Second Quarter 2008

August 7, 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 February 29, 2008, as amended, and our Form 10-Q filed with the SEC on May 8, 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.

Data Cleanse

As a result of the migration of our consumer on-net billing systems during the quarter, there was a data cleanse which resulted in a decrease in reported customer numbers of 18,900 and an increase in reported on-net RGUs of 5,300. This includes data cleanse activity in July 2008. All net additions/disconnections figures in the following discussion exclude the impact of the data cleanse so that we are showing the true organic growth or decline. As we continue to reconcile the data as a result of the migration, there may be a further data cleanse in the third quarter.

Neil Berkett, CEO

Key Year-on-Year Improvements

- OCF of £333m, up 6%
- SG&A down 9%
- RGU net adds of 137k, up 132%
- Low churn of 1.3%, down 50 basis pts
- Record 53% triple-play, up 8% pts
- 3.8m broadband subs, up 11%
- 20Mb broadband subs up 82%
- 38m VOD views per month, up 92%
- 0.5m mobile contract subs, up 64%

Further progress in Q2

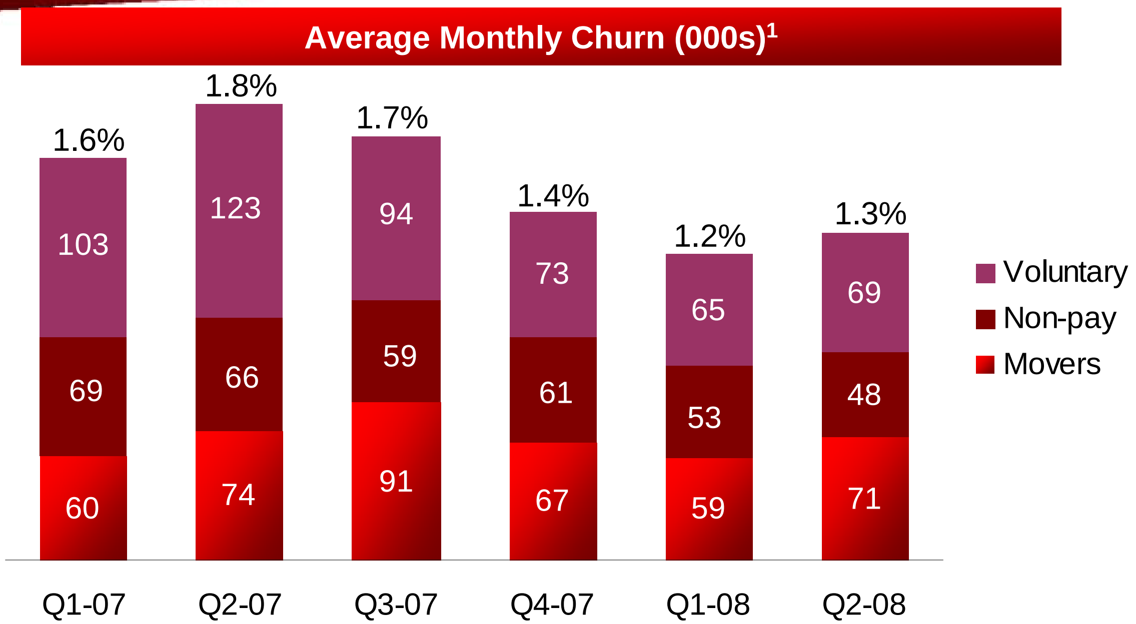
Strategic Progress

Lead next generation broadband	4 to 10Mb upgrade 70% completed; On track for 50Mb launch in Q4-08
Lead on-demand TV revolution	First TV platform to launch iPlayer Strong growth in VOD usage
Leverage position in Mobile	Successful contract cross-sell Launch mobile broadband in Q4-08

Operational Progress

Reduce churn	Churn down 50 basis pts year-on-year Minimal impact from June price rise
Continued RGU growth	55k on-net broadband, 56k contract mobile, 25k TV & 3k on-net telephony
Improved revenue trends	Cross-sell and up-sell driving record triple-play Price rise in June
Rightsizing business to maximize long-term cashflow	SG&A down 9% year-on-year Increasing OCF margins

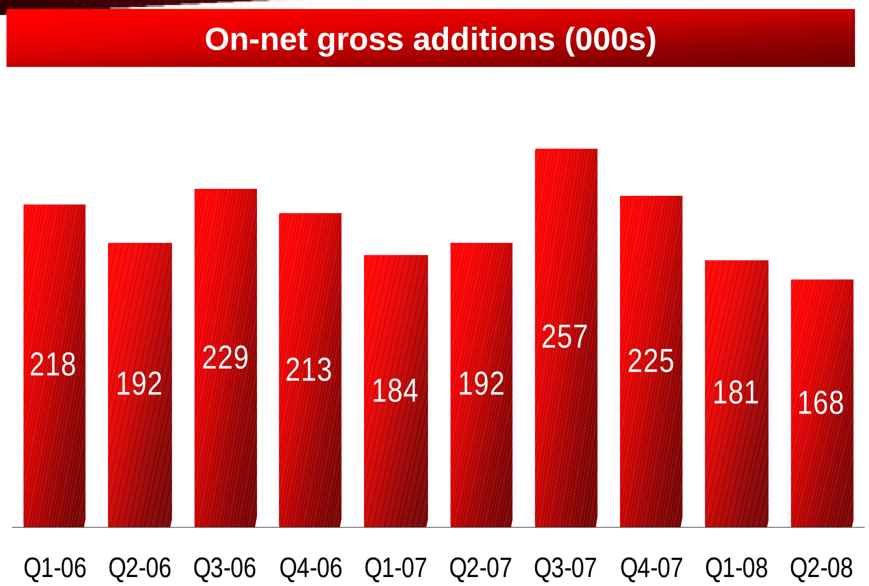
Continued low churn

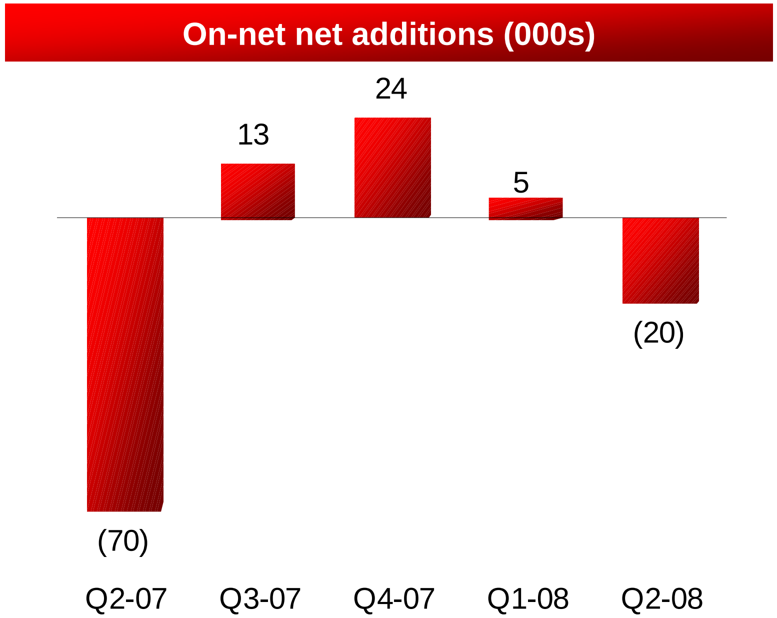


- Churn down 50 bps year on year
  - Q2-07 included impact of loss of Sky basics
  - Non-pay disconnects down 27% reflecting focus on quality
- Churn up 10 bps sequentially
  - Seasonal increase in “movers” which includes student churn, and rental moves
  - Non-pay churn reduction reflects strong credit control
  - June price rise has had limited churn impact
- Q3 churn expected to be seasonally higher, but lower than Q3-07

1- Breakdown of churn is based on management estimates

Gross additions

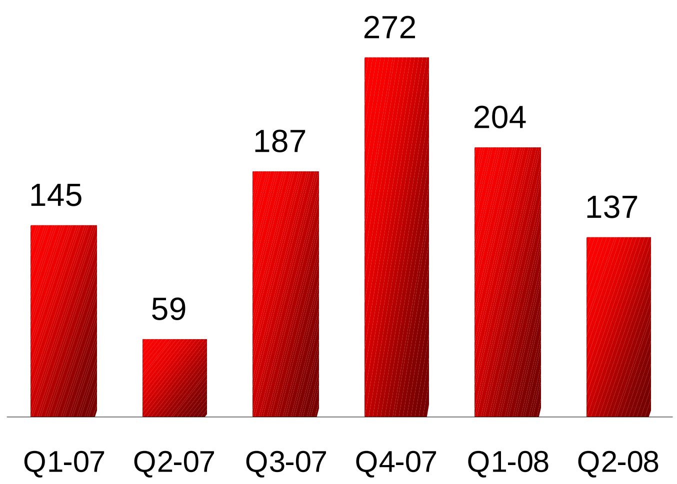




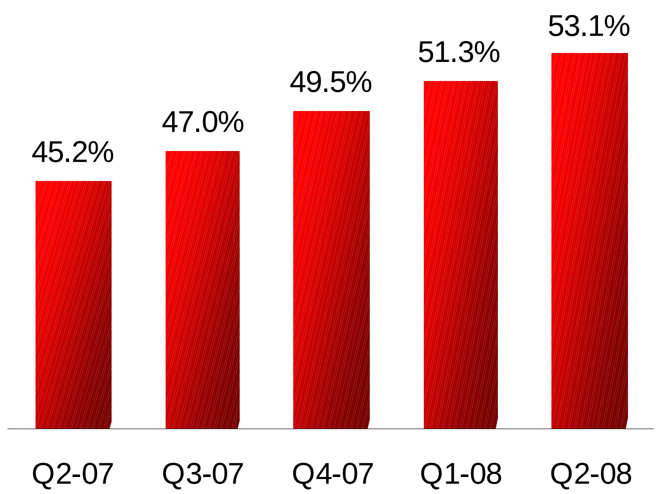
- Gross adds down sequentially and year-on-year, reflecting;
  - Seasonal impact
  - Focus on quality gross adds
  - Probable impact of softer macroeconomic environment
- Combined with seasonal churn increase, resulted in 20k net disconnections
  - Phone only subs down 24k as a result of churn and cross-sell and reflecting improving quality of customer base
- Substantial year-on-year improvement in net adds
- Believe second half to show improvement in gross adds

Focus on quality growth

RGU net adds ('000s)



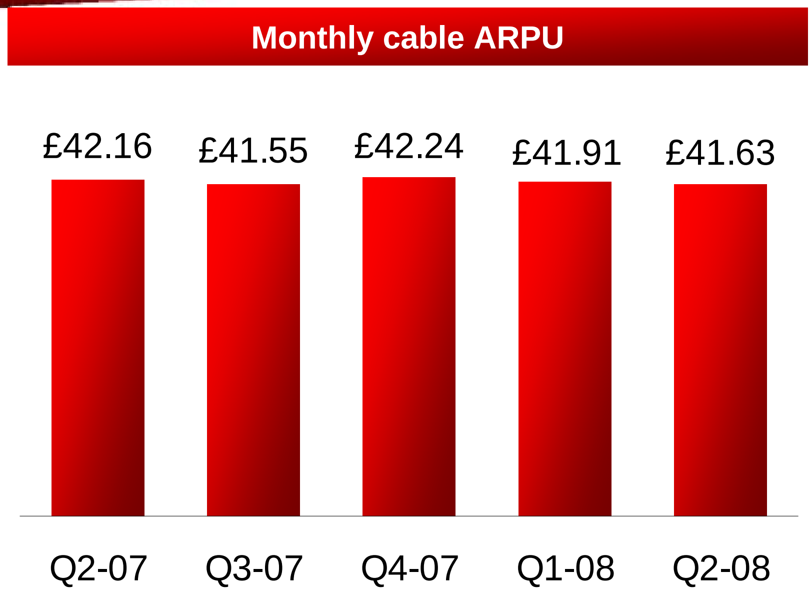
Triple play %



- Continued RGU net adds
  - sequentially down due to lower gross adds and seasonally higher churn
  - substantial year-on-year improvement
  - Q3-08 RGU net adds expected to be around same level as Q3-07
- Triple-play penetration still showing strong growth
  - helps to drive customer quality and low churn
  - 19% fewer single RGU customers than a year ago

