



Independent expert concludes on share price range in relation to Liberty Global's Offer

The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market. Information within the scope of Articles 31, §2, en 33 of the Law of April 1, 2007 on public takeover bids.

Mechelen, October 29, 2012 – Telenet Group Holding NV ("Telenet") (Euronext Brussels: TNET) announces that it has received the report of Lazard SPRL ("Lazard"). Lazard is the independent expert appointed by the independent directors of Telenet pursuant to Belgian takeover rules in relation to the intended voluntary and conditional cash offer announced by Liberty Global, Inc. ("Liberty Global") on September 20, 2012 (CET) on the shares and other securities of Telenet giving access to voting rights that it does not already own or that are not held by Telenet at an offer price based on EUR35 per ordinary share ("Intended Offer").

In accordance with Belgian takeover rules, Lazard was requested to value the securities of Telenet that are subject to the Intended Offer and Lazard's report will be included in the prospectus to be filed by Liberty Global with the Belgian Financial Services and Markets Authority ("FSMA").

Lazard has applied various methodologies in the context of its own valuation of the Telenet price per share.

Some of these methodologies are 'minority methods' that do not reflect a premium for acquiring or increasing control over the target. These methodologies are: the historical share price performance, the review of equity research analyst target prices and a comparison of relevant multiples within the peer group.

Other methodologies are 'majority methods' as they do reflect a premium for acquiring or increasing control of the target. These methodologies are the offer premium for minority take-private transactions and the discounted cash flow valuation based on financial forecasts provided by the management of Telenet.

On the basis of these valuation methodologies, Lazard's valuation range for the price per share of Telenet is EUR 37 to EUR 42. Key points in the analysis made by Lazard can be summarized as follows:

1. Minority methods

- The unaffected share price of Telenet (price on 19 September as well as 1-month and 3 month volume-weighted average price) is around EUR 31. Since 19 September, Telenet has issued an upgraded 2012 outlook and announced its Q3 results.
- The trading multiples of peers (KDG, LGI, Virgin Media, Ziggo) lead on average to similar / higher values, around EUR 31 to EUR 34 per share.
- These numbers reflect the value of one Telenet share, absent any premium for governance or control. They are consistent with the value per share of the proposed self-tender by Telenet, at EUR 31.75.
- When applying to these values per share (between EUR 31 and EUR 34) a 20% premium - in line with historical premiums for minority take-private transactions - Lazard arrives at a valuation range between EUR 37 and EUR 42.
- Brokers target prices are with a median of EUR35.0 and average of EUR37.4. This means that brokers expect the share price of Telenet to reach this level - absent any take-out premium - within the next 6 to 12 months.

2. Majority methods

- Next to applying a premium to minority methods, leading to a range of EUR 37 to EUR 42, Lazard has applied a discounted cash flow valuation (DCF) on the basis of long-term operating assumptions that were revised upwards by Telenet, in particular with regard to the mobile and fixed-line businesses, after the Intended Offer was announced on September 20, 2012 (CET). The midpoint of this DCF is EUR 41.5.
- Given the risks inherent to any business plan and the reservations made by Liberty Global on the revised assumptions mentioned above, Lazard has put the high end of its valuation range at this level.

The full report prepared by Lazard, as well as the prospectus and the response memorandum will be available in accordance with applicable takeover rules and Liberty Global and Telenet will announce in due course where such documents will be made available. Investors should not take any investment decision on the basis of the above summary of Lazard's valuation and should consider the full independent expert report, as well as the prospectus and the response memorandum.

Telenet has been informed that Liberty Global has serious reservations with regard to the revised assumptions mentioned above and that Liberty Global will be issuing a press release summarizing these reservations on October 29. Telenet's management team, the independent board members of Telenet and Lazard were made aware of such reservations.

Telenet has been informed by Liberty Global that Liberty Global's valuation assesses the value per share for Telenet at EUR28 - EUR35. Liberty Global, which has been advised by Morgan Stanley, will include the details of the valuation in the prospectus provided to investors in the event the Intended Offer is launched. The Lazard analysis of the valuation by Liberty Global is included in its report, which will be annexed to the prospectus published by Liberty Global in respect of the Intended Offer.

