Liberty Global plc Investor Call

FY 2017 | February 15, 2018

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“Safe Harbor”

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Forward-Looking Statements + Disclaimer

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements with respect to our strategies, future growth prospects and opportunities, including in B2B; expectations with respect to our OCF growth, as well as OCF results in Switzerland, our Adjusted FCF and our P&E additions, including P&E additions attributable to new build and upgrades; our new build and upgrade prospects; expectations with respect to the development, enhancement and deployment of our innovative and advanced products and services, including WiFi Connect and V6 set-top boxes at Virgin Media; expectations with respect to our new MVNO arrangement in Switzerland; expectations regarding our share buyback program; the strength of our balance sheet and tenor of our third-party debt; 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 events that are outside of our control, such as the continued use by subscribers and potential subscribers of our and our affiliates’ services and their willingness to upgrade to our more advanced offerings; our and our affiliates’ ability to meet challenges from competition, to manage rapid technological change or to maintain or increase rates to subscribers or to pass through increased costs to subscribers; the effects of changes in laws or regulation; general economic factors; our and our affiliates’ ability to obtain regulatory approval and satisfy regulatory conditions associated with acquisitions and dispositions; our and affiliates’ ability to successfully acquire and integrate new businesses and realize anticipated efficiencies from acquired businesses; the availability of attractive programming for our and our affiliates’ video services and the costs associated with such programming; our and our affiliates’ ability to achieve forecasted financial and operating targets; the outcome of any pending or threatened litigation; the ability of our operating companies and affiliates to access cash of their respective subsidiaries; the impact of our operating companies' and affiliates’ future financial performance, or market conditions generally, on the availability, terms and deployment of capital; fluctuations in currency exchange and interest rates; the ability of suppliers and vendors (including our third-party wireless network providers under our MVNO arrangements) to timely deliver quality products, equipment, software, services and access; our and our affiliates’ ability to adequately forecast and plan future network requirements including the costs and benefits associated with network expansions; and other factors detailed from time to time in our filings with the Securities and Exchange Commission, including our most recently filed Form 10-K ("10-K"). These forward-looking statements speak only as of the date of this release. 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 change in events, conditions or circumstances on which any such statement is based.

Nothing in this press release constitutes an offer of any securities for sale.

Additional Information Relating to Defined Terms:

Please refer to the Appendix at the end of this presentation, as well as our press release dated February 14, 2018 and our SEC filings, for the definitions of the following terms which may be used herein, including: Rebased Growth, Operating Cash Flow (“OCF”), Adjusted Free Cash Flow (“FCF”), Revenue Generating Units (“RGUs”), Average Revenue per Unit (“ARPU”), as well as non-GAAP reconciliations, where applicable.


EXECUTIVE SUMMARY
FINANCIAL
APPENDIX
Virgin media

2017 Operating & Financial Highlights

Investing in our customers and delivering sustainable growth

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STABLE ORGANIC GROWTH

- RGU additions of 760k
- Rebased revenue growth of 2.3% to $15.0bn
- Rebased OCF growth of 4.5% to $7.1bn
- P&E additions of $4.8bn at 31.7% of revenue
- Adjusted FCF of $1.6bn

LEANING INTO CUSTOMERS

- Network capacity growing and quality improving
- Expanding footprint through high return new build
- Investment in core products (Horizon, Connect, FMC)
- NPS & churn benefit from fixed-mobile convergence
- Better management of ARPU and retention

STRATEGIC VALUE CREATION

- European focus (post LatAm split-off)
- National scale through accretive rebalancing

  e.g. Sale of UPC Austria at ~11x OCF
- Strong balance sheet (4.9x leverage; $5bn of liquidity)
- ~$3bn of stock repurchases; further $2bn announced for 2018

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Virgin media

unitymedia

upc

Subscriber Evolution

760k RGU additions in 2017

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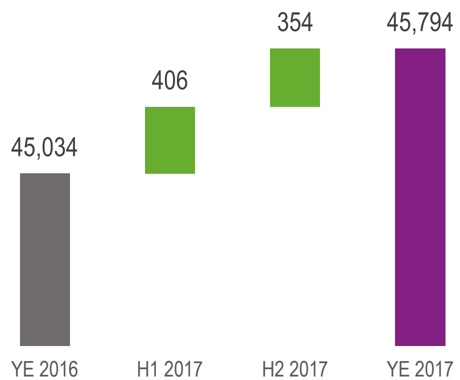
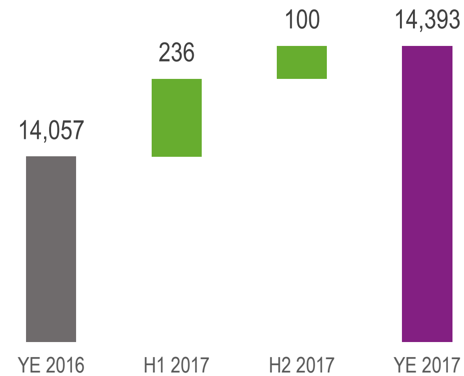
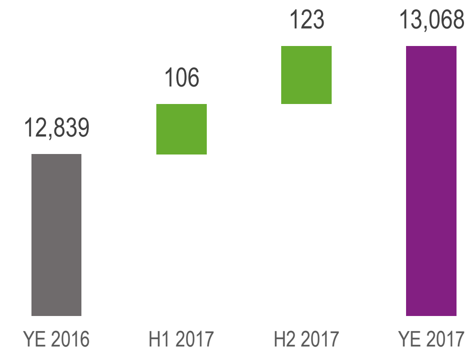
RGUS (000)



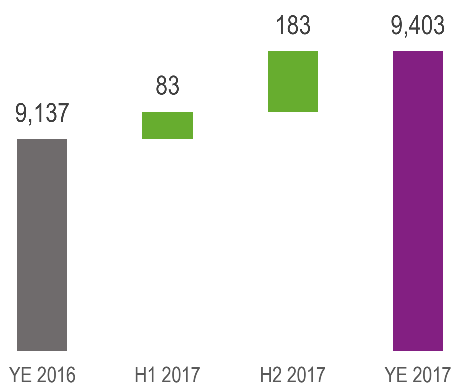
UK & IRELAND
MEASURED USE OF DISCOUNTS IN H2



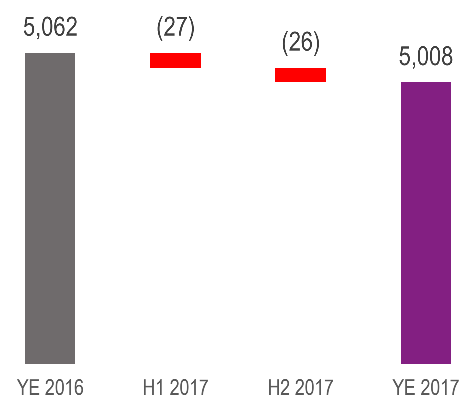
GERMANY
CONSISTENT BROADBAND GAINS



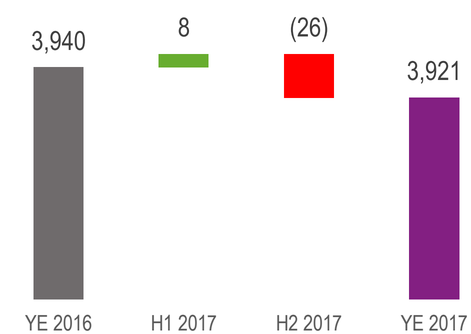
CENTRAL & EASTERN EUROPE
CONTINUED NEW BUILD MOMENTUM



BELGIUM
CONSISTENT TRENDS; UNDERLYING SOHO GROWTH



SWITZERLAND & AUSTRIA
SWISS VIDEO LOSSES CONTINUE



To isolate organic movements, YE 2016 figures have been rebased for infill acquisitions and other inorganic adjustments that occurred during 2017. These impacted Belgium (+187k), Switzerland (+15k), CEE (+51k) and total Liberty Global (+253k)

Organic Growth Drivers

Executing our Liberty GO game plan

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PRICE

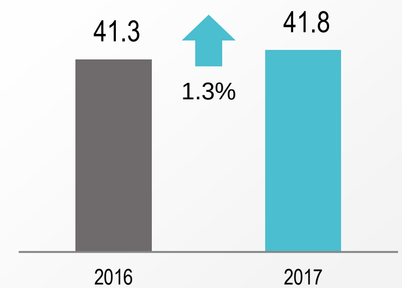
Customer ARPU growth below expectations

UK & Ireland flat; Switzerland down -1.8%

Recent UK price rise data encouraging

Belgium & Germany both up 3%

CABLE ARPU (CUSTOMER)
REBASED



B2B

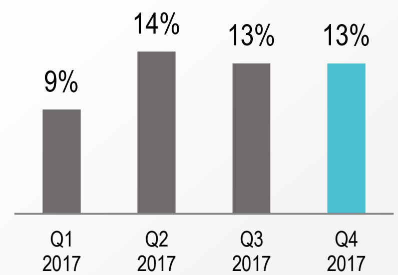
Strong B2B performance across most markets

FY Revenue growth of 12% (**SOHO 27%**[(1)]**, SME 10%**)

Good long term growth prospects

M&A pipeline building

B2B REVENUE
REBASED GROWTH YOY



MOBILE

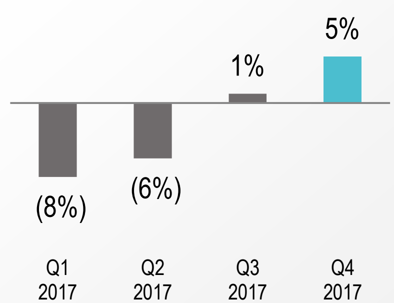
2017 Revenue decline -1.3%

Continued strong postpaid volumes; 384k FY

Strong handset sales in the UK main driver of Q4 growth

BASE synergies kicking in

CONSUMER MOBILE REVENUE
REBASED GROWTH YOY



INDIRECT COST

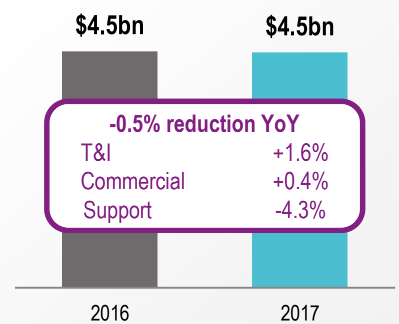
Indirect cost base held flat, despite New Build investments

Scale-based efficiencies evident, procurement savings estimated at ~5%

Matrix structure embedded and yielding benefits

Support efficiencies reinvested in T&I / Commercial

INDIRECT COSTS
REBASED YOY



(1) SOHO rebased growth figures include upsell from B2C

Virgin Media Operating Update

Ending the year on a positive note

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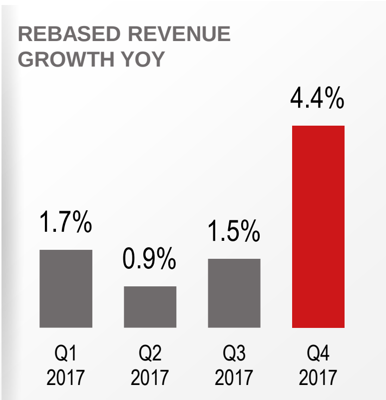
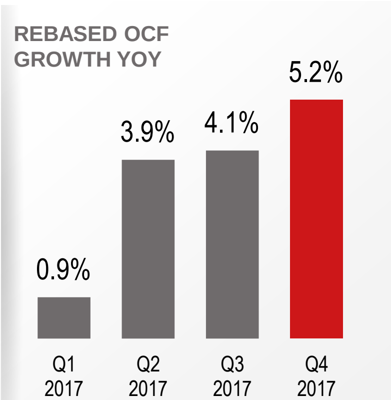
REVENUE AND OCF PROGRESSION





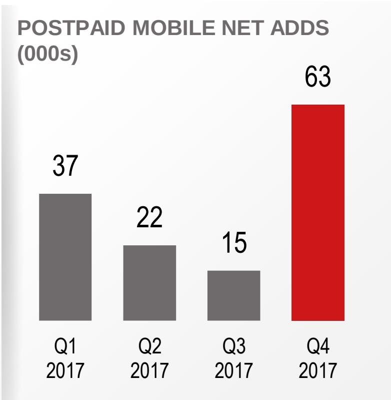
REBOUND IN MOBILE PERFORMANCE

Strong postpaid volumes supported by 4G and SIMO

Churn significantly improved vs 2016

Full-MVNO live in November, over 100k migrations in 2017

Plan to launch **FMC bundles** in 2018



UPDATE ON NOVEMBER 2017 PRICE RISE

Price increase **landed much better than 2016**

Lower impact and quicker recovery on NPS

~95% of customer base covered

~1% sequential increase in U.K. ARPU in Q4 2017 represents 6 weeks of price rise

ACCELERATING NETWORK & PRODUCT QUALITY

Actively deploying V6 boxes and Hub 3.0 routers

Continued investment in **network capacity & quality**

New Product initiatives to improve experience include

- Voice Over IP
- Enhanced WiFi experience
- Expanded B2B product portfolio

Project Lightning Update

Generating long-term sustainable growth

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OVERVIEW

Addressed execution issues faced in early 2017

Improved controls over build pace & cost

Key metrics continue to be indicative of **attractive returns**

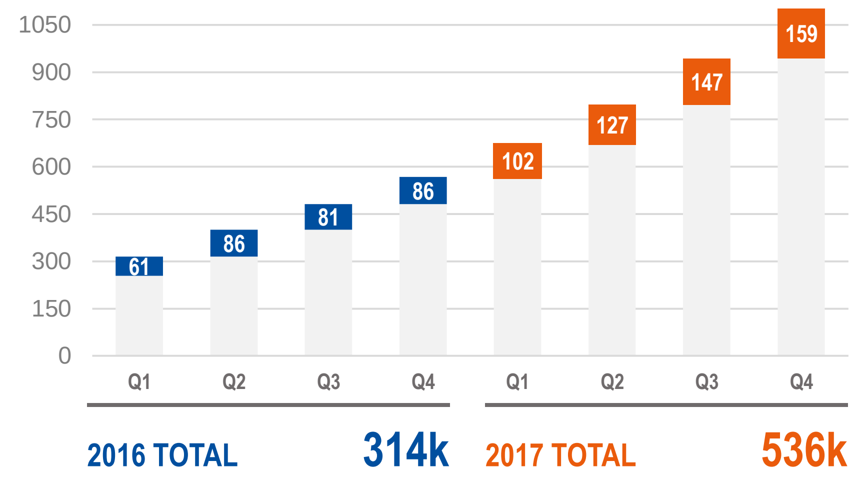
Positive OCF contribution from UK New Build in 2017; meaningful step-up expected in 2018

ILLUSTRATIVE LONG-TERM CONTRIBUTION | U.K.

Cumulative Premises Released Since 2015	1.0m
Assumed Penetration (3+ years)	39%
ARPU (1)	£50
Revenue	~£230m
OCF Margin % (2)	~50-60%
OCF	~£115-140m
Construction P&E Additions (3)	~£650m
IRR (unlevered)	25-30%

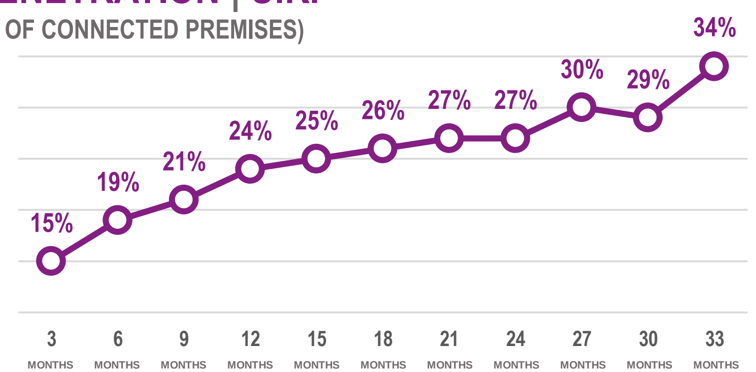
CUMULATIVE PREMISES | U.K. & IRELAND

1.1M HOMES RELEASED SINCE PROGRAM INCEPTION IN 2015



PENETRATION | U.K.

(% OF CONNECTED PREMISES)



(1) Based on Q4 2017 U.K. customer ARPU
(2) Indicative range of assumed OCF contribution margin
(3) Includes direct build, capitalised labour & planning. Excludes Customer Premises Equipment

EXECUTIVE SUMMARY

FINANCIAL RESULTS

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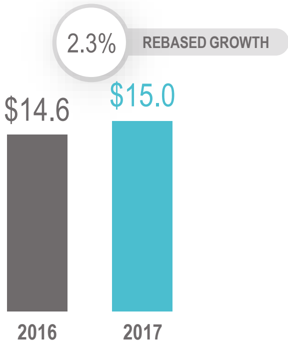
Full-Year 2017 Financial Results[1]

Executing our levered equity growth strategy

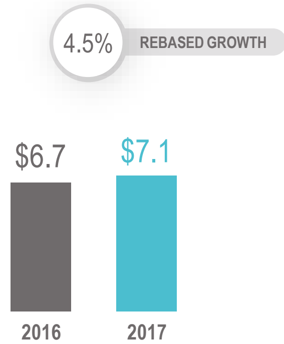
REVENUE

USD BN



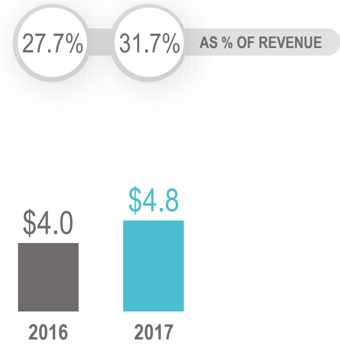
OCF

USD BN



P&E ADDITIONS

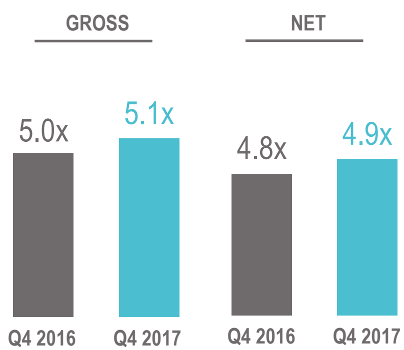
USD BN



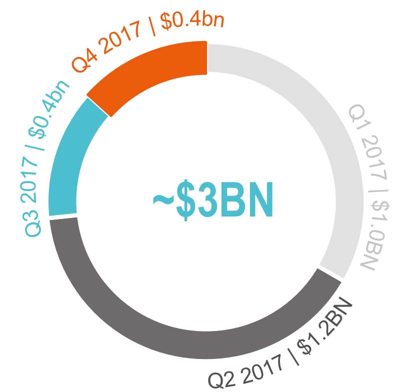
ADJUSTED FCF[2]

USD BN

LEVERAGE RATIOS



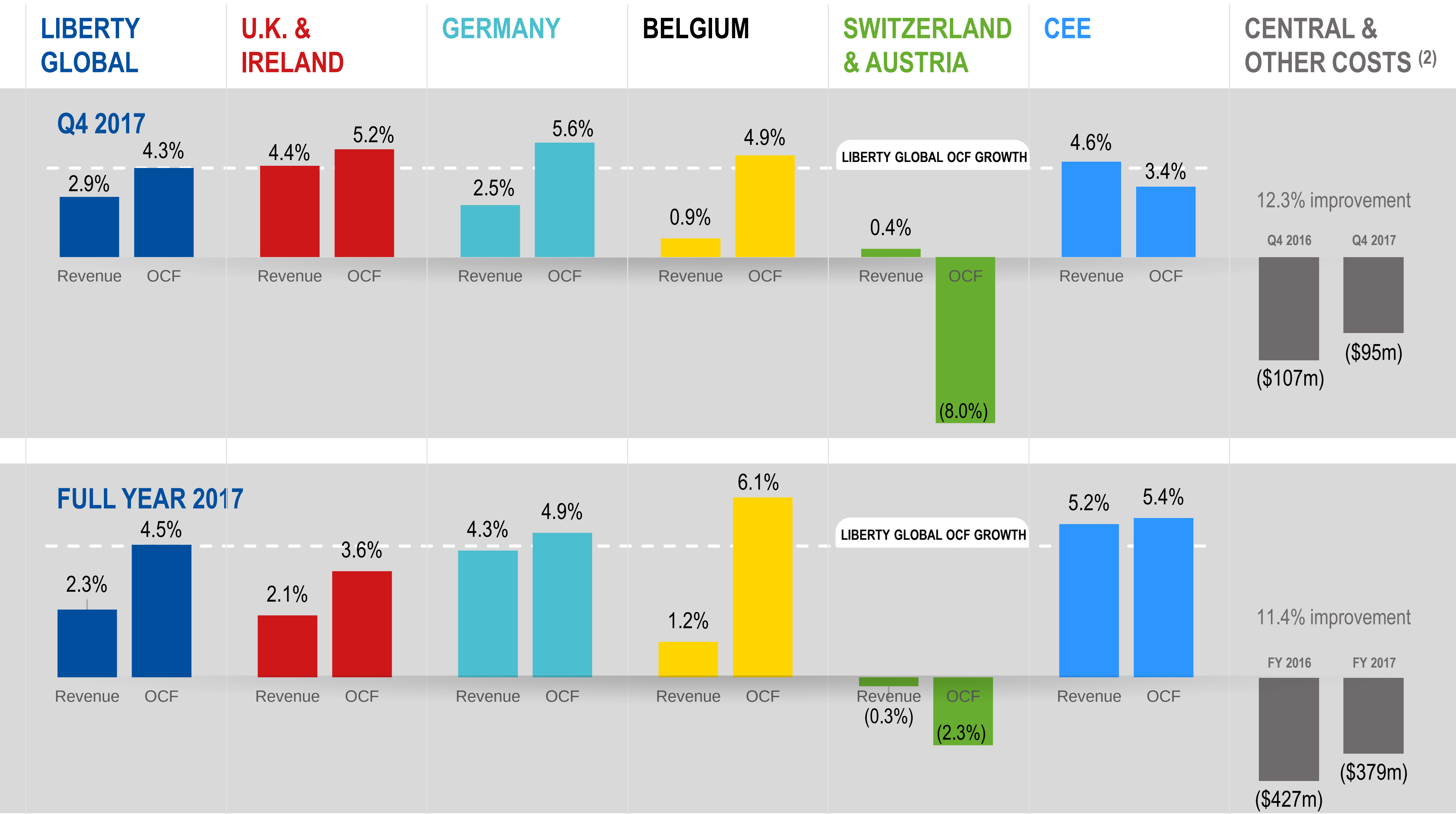
SHARE REPURCHASES



(1) Figures for 2016 Revenue, OCF and P&E Additions exclude Netherlands
(2) Amounts represent reported numbers

Results by Segment[1]

Solid growth across all markets except Switzerland



(1) Growth figures and central & other costs are shown on a rebased basis.
(2) Represents rebased net costs after including revenue from the Vodafone Ziggo JV.

P&E Addition Breakdown

Investing heavily in New Build and Customer Experience

	2017 $mm	% of Revenue	vs 2016(1)	
CPE	$1,161mm	7.7%	+27%	Driving **next-generation products**
New Build & Upgrades	$1,158mm	7.7%	+24%	Pursuing **high-return footprint expansion**
Capacity	$626mm	4.2%	(4%)	Investing in **first-class network experience**
Product & Enablers	$876mm	5.8%	+28%	Building **a captivating product pipeline**
Baseline	$944mm	6.3%	+5%	Ensuring **robust infrastructure**
Liberty Global	**$4,765mm**	**31.7%**	**+17%**	

(1) % changes are shown on an FX-neutral basis and exclude our operations in the Netherlands (Ziggo).

Conclusions

Investing in long-term sustainable growth

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FOCUSED ON CONTINUED SUBSCRIBER AND ARPU GROWTH

NEW BUILD TO DELIVER MEANINGFUL OCF IN 2018 AND BEYOND

B2B OPPORTUNITY COMPELLING; REMAINS KEY GROWTH LEVER

SCALE-BASED EFFICIENCIES REINVESTED IN CUSTOMER GROWTH

STRONG BALANCE SHEET WITH NEARLY $5BN OF LIQUIDITY

STRATEGIC VALUE OF ASSETS DEMONSTRATED WITH SALE OF AUSTRIA

2018 Guidance(1)

AROUND 5% REBASED OCF GROWTH

P&E ADDITIONS $5.1BN, INCLUDING $1.2BN OF NEW BUILD & UPGRADE

$1.6BN OF ADJUSTED FCF

SHARE BUYBACKS OF $2BN

(1) All 2018 Guidance metrics include UPC Austria, which we expect to sell in the last half of 2018. P&E Additions & Adjusted FCF figures stated at February 13, 2017 FX rates: EUR/USD 1.23; GBP/USD 1.38

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Adjusted Free Cash Flow: net cash provided by our operating activities, plus (i) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and dispositions and (ii) expenses financed by an intermediary, less (a) capital expenditures, as reported in our consolidated statements of cash flows, (b) principal payments on amounts financed by vendors and intermediaries 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 Adjusted 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. Adjusted 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 Adjusted Free Cash Flow as a supplement to, and not a substitute for, U.S. GAAP measures of liquidity included in our consolidated statements of cash flows. We changed our definition of adjusted free cash flow effective January 1, 2017 to remove the add-back of excess tax benefits from share-based compensation. This change, which was given effect for all periods presented, was made to accommodate our January 1, 2017 adoption of ASU 2016-09, Compensation - Stock Compensation, Improvements to Employee Share-Based Payment Accounting, pursuant to which we retrospectively revised the presentation of our consolidated statements of cash flows to remove the operating cash outflows and financing cash inflows associated with excess tax benefits from share-based compensation. The following table provides the reconciliation of our net cash provided by operating activities to Adjusted Free Cash Flow for the indicated periods:

	Three months ended December 31, 2017	Three months ended December 31, 2016	Year ended December 31, 2017	Year ended December 31, 2016
	in millions			
Net cash provided by operating activities of our continuing operations	$ 1,494.6	$ 1,653.7	$ 5,134.6	$ 5,471.7
Cash payments for direct acquisition and disposition costs	1.8	2.5	8.7	29.3
Expenses financed by an intermediary(i)	439.8	206.1	1,506.9	812.0
Capital expenditures	(575.7)	(551.4)	(1,953.1)	(2,153.9)
Principal payments on amounts financed by vendors and intermediaries	(496.5)	(278.5)	(3,059.3)	(2,074.7)
Principal payments on certain capital leases	(19.9)	(23.3)	(86.6)	(105.5)
Adjusted FCF	$ 844.1	$ 1,009.1	$ 1,551.2	$ 1,978.9

(i) For purposes of our consolidated statements of cash flows, expenses financed by an intermediary are treated as hypothetical operating cash outflows and hypothetical financing cash inflows when the expenses are incurred. When we pay the financing intermediary, we record financing cash outflows in our consolidated statements of cash flows. For purposes of our Adjusted Free Cash Flow definition, we add back the hypothetical operating cash outflow when these financed expenses are incurred and deduct the financing cash outflows when we pay the financing intermediary.

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ARPU: Average Revenue Per Unit is the average monthly subscription revenue (subscription revenue excludes interconnect fees, channel carriage fees, mobile handset sales, late fees and installation fees) per average customer relationship or mobile subscriber, as applicable. ARPU per average customer relationship is calculated by dividing the average monthly subscription revenue from residential cable and SOHO services by the average number of customer relationships for the period. ARPU per average mobile subscriber is calculated by dividing residential mobile and SOHO revenue for the indicated period by the average number of mobile subscribers for the period. Unless otherwise indicated, ARPU per customer relationship or mobile subscriber is not adjusted for currency impacts. ARPU per RGU refers to average monthly revenue per average RGU, which is calculated by dividing the average monthly subscription revenue from residential and SOHO services for the indicated period, by the average number of the applicable RGUs for the period. Unless otherwise noted, ARPU in this release is considered to be ARPU per average customer relationship or mobile subscriber, as applicable. Customer relationships, mobile subscribers and RGUs of entities acquired during the period are normalized. In addition, for purposes of calculating the percentage change in ARPU on a rebased basis, we adjust the prior-year subscription revenue, customer relationships, mobile subscribers and RGUs, as applicable, to reflect acquisitions, dispositions and FX on a comparable basis with the current year, consistent with how we calculate our rebased growth for revenue and OCF.

ARPU per Mobile Subscriber: Our ARPU per mobile subscriber calculation that excludes interconnect revenue refers to the average monthly mobile subscription revenue per average mobile subscriber and is calculated by dividing the average monthly mobile subscription revenue (excluding activation fees, handset sales and late fees) for the indicated period, by the average of the opening and closing balances of mobile subscribers in service for the period. Our ARPU per mobile subscriber calculation that includes interconnect revenue increases the numerator in the above-described calculation by the amount of mobile interconnect revenue during the period.

Basic Video Subscriber: a home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network either via an analog video signal or via a digital video signal without subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Encryption-enabling technology includes smart cards, or other integrated or virtual technologies that we use to provide our enhanced service offerings. With the exception of RGUs that we count on an EBU basis, we count RGUs on a unique premises basis. In other words, a subscriber with multiple outlets in one premises is counted as one RGU and a subscriber with two homes and a subscription to our video service at each home is counted as two RGUs.

