



Fourth Quarter 2007

February 28, 2008

Forward-looking statements



“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995:

Various statements contained in this document constitute “forward-looking statements” as that term is defined under the Private Securities Litigation Reform Act of 1995. Words like “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expects,” “estimates,” “projects,” “positioned,” “strategy,” and similar expressions identify these forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. These factors, among others, include: (1) the ability to compete with a range of other communications and content providers; (2) the ability to manage customer churn; (3) the continued right to use the Virgin name and logo; (4) the ability to maintain and upgrade our networks in a cost-effective and timely manner; (5) possible losses in revenues due to systems failures; (6) the ability to provide attractive programming at a reasonable cost; (7) the ability to control unauthorized access to our network; (8) the effect of technological changes on our businesses; (9) the reliance on single-source suppliers for some equipment, software and services and third party distributors of our mobile services; (10) the ability to achieve our business plans; (11) the ability to fund debt service obligations through operating cash flow; (12) the ability to obtain additional financing in the future and react to competitive and technological changes; (13) the ability to comply with restrictive covenants in our indebtedness agreements; and (14) the extent to which our future cash flow will be sufficient to cover our fixed charges.

These and other factors are discussed in more detail under “Risk Factors” and elsewhere in Virgin Media’s Form 10-K filed with the SEC on March 1, 2007 and its Form 10-K to be filed with the SEC on or about February 29, 2008. We assume no obligation to update our forward-looking statements to reflect actual results, changes in assumptions or changes in factors affecting these statements.



Neil Berkett, Acting CEO



Introduction

- Successful strategy driving strong operational performance
- Improved customer and RGU growth
- ARPU increased to £42.24 (Q3: £41.55)
- Significant churn reduction
- Further enhancements to broadband speeds
- Driving operating efficiency
- Increasing value of customer base in 2008 builds growth platform for 2009



Q4 Progress on Priorities

Priorities

Reduce churn is #1 priority

Effectively manage backbook

Differentiate products

Broadband as hero product

Cross-sell and up-sell

Mobile: focus on contract cross-sell

Telephony: repair subscriber losses

Rightsizing business to maximize long-term cashflow

Q4 Progress

Lowest churn since merger at 1.4%

Cross-sell and up-sell helped increase ARPU

4Mb to 10Mb. Announced 50Mb launch.
Growing VOD usage

111k net adds, up 16% on Q4-06

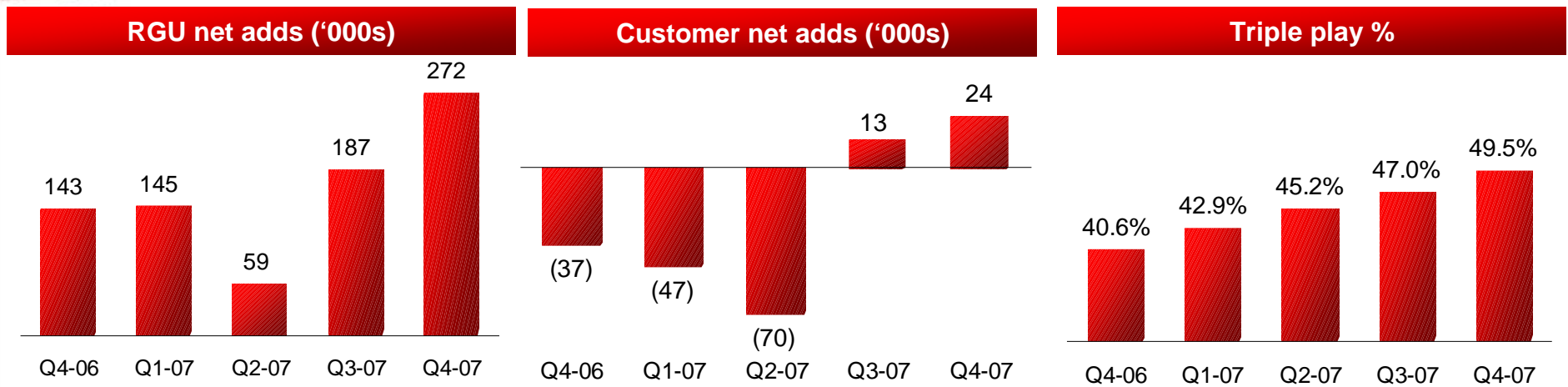
Cable triple-play up to record 49.5%
XL product mix growing