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

Cable ARPU strategy

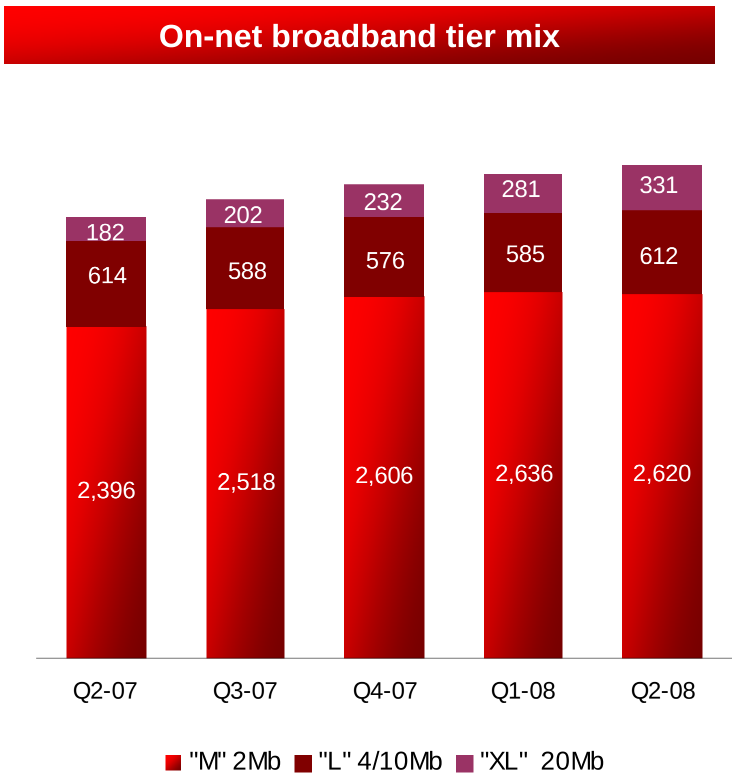


- ARPU at ~£42 remained in narrow range
- Strong cross-sell and up-sell mitigates “backbook” pressure
  - cross-sell and up-sell benefit from improved quality of products
    - eg broadband speed upgrades, VOD, V+, Setanta
- Q3 ARPU will benefit from June price rise
- We are on-track to measurably grow lifetime value of customer base in 2008

Positioned for softer economic climate

- Home entertainment/communication bundles are good value and increasingly non-discretionary
  - Virgin Media is largely a subscription business with 53% triple-play
- Low exposure to advertising; ~3% of revenue
- Spin-down risk seen as limited due to
  - low premium TV penetration at <20%; 74% broadband customers on entry tier; no subscription charge for HD
- Successful focus on up-sell and cross-sell
  - record triple play; improving broadband mix; 50Mb launch
- Improving value and quality for customers
  - free 10Mb upgrade, free iPlayer, free Setanta, subscription free V+ and VOD for XL customers
- Churn remains low
  - June price rise has stuck & bad debt remains low
  - slower housing market reduces movers churn
- Managing risk through
  - improving customer service and focus on improving customer advocacy
  - Virgin Mobile contracts save customers money
  - moving “backbook” customers to better value bundles
  - carefully managing marketing investment
  - potential for further cost reductions

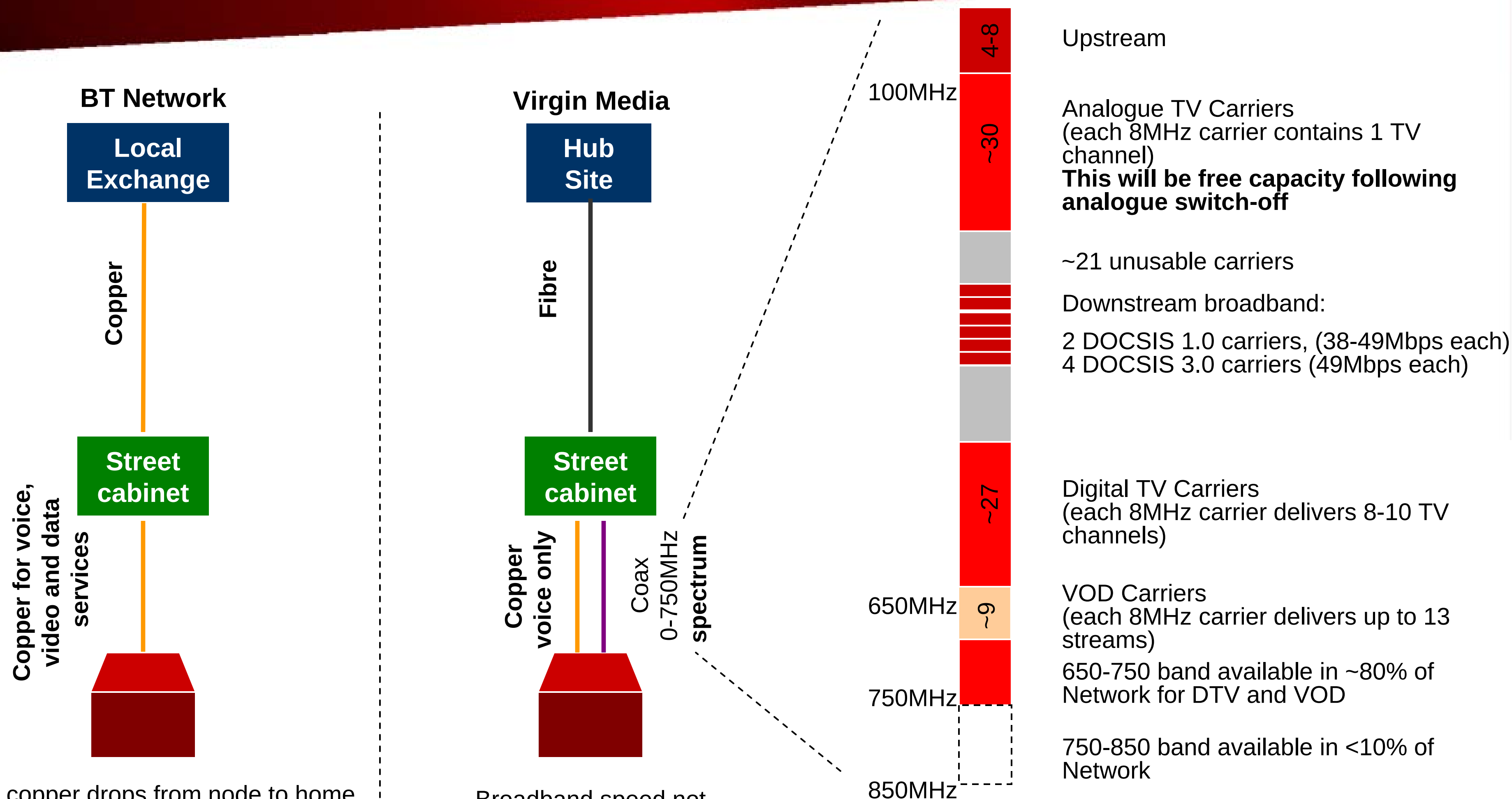
Broadband tier mix improving



- Demand for bandwidth increasing rapidly
  - iPlayer, iTunes, Social networking, large digital files, multiple internet devices etc
  - Avg customer downloads >8Gb per month, up 76% since Q1-07
- Improving mix due to speed increases
  - 82% growth in XL tier year-on-year
  - 4 to 10Mb upgrade also driving improvements
- Marketing quality aspects of cable v DSL
  - “Mother of All Broadband”
  - Cable delivers higher % of headline speed
- 55k net adds in Q2
  - up 21% year-on-year

Note: Q2-08 data cleanse resulted in 6,500 increase in broadband subs.
55k net adds figure excludes data cleanse impact to show true organic growth

Network advantage at end 2008



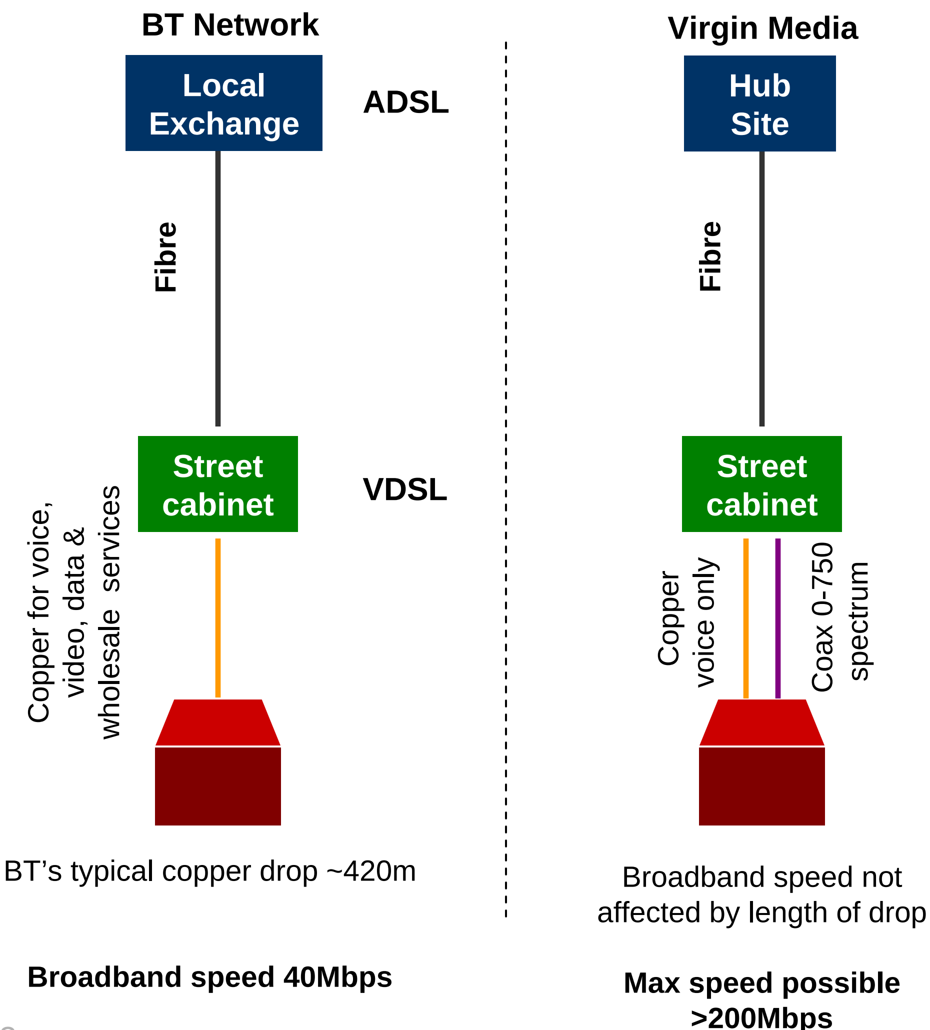
BT's copper drops from node to home are up to 7km (typical 3.25km)

Max broadband speeds > 20Mbps to < 5% of UK households

Broadband speed not affected by length of drop

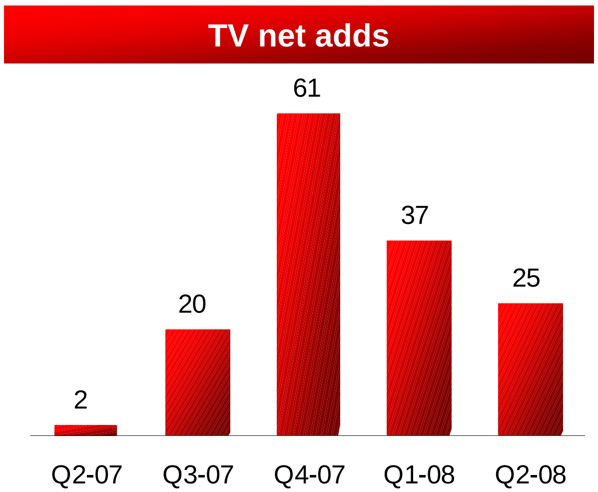
Offer 2, 10, 20 and 50Mbps broadband speeds