Cable Customer Relationships: the number of customers who receive at least one of our video, internet or telephony services that we count as RGUs, without regard to which or to how many services they subscribe. To the extent that RGU counts include "EBU" adjustments, we reflect corresponding adjustments to our Cable Customer Relationship counts. Cable Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two Cable Customer Relationships. We exclude mobile-only customers from Cable Customer Relationships.

DTH Subscriber: a home, residential multiple dwelling unit or commercial unit that receives our video programming broadcast directly via a geosynchronous satellite.

EBU: Equivalent Billing Unit.

Enhanced Video Subscriber: a home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network or through a partner network via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Enhanced Video Subscribers that are not counted on an EBU basis are counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives our video service in one premises is generally counted as just one subscriber. An Enhanced Video Subscriber is not counted as a Basic Video Subscriber. As we migrate customers from basic to enhanced video services, we report a decrease in our Basic Video Subscribers equal to the increase in our Enhanced Video Subscribers.

Homes Passed: homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant, except for DTH homes. Certain of our Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results. We do not count homes passed for DTH.

Internet Subscriber: a home, residential multiple dwelling unit or commercial unit that receives internet services over our networks, or that we service through a partner network. Our Internet Subscribers do not include customers that receive services from dial-up connections.

Leverage and Liquidity: 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. For purposes of these calculations, debt is measured using swapped foreign currency rates, consistent with the covenant calculation requirements of our subsidiary debt agreements, and excludes the loans backed or secured by the shares we hold in ITV plc, Sumitomo Corporation and Lions Gate Entertainment Corp.

Liquidity refers to cash and cash equivalents plus the maximum undrawn commitments under subsidiary borrowing facilities, without regard to covenant compliance calculations.

Mobile Subscriber Count: the number of active cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from our mobile telephony subscriber counts after periods of inactivity ranging from 30 to 90 days, based on industry standards within the respective country. In a number of countries, our mobile subscribers receive mobile services pursuant to prepaid contracts.

MVNO: Mobile Virtual Network Operator

NPS: Net Promoter Score.

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OCF: As used herein, OCF has the same meaning as the term "Adjusted OIBDA" that is referenced in our Form 10-K. OCF is the primary measure used by our chief operating decision maker to evaluate segment operating performance. OCF 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, OCF is defined as operating income before depreciation and amortization, share-based compensation, 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 OCF is a meaningful measure 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 OCF 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. OCF should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, operating income, net earnings or loss, cash flow from operating activities and other U.S. GAAP measures of income or cash flows. A reconciliation of our operating income to total OCF is presented in the following table:

	Three months ended December 31,		Year ended December 31,	
	2017	2016	2017	2016
	in millions			
Operating income	$ 495.8	$ 683.0	$ 1,947.5	$ 2,482.2
Share-based compensation expense	63.9	85.8	173.9	281.5
Depreciation and amortization	1,333.7	1,187.5	4,857.0	5,213.8
Impairment, restructuring and other operating items, net	18.5	79.2	107.2	186.2
Total OCF	$ 1,911.9	$ 2,035.5	$ 7,085.6	$ 8,163.7

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

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Property and equipment additions: includes capital expenditures on an accrual basis, amounts financed under vendor financing or capital lease arrangements and other non-cash additions.

RGU: A Revenue Generating Unit is separately a Basic Video Subscriber, Enhanced Video Subscriber, DTH Subscriber, Internet Subscriber or Telephony Subscriber (each as defined and described below). A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer in our U.K. market subscribed to our enhanced video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Basic Video, Enhanced Video, DTH, 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 or 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 December 31, 2017 RGU counts exclude our separately reported postpaid and prepaid mobile subscribers.

SIM: Subscriber Identification Module

SOHO: Small or Home Office Subscribers

Telephony Subscriber: a home, residential multiple dwelling unit or commercial unit that receives voice services over our networks, or that we service through a partner network. Telephony Subscribers exclude mobile telephony subscribers.

Two-way Homes Passed: homes passed by those sections of our networks that are technologically capable of providing two-way services, including video, internet and telephony services.

U.S. GAAP: United States Generally Accepted Accounting Principles.

YoY: Year over year