

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer or the contents of this document or the action you should take, you are recommended to seek immediately your own personal independent financial, legal and tax advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

This document and any documents incorporated into it by reference should be read in conjunction with the accompanying Form of Acceptance (if you hold Sky Shares in certificated form) which forms part of this document.

If you have sold or otherwise transferred all of your Sky Shares (other than pursuant to the Offer), please send this document and the accompanying reply-paid envelope (for use in the UK only), but not the personalised Form of Acceptance, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. **However, the foregoing documents must not be distributed, forwarded or transmitted in or into a Restricted Jurisdiction.** If you have sold or otherwise transferred only part of your holding of Sky Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise acquired Sky Shares in certificated form, notwithstanding receipt of this document and any accompanying documents from the transferor, you should contact the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK), to obtain a personalised Form of Acceptance.

RECOMMENDED SUPERIOR CASH OFFER

by

COMCAST BIDCO LIMITED

(an indirect wholly-owned subsidiary of Comcast Corporation)

for

SKY PLC

Your attention is drawn to the letter from the Chairman of the Sky Independent Committee, which contains the recommendation of the Sky Independent Committee to accept the Offer, which is set out on pages 10 to 16 of this document.

The procedure for acceptance of the Offer is set out on page 30, in Parts D and E of Appendix 1 and, in respect of Sky Shares held in certificated form, in the Form of Acceptance. If you hold Sky ADRs, you should read the procedures described on pages 26 and 30.

To accept the Offer in respect of certificated Sky Shares, you must complete, sign and return the accompanying Form of Acceptance as soon as possible and, in any event, so as to be received by the Receiving Agent at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, by no later than 1.00 p.m. (London time) on 22 August 2018.

To accept the Offer in respect of uncertificated Sky Shares, acceptances should be made electronically through CREST so that the TTE Instruction settles as soon as possible and, in any event, no later than 1.00 p.m. (London time) on 22 August 2018. If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action as only your CREST sponsor will be able to send the necessary TTE Instructions to Euroclear.

The Offer referred to in this document and the accompanying Form of Acceptance is not being made, directly or indirectly, in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of that jurisdiction and shall not be capable of acceptance from within any such jurisdiction. Accordingly, such documents and any related documents should not be forwarded, distributed or transmitted in whole or in part in, into or from any such jurisdiction.

The release, publication or distribution of this document and the accompanying Form of Acceptance in, into or from jurisdictions other than the United Kingdom, and the availability of the Offer to Sky Shareholders who are not resident in the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document and accompanying Form of Acceptance comes should inform themselves about, and observe, such restrictions. Any failure to

comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, Comcast and Comcast Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons. This document does not constitute an offer to sell or issue, nor the solicitation of an offer to acquire or subscribe for, shares in any jurisdiction in which such offer or solicitation is unlawful.

You should read carefully the whole of this document and, if your Sky Shares are held in certificated form, the Form of Acceptance, the terms of which are deemed to form part of the Offer.

The Offer may, subject to the occurrence of certain events, result in the cancellation of the listing of Sky Shares on the UK Listing Authority's Official List and of the trading in Sky Shares on the London Stock Exchange's Main Market for listed securities.

If you have any questions about this document or are in any doubt as to how to complete the Form of Acceptance (if your Sky Shares are held in certificated form) or if you want to request a hard copy of this document (and/or any information incorporated into it by reference to another source), please contact the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK), or by submitting a request in writing to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

Capitalised words and phrases used in this document shall have the meanings given to them in Appendix 8 (except for in Appendix 4 and Appendix 5).

This Offer is subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

Robey Warshaw, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively as financial adviser to Comcast and Comcast Bidco and no one else in connection with the matters referred to in this document, and Robey Warshaw will not be responsible to anyone other than Comcast and Comcast Bidco for providing the protections afforded to clients of Robey Warshaw or for providing advice in relation to the matters referred to in this document, the contents of this document or any other matter referred to herein.