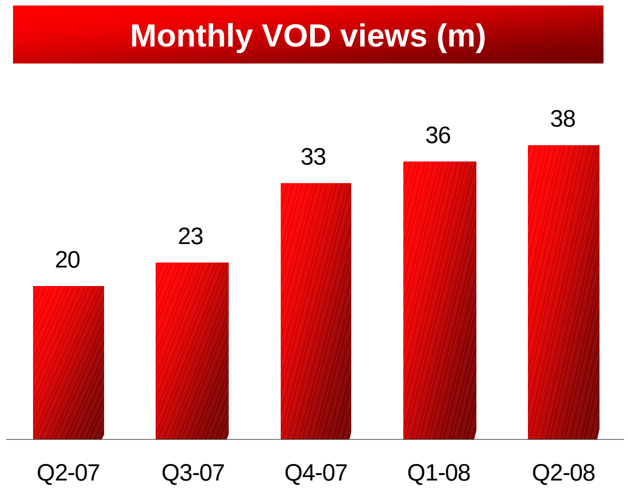
Network advantage at end 2012

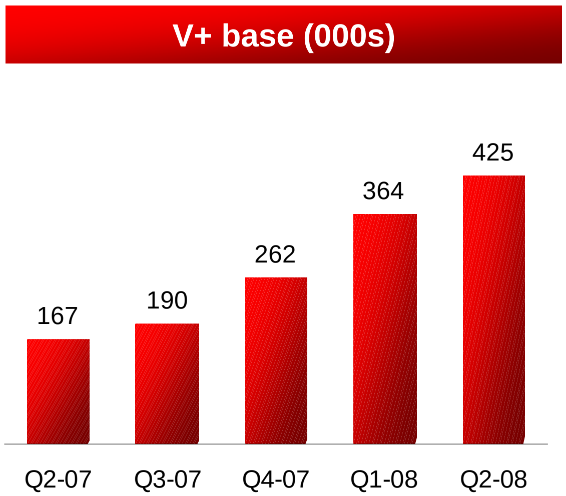


- BT still reliant on copper drop to home to deliver all services
- VDSL and ADSL co-exist in copper bundles, limiting BT speeds
- Virgin Media uses copper for voice only and coax for broadband, DTV, VOD, HDTV
- Virgin Media can deliver much higher broadband speeds
  - A third of spectrum freed-up for higher broadband speeds, more VOD and HD content following analogue switch-off
- BT to spend £1.5bn on infrastructure plus CPE to 40% of UK whereas we have a next generation network <u>today</u> that will remain superior in <u>2012</u>

Enriched TV content and capability



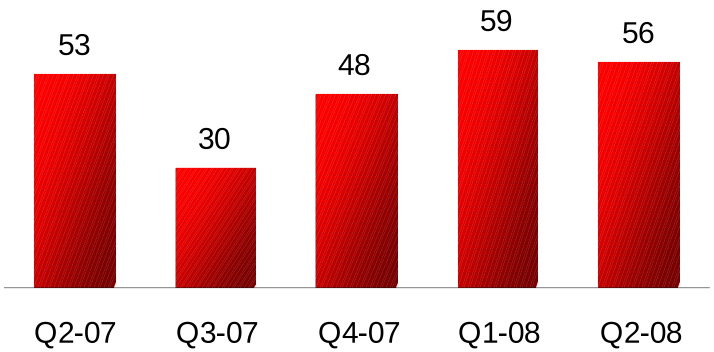




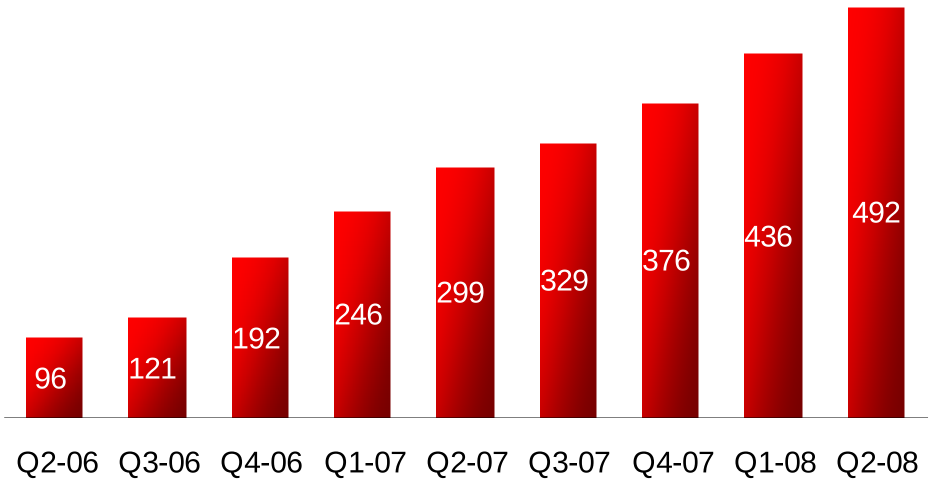
- Continued TV growth; ~50% of DTV base take “XL” basic top-tier
- VOD usage growing; a differentiator and churn reducer
  - only TV platform to carry BBC iPlayer
  - over 350 hours of BBC catch-up content
  - 10.5m iPlayer views in June
- DVR growth potential
  - V+ penetration still only 13%
  - increases loyalty and reduces churn
  - complementary to VOD

Continued success in contract mobile

Contract net adds (000s)



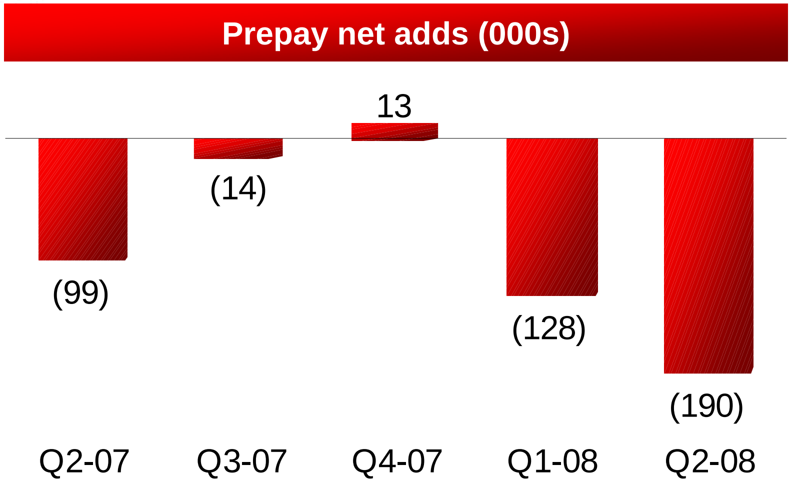
Contract customers (000s)

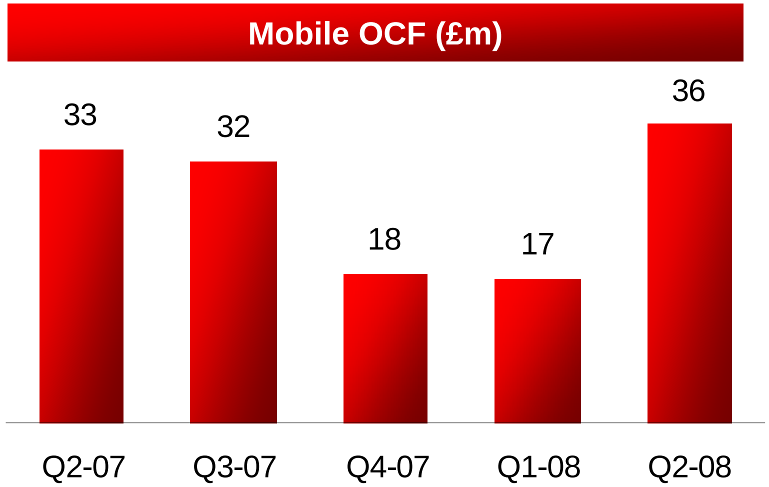


- Contract growth driven by cross-sell to cable customers
- 95% of sales through own channels reducing acquisition cost
- Virgin Mobile market leader for Q2 gross adds in SIM only market[1]
- Contract customers have significantly higher lifetime value than prepay
- Renegotiated wholesale rates with T-Mobile
- Launching mobile broadband service in Q4

1 – Source: GFK

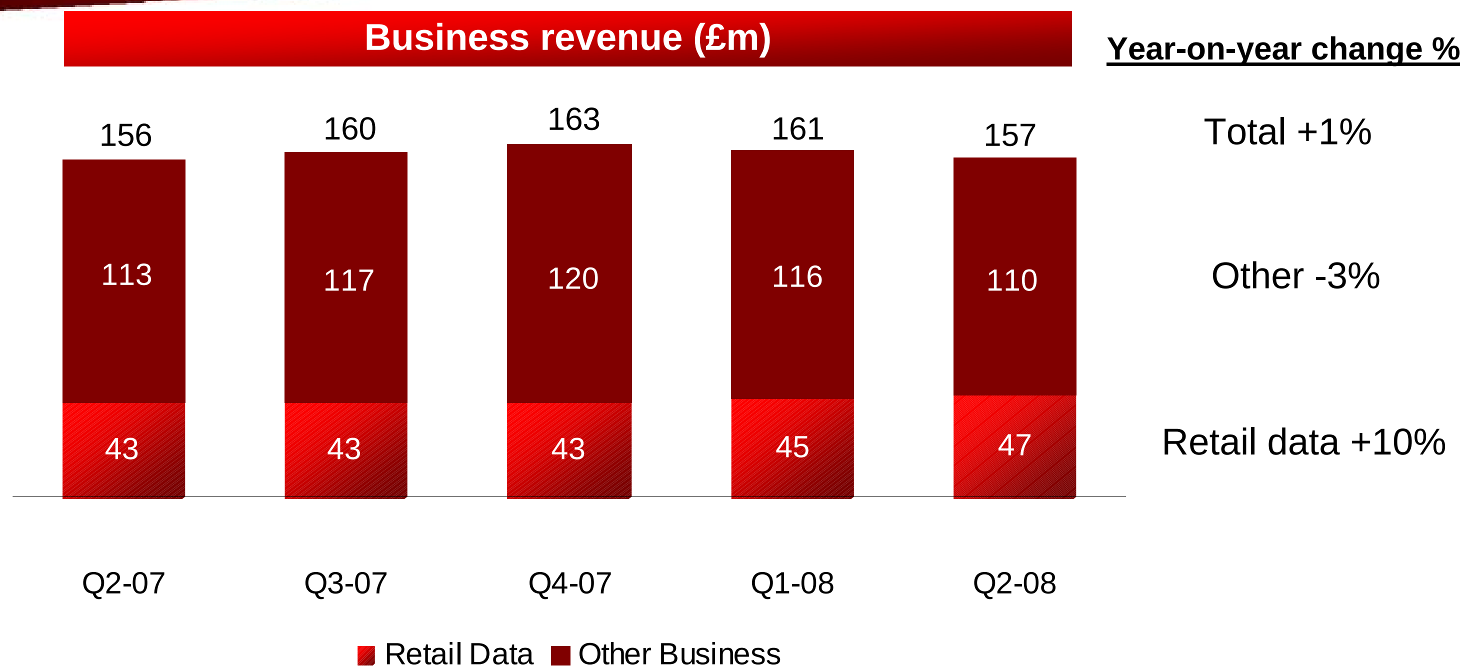
Prepay enhancement initiatives





- Focus on attracting and retaining higher value customers to improve ARPU and profitability
- Not engaged in lower end of prepay market (low handset price)
- Prepay ARPU increase due to selective price rises
- Significant OCF improvement due to improved ARPU, improved mix, better channel management and lower T-Mobile wholesale rates

Business Services



- Retail data strategy showing positive results
  - Continue to see a mix shift to retail data
- Other business revenue decline in Q2-08
  - Continued voice and wholesale decline
  - Terminal 5 contract; low margin, no material impact on OCF

Content assets

- **VMtv revenue of £28.3m**[2]
  - up 9% on Q2-07 due to 11% increase in advertising revenue; outperforming wider TV advertising market
  - commercial impacts increased 8% compared to Q2-07 reflecting strong channel performance
- **Sit-up revenue of £51.2m**
  - up 7% on Q2-07 due to increased sales volumes and improved sales mix
- **50% share of UKTV (not consolidated)**
  - Total viewing share in all TV homes of 3.5%[1]
  - Q2-08 share of net income of £5.0m
  - £10.3m cash received in H1 for net loan repayments, dividends, interest and consortium tax relief
  - UKTV carried on balance sheet at £374m including £145m loan
- **Content OCF was negative £0.9m**
  - down £6m sequentially due to an increase in VMtv programming and marketing costs and reduced Sit-up revenue
  - programming to be seasonally higher in Q3-08

Share of viewing Q2 08[1]

VMTV	2.4%
UKTV	3.5%
Sky Basics	2.8%
Viacom	1.8%
Discovery	1.2%

Commercial impacts growth

	YOY
VMTV	8.1%
UKTV	9.7%
Sky Branded	-1.7%
Viacom	13.9%
Discovery	12.2%

Share of viewing growth[1]

	YOY
VMTV	3.5%
UKTV	5.4%
Sky Basics	-1.4%
Viacom	0.0%
Discovery	-0.8%

[1] Share of viewing in all homes, Q2 2008 BARB [2] After intersegment eliminations of £6.5m in Q2-08

Charles Gallagher, SVP Finance

Revenue movements

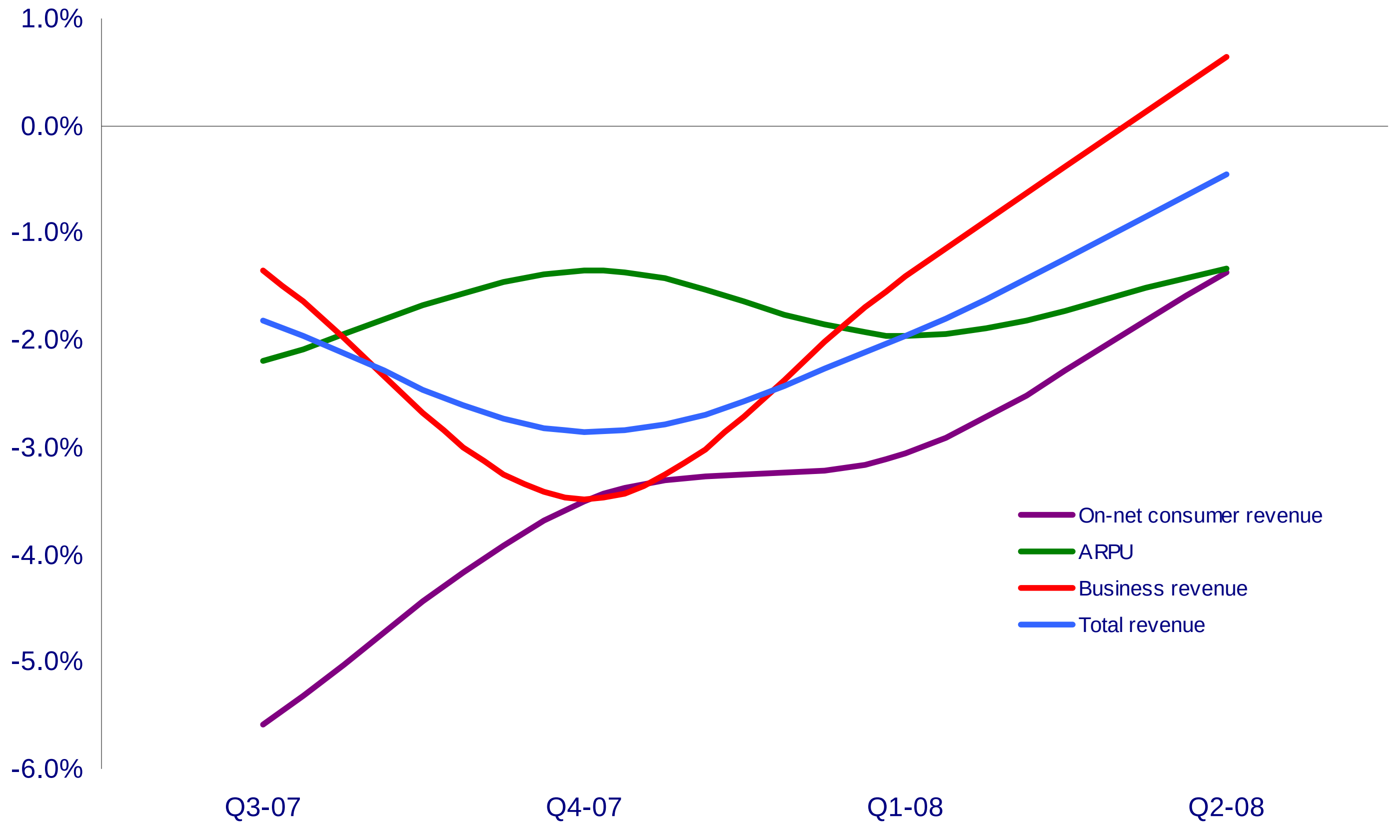
	Q2-07	Q1-08	Q2-08
	£m	£m	£m
Consumer	619	618	610
Business	156	161	157
Mobile	146	140	144
VMtv	26	28	28
Sit-up	48	55	51
	995	**1,002**	**991**

Key Drivers

- Backbook migration impacts Consumer
- Business down v Q1 re T5
- Mobile up v Q1 due to ARPU
- VMtv up y-o-y on higher ad revenue

Improved revenue trends

- Decline in year-on-year quarterly revenue metrics slowed in Q2



Note: Chart shows the percentage year-on-year revenue/ARPU decline/growth for each quarter, i.e., the percentage decline in quarterly revenue/ARPU when compared to the same quarter 12 months previously. The chart demonstrates that negative revenue trends were less negative in Q2 on a year-on-year basis.

Summary Income Statement & Capex

	Q2-07	Q1-08	Q2-08
	£m	*£m*	*£m*
Revenue	995	1,002	991
Operating costs[1]	435	460	435
SG&A	245	217	223
OCF[2]	**315**	**324**	**333**
OCF Margin[3]	*31.7%*	*32.4%*	*33.6%*
Operating income (loss)[4]	3	(5)	(333)
Cash capex[5]	134	125	108
Accrued capex[6]	156	137	156

[1] Exclusive of depreciation; [2] OCF is operating income before depreciation, amortization, goodwill impairment and other charges and is a non-GAAP financial measure; [3] OCF divided by revenue; [4] Operating income margin was 0.3% in Q2-07; [5] Cash capex is purchase of fixed assets and purchase of intangible assets; [6] Accrued capex is fixed asset additions (accrual basis) and is a non-GAAP financial measure; See Appendices for reconciliations of non-GAAP financial measures to their nearest GAAP equivalents;

Gross margin

	Q2-07	Q1-08	Q2-08
Operating Costs	£m	£m	£m
Cable	297	309	292
Mobile	84	93	83
Content	60	65	66
Inter-segment	(6)	(6)	(7)
	435	460	435
Gross Margin			
Cable	61.7%	60.3%	61.9%
Mobile	42.4%	33.6%	42.3%
Content	18.3%	21.9%	16.9%
	56.3%	54.0%	56.1%

- Gross margin % relatively flat year-on-year
- Gross margin % up sequentially due to better cable and mobile margins

Note: Gross margin = (revenue - operating costs) / revenue

SG&A down year-on-year

	Q2-07	Q1-08	Q2-08
SG&A	£m	£m	£m
Cable	197	169	177
Mobile	29	30	25
Content	20	20	21
Inter-segment	(1)	(1)	(1)
	245	217	223
SG&A / Revenue			
Cable	25.4%	21.7%	23.1%
Mobile	20.1%	21.3%	17.7%
Content	26.5%	23.4%	26.2%
	24.6%	21.7%	22.5%

- SG&A year-on-year decline showing strong cost control
- SG&A up sequentially due to increased marketing and SBCE
- We continue to target further inefficiencies and cost savings

OCF margin growth

	Q2-07	Q1-08	Q2-08
OCF	£m	£m	£m
Cable	283	302	298
Mobile	33	17	36
Content	-	5	(1)
	315	324	333
OCF Margin			
Cable	36.4%	38.8%	38.9%
Mobile	22.4%	12.3%	24.7%
Content	0.1%	6.1%	(1.1%)
	31.7%	32.4%	33.6%

- OCF margin expansion year-on-year
  - Gross margin relatively flat year-on-year; SG&A down year-on-year showing strong cost control
- Q3 OCF to be lower than Q2 OCF due to
  - seasonally higher VMtv programming
  - increased marketing expense behind improved gross adds and RGU growth
  - lower Mobile OCF as Q2-08 benefited from retroactive change to wholesale rates

Net debt

	Q2-07 £m	Q2-08 £m	Rate
Senior Credit Facility			
Tranche A	2,476	2,076	L+1.63%
Tranche B	2,195	1,948	L+2.13%
Tranche C	300	300	L+2.75%
High Yield Bonds			
due 2014	738	767	9.75%[4]
due 2016	274	276	8.54%[4]
Convertible Note due 2016	-	502	6.93%[4]
Capital Leases / Other	80	121	
Long Term Debt[1]	6,063	5,990	
Current portion of long-term debt	30	33	
Cash	(277)	(427)	
Net Debt[2]	**5,816**	**5,596**	
Net Debt / Annualized OCF[3]	4.6x	4.2x	

- Strong working capital and cash generation in quarter
- Continued deleveraging profile

Notes: 1 Net of current portion; 2 Net debt is a non-GAAP financial measure. See above for reconciliation of net debt to long-term debt (net of current portion); 3 Annualized OCF is quarterly OCF multiplied by four; 4 Weighted average after taking swaps into account

Investment summary

- Disciplined focus on execution driving improved fundamentals and strong OCF
- Superior network provides significant technical, product and economic advantage now and in future
- More stable competitive environment
- Positioned for a tougher macroeconomic environment
- Significant opportunity for further cost reductions being investigated

Q2-08 Financial Results Appendices
August 7, 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, goodwill impairment and other charges (OCF), (ii) net debt, and (iii) fixed asset additions (accrual basis). Since these measures are not calculated in accordance with GAAP, they should not be considered as a substitute for operating income (loss), long-term debt (net of current portion), and purchase of fixed assets and purchase of intangible assets, respectively.

Non-GAAP reconciliation

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

(in £ millions) (unaudited)	Three months ended		
	June 30, 2007	**Mar 31, 2008**	**Jun 30, 2008**
Operating income before depreciation, amortization, goodwill impairment and other charges (OCF)	315.3	324.2	332.9
Reconciling items			
Depreciation and amortization	(309.2)	(324.2)	(301.5)
Goodwill impairment	-	-	(366.2)
Other (charges) income	(3.1)	(4.6)	1.7
Operating income (loss)	**3.0**	**(4.6)**	**(333.1)**

Non-GAAP reconciliation

Reconciliation of fixed asset additions (accrual basis) to GAAP purchase of fixed assets and purchase of intangible assets

(in £ millions) (unaudited)	Three months ended		
	Jun 30, 2007	**Mar 31, 2008**	**Jun 30, 2008**
Fixed Asset Additions (Accrual Basis)	**156.2**	**137.1**	**155.7**
Fixed assets acquired under capital leases	(8.6)	(22.7)	(29.6)
Changes in liabilities related to:			
Fixed Asset Additions (Accrual Basis)	(14.0)	10.6	(17.8)
Total Purchase of Fixed Assets and Intangible Assets	**133.6**	**125.0**	**108.3**
Comprising:			
Purchase of fixed assets	**133.5**	**123.2**	**105.4**
Purchase of intangible assets	**0.1**	**1.8**	**2.9**
	133.6	**125.0**	**108.3**