48k contract net adds (Q3: 30k)

52k net adds incl 39k on-net

Eg Close venue sales channel, outsource
network switch management

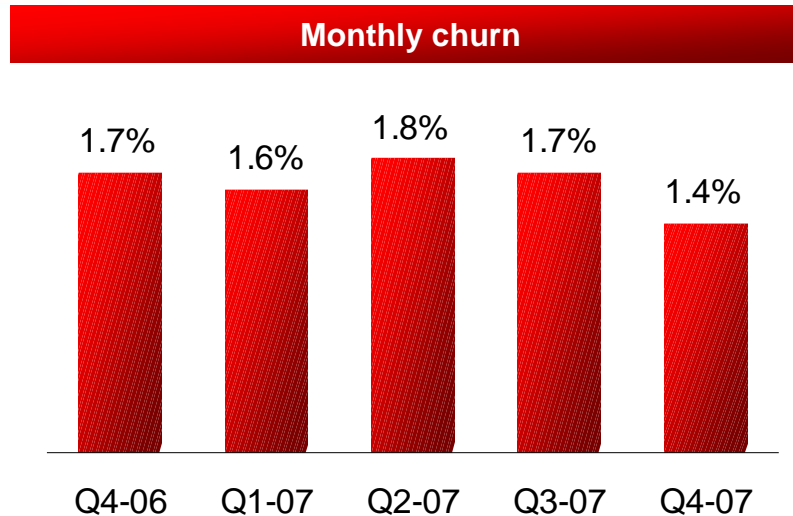
Improved customer / RGU growth



- Best RGU growth since merger
- Strongest customer growth since merger
- Churn at lowest point following merger
- Highest triple-play net adds since merger

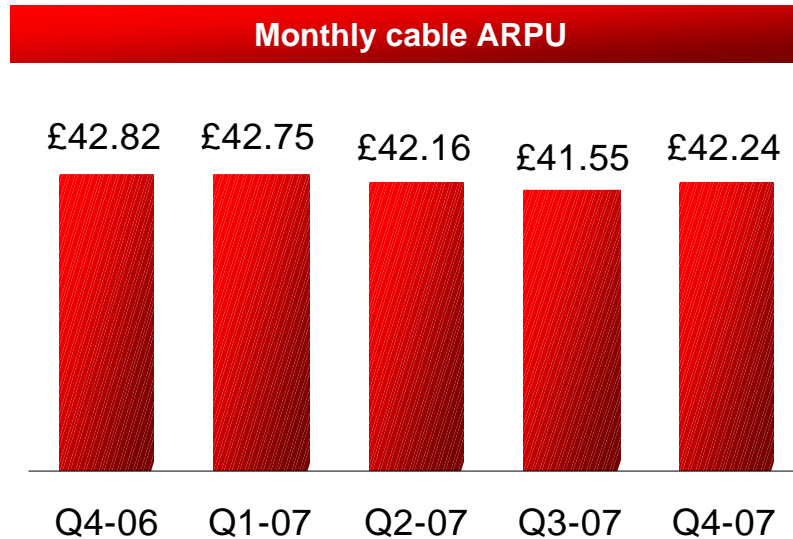
Note: RGUs include on-net, off-net and contract mobile. Customer numbers are cable on-net only. Triple play is % of on-net customers who take all three TV, phone and broadband services

Declining Cable Churn



- Targeting the main causes of churn
 - Consumer billing system issues due to multiple systems
 - Migration to single system now largely complete
 - Product reliability and first time resolution
 - “Fixing the Fundamentals” program is #1 project for 2008
 - Value for Money
 - Improved “frontbook” pricing and more effective management of “backbook”

Cable ARPU growth in Q4



- Increased ARPU for first time in four quarters
- ARPU impacts
 - Metered telephony price rise partially offset by unmetered price reduction
 - Continued cross-sell grows Cable RGU per customer
 - Improved management of “frontbook” versus “backbook” pricing
 - Includes approximately 20p increase from benefits including high Q4 telephony usage and PPV sporting events not expected to recur in Q1
- Will continue to manage “backbook” and ARPU under value discipline

Creating value



Customer base value is a function of:

Volume

- Broadband penetration
- Digital switchover
- Product differentiation (20Mbps BB, V+, VOD, mobile)
- Sales efficiency
- Building on Virgin brand

ARPU/margin

- Reduce backbook premium whilst protecting ARPU and margin
- Driving up-sell and cross-sell
- Improving depth and range of products
- Pro-active migration of high value / high risk customers
- Less pressure on frontbook compared to 2007

Tenure/Churn

- Billing system migration
- Fault reduction
- Product depth / quality (20Mbps BB, V+, VOD, mobile)
- VFM enhancements via cross-sell / up-sell to reduce backbook premium

Operating efficiency

Virgin Media segment opportunity



Characteristics

Our positioning

Opportunity

Premium TV

- Low growth
- Heavy investment

- Poor content economics
- Sky owns >80% market

LIMITED

Basic pay-TV

- Decent growth
- Choice / price driven

- VOD to all
- Setanta in basic TV



Free DTV

- Many subs dissatisfied and want more choice

- “Free TV + VOD” bundled with other products



Contract Mobile

- VM under-penetrated in both market and cable base

- Cross sell with high VFM, low SAC



Low tier broadband

- Growth driven by price & bundles

- Lowest unit cost operator



High tier broadband

- Speed & quality important
- Application driven

- Network advantage, 50Mb+
- Award winning service

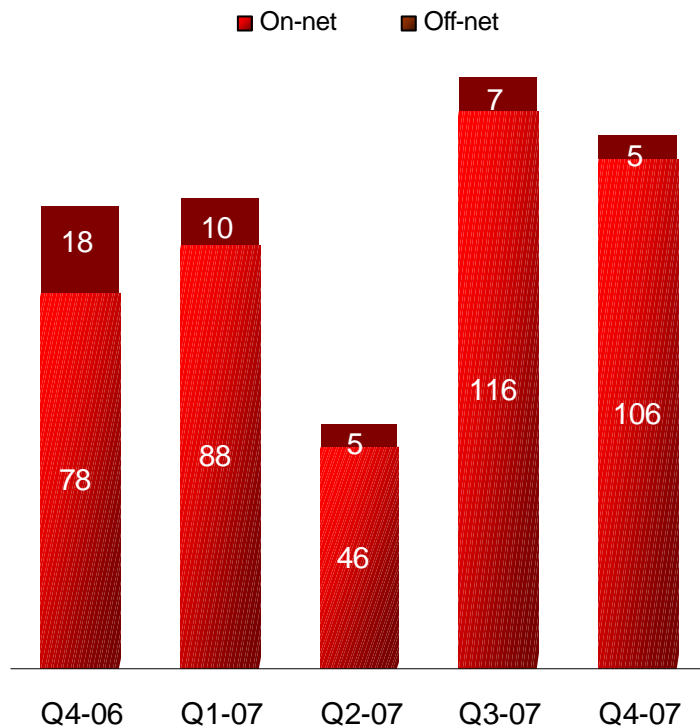


BROADBAND IS OUR “HERO” PRODUCT



Strong broadband net additions

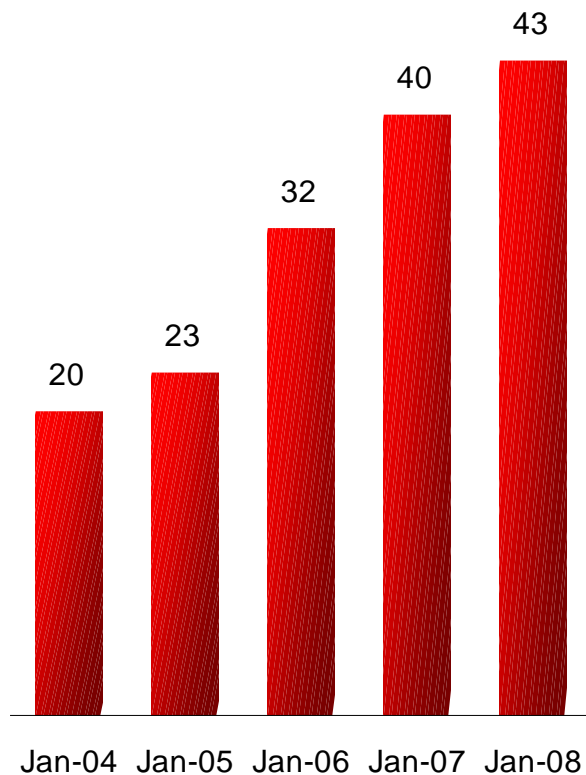
Broadband net adds (000s)



- Broadband is “hero” product with premium strategy
- Continued strong net adds driven by:
 - Compelling value bundles
 - Attractiveness of our 20Mbps service
 - Reputation for quality
 - Reduced churn
- Planning significant speed increase in 2008
 - Upgrading 4Mb tier to 10Mb
 - Planning to launch 50Mb this year
 - Increased differentiation versus DSL

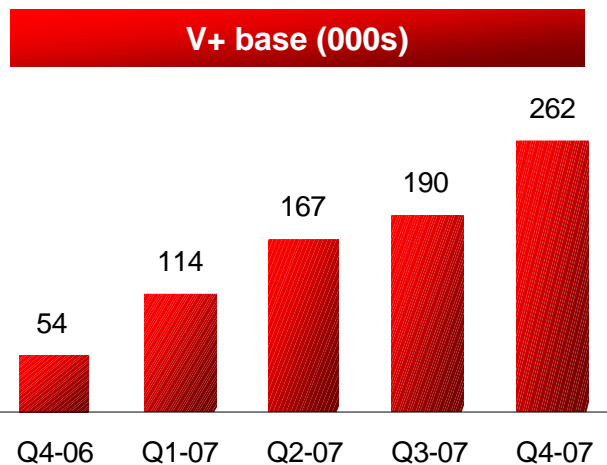
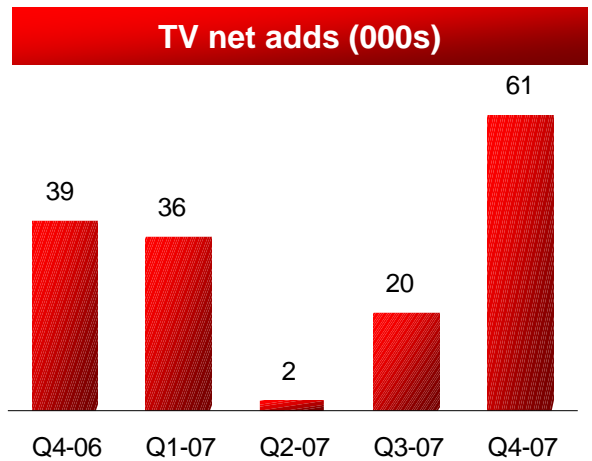
Increasing bandwidth demands

Peak downstream traffic¹ (Gbps)



- Peak bandwidth usage doubled in four years
 - increases in headline speed
 - evolution of internet applications
- Average usage driven up by increased
 - availability of music and video
 - penetration growth for MP3 players, digital cameras, camcorders, mobile phone camera/video/MP3s etc
 - P2P usage
 - use of social networking sites and posting of large media clips
 - IM and VoIP penetration
 - internet home shopping
 - email use of large files eg digital photos
 - number of home computing devices eg gaming consoles, laptops, networked homes, multi users
 - education online resources, homework etc
- On peak day, equivalent of 313m MP3 tracks downloaded

Enriched TV content and capability drives growth

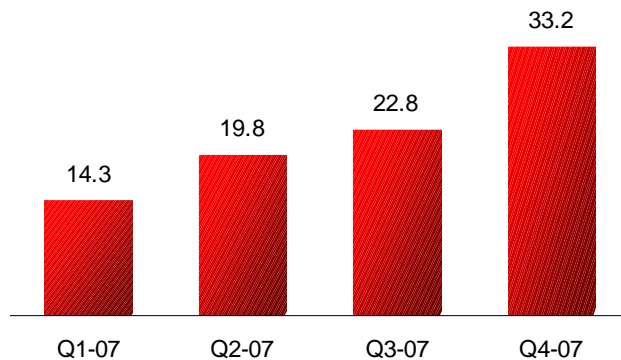


- Best TV subscriber growth for seven years¹
- VOD content and capability differentiates and reduces churn
- Setanta Sports and VOD helping upsell, acquisition, and churn reduction
- Strongest quarterly DVR growth ever
 - V+ promotion to drive down churn and increase value
 - Significant growth and churn saving potential - DVR penetration still only 8%
- Q1-08 TV net additions expected to be lower due to changes to acquisition offers to emphasize higher tiers

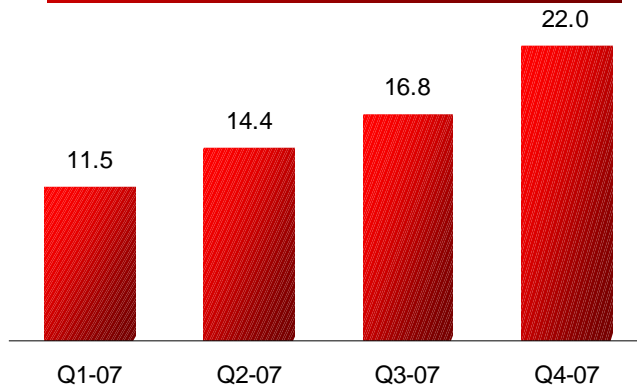
Video On Demand



Monthly VOD views (m)



Monthly VOD views per user

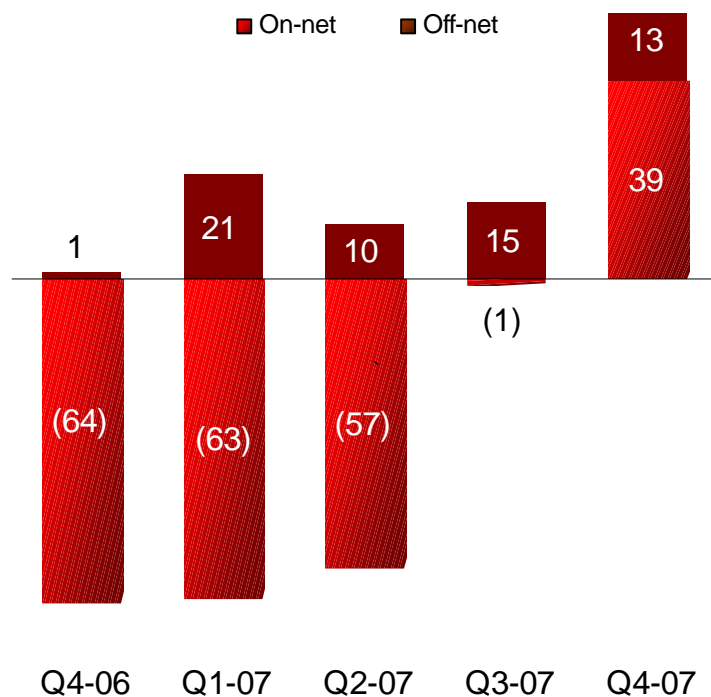


- Increasing VOD usage differentiates us from competitors and helps reduce churn
- Catch-up content free to all customers
 - >1,000 hours from BBC, Ch4, VMtv etc
 - BBC iPlayer expected to launch in 2008
- TV series free to top tier customers (1,500 titles)
 - eg Sopranos, Lost, West Wing, Life On Mars, Doctor Who, Extras, CSI
- Movies on Demand (>500 films)
 - eg Harry Potter, Pirates of the Caribbean, Spiderman 3, Oceans 13
- HD, Music, Kids, Special Events, Adult also available

Continued telephony improvement



Telephony net adds (000s)

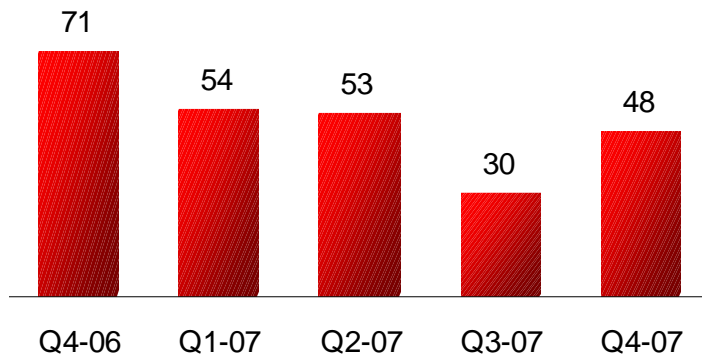


- Strongest on-net growth since Q2-04¹
- Turnaround in performance driven by:
 - Improved management focus
 - Successful bundling and cross-sell
 - Improved point of sale penetration
 - Lower churn

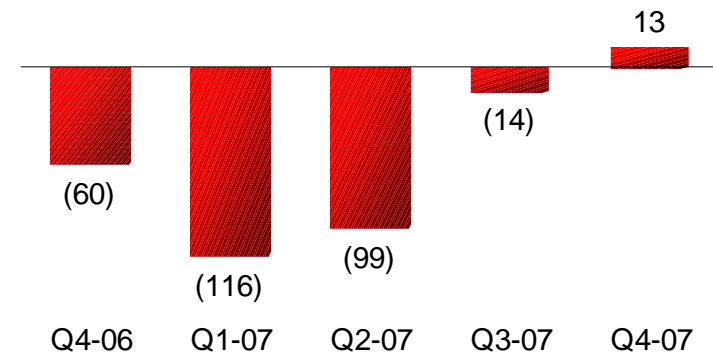


Mobile subscriber growth

Contract net adds (000s)



Prepay net adds (000s)

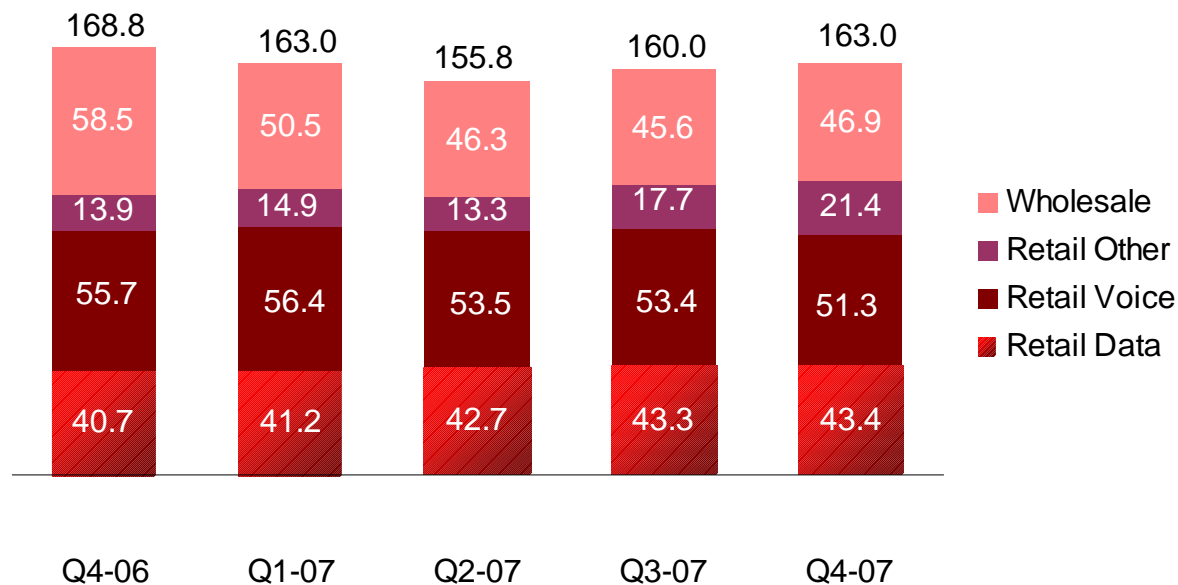


- Contract growth driven by cross-sell to cable customers
- Prepay improvement driven by re-engagement in a more favorable market
 - will continue to exercise economic discipline and responsible investment for profitable growth
- Q4-07 OCF of £18m
 - up 25% on Q4-06, due to increased focus on more profitable contract market
 - down 43% on Q3-07, due to seasonal increase in acquisition costs

Business Services

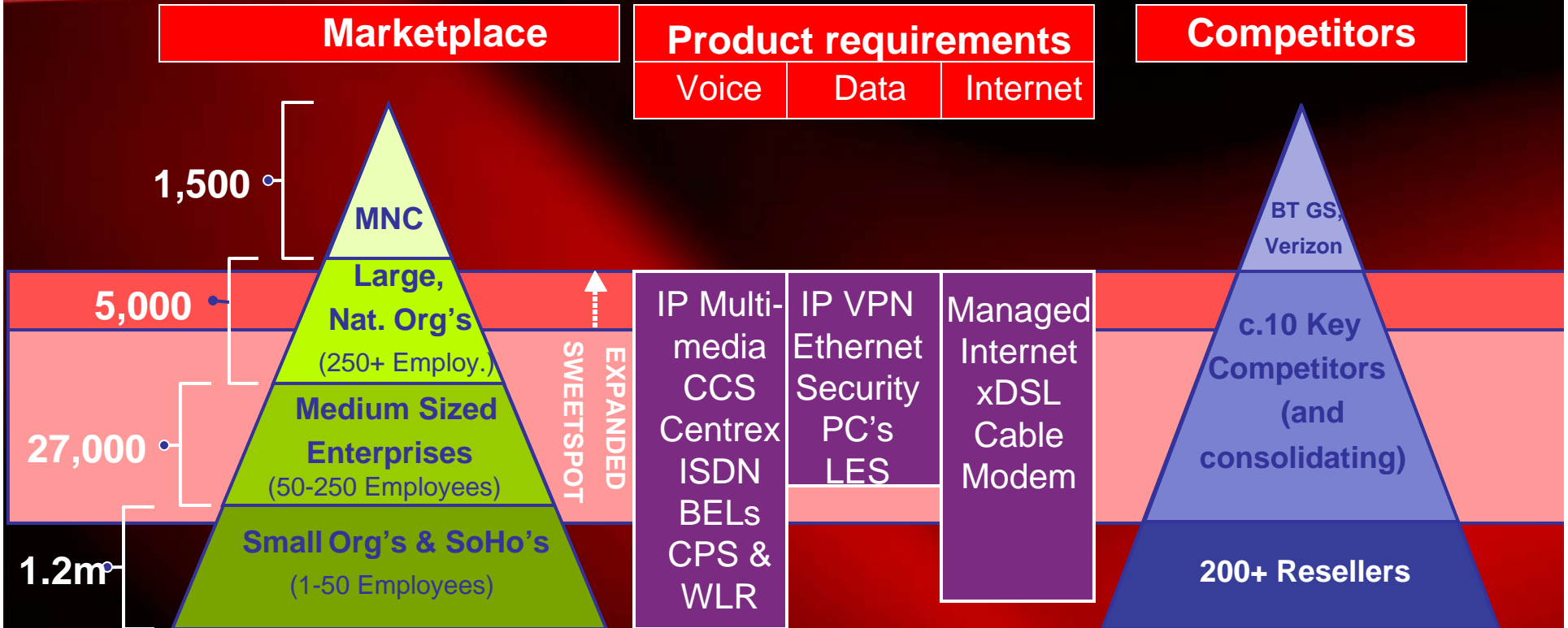


Business revenue (£m)



- Revenue up in quarter due to Retail Other (LAN Solutions) and Wholesale growth
- Revenue decline in 2008
 - Retail data revenue expected to grow
 - Terminal 5 LAN Solutions contract to finish in Q1-08
 - very low margin, no material impact on OCF
 - Wholesale revenue to fall
 - ISP sub base and Mobile declines

Business Strategy



“To be the natural choice to fulfil the communications requirements of UK Business, Public Sector and Service Provider org's, by delivering the best customer experience

Content



- Content revenue of £114m, up 43% on Q3-07, down 2% on Q4-06
 - VMtv revenue of £27m
 - up 1% on Q3-07
 - down 21% on Q4-06 due to renegotiated Sky carriage contract
 - Sit-up revenue of £87m
 - up 64% on Q3-07 due to seasonal sales uplift
 - up 6% on Q4-06 due to increased sales volumes
- Content OCF of (£6)m
 - down £12.8m on Q3-07 primarily due to seasonally higher programming costs, and non-recurrence Q3 benefits
 - down £8.3m on Q4-06 primarily due to renegotiated Sky carriage contract
- Virginmedia.com portal¹ is 10th most visited site in UK
 - growing page impressions and advertising/search revenues driven by investment in content eg Premiership clips



Jacques Kerrest, CFO

Total revenue growth



	Q4-07	Q3-07	
	£m	£m	
Consumer	622	608	ARPU and customer growth
Business	163	160	LAN Solutions and Wholesale growth
Total Cable	<u>785</u>	<u>768</u>	
VMtv	27	27	
Sit-up	87	53	Seasonally higher retail sales
Total Content	<u>114</u>	<u>80</u>	
Mobile	<u>152</u>	<u>159</u>	Seasonal pre-pay roaming decline
Total Revenue	<u><u>1,051</u></u>	<u><u>1,006</u></u>	

OCF movements



	Q4-07	Q3-07	
	£m	£m	
Cable	310	304	Revenue growth partially offset by non-recurrence of certain Q3 benefits
Mobile	18	32	Seasonal increase in acquisition costs
Content	(6)	7	Seasonal increase in programming & non-recurrence of certain Q3 benefits
Total OCF	321	342	
Operating (Loss) Income	(18)	47	Decreased OCF, increased depreciation, higher other charges and non-recurrence of certain Q3 benefits

Note

Q3-OCF included certain benefits as discussed last quarter

Note: OCF is operating income before depreciation, amortization and other charges and is a non-GAAP financial measure. See Appendices for reconciliations of non-GAAP financial measures to their nearest GAAP equivalents

Q1-08 OCF



Factors affecting Q1 versus Q4 OCF:

- **Increased Employee Incentive and SBCE costs**
 - Performance related employee compensation expenses expected to be higher in Q1
- **Lower Business revenue (Wholesale and LAN Solutions)**
- **As a result, Q1-08 OCF is expected to be lower than Q4-07 OCF**

Note: OCF is operating income before depreciation, amortization and other charges and is a non-GAAP financial measure. See Appendices for reconciliations of non-GAAP financial measures to their nearest GAAP equivalents



Net debt as at December 31, 2007

	£m	Rate	Maturity
Senior Credit Facility A	2,337	L+1.75%	2009 - 2011
Senior Credit Facility B	2,168	L+2.13%	2012
Senior Credit Facility C	300	L+2.75%	2013
Senior Notes due 2014	755	9.82% ⁴	2014
Senior Notes due 2016	277	8.54% ⁴	2016
Capital Leases / Other	92		
Long Term Debt ¹	5,929		
Cash	321		
Net Debt ²	5,608		
Net Debt / Annualized OCF ³	4.4x		

- Voluntary prepayment of £200m made in Dec 2007 utilizing available cash reserves
- First scheduled debt repayment of £265m due in Sep 2009
- Weighted average cost of debt is 8.0%⁴

Notes

1 Net of current portion

2 Net Debt is a non-GAAP financial measure. See above for the reconciliation of net debt to long term debt (net of current portion)

3 Annualized OCF is Q4-07 OCF multiplied by four

4 Weighted average after taking swaps into account

Significant asset value potential



NETWORK

- Outstanding network advantage
- Fiber network close to 12m homes
- Best placed for next generation broadband and on-demand content

CONSUMER

- 4.8m customers provides valuable annuity stream
- BB and Pay TV penetration growth opportunity
- Brand value strong and growing
- Engaging in regulatory process to improve market dynamics

MOBILE

- 4.5m customers
- Substantial contract cross-sell opportunity
- Mitigates fixed to mobile substitution

BUSINESS

- Leverages network advantage
- Strong cashflow generation
- Well placed for market consolidation

CONTENT

- A leading Pay TV provider; also exploiting Free TV growth
- UKTV assets leverage valuable BBC content
- Growing broadband content and portal

TAX ASSETS

- Valuable and flexible assets to shield tax



Q4-07 Financial Results Appendices

February 28, 2008

Non-GAAP measures



Virgin Media uses non-GAAP financial measures with a view to providing investors with a better understanding of the operating results and underlying trends to measure past and future performance and liquidity.

Virgin Media evaluates operating performance based on several non-GAAP measures, including (i) operating income before depreciation, amortization and other charges (OCF), and (ii) net debt, as we believe these are important measures of the operational strength of our business and our liquidity. Since these measures are not calculated in accordance with GAAP, they should not be considered as a substitute for operating income (loss) and long-term debt (net of current portion), respectively.

Non-GAAP reconciliation



Reconciliation of operating income before depreciation, amortization and other charges (OCF) to GAAP operating (loss) income

(in £ millions) (unaudited)

	Three months ended	
	Dec 31, 2007	Sep 30, 2007
Operating income before depreciation, amortization and other charges (OCF)	321.0	341.5
Reconciling items		
Depreciation and amortization	(315.9)	(303.7)
Other (charges) income	(22.9)	8.9
Operating (loss) income	(17.8)	46.7