

Telewest Global, Inc.

Fourth Quarter and Full Year 2004 Results

March 22, 2005



Disclaimer

The following information contains or may be deemed to contain “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995).

These statements relate to future events or our future financial performance, including, but not limited to, strategic plans, potential growth (including penetration of developed markets and opportunities in emerging markets), product introductions and innovation, meeting customer expectations, planned operational changes (including product improvements), expected capital expenditures, future cash sources and requirements, liquidity, customer service improvements, cost savings and other benefits of acquisitions or joint ventures - potential and/or completed - that involve known and unknown risks, uncertainties and other factors that may cause our or our businesses’ actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential,” or “continue,” or the negative of those terms or other comparable terminology.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the following forward-looking statements, possibly to a material degree.

A discussion of some of the important factors that could cause the results to differ from those expressed in, or implied by, the following forward-looking statements can be found in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2004 filed with the SEC on March 22, 2005 and available on the Company’s website.

This presentation includes some non-GAAP financial measures as defined in Regulation G adopted by the SEC. These measures and full reconciliations to US GAAP measures can be found in Telewest Global, Inc.’s 2004 results press release and associated Form 8-K filed on March 22, 2005 available on Telewest’s website at www.telewest.co.uk.

Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity.

Barry Elson

Acting Chief Executive Officer

Delivering promised performance

Profitable consumer growth led to 14% EBITDA improvement

- Accelerated profitable consumer growth with quality customers
 - Improved triple play and household penetration
 - Highest RGU per customer; lowest churn in UK/US
 - Broadband leadership position in addressable areas
 - Highest digital penetration in UK, Europe or the US
- Delivering outstanding customer care
- Growth in higher margin business data services
- Valuable content division outperforming the market
- Vastly improved cost structure; EBITDA up 4.1 percentage points
- Continue to manage for free cash flow

Neil Smith

Chief Financial Officer

Fourth quarter growth

Consumer division operating momentum producing financial improvement

	Q4-04	Q3-04	Change
	£m	£m	
Revenue	336	328	+£8m
Direct Costs	(94)	(89)	+£5m
Contribution	242	239	+£3m
S,G&A (before SBCE)	(111)	(114)	(£3m)
Adjusted EBITDA (before SBCE)	131	125	+£6m
SBCE	(3)	(3)	-
Adjusted EBITDA	128	122	+£6m
Depreciation	(101)	(103)	(£2m)
Amortization	(9)	(9)	-
Operating Income	18	10	+£8m

Revenue & adjusted EBITDA growth

£m

Revenue	Q3-04	328
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Consumer	3	Driven by customer growth and specifically broadband / triple play
Business	-	Business stabilizing but market remains challenging
Content	5	Seasonally strong advertising and 'other' revenue

Revenue	Q4-04	336
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Adjusted EBITDA	Q3-04	122
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Cable Division	9	Consumer profit growth through broadband acquisition and cost control
Content Division	(3)	Strong revenue offset by seasonal increase in programming spend

Adjusted EBITDA	Q4-04	128
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Consumer led growth from customer, broadband and triple play net additions

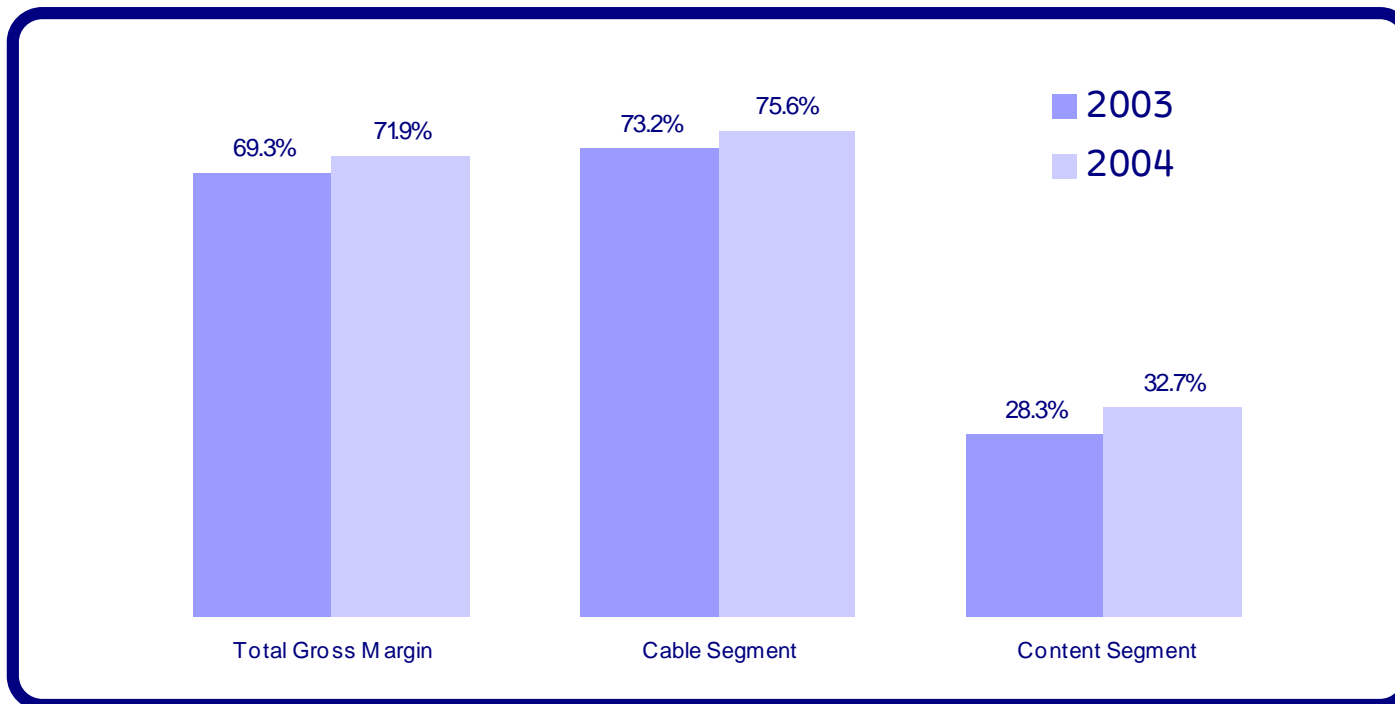
Adjusted EBITDA growth in 2004

Triple play penetration growth significantly enhances margin and coupled with cost control generates 14% adjusted EBITDA growth

	2004	2003	Change
	£m	£m	
Revenue	1,318	1,298	2%
Direct Costs	(370)	(399)	(7%)
Contribution	948	899	5%
SG&A ¹	(448)	(465)	(4%)
Adjusted EBITDA (before SBCE)	500	434	15%
SBCE	(6)	-	-
Adjusted EBITDA	494	434	14%
Financial Restructuring Costs	(21)	(25)	(16%)
Depreciation	(388)	(389)	-
Amortization	(18)	-	-
Operating Income	67	20	235%

¹ S,G&A before SBCE and financial restructuring costs

Growing gross margins*



- Strong growth in high margin broadband services boosts cable segment margins
- Declines in mobile interconnect costs grown telephony margin
- Migration to unmetered 'Talk' services offset declines in voice usage
- Selected price increases and programming renegotiations improve TV margins
- Higher margin managed data products in our Business sales division
- Content segment margin growth due to better programming efficiency

* Gross margin represents revenue less cost of sales as a percentage of revenue

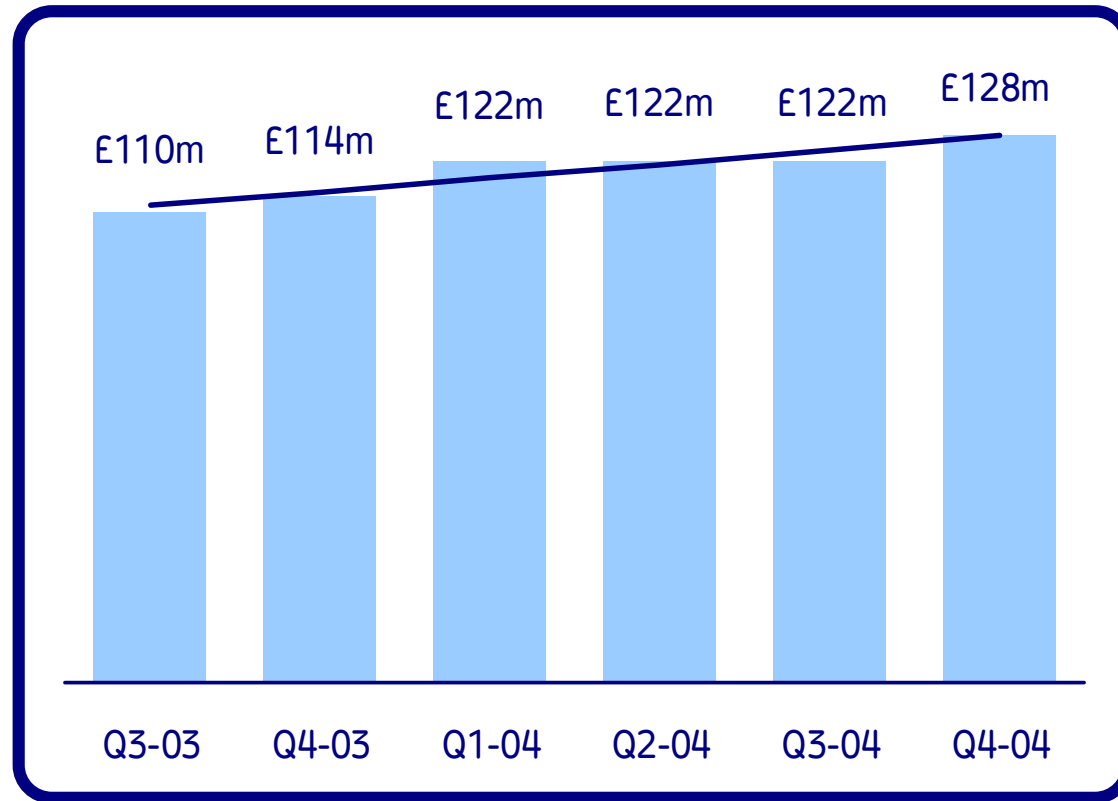
Challenging our costs

SG&A down 3% year on year despite 37% increase in gross consumer customer additions and 231% increase in RGU net additions

	2004	2003	Change
	Em	Em	
Labor Related	270	274	(1%)
Other	178	191	(7%)
	448	465	(4%)
Financial Restructuring	21	25	(16%)
SBCE	6	-	-
Total SG&A	475	490	(3%)
As % of Revenue			
Total SG&A	36.0%	37.8%	(1.8 %pts)

- Cost reduction and efficiencies have driven down SG&A
- Enhanced direct sales productivity by 47%
- Reduced service truck rolls with lower faults
 - digital fault rate reduced by 28%
- Reduced billing and bad debt costs

Growing Adjusted EBITDA



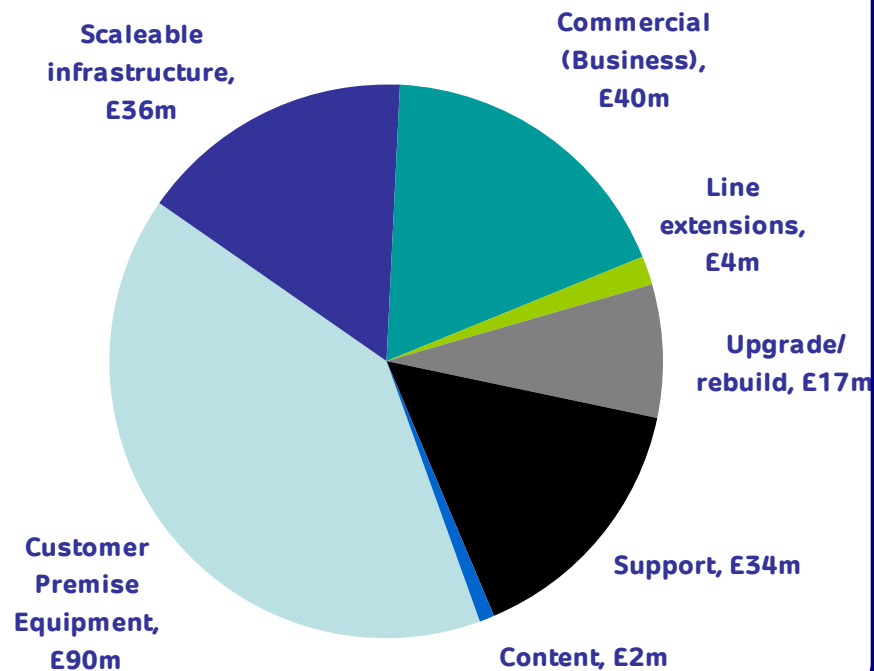
- Q4 Adjusted EBITDA margin 38% v 34% in Q4-03
- Q4 cable segment adjusted EBITDA margin of 42% v 38% in Q4-03

Q4 EBITDA has grown by 12% compared to prior year

Growth focused capex

Capex remains focused on products and projects that drive customer growth or cost efficiencies

2004 Capex (accrued) £223m



2005 Capex Guidance

- Cash capex of £230m - £250m
- Compares to £241m in 2004
- Capex efficiency remains a focus area, particularly in install and CPE costs

GUIDANCE: 2005 CASH CAPEX OF £230m - £250m

Improved debt terms

Bank refinancing delivered significantly extended debt maturity and reduced cost of debt

	2004 £m
Bank debt	1,700
Leases & other	114
Gross Debt	1,814
Less cash	(68)
Net Debt	1,746
Net Debt / Adjusted EBITDA	3.5x

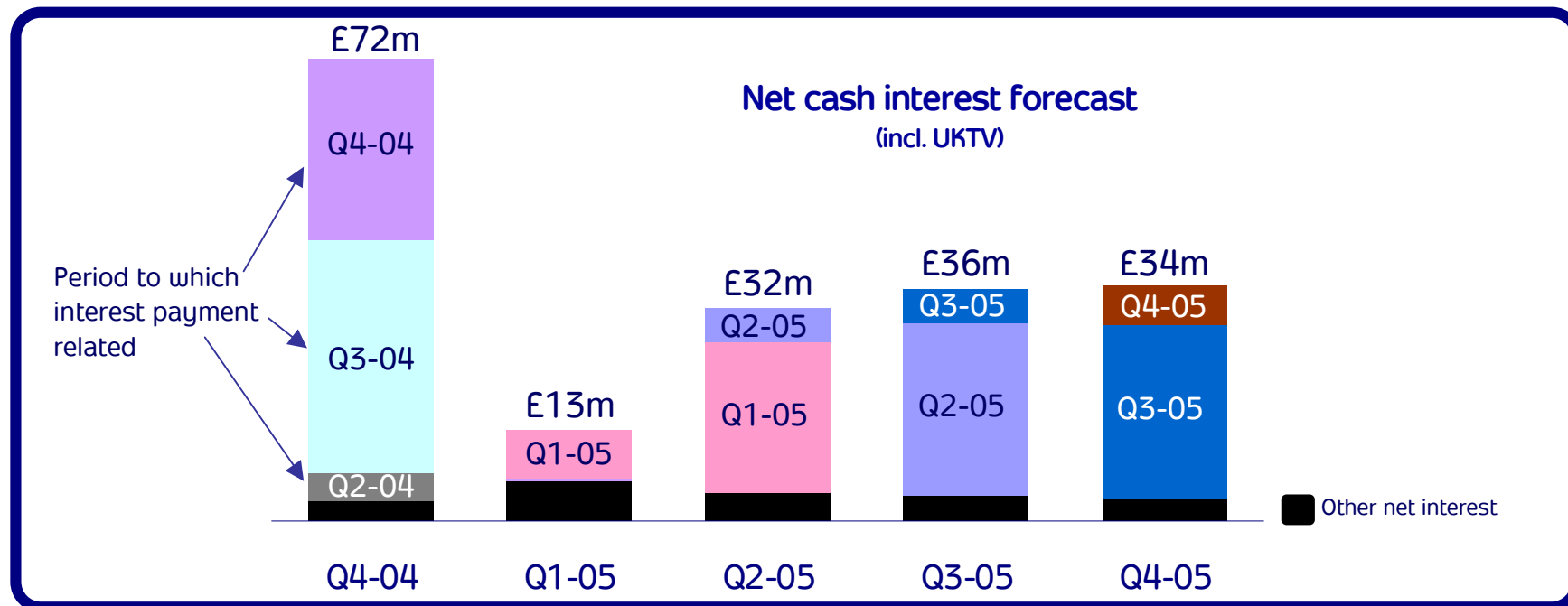
- Maturity extended with 7, 8 & 9 year repayment profiles
- Average weighted cost of debt reduced to around 8.5%
- Bank debt includes \$150m and €100m

GUIDANCE: 2005 NET CASH INTEREST* OF £110m - £120m

* Includes the cost of hedging and lease commitments and interest received on cash balances and on loans to affiliate investments

New cash interest guidance

Q4-04 and Q1-05 cash interest affected by bank refinancing



- Q4-04 and Q1-05 bank interest payments impacted by phasing relating to previous bank facility
- Q4 payment covered extra 87 days of bank cash interest (amounting to £34m) that would normally have been deferred to Q1-05

Free cash flow emphasis

£98m of Free Cash Flow generated in 2004

	2004	Q4-04	Q3-04	Q2-04	Q1-04
	£m	£m	£m	£m	£m
Adjusted EBITDA	494	128	122	122	122
SBCE	6	3	3	-	-
	<hr/> 500	<hr/> 131	<hr/> 125	<hr/> 122	<hr/> 122
Capex	(241)	(64)	(50)	(61)	(66)
Interest	(173)	(72)	(39)	(30)	(32)
Working capital & other	12	2	3	6	1
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Free Cash Flow	98	(3)	39	37	25

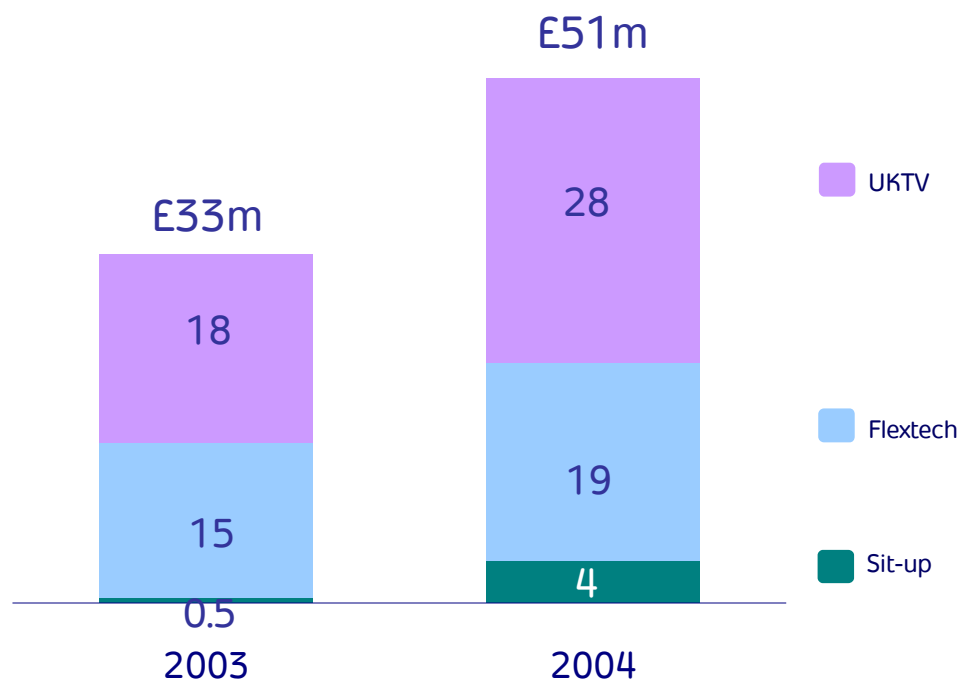
- Q4 FCF impacted by phasing of interest payments relating to previous bank facility
- Excluding this impact, interest would be £38m for Q4 and £138m for 2004
- Excluding this impact, FCF would be £31m for Q4 and £132m for 2004

Successful content portfolio

- **Wholly owned Flextech channels**
 - Living, Trouble, Bravo, Challenge carried on Telewest, NTL, Sky
 - Two main revenue streams – advertising and subscription
 - FTN carried on Freeview – advertising revenue only
- **50:50 UKTV JV with the BBC**
 - Portfolio of 10 UKTV branded channels
 - Two main revenue streams – advertising and subscription
 - £184m loan outstanding on which Telewest receives interest & capital repayments
 - £24m cash received in 2004
 - Dividends now being paid in addition to loan interest and repayments
- **30% share of affiliate: Sit-up**
 - 2 auction channels: bid tv & price-drop
 - Infomercial channel Screenshop
 - Carriage on Telewest, NTL, Sky, Freeview
 - Over £200m revenue in 2004

Our growing content assets

Content Segment Share of Adjusted EBITDA¹ (£m)



- Content assets trade at higher multiples than cable assets
- Flextech and Sit-up have no debt
 - So value to Telewest is 100% of Flextech equity value and 30% of Sit-up equity value
- UKTV has £184m loan outstanding to Telewest
 - So value of UKTV to Telewest is 50% of equity value and 100% of the debt
- Generating free cash to invest and grow content assets further

Valuable portfolio of high growth content assets

¹ Shown before the elimination of inter-segment revenue

Guidance on growth

- Q1-05 Guidance
 - Customer net additions of at least 20,000
 - Broadband net additions of at least 80,000
- 2005 Guidance
 - Cash capex of £230m - £250m
 - Net cash interest of £110m - £120m
- Five Year Targets
 - Customer penetration of 45%
 - Triple play penetration of 40%

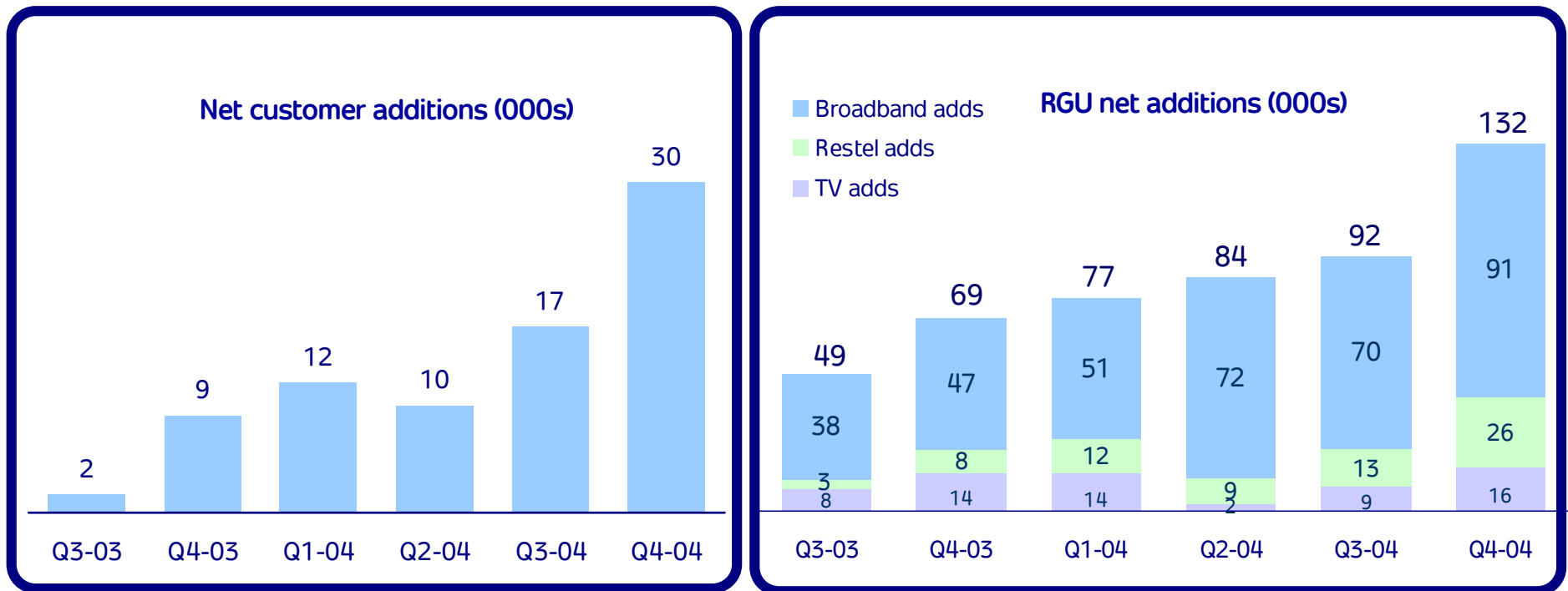
Eric Tveter

President and Chief Operating Officer

Focus on profitable growth

- Continuing strong profitable consumer growth
 - Broadband – UK market leader
 - Strong focus on quality customers through triple play
 - Driving growth through high value services
- Continue to demonstrate excellent customer care

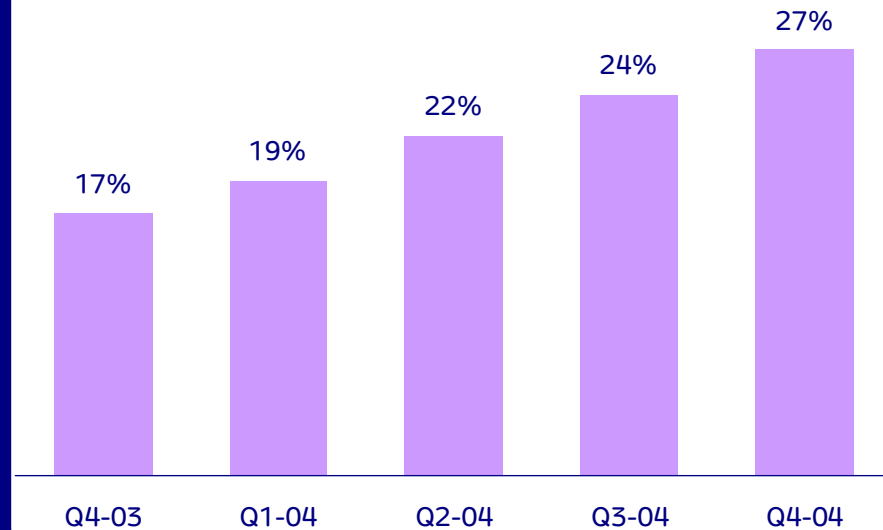
Growing customers and RGUs



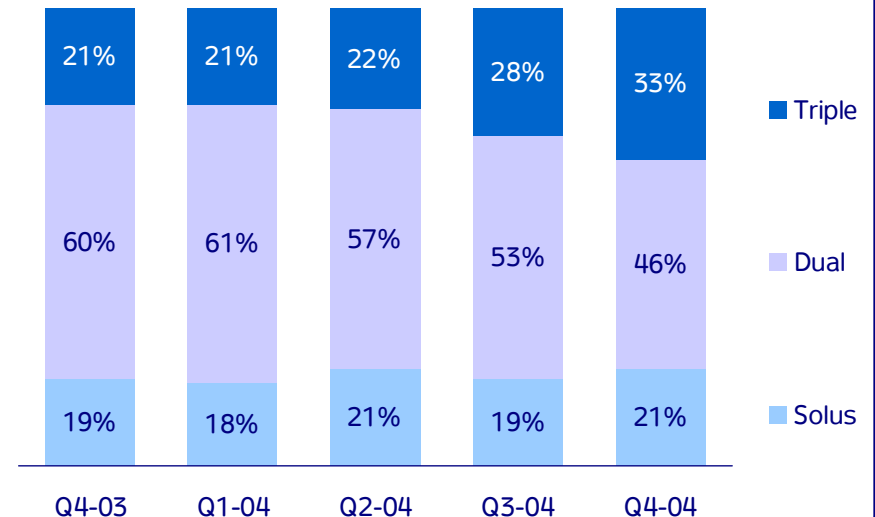
- Best customer growth for four years
- Current customer penetration 38.4%. On track to hit target of 45% by end 2009
- Strong RGU growth reflects success in bundling services

Effective bundling

Triple play penetration



Acquisition mix



- A third of acquisitions during Q4 took triple play at Point Of Sale
- 46% of web sales, 34% of telesales and 31% of direct sales were triple play in Q4-04
- Triple play provides competitive advantage
- Confident with 40% triple play penetration target for 2009

Triple play customers are higher ARPU and lower churn

Attractive bundled propositions

Drive demand with “altogether better value” propositions that emphasize the richness of our product offering

3 for £30

- Triple play at attractive price
- Drives inbound calls
- Strong focus on upsell at point-of-sale
- Reintroduced in Q1 with simple upgrade path

Free phone line rental

- Offer ties to 12 month subscription to Supreme TV and blueyonder broadband
- Helps manage the mix of TV customers

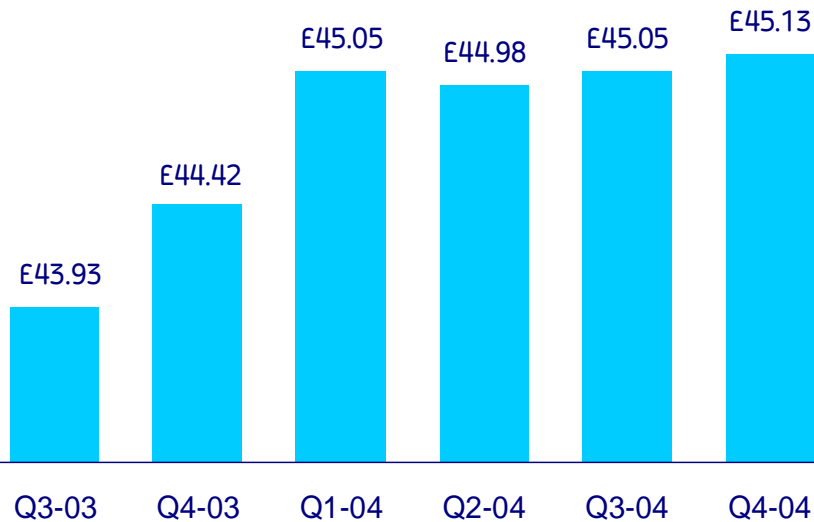
Easy Switch

- Bundles entry level broadband with telephony
- Attractive price point to encourage other ISP dial-up customers to migrate to broadband



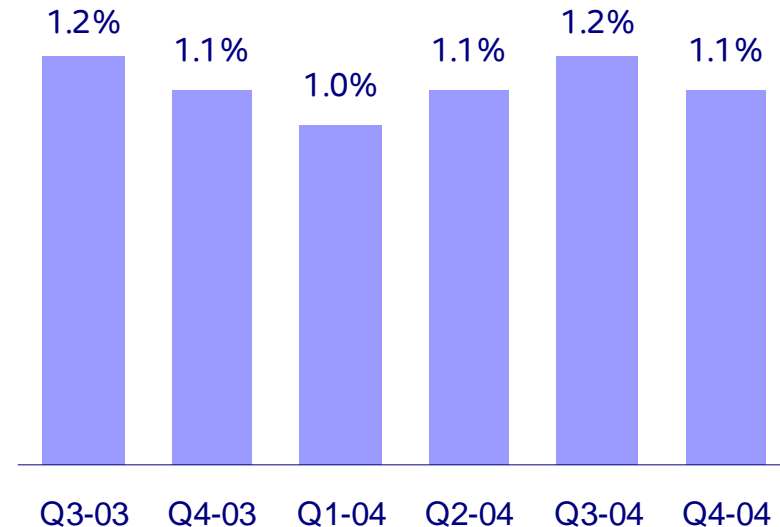
Quality customer base

Household ARPU



- Growing RGU per customer at 2.04 reflects customer quality
- ARPU maintained despite pressure in telephony usage and broadband pricing
- Further ARPU growth through:
 - Promotions and sales incentives to encourage takeup of higher value services
 - New products (eg VOD, PC Guard)
 - Selective price rises in H2-05

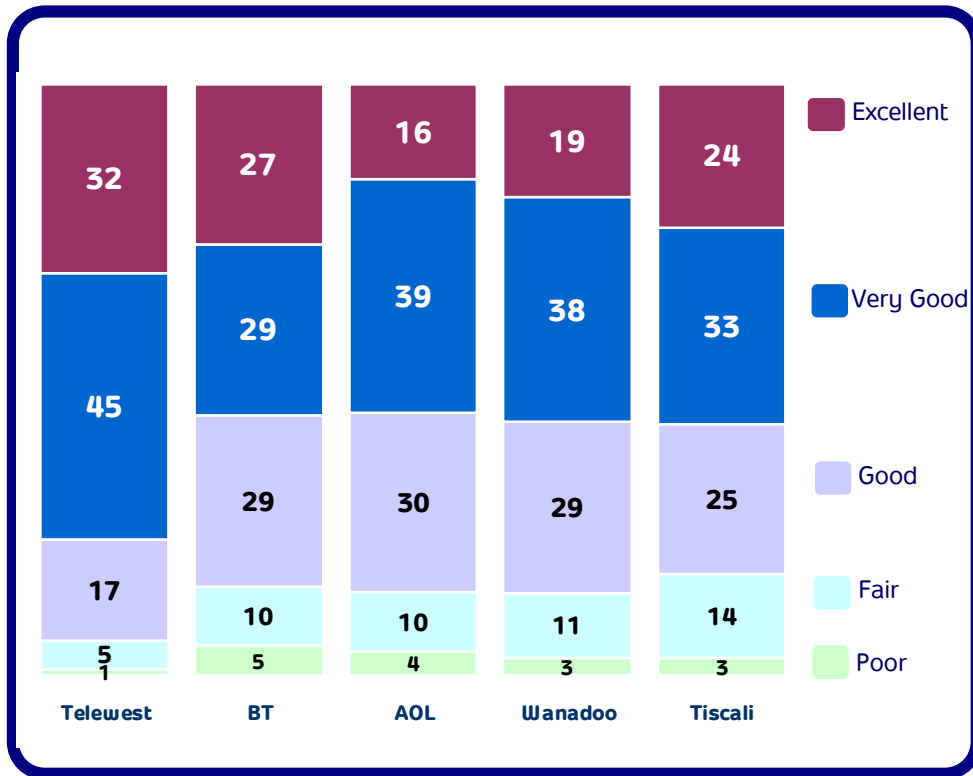
Monthly household churn



- World class household churn through:
 - Application of a tight and consistent credit policy
 - Upfront payment required
 - Focus on service excellence
- Consistently high rankings in external customer satisfaction surveys

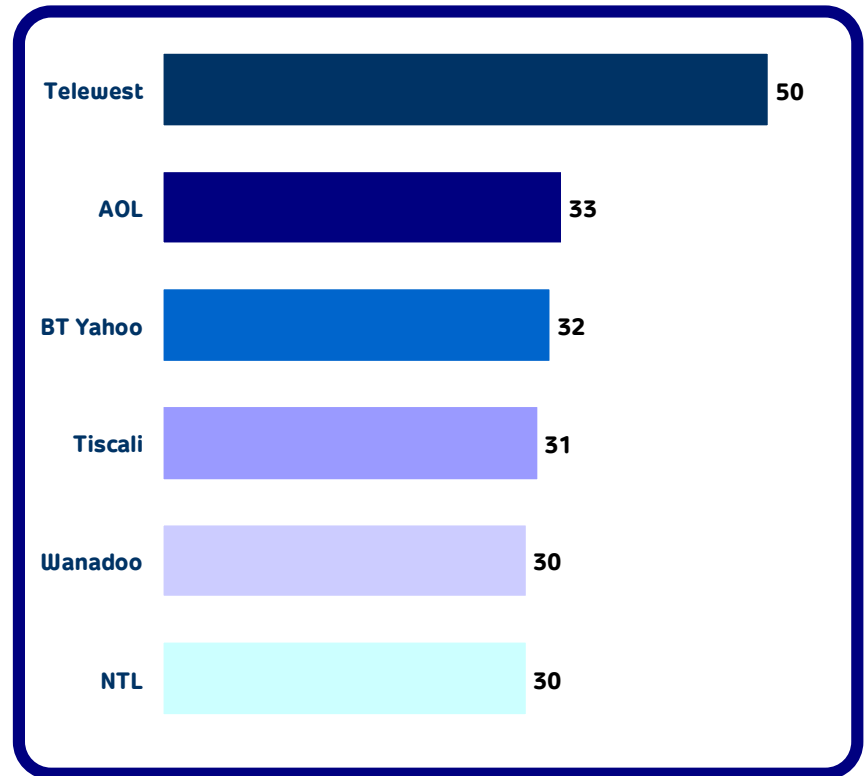
Internet service excellence

Lightspeed Research, Jan 2005



All respondents surveyed between 4th and 11th January 2005 using an Internet Panel. Results are based on response from both narrowband and broadband customers. The difference between the % of customers rating Telewest as either excellent or very good and the equivalent % for each of the other ISPs was statistically significant at the 95% confidence level

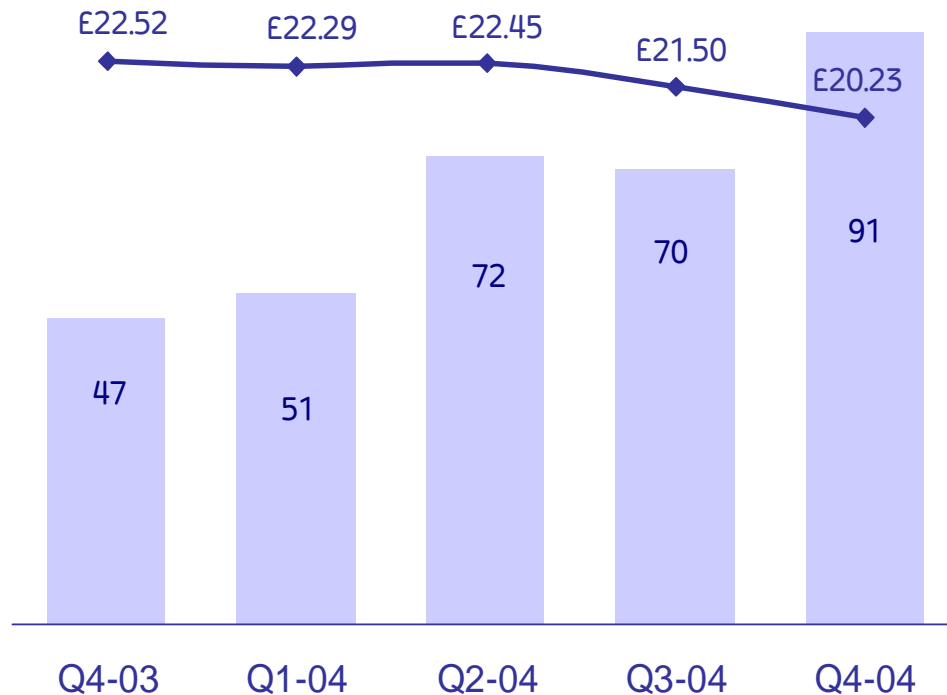
Which Magazine, Feb 2005



The chart shows percentage ISP satisfaction

Best ever broadband net adds

Broadband net adds and ARPU

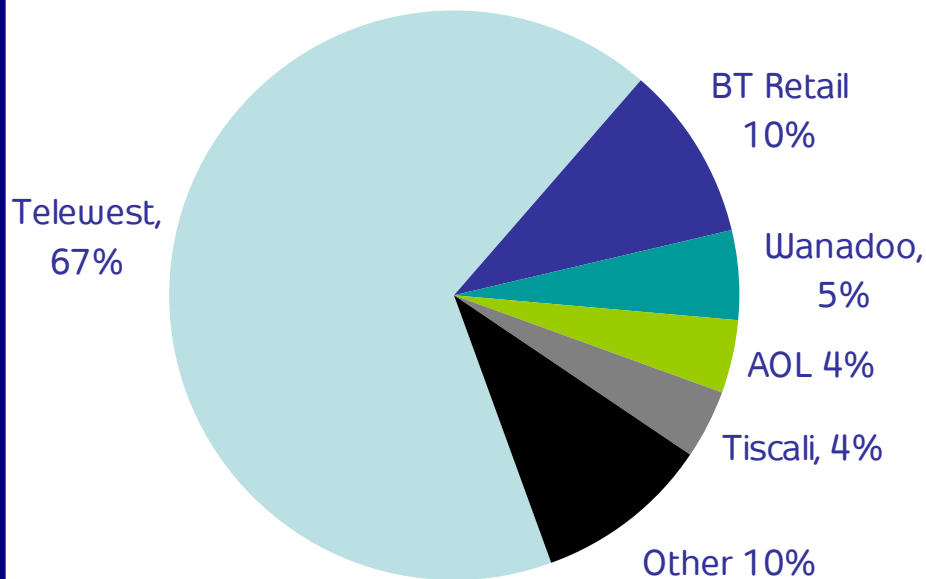


- 47% of installs were new to Telewest
- Migrating dial-up from other ISPs
- ARPU declines due to increased 256Kb mix and promotional discounts
- Best ever broadband net adds driven by promotional activity
 - Eg “Easy Switch” offering a £3 per month discount for customers taking 256k broadband with a phone line
 - Eg One or two months free promotions
- Broadband churn down to 1.0%
- Strong performance continuing in Q1, expecting at least 80k net adds

Focus on broadband penetration growth with opportunity for migration to higher value services

Showing broadband leadership

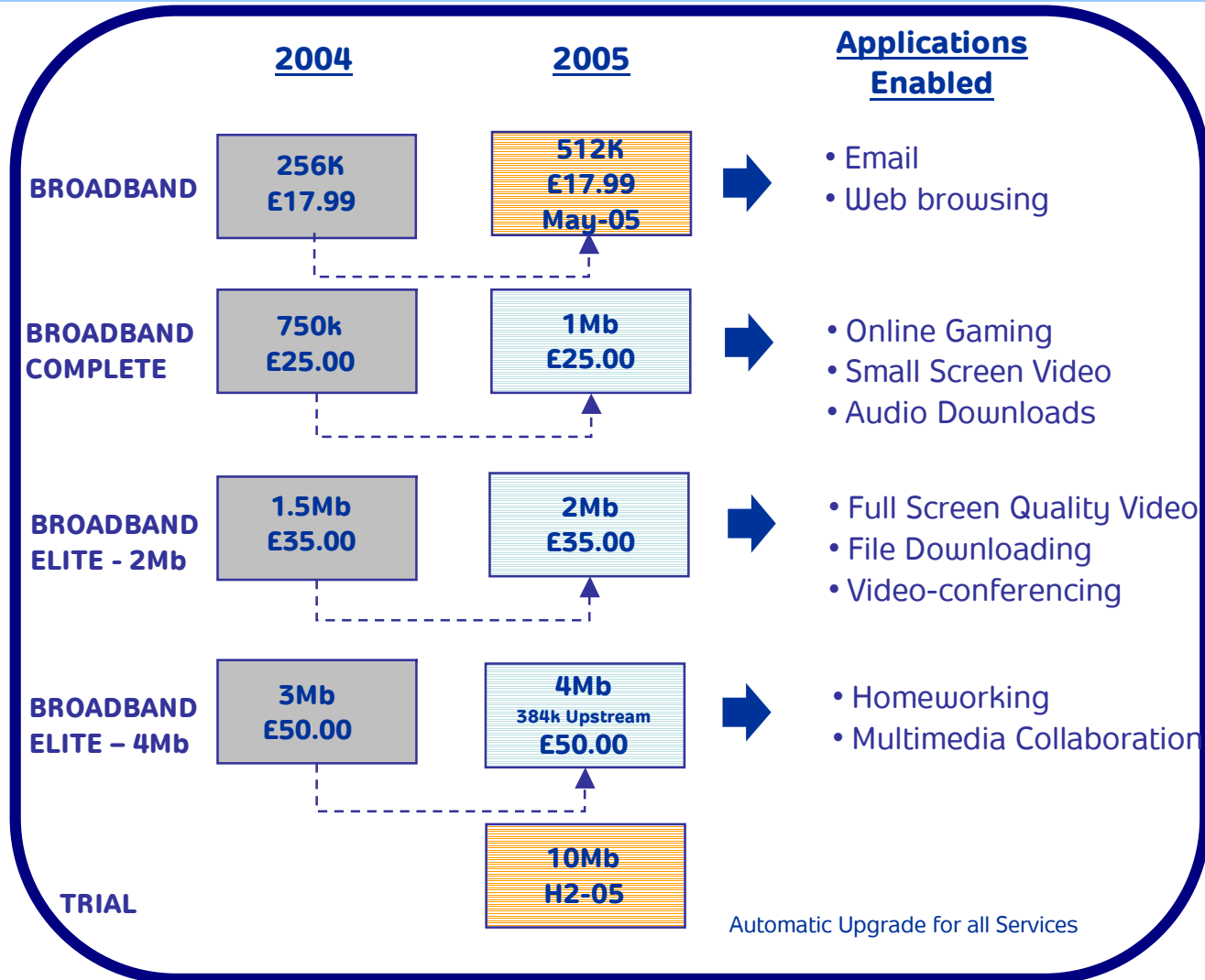
In Franchise Market Breakdown



- 67% broadband market share
- Growing total internet penetration
 - 24% UK broadband penetration
 - 57% internet
 - 65% PC penetration
- 1.1m non Broadband Telewest customers targeted with “Easy Switch”
- Manage end-to-end network
- Broadest range of service tiers

Maintaining broadband leadership in fast growing market

Maintaining leadership



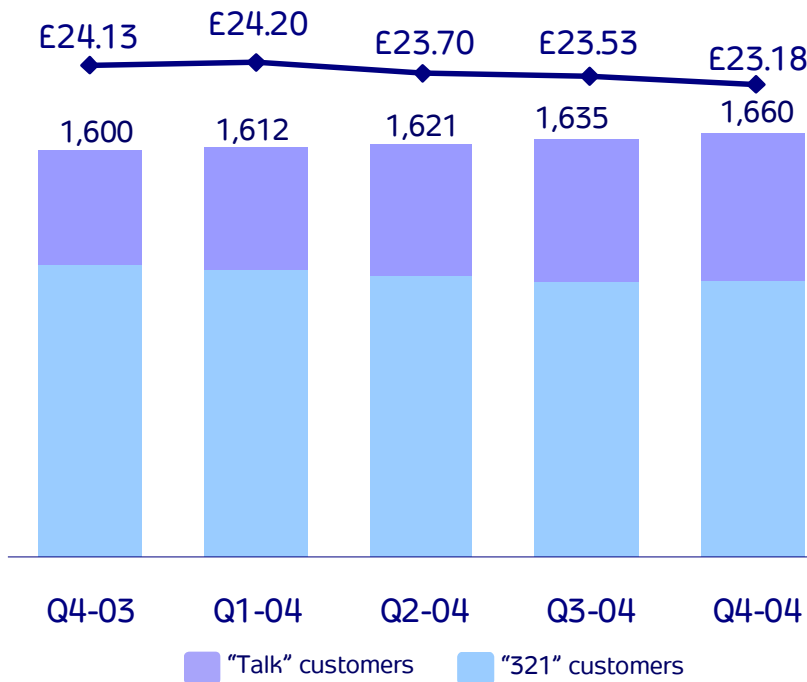
Differentiation through speed and access

- Broadband speeds upgraded in December
- Tiers reflect customer needs
- Trial super-fast 10Mb
- Upgrade 256K to 512K
- 67% of customers take 1Mb or more
- Manage mix - introduce PC Guard
- Research suggests uncapped access appeals
- "Best Sumo Broadband Service" - 2005 ISPAs

Building on market leadership position

Best telephony net adds for 4 years

Total telephony subscribers & ARPU

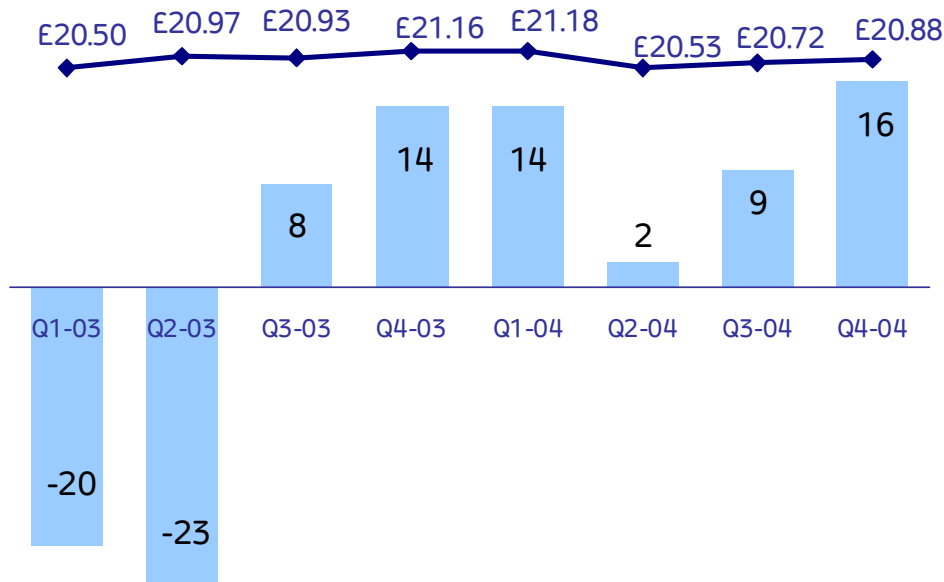


- 26k net adds during Q4-04
- Strategic shift to flat-rate services
- Withdrew "321" from sale to new customers from Jan 1st
- Extended "Talk" range with Talk Mobile and Talk Weekends in Q4
- Extend flat-rate concept where possible e.g. bundled minutes
- 35% of telephone customers take Talk

Migration to "Talk" improves overall contribution per telephony customer

Best TV net adds for 3 years

TV Net additions and ARPU



- 16k overall & 44k digital net adds in Q4-04
- ARPU up on Q3-04 due to price increase and higher pay-to-basic
- High digital penetration – 85% of base
- Analogue switch-off will free up c400 Mhz

Growth potential

- Low UK Pay TV penetration of 42%
- Focus on higher value tiers
- Launched VOD
- DVR to follow

TV is an essential part of the bundle – new services will drive customer growth

VOD – important differentiator

Competitive advantage versus Sky and Freeview.
Gives more choice, should drive acquisition and reduce churn

MOVIES

Current £3.50 / Library £1.99
Film Flex: Sony, Disney, Paramount
Up to 600 movies
Expect to grow buy-rates

SUBSCRIPTION VOD

Whole series, documentaries,
music videos, Kids
e.g. Nickleodeon
Up to 200 hours content

PICK OF THE WEEK

Best TV from last 7 days
Free for all customers
Deals signed with BBC & Flextech
Negotiating with other broadcasters
Up to 100 hours per week

ADULT

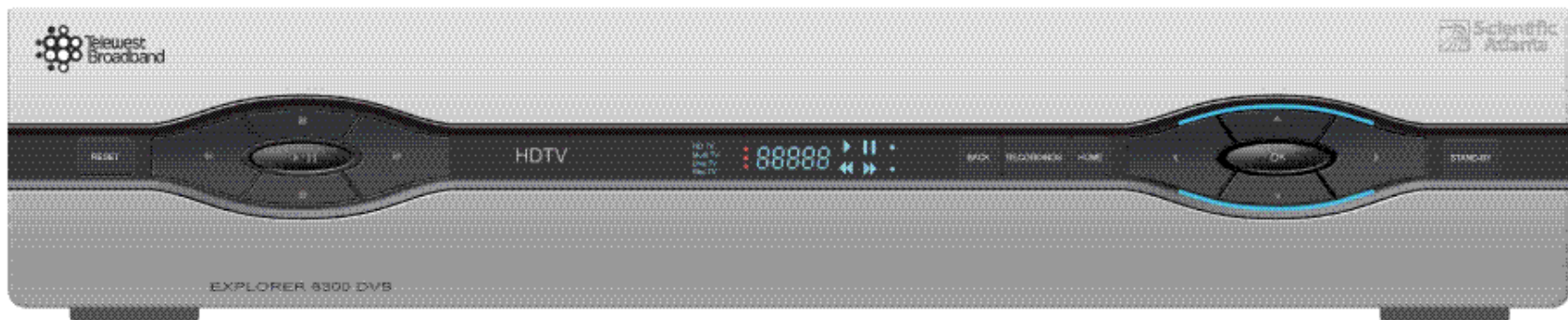
£7 for 6hrs
300 films
Very high gross margins
US suggests buy rates > 10%



Digital Video Recorder - DVR

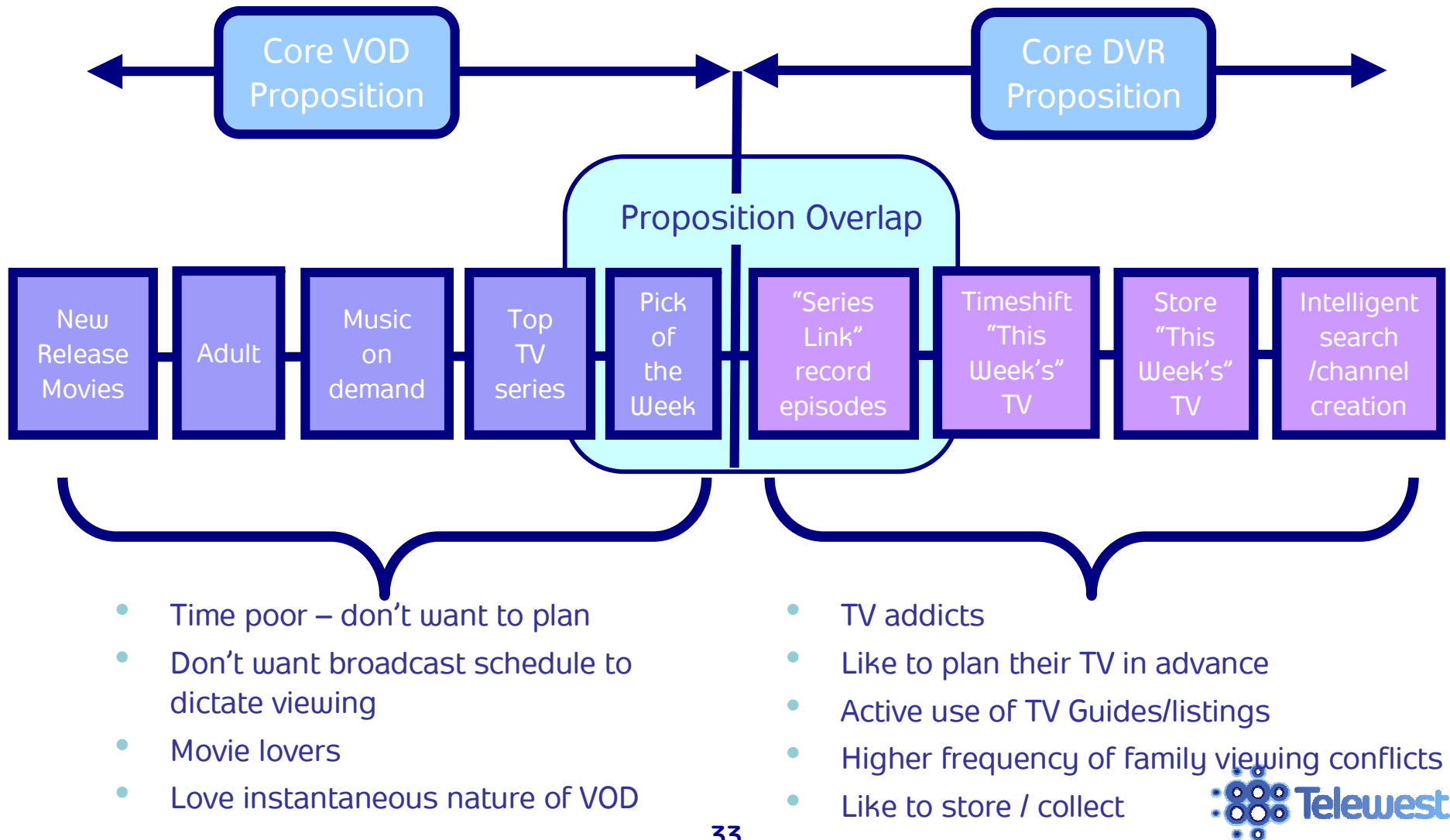
Planned DVR launch in second half, providing strong competition to Sky+

- Market opportunity is significant
- Competitive proposition
 - 3 tuners
 - 80 hours of video storage
 - HDTV capable
 - Competitive pricing model
 - DVR box also VOD enabled



Cable provides best of both worlds

Choice/Control Continuum

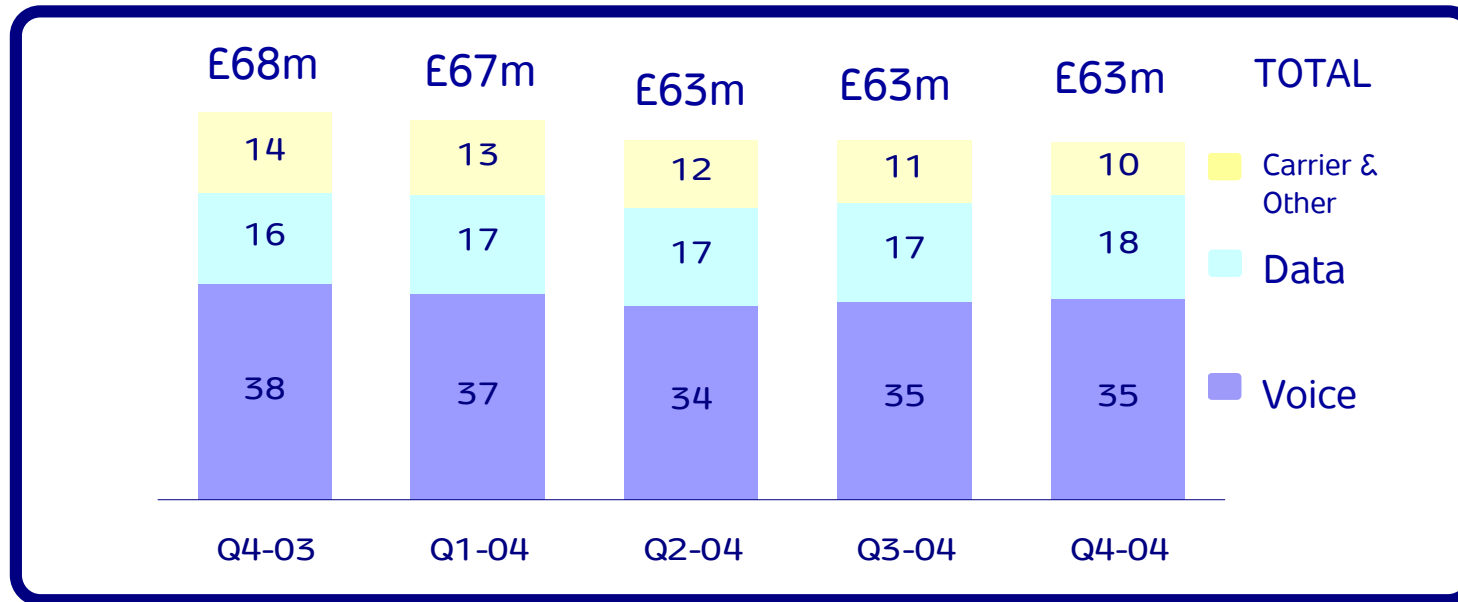


Customer care

- Customer care can act as a differentiator
- New automated call answering system improves satisfaction and efficiency
- New Intelligent Voice Routing system reduces call answer times
- Consolidation of customer management systems
- Introduce PC Guard to reduce broadband faults
- Customer care awards and acknowledgements:
 - Winner Best in sector (telecoms, technology & utilities): Contact Centre Association Excellence Awards 2004
 - Top UK call centre performance for "fast and friendly" service; UK Good Housekeeping magazine

Great service a reason to buy and a reason to stay

Stabilizing Business revenue



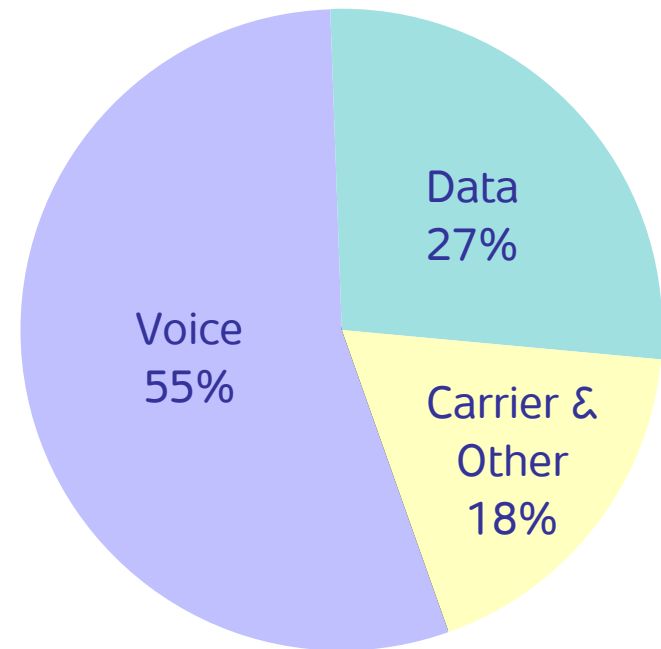
- New MD appointed
- Data growth offsetting voice declines. Defending voice through new products:
 - Carrier pre-select
 - Special Rate Services Advanced Solutions eg manage inbound calls for AOL
 - Trialling Multimedia over Internet Protocol (MoIP)
- Data revenues are at higher margin than voice revenues

Business revenues stabilizing although competitive landscape remains challenging and voice usage declining

Right strategy for Business

- More efficient service model separating Complex and Standard customers
- Focus on profitable managed data solutions into complex segment
 - IPVPN revenue up 122% v 2003
- Focus on faster installation
- Capitalising on Public sector strength
 - New Ethernet product
 - Launching IP Centrex

Business Revenue 2004 £256m

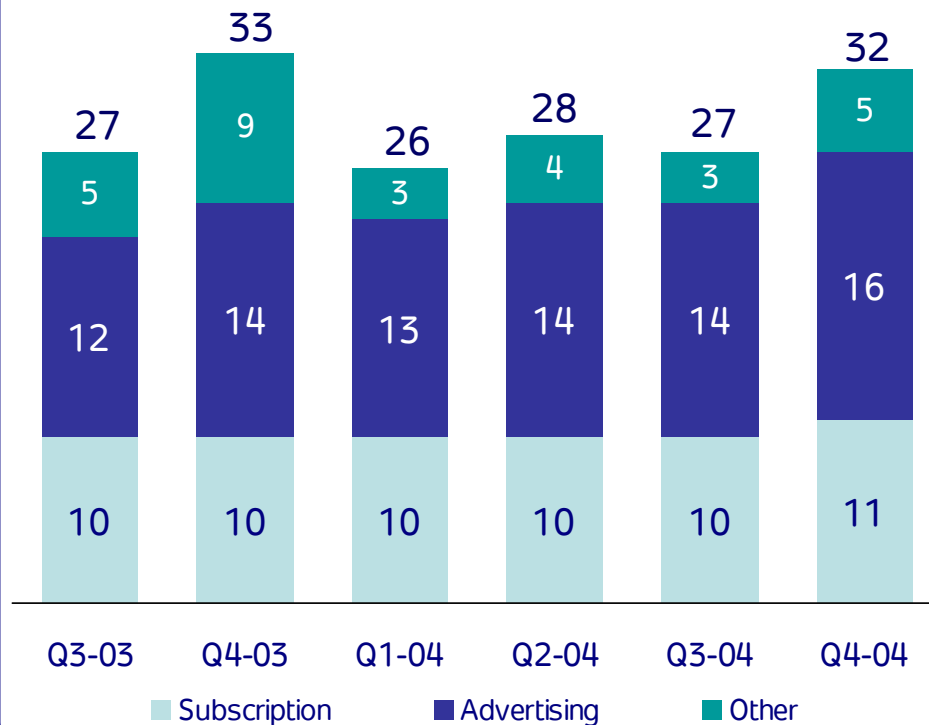


Maximize cash contribution whilst balancing reasonable investment

Flextech growth



Flextech Revenue (€m)



- Advertising revenue up 14%, driven by strong channel performance
- Flextech & UKTV have 19.4% share of basic viewing
- LIVINGtv awarded “Channel of the Year” by Broadcast Magazine
- FTN, a freeview channel, cross-promotes payTV Telewest broadband

Selective investment in programming on flagship channel LIVINGtv is driving ratings, advertising revenue and profitability

1 Shown before the elimination of inter-segment revenue

Summary: continue profitable growth

- Continuing strong profitable consumer growth
 - Broadband – UK market leader
 - Strong focus on quality customers through triple play
 - Driving growth through high value services
- Continue to demonstrate excellent customer care
- Improved cost structure
- Generating significant free cash flow

Questions and Answers



flextech
television

