

Information related to Regulation G

Virgin Media Inc. (Virgin Media):

Virgin Media, a wholly-owned subsidiary of Liberty Global plc, is the leading cable operator in the United Kingdom and Ireland.

Segment operating cash flow (Segment OCF) is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G. Segment OCF is the primary measure used by Virgin Media's management to evaluate its performance. Segment OCF is also a key factor that is used by Virgin Media's internal decision makers to evaluate the effectiveness of its management for purposes of annual and other incentive compensation plans. A reconciliation of Segment OCF to the most directly comparable GAAP financial measure is presented below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017 (a)	2018	2017 (a)
	in millions			
Operating income	£ 58.3	£ 70.6	£ 117.6	£ 125.9
Share-based compensation expense	6.5	7.6	11.1	11.3
Related-party fees and allocations, net	45.2	31.1	78.1	60.9
Depreciation and amortisation	442.4	431.3	891.0	860.1
Impairment, restructuring and other operating items, net.....	8.9	7.4	11.5	8.5
Segment OCF (b)	<u>£ 561.3</u>	<u>£ 548.0</u>	<u>£ 1,109.3</u>	<u>£ 1,066.7</u>

- (a) Information for 2017 has been adjusted to reflect (i) the pro forma impact of the adoption of ASU 2014-09-*Revenue from Contracts with Customers*, as if such adoption had occurred on January 1, 2017 and (ii) the retrospective restatement of operating income and Segment OCF associated with the January 1, 2018 adoption of ASU 2017-07-*Improving the Presentation of the Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*.
- (b) Virgin Media defines Segment OCF as operating income before depreciation and amortisation, share-based compensation, related-party fees and allocations, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items.