Evercore Group, a securities broker-dealer registered with the SEC and subject to regulation by the SEC and the Financial Industry Regulatory Authority, together with its affiliate, Evercore Partners, which is authorised and regulated by the FCA in the United Kingdom, are acting exclusively as financial adviser to Comcast and Comcast Bidco and no one else in connection with the matters referred to in this document and will not regard any other person as their client in relation to the matters referred to in this document and will not be responsible to anyone other than Comcast and Comcast Bidco for providing the protections afforded to clients of Evercore, nor for providing advice in relation to the matters referred to in this document. Neither Evercore nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract or in tort, under statute or otherwise) to any person who is not a client of Evercore in connection with this document, any statement contained therein or otherwise.

BofA Merrill Lynch, a subsidiary of Bank of America Corporation, which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom, is acting exclusively as financial adviser to Comcast and Comcast Bidco and will not be responsible to anyone other than Comcast and Comcast Bidco for providing the protections afforded to its clients or for providing advice in relation to the matters set out in this document.

Wells Fargo, a subsidiary of Wells Fargo & Company, which is authorised by the SEC and regulated by the Financial Industry Regulatory Authority and the SEC in the United States, is acting exclusively as co-financial adviser to Comcast and Comcast Bidco and will not be responsible to anyone other than Comcast and Comcast Bidco for providing the protections afforded to its clients or for providing advice in relation to the matters set out in this document.

Morgan Stanley, which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom, Barclays, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the

Prudential Regulation Authority and PJT Partners, which is authorised and regulated by the FCA in the United Kingdom, are each acting for Sky and no one else in connection with the matters described herein and will not be responsible to anyone other than Sky for providing the protections afforded to their respective clients, for giving advice in connection with the matters described herein or in relation to any matter referred to herein.

IMPORTANT NOTICES

The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the content of the Offer or the contents of this document, you should consult your own legal, financial or tax adviser for legal, business, financial or tax advice.

Overseas Shareholders

This document has been prepared for the purposes of complying with English law and regulation (including the Code), and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of jurisdictions outside of England.

Unless otherwise determined by Comcast Bidco or required by the Code, and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in, into or from, by use of the mails of, or by any other means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of foreign or interstate commerce of, or any facilities of a national, state or other securities exchange of, any Restricted Jurisdiction, and shall not be capable of acceptance by any such use, means, instrumentality or facility or from or within any Restricted Jurisdiction. Accordingly, copies of this document, the Form of Acceptance and any related documents are not being (unless determined otherwise by Comcast Bidco in its sole discretion or required by the Code, and permitted by applicable law and regulation), and must not be, directly or indirectly mailed, transmitted or otherwise forwarded, distributed, sent or otherwise made available (including, without limitation, by agents, custodians, nominees or trustees) in, into or from a Restricted Jurisdiction, and persons receiving this document and/or the Form of Acceptance and/or any related documents (including, without limitation, agents, custodians, nominees and trustees) should observe these restrictions and must not mail or otherwise forward, distribute, send or otherwise make them available in, into or from such jurisdiction. Doing so may render any purported acceptance of the Offer invalid.

Any person (including, without limitation, agents, custodians, nominees and trustees) who would, or otherwise intends to, or who may have a contractual or legal obligation to forward this document and/or the Form of Acceptance and/or any related document to a jurisdiction outside the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction, and read paragraph 15 of the letter from Comcast Bidco in Part II, as well as paragraph 8 of Part C, paragraph (c) of Part D and paragraph (b) of Part E of Appendix 1.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Sky Shareholders in Hong Kong are advised to exercise caution in relation to the Offer and, if in any doubt about any of the contents of this document, should obtain independent professional advice.

Important information for Sky Shareholders in the United States and Sky ADR Holders

Sky is a public limited company incorporated in England. The Offer is being made to Sky Shareholders in the United States in compliance with the applicable U.S. tender offer rules under the U.S. Exchange Act, including Regulation 14E thereunder taking into account no action and exemptive relief granted by the SEC, and otherwise in accordance with the requirements of English law. Accordingly, the Offer is subject to disclosure and other procedural requirements, including with respect to withdrawal rights, the offer timetable, settlement procedures and timing of payments that are different from those applicable under U.S. domestic tender offer law and practice, and certain of such differences are summarised at paragraph 16 of the letter from Comcast Bidco in Part II of this document.

Sky's financial information, including any included in this document and related documentation, has not or will not have been prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP), or derived therefrom, and may therefore differ from, and not be comparable with, financial information of U.S. companies. The financial information relating to Sky

in and incorporated by reference into this document as set out in Appendix 2 has been reported in accordance with International Financial Reporting Standards. Comcast reports in accordance with U.S. GAAP.

Holders of Sky ADRs should refer to paragraphs 10 and 17 of the letter from Comcast Bidco in Part II of this document for procedures regarding participating in the Offer and are urged to act quickly.

Comcast and/or Comcast Bidco and their affiliates or brokers (acting as agents for Comcast and/or Comcast Bidco or their affiliates, as applicable) may from time to time, and other than pursuant to the Offer, directly or indirectly purchase or arrange to purchase outside the United States shares in Sky or any securities that are convertible into, exchangeable for or exercisable for such shares before or during the period in which the Offer remains open for acceptance, to the extent permitted by, and in compliance with, exemptive relief granted by the SEC from Rule 14e-5 under the U.S. Exchange Act and in compliance with the Code. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Information about any such purchases or arrangements to purchase that is made public in accordance with English law and practice will be available to all investors (including in the United States) via the Regulatory News Service on www.londonstockexchange.com. In addition, in accordance with, and to the extent permitted by, the Code, normal UK market practice and Rule 14e-5 under the U.S. Exchange Act, BofA Merrill Lynch, Evercore, Wells Fargo, Barclays and Morgan Stanley and their respective affiliates may continue to act as exempt principal traders in Sky Shares on the London Stock Exchange and engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e-5 under the U.S. Exchange Act. To the extent required by applicable law (including the Code), information about any such purchases will be available to all investors (including in the United States) via the Regulatory News Service on www.londonstockexchange.com.

The Offer, if consummated, may have consequences under U.S. federal income tax and applicable U.S. state and local, as well as non-U.S., tax laws for Sky Shareholders and Sky ADR Holders in the United States. Each Sky Shareholder and Sky ADR Holder in the United States is urged to consult an independent professional adviser regarding the tax consequences of the Offer.

It may not be possible for Sky Shareholders or Sky ADR Holders in the United States to effect service of process within the United States upon Sky or Comcast Bidco (each a company incorporated in England), or their respective officers or directors, some or all of which may reside outside the United States, or to enforce against any of them judgments of the United States courts predicated upon the civil liability provisions of the federal securities laws of the United States or other U.S. law. It may not be possible to bring an action against Sky or Comcast Bidco, or their respective officers or directors, in a non-U.S. court for violations of U.S. law, including the U.S. securities laws. There is also substantial doubt as to enforceability in the UK in original actions, or in actions for the enforcement of judgments of U.S. courts, based on civil liability provisions of U.S. federal securities laws.

Cautionary note regarding forward-looking statements

This document (including information incorporated by reference in this document), oral statements made regarding the Acquisition, and other information published by Comcast, Comcast Bidco and/or Sky contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Comcast, Comcast Bidco and/or Sky about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this document include statements relating to the expected effects or synergies of the Acquisition on Comcast, Comcast Bidco and Sky, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “plans”, “expects” or “does not expect”, “is expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Although Comcast, Comcast Bidco and Sky believe that the expectations reflected in such forward-looking statements are reasonable, Comcast, Comcast Bidco and Sky can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they

relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. In addition to the information regarding these risks, uncertainties, assumptions and other factors set forth in the public filings made by Sky and the public filings with the SEC made by Comcast, important risk factors that may cause such a difference include, but are not limited to, (i) the completion of the Acquisition on anticipated terms and timing, (ii) the ability of Sky and Comcast to integrate the businesses successfully and to achieve anticipated synergies or benefits, (iii) the risk that disