

FOR IMMEDIATE RELEASE

18 May 2000

TELEWEST COMMUNICATIONS PLC
1st QUARTER RESULTS 2000

- **Telewest Active Digital sales to date of 156,000**
- **Revenue per customer up 7.6% to £37.31**
- **131,000 dial-up internet subscribers, up 373% year-on-year**
- **Revenues up 27% to £239 million**
- **EBITDA up 14% to £58 million**

	Qtr 1 2000	Qtr1 1999	Change over 1999	
Revenue	£239m	£188m	+27.3%	
EBITDA (earnings before interest, tax depreciation and amortisation)	£58m	£50m	+14.3%	
EBITDA margin (EBITDA as a percentage of revenue)	24.1%	26.9%	-2.8%	pts
Residential Services Revenue	£179m	£143m	+25.2%	
Customers	1.6m	1.4m	+203,000	
Household Penetration	35.8%	34.7%	+1.1%	pts
Monthly Revenue per Customer	£37.31	£34.67	+7.6%	
Customer Churn*	14.7%	-	-	
Business Services Revenue	£56m	£40m	+41.8%	
Flextech Revenues – acquired 19 April 2000**			+3.8%	

* Excluding Cable London

** Included for information purposes only. Not consolidated into Telewest financial information

Commenting on the first quarter results, Adam Singer, Chief Executive of Telewest Communications, said:

"The financial performance is good: revenue is up 27% and EBITDA is up 14%. But what I think is noteworthy is that these results have been achieved during a period when the company has been accelerating the rollout of its new digital service and launching important broadband products.

While others have been talking about the promise of the digital era, we have been delivering the next generation of broadband services to our customers. We have, to date, signed up 156,000 subscribers for Telewest Active Digital and we are on track to meet our target of 500,000 customers by year end. That roll-out is on schedule and is expected to reach 90% of our homes passed by July. At 31 March 2000 we had 131,000 dial-up internet subscribers following the launch of Surf Unlimited in February. Demand for the product has greatly exceeded expectations which has caused some initial service issues which have now been corrected. We have successfully launched a hi-speed internet access product - blueyonder – which has generated significant interest. In July we are scheduled to launch our broadband portal.

Meanwhile, our content division (formerly Flextech) also performed well. Flextech's relatively traditional pay-TV business is adding subscribers and advertising revenue as the digital universe expands. At Flextech Interactive revenues in the first quarter have risen 71%.

In addition, the fixed fees already committed by content providers to Telewest's Active Digital shopping platform amount to more than £3.5 million on an annualised basis (and this does not include TV transactions). This may appear a small number in the context of Telewest, but it shows that in our case e-commerce is already producing real revenues.

Since the end of the quarter we have been busy integrating Telewest and Flextech in a manner designed to preserve the culture of both companies and create a new media entity that is more than the sum of its parts. Our goal is to create Britain's first "broadbandcaster". The combination of a state of the art network, top quality branded broadband content and a focus on interactive product development gives Telewest the key ingredients for success in the digital age."

BUSINESS REVIEW

Financial

Revenues increased 27.3% to £239 million for the quarter ended 31 March 2000, from £188 million for the same period in 1999. This increase is attributable to the acquisition on 23 November 1999 of the remaining 50% interest in Cable London (£21 million) and to increased market penetration in both residential and business service markets. In particular, the growth in residential telephony and business services revenues was 34.2% and 41.8% respectively in the first quarter of 2000 compared with the corresponding period a year ago. This strong growth has resulted from increases in minutes of use and higher average pence per minute charges for voice and data traffic and the strong performance of our commercial services division.

Operating expenses, before depreciation and amortisation, increased by 32.2% to £181 million in the first quarter of 2000 from £137 million for the corresponding period in 1999. This increase is attributable to the Cable London acquisition (£14 million) and to an increase in selling, general and administrative expenses. This reflects the increased operating investment, both in terms of staffing levels and marketing, necessary to roll-out Telewest Active Digital and Telewest's hi-speed internet service, blueyonder.

Cable television margins increased 1 percentage point to 50% for the first quarter 2000 from 49% for the fourth quarter, 1999 and by 6 percentage points from 44% for the first quarter of 1999. This follows price increases introduced on 1 February 2000 offset in part by increased programming costs for larger digital packages as compared to analogue packages.

The telephony business continues to be impacted by growth in mobile penetration and internet related calls which are significantly altering call usage patterns and generate lower margins. Average minutes of use were up significantly compared with last year although telephony margins for the first quarter of 2000 were down 2 percentage points to 68% from 70% for the fourth quarter of 1999 and by 5 percentage points from 73% for the first quarter of 1999.

EBITDA increased by 14.3% to £58 million in the first quarter 2000 from £50 million in the first quarter 1999. Adjusting for the impact of Cable London, EBITDA for the first quarter 2000 increased 3.2% to £58 million from £56 million in the first quarter 1999. EBITDA margins decreased 2.8 percentage points from 26.9% in the first quarter 1999 to 24.1% for the corresponding period in 2000.

Residential Services

Telewest's household penetration was up 1.1 percentage points to 35.8% at 31 March 2000 from 34.7% at 31 March 1999, which represents approximately 1.6 million homes and 4.0 million consumers. Monthly revenue per household increased by 7.6% to £37.31 in the quarter ended 31 March 2000 compared with the corresponding period a year ago. This is a result of an increasing proportion of homes subscribing to both television and telephony products, up to 62% at 31 March 2000, retail price increases introduced on 1 February 2000 and higher subscriber revenues generated by Telewest Active Digital packages.

Customer or household relationship churn which has been reported for the first time this quarter is currently 14.7% on a rolling 12 month basis (excluding Cable London, which was acquired on 23 November 1999). The measurement of household churn allows us to be compared to our competitors in the UK. This measures the rate at which customers disconnect from all Telewest services eliminating double-counting caused by customers moving between single and dual service levels and more accurately reflecting the customer loyalty we are achieving. We will continue to report the product churn numbers separately.

As at 31 March 2000, Telewest's television product penetration was 25.6%, a 1.1 percentage points increase over television product penetration at 31 March 1999. Telewest Active Digital sales to date total 156,000, of which 87% or 136,000 have been installed, and of which 51% are subscribers new to Telewest. The roll-out of Telewest Active Digital is progressing to schedule and this service should be available to over 90% of all Telewest homes passed by the end of June 2000.

Telewest's range of interactive services continues to grow with agreements now signed with 80 content partners. Norwich Union, Interflora and CNN are some of the brands which have been added to the list of household names that already include W H Smith, Woolworths, Abbey National and Ladbrokes. Telewest expects to continue adding to the list and develop the range and depth of its service. Telewest believes that this is an exciting new revenue opportunity and has already secured annualised fixed fees of £3.5 million, under signed contracts from content providers. Telewest's video-on-demand trial is underway and is progressively being scaled up to include all Telewest Active Digital subscribers in the South East franchise area.

Residential telephony product penetration increased to 32.3% at 31 March 2000, up 1.8 percentage points on a year earlier. With second line penetration at 12.2%, this represented over 1.6 million residential telephone lines as at 31 March 2000.

Surf Unlimited, the UK's first unmetered internet access service, was launched in February 2000. At 31 March 2000, dial up internet subscribers increased to 131,000, an increase of 373% compared to a year earlier.

Blueyonder, Telewest's hi-speed internet service for home personal computers, was launched in March 2000. Initial consumer interest has been positive and the development of Telewest's broadband portal continues on schedule for launch in July 2000.

In April 2000, OFTEL confirmed Telewest as one of the selected operators for ADSL trials under Option 2, full local loop unbundling of BT's network. Telewest is well placed to commence Option 2 trials. It already provides broadband interactive services over its cable networks and its customer services and IT infrastructure should enable cost effective delivery over ADSL.

Business Services

Business services revenues for the quarter ended 31 March 2000 totalled £56 million, up 42% on the corresponding period a year ago. As at 31 March 2000 Telewest had over 60,000 business customer accounts and over 300,000 business telephony lines.

Business services revenues include £13 million of revenues for the first quarter 2000 relating to unit which provides national network services to third parties. The commercial services unit was established in January 1999 and had £2 million revenues for the first quarter of 1999.

In the third quarter 2000 Telewest intends to launch a hi-speed internet service specifically tailored to meet the needs of the small and medium sized enterprise. This service will be supported by a broadband portal leveraging Telewest's investment in its hi-speed internet network and should provide a platform from which to develop an Application Service Provision business.

Flextech (Content Division)

Our merger with Flextech was completed on 19 April 2000 and accordingly, the results for Flextech do not form part of these results. Set out below is a summary of the key operational statistics for Flextech in the first quarter 2000. In the future, the results and activities of Flextech will be reported as Telewest's content division.

Flextech's turnover, including its share of joint ventures' revenue, increased by 3.8% to £41 million in the first quarter of 2000 compared with the corresponding period a year earlier. This growth has been driven by a 23% increase in the UK multi-channel market to 8.0 million homes at 31 March 2000 up from 6.5 million homes a year earlier, offset in part by lower unit revenues from digital homes which increased by 2.8 million homes to 3.4 million at 31 March 2000 from 0.6 million a year earlier.

Advertising revenues (including Flextech's share of joint ventures' advertising revenue) increased 17% to £14 million in the first quarter 2000, from £12 million in the same period a year ago. Flextech interactive revenues increased 71% to £0.6 million in the first quarter 2000. EBITDA loss reduced to £1.5 million in the three months ended 31 March 2000 from £3.2 million in the three months ended 31 March 1999.

In addition to this EBITDA loss, Flextech sold, in January 2000, a 12.5% interest in TV Travelshop to Kuoni for cash proceeds of £6.6 million recognising a pre-tax profit on disposal of £10 million.

Corporate Developments

On 25 January 2000, Telewest raised net cash proceeds of £534 million from the issue of \$450 million 11 3/8% Senior Discount Notes due 2010, £180 million 9 7/8% Senior Notes due 2010 and \$350 million 9 7/8% Senior Notes due 2010. Approximately £126 million of these proceeds were used to repay the indebtedness of Cable London and the remainder has been or will be used for general corporate purposes, including operating and capital requirements associated with the roll-out of Telewest Active Digital and blueyonder and the temporary or permanent repayment of additional debt.

On 6 March 2000, Telewest and Andersen Consulting announced the formation of a new company to develop interactive broadband applications. The joint venture intends to provide consultancy services and to develop, customise and license innovative solutions for the rapidly emerging broadband industry.

Management Structure

Following the Flextech merger, the senior management team was reorganised to reflect Telewest's emergence as a vertically integrated communications and media group. Mark Luiz became Chief Executive, Content Division and replaces Brent Harman who is returning to Australia. Philip Jansen assumed responsibility for our residential services division as Managing Director, Consumer Services and Adam Smith became Managing Director, Business Services.

As announced on 11 April 2000, Tony Illsley, previously Chief Executive, decided to leave the group to pursue other interests. MediaOne also appointed Simone Brych-Nourry, their third shareholder representative, to the Board in accordance with their existing shareholder rights, effective 18 May 2000. Simone Brych-Nourry has been Chief Counsel of MediaOne International since December 1994.

Outlook

Telewest is now a leading provider of broadband services in the UK. With product development initiatives progressing to schedule, the necessary increase in operating capacity complete, the Flextech content business integration well on track and a new senior management team in place, Telewest believes it is well positioned.

Enquiries to

Telewest Communications plc

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Notes:

The following is included in connection with legislation in the United States, the Safe Harbour Statement under the US Private Securities Litigation Reform Act of 1995; The foregoing includes certain forward looking statements that involve various risks and uncertainties which could lead to actual results significantly different than those anticipated by Telewest. For a discussion of certain of these risks and uncertainties see the Company's Registration Statement on Form F-4 filed with the US Securities and Exchange Commission on 6 March 2000.

Unless otherwise specified, all references to financial information are on a UK GAAP basis.

Telewest Communications plc
Operating Statistics – Owned and operated

RESIDENTIAL SERVICES	Actual Net additions Q1 2000	Pro forma (1) Net additions Q1 1999
Homes Marketed	3,770	27,417
Customer Homes Added	6,791	25,576
Cable Television Subscribers	(16,466)	31,391
Telephony Subscribers	16,362	28,242
Telephone Lines	21,614	50,827
Internet Subscribers	71,109	5,454
	As at 31 March 2000 Actual	As at 31 March 1999 Pro forma (1)
Cable television and residential telephony subscribers*	979,796	890,425
Cable television only subscribers	159,298	187,114
Residential telephony only subscribers *	453,263	446,899
Total residential customers	1,592,357	1,524,438
* Includes subscribers also subscribing for internet services.		
Homes marketed	4,447,594	4,395,131
Household penetration	35.8%	34.7%
Customer churn (excluding Cable London)	14.7%	-
Cable television subscribers	1,139,094	1,077,539
Active Digital Subscribers	103,828	-
Cable television penetration	25.6%	24.5%
Churn rate	26.6%	27.5%
Residential telephony subscribers	1,433,059	1,337,324
Residential telephony penetration	32.3%	30.5%
Residential telephone lines	1,607,624	1,442,444
Second line penetration	12.2%	7.9%
Churn rate per line	20.7%	21.2%
Total internet subscribers	131,415	27,775
BUSINESS SERVICES	Actual Net additions Q1 2000	Pro forma (1) Net additions Q1 1999
Business customer accounts	2,871	1,473
Business telephony lines	(1,923)	20,792
	As at 31 March 2000 Actual	As at 31 March 1999 Pro forma (1)
Business customer accounts	61,218	47,137
Business telephony lines	305,167	254,553
Average number of lines per customer account	5.0	5.4
Annualised revenue per customer account	£3,471	£3,718

Telewest Communications plc
As at 31 March 2000

	Telewest Franchises (2) 31 March		Cable London Franchises (3) 31 March		Telewest Group Franchises (4) 31 March	
	1999	2000	1999	2000	1999	2000
	Pro forma (1)					
Number of franchises	37	37	4	4	41	41
Residential customers	1,389,737	1,457,429	134,701	134,928	1,524,438	1,592,357
Residential dual customers	828,434	908,171	61,991	71,625	890,425	979,796
Percentage of dual customers	59.6%	62.3%	46.0%	53.1%	58.4%	61.5%
Monthly revenue per customer	£34.68	£36.98	£39.21	£41.98	£34.96	£37.31
CABLE TELEVISION						
Homes passed	4,222,421	4,271,666	397,455	437,622	4,619,876	4,709,288
Homes passed and marketed	4,013,298	4,059,341	381,833	388,253	4,395,131	4,447,594
Subscribers	981,044	1,037,235	96,495	101,859	1,077,539	1,139,094
Penetration rate (5)	24.4%	25.6%	25.3%	26.2%	24.5%	25.6%
Average monthly revenue per subscriber (6)	£21.89	£20.72	£23.36	£19.80	£22.02	£20.63
Average churn rate (7)	27.1%	26.2%	31.9%	31.2%	27.5%	26.6%
RESIDENTIAL TELEPHONY						
Homes passed	4,043,943	4,093,182	397,455	437,622	4,441,398	4,530,804
Homes passed and marketed	3,998,888	4,050,061	381,833	388,253	4,380,721	4,438,314
Subscribers	1,237,127	1,328,365	100,197	104,694	1,337,324	1,433,059
Penetration rate (8)	30.9%	32.8%	26.2%	27.0%	30.5%	32.3%
Lines	1,333,225	1,490,917	109,219	116,707	1,442,444	1,607,624
Average monthly revenue per line (9)	£20.30	£21.57	£27.92	£28.74	£20.87	£22.10
Average churn rate per line (10)	20.6%	20.4%	28.9%	24.1%	21.2%	20.7%
BUSINESS SERVICES						
Business customer accounts	43,701	57,158	3,436	4,060	47,137	61,218
Business lines	234,454	277,472	20,099	27,695	254,553	305,167
Average business lines per customer (11)	5.4	4.9	5.8	6.8	5.4	5.0
Average monthly revenue per business line (12)	£59.49	£50.30	£57.56	£49.69	£59.34	£50.24
Average annualised revenue per customer (13)	£3,703	£3,240	£3,920	£4,371	£3,718	£3,471

Telewest Communications plc
Owned and Operated Franchises
As at 31 March 2000

- (1) Operating statistics on a proforma basis assume the Cable London acquisition had taken place on 1 January 1999.
- (2) Represents the 37 cable franchises owned and operated by the Telewest Group following the General Cable merger and the Birmingham acquisitions (collectively the "Telewest Franchises").
- (3) Consists of the four cable franchises owned and operated by Cable London (collectively, the "Cable London Franchises"). Prior to 23 November 1999, these franchises were owned approximately 50% by Telewest and approximately 50% by NTL (Triangle) LLC as successor to Comcast, a wholly owned subsidiary of NTL, Inc. They are now owned 100% by the Telewest Group.
- (4) Represents the Telewest Franchises and the Cable London Franchises, (the "Telewest Group franchises").
- (5) Cable television penetration rate at a specified date represents (i) the total number of cable television customers at such date, divided by (ii) the total number of homes passed and marketed for cable television at such date.
- (6) Average monthly revenue per subscriber for each period represents (i) the average monthly cable television revenue for such period, divided by (ii) the average number of cable television subscribers in such period.
- (7) Average cable television churn rate for the period represents (i) the total number of cable television customers who terminated basic service or whose service was terminated during such period, divided by (ii) the average number of cable television customers in such period.
- (8) Residential telephony penetration rate at a specified date represents (i) the total number of residential cable telephony customers at such date, divided by (ii) the total number of homes passed and marketed for residential cable telephony at such date.
- (9) Average monthly revenue per residential line for each period represents (i) the average monthly residential cable telephony revenue for such period, divided by (ii) the average number of residential cable telephony lines in such period.
- (10) Average residential telephony churn rate per line for the period represents (i) the total number of residential cable telephony lines terminated by customers of the company providing the lines during such period, divided by (ii) the average number of residential cable telephony lines in such period.
- (11) Average number of business lines per customer at a specified date represents (i) the number of business cable telephony lines at such date, divided by (ii) the number of business cable telephony customer accounts at such date.
- (12) Average monthly revenue per business line for each period represents (i) the average monthly business cable telephony revenue for such period, divided by (ii) the average number of business cable telephony lines in such period.
- (13) Average annualised revenue per customer account for each period represents (i) the average monthly business services revenue for each period divided by (ii) the average number of business services customer accounts in such period, multiplied by twelve months.

Telewest Communications plc
UK GAAP
SUMMARISED UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNTS
FOR THE THREE MONTHS ENDED 31 MARCH

	3 months ended 31 March 2000 £m	3 months ended 31 March 1999 £m	Year ended 31 December 1999 £m Audited
Turnover			
Residential Services			
Cable television	73.5	64.4	258.3
Telephony	105.9	78.9	333.7
	179.4	143.3	592.0
Business Services	56.3	39.7	183.5
Other (Internet, ad sales etc)	3.1	4.5	17.0
Total	238.8	187.5	792.5
Operating expenses before charging depreciation and amortisation	(181.2)	(137.1)	(570.7)
EBITDA	57.6	50.4	221.8
Depreciation and amortisation	(100.3)	(83.3)	(402.9)
Group operating loss	(42.7)	(32.9)	(181.1)
Share of operating profit/(loss) of associated undertakings	-	(0.4)	0.7
Other interest receivable and similar income (includes the group share of interest receivable in associated undertakings of £Nil and £6.8m for 2000 and 1999 respectively)	1.2	9.0	11.1
Interest payable and similar charges	(95.7)	(110.8)	(360.6)
Loss on ordinary activities before tax	(137.2)	(135.1)	(529.9)
Tax on loss on ordinary activities	-	0.1	-
Loss on ordinary activities after tax	(137.2)	(135.0)	(529.9)
Minority interests	(0.1)	-	(0.1)
Loss for the period	(137.3)	(135.0)	(530.0)
Basic and diluted loss per equity share (pence)	(6.0)	(6.2)*	(24.1)

* restated for compliance with FRS 14

The consolidated financial statements as set out on pages 10 to 13, which are unaudited, have been prepared on the basis of the accounting policies set out in Telewest's 1999 Annual Report other than where changes are necessary to implement new accounting standards. The balance sheet, profit and loss account and cash flow information at 31 December 1999 is derived from the statutory accounts for 1999 which will be delivered to the Registrar of Companies following the Company's annual general meeting in June 2000. The auditors have reported on those accounts: their report was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

Telewest Communications plc
UK GAAP
NOTES TO THE SUMMARISED UNAUDITED CONSOLIDATED PROFIT AND LOSS
ACCOUNTS
FOR THE THREE MONTHS ENDED 31 MARCH

	3 months ended 31 March 2000 £m	3 months ended 31 March 1999 £m	Year ended 31 December 1999 £m Audited
1 Operating costs			
Operating expenses before charging depreciation and amortisation :			
Programming expenses	36.6	35.8	131.9
Telephony expenses	52.7	32.0	158.0
Selling, general, and administrative expenses	91.9	69.3	280.8
	181.2	137.1	570.7
Depreciation and amortisation :			
Depreciation of tangible fixed assets	83.2	71.6	354.3
Amortisation of goodwill	17.1	11.7	48.6
	100.3	83.3	402.9
Total operating costs	281.5	220.4	973.6
2 Interest payable and similar charges			
Share of interest of associated undertakings	-	1.7	6.9
On bank loans			
Wholly repayable within 5 years	-	0.5	25.9
Wholly or partly repayable in more than 5 years	22.2	29.4	55.9
Finance costs of Senior Discount Debentures, 2007	25.2	23.5	93.6
Finance costs of Senior Debentures, 2006	5.7	5.7	21.9
Finance costs of Senior Notes, 2008	6.3	6.2	24.9
Finance costs of Senior Convertible Notes, 2007	4.4	2.0	15.1
Finance costs of Senior Discount Notes, 2009	10.5	-	28.8
Finance costs of Senior Notes and Senior Discount Notes, 2010	10.8	-	-
Finance charges payable in respect of finance leases and hire purchase contracts	2.0	4.1	9.4
Exchange loss on foreign currency translation, net	7.1	27.6	44.0
Sale and leaseback termination	-	7.1	8.9
Extinguishment of debt	-	-	15.7
Other	1.5	3.0	9.6
Total interest payable and similar charges	95.7	110.8	360.6

Telewest Communications plc
UK GAAP
SUMMARISED UNAUDITED CONSOLIDATED BALANCE SHEETS
AS AT 31 MARCH

	31 March	31 March	31
	2000	1999	December
	£m	£m	1999
			£m
			Audited
Fixed assets			
Intangible assets	1,287.4	907.1	1,304.4
Tangible assets	2,847.1	2,467.6	2,775.1
Investment in associated undertakings	4.6	29.5	4.0
Other investments	4.3	2.4	2.1
	4,143.4	3,406.6	4,085.6
Current assets			
Stocks	0.1	0.2	0.2
Debtors	191.6	184.4	158.2
Secured cash deposit restricted for more than one year	12.0	-	12.0
Cash at bank and in hand	76.9	60.2	65.2
	280.6	244.8	235.6
Creditors: amounts falling due within one year	(406.4)	(363.6)	(505.8)
Net current (liabilities)	(125.8)	(118.8)	(270.2)
Total assets less current liabilities	4,017.6	3,287.8	3,815.4
Creditors: amounts falling due after more than one year	(3,399.9)	(2,558.6)	(3,061.0)
Minority interests	(0.6)	(0.4)	(0.5)
Capital and reserves	617.1	728.8	753.9

Telewest Communications plc
UK GAAP
SUMMARISED UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH

	3 months ended 31 March 2000 £m	3 months ended 31 March 1999 £m	Year ended 31 December 1999 £m Audited
Net cash inflow from operating activities	48.4	42.9	197.6
Returns on investments and servicing of finance			
Interest received	1.0	4.5	7.5
Interest paid	(17.9)	(8.0)	(123.8)
Interest element of finance lease payments	(1.8)	(4.1)	(12.9)
Net cash outflow from returns on investments and servicing of	(18.7)	(7.6)	(129.2)
Capital expenditure and financial investment			
Purchase of tangible fixed assets	(147.2)	(76.6)	(468.1)
Sale of tangible fixed assets	0.1	0.3	4.7
Net cash outflow from capital expenditure and financial investment	(147.1)	(76.3)	(463.4)
Acquisitions and disposals			
Purchase of subsidiary undertakings	-	-	(395.3)
Cash acquired with subsidiaries	-	-	2.2
Investment in associated undertakings and other participating interests	(2.3)	(0.6)	(2.4)
Net cash outflow from acquisitions and disposals	(2.3)	(0.6)	(395.5)
Management of liquid resources			
Decrease / (increase) in fixed deposits (net)	27.2	(16.5)	(33.6)
Financing			
Cash paid for credit facility arrangement costs	-	-	(16.3)
Net (repayment of)/proceeds from borrowings under old credit facility	-	(187.0)	(538.5)
Repayment of borrowings under old facilities	-	-	(597.0)
Net proceeds from borrowings under new facilities	-	-	951.0
Net repayments under existing facilities	(275.0)	-	-
Release of restricted cash deposits	-	187.4	175.4
Cash received from exercise of share options	0.3	5.8	12.5
Cash received from rights issue	-	-	415.5
Share issue costs	-	-	(2.5)
Repayment of Cable London facility	(126.0)	-	-
Proceeds from issue of Senior Discount Notes	-	-	399.2
Proceeds from issue of Senior Convertible Notes	-	300.0	300.0
Proceeds from issue of Senior Discount Notes and Senior Notes	543.5	-	-
Issue costs of Notes	(9.1)	(7.5)	(17.8)
Proceeds from / (repayment of) borrowings	3.9	(0.7)	(45.1)
Capital element of finance lease payments	(6.2)	(237.1)	(221.8)
Net cash inflow from financing	131.4	60.9	814.6
Increase / (decrease) in cash	38.9	2.8	(9.5)

Telewest Communications plc
US GAAP
SUMMARISED UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED 31 MARCH

	3 months ended 31 March 2000 \$m	3 months ended 31 March 2000 £m	3 months Ended 31 March 1999 £m
Revenue			
Cable television	117.0	73.5	64.4
Residential telephony	168.6	105.9	78.9
Business services	84.7	53.2	39.7
Other	4.9	3.1	4.5
Total	375.2	235.7	187.5
Operating loss	(121.3)	(76.2)	(49.6)
Interest income	1.7	1.1	8.8
Interest expense	(139.6)	(87.7)	(80.6)
Foreign exchange gain/(loss), net	(40.5)	(25.4)	(30.4)
Share of losses of affiliates	-	-	(2.2)
Minority interest in losses / (profits) of consolidated subsidiaries, net	(0.2)	(0.1)	-
Other, net	0.2	0.1	0.2
Loss before income taxes	(299.7)	(188.2)	(153.8)
Income tax (expense) / benefit	-	-	-
Net loss	(299.7)	(188.2)	(153.8)
Basic and diluted loss per ordinary share	\$(0.13)	£(0.08)	£(0.07)*

* restated for the dilutive effect of the 1999 rights issue

1 Earnings/(loss) before interest, taxes, depreciation and amortisation ("EBITDA)

Operating loss	(121.3)	(76.2)	(49.6)
Add: depreciation and amortisation of goodwill	174.8	109.8	86.5
EBITDA (after non-cash share-based compensation costs)	53.5	33.6	36.9
Add back : non-cash share-based compensation costs		20.9	13.5
	33.3		
EBITDA (before non-cash share-based compensation costs)	86.8	54.5	50.4

2 Operating costs and expenses

Programming	(58.2)	(36.6)	(35.8)
Telephony	(83.9)	(52.7)	(32.0)
Selling, general and administration	(179.6)	(112.8)	(82.8)
Depreciation	(142.3)	(89.4)	(71.6)
Amortisation of goodwill	(32.5)	(20.4)	(14.9)
Total	(496.5)	(311.9)	(237.1)

The consolidated financial statements as set out on pages 14 to 16, which are unaudited, have been prepared on the basis of the accounting policies set out in Telewest's 1999 Annual Report.

The economic environment in which the Company operates is the United Kingdom ("UK") and hence its reporting currency is Pounds Sterling ("£"). Merely for convenience, the financial statements contain translations of certain Pounds Sterling amounts into US Dollars at \$1.5922 per £1.00, the Noon Buying Rate of the Federal Reserve Bank of New York on 31 March 2000. The presentation of the US Dollar amounts should not be construed as a representation that the Pounds Sterling amounts could be so converted into US Dollars at the rate indicated or at any other rate.

Telewest Communications plc
US GAAP
SUMMARISED UNAUDITED CONSOLIDATED BALANCE SHEETS
AS AT 31 MARCH

	31 March 2000 \$m	31 March 2000 £m	31 December 1999 £m Audited
Assets			
Cash and cash equivalents	122.4	76.9	65.2
Secured cash deposit restricted for more than one year	19.1	12.0	12.0
Receivables and prepaid expenses	306.0	192.2	151.7
Investments	10.7	6.7	4.0
Property and equipment	4,591.7	2,883.9	2,818.1
Goodwill	2,315.1	1,454.0	1,474.4
Other assets	72.9	45.8	42.1
Total assets	7,437.9	4,671.5	4,567.5
Liabilities			
Debt	5,330.7	3,348.0	3,130.6
Other liabilities	855.2	537.1	483.6
Total liabilities	6,185.9	3,885.1	3,614.2
Minority interests	0.9	0.6	0.5
Shareholders' equity	1,251.1	785.8	952.8
Total liabilities and shareholders' equity	7,437.9	4,671.5	4,567.5

Telewest Communications plc
US GAAP
SUMMARISED UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED 31 MARCH

	3 months ended 31 March 2000 \$m	3 months ended 31 March 2000 £m	3 months ended 31 March 1999 £m
Cash flows from operating activities			
Net loss	(299.7)	(188.2)	(153.8)
Adjustments to reconcile net loss to net cash provided by operating activities :			
Depreciation	142.3	89.4	71.6
Amortisation of goodwill	32.5	20.4	14.9
Amortisation of deferred financing costs and issue discount on senior discount debentures	67.0	42.1	24.7
Unrealised loss on foreign currency translation	40.8	25.6	31.3
Non cash accrued share based compensation cost	33.3	20.9	13.5
Termination of sale and leaseback	-	-	7.1
Share of net losses of affiliates	-	-	2.2
Loss/(gain) on disposals of assets	-	-	(0.2)
Changes in operating assets and liabilities, net of effect of acquisition of subsidiaries:			
Change in receivables	(62.2)	(39.1)	(14.8)
Change in prepaid expenses	(2.4)	(1.5)	(4.7)
Change in accounts payable	54.5	34.2	1.8
Change in other liabilities	41.2	25.9	41.7
Net cash provided by operating activities	47.3	29.7	35.3
Net cash used in investing activities	(237.9)	(149.4)	(76.9)
Net cash provided by financing activities	209.2	131.4	60.9
Net increase in cash and cash equivalents	18.6	11.7	19.3
Cash and cash equivalents at beginning of period	103.8	65.2	40.9
Cash and cash equivalents at end of period	122.4	76.9	60.2

Flextech plc
UK GAAP
SUMMARISED UNAUDITED FINANCIAL INFORMATION
FOR THE THREE MONTHS ENDED 31 MARCH

	3 months ended 31 March 2000 £m	3 months ended 31 March 1999 £m
Turnover		
Group and share of joint ventures	40.9	39.4
Less: share of joint ventures	(11.9)	(8.3)
Group Turnover	29.0	31.1
Operating expenses before charging depreciation and amortisation	(30.5)	(34.3)
EBITDA	(1.5)	(3.2)
Depreciation and amortisation	(1.1)	(1.2)
Operating loss	(2.6)	(4.4)