based on Liberty Global's Definition and Reconciliation

Operating cash flow is the primary measure used by Liberty Global's chief operating decision maker to evaluate segment operating performance. Operating cash flow is also a key factor that is used by Liberty Global's internal decision makers to (i) determine how to allocate resources to segments and (ii) evaluate the effectiveness of Liberty Global's management for purposes of annual and other incentive compensation plans.

As Liberty Global uses the term, operating cash flow is defined as revenue less operating and selling, general and administrative expenses (excluding stock-based compensation, depreciation and amortization, provisions for litigation and impairment, restructuring and other operating items). Other operating items include (i) gains and losses on the disposition of long-lived assets (ii) direct acquisition costs, such as third-party due diligence, legal and advisory costs, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration.

Liberty Global's 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 Liberty Global's recurring operating performance that is unaffected by Liberty Global's capital structure and allows management to (i) readily view operating trends, (ii) perform analytical comparisons and benchmarking between segments and (iii) identify strategies to improve operating performance in the different countries in which Liberty Global operates. Liberty Global believes their operating cash flow measure is useful to investors because it is one of the bases for comparing Liberty Global's performance with the performance of other companies in the same or similar industries, although Liberty Global's 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 Virgin Media's total operating cash flow under Liberty Global's definition to Virgin Media's operating income is presented below.

	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012
	In millions	
OCF	**£ 416.7**	**£ 386.8**
Reconciling items:		
Depreciation and amortization	(248.3)	(240.2)
Restructuring and other charges[1]	(8.2)	(5.4)
Stock based compensation[2]	(10.4)	(10.3)
	(266.9)	**(255.9)**
Operating income	**£ 149.8**	**£ 130.9**

(1) The 2013 amount includes £7.8 million of direct acquisition costs associated with Liberty Global's pending acquisition of Virgin Media.
(2) In accordance with Liberty Global's presentation of stock-based compensation expense, this amount includes taxes on stock-based compensation of £2.9 million and £2.7 million for the three months ended March 31, 2013 and 2012, respectively.

Appendix

Virgin Media's Free Cash Flow using Liberty Global's Definitions and Reconciliations(1)

Liberty Global defines free cash flow as net cash provided by operating activities, plus (i) excess tax benefits related to the exercise of stock incentive awards and (ii) cash payments for direct acquisition costs, less (a) capital expenditures, as reported in the consolidated cash flow statements, (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 were assumed in connection with certain acquisitions), with each item excluding any cash provided or used by discontinued operations. Liberty Global believes that their presentation of free cash flow provides useful information to Liberty Global's investors because this measure can be used to gauge Liberty Global's ability to service debt and fund new investment opportunities. Free cash flow under Liberty Global's definition should not be understood to represent Virgin Media's ability to fund discretionary amounts, as Virgin Media has 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 the consolidated cash flow statements. The following table provides the reconciliation of FCF under Liberty Global's definition for the indicated periods to Virgin Media's continuing operations' net cash provided by operating activities:

	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012
	In millions	
FCF	**£ 112.8**	**£ 54.8**
Reconciling items:		
Premiums paid on debt redemptions (2)	-	(48.1)
Cash payments for direct acquisition costs (3)	(3.8)	-
Capital expenditures	174.4	184.1
Principal payments on capital leases	22.6	21.3
	193.2	**157.3**
Net cash provided by operating activities	**£ 306.0**	**£ 212.1**

(1) Excess tax benefits from stock-based compensation and principal payments on vendor financing obligations are not applicable to Virgin Media and accordingly are not included in the reconciliation of FCF to net cash provided by operating activities. Virgin Media has no network leases that were assumed in connection with acquisitions.

(2) Virgin Media includes premiums paid on debt redemptions as a component of net cash provided by operations, while Liberty Global includes these cash payments as a component of net cash provided (used) by financing activities. We deduct these debt redemption premiums in order to reconcile FCF under Liberty Global's definition to Virgin Media's continuing operations' net cash provided by operating activities.

(3) Represents costs paid during the period to third parties directly related to Liberty Global's pending acquisition of Virgin Media.