Telenet has also been informed by Liberty Global that, subject to the satisfaction of all remaining conditions outlined in its announcement of the Intended Offer on September 20, 2012 (CET), Liberty Global intends to proceed with the Intended Offer at a price of EUR35 per ordinary share of Telenet and that the Intended Offer will no longer be subject to the 95% minimum acceptance condition that was contained in that announcement. Telenet also notes that if the Intended Offer is launched and completed, Telenet's intended voluntary and conditional bid announced on August 13, 2012 for 18.20% of its share capital at an offer price of EUR31.75 per Telenet share shall be cancelled.

The Board of Directors of Telenet will continue to review and analyze the Intended Offer and prepare and publish a response memorandum (*Memorie van Antwoord*) in accordance with Belgian takeover rules. UBS is assisting the Board of Directors in its assessment of the Intended Offer and in the preparation of this response memorandum. Telenet has been informed by its independent directors that they are, currently, preparing a dissenting opinion in respect of various aspects of the Intended Offer, including price.

The prospectus, which will include the independent expert report of Lazard and the response memorandum will be made available to investors in accordance with applicable takeover rules. Liberty Global and Telenet will announce in due course where such documents will be made available.

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About Telenet – Telenet is a leading provider of media and telecommunication services. Its business comprises the provision of cable television, high speed internet and fixed and mobile telephony services, primarily to residential customers in Flanders and Brussels. In addition, Telenet offers services to business customers across Belgium under the brand Telenet for Business. Telenet is listed on the Euronext Brussels Stock Exchange under the ticker symbol TNET and is part of the BEL20 stock market index.

Disclaimer

This press release does not constitute an offer to purchase securities of Telenet or its affiliates nor a solicitation by anyone in any jurisdiction in respect thereof. If Liberty Global decides to proceed with an offer to purchase Telenet securities through a public tender offer, such offer will and can only be made on the basis of an approved prospectus by the FSMA. No action has been taken to enable a public bid in any jurisdiction and no such steps shall be taken prior to Liberty Global's decision to proceed with a public tender offer. Neither this press release nor any other information in respect of the matters contained herein may be supplied in any jurisdiction where a registration, qualification or any other obligation is in force or would be with regard to the content hereof or thereof. Any failure to comply with these restrictions may constitute a violation of the financial laws and regulations in such jurisdictions. Telenet and its affiliates explicitly decline any liability for breach of these restrictions by any person.

Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995 – Various statements contained in this document constitute “forward-looking statements” as that term is defined under the U.S. 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 related to our financial and operational outlook, dividend policy, future growth prospects, the proposed implementation and anticipated timing of the Intended Offer, and any other information and statements that are not historical fact. These forward-looking statements 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 include: potential adverse developments with respect to our liquidity or results of operations; potential adverse competitive, economic or regulatory developments; our significant debt payments and other contractual commitments; our ability to fund and execute our business plan; our ability to generate cash sufficient to service our debt; interest rate and currency exchange rate fluctuations; the impact of new business opportunities requiring significant up-front investments; our ability to attract and retain customers and increase our overall market penetration; our ability to compete against other communications and content distribution businesses; our ability to maintain contracts that are critical to our operations; our ability to respond adequately to technological developments; our ability to develop and maintain back-up for our critical systems; our ability to continue to design networks, install facilities, obtain and maintain any required governmental licenses or approvals and finance construction and development, in a timely manner at reasonable costs and on satisfactory terms and conditions; our ability to have an impact upon, or to respond effectively to, new or modified laws or regulations, our ability to make value-accretive investments, and Liberty Global's decision whether or not to proceed with the Intended Offer. We assume no obligation to update these forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

For prospective investors in the United Kingdom, a Financial Services Authority authorized entity has not approved this communication relating to the securities for the purposes of section 21 of the Financial Services and Markets Act 2000. This communication is exempt on the basis that it falls within Article 69 (Promotions of securities already admitted to certain markets) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). Past performance cannot be relied on as a guide to future performance. If you are in any doubt about the investment to which this communication relates, you should consult a person authorized under the Financial Services and Markets Act 2000 who specializes in advising on investing in shares or other investments in or related to corporations.

UBS, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively as financial adviser to Telenet regarding the Intended Offer and no-one else and will not be responsible to anyone other than Telenet for providing the protections offered to clients of UBS or for providing advice in relation to the Intended Offer or the contents of this announcement or any transaction or arrangement referred to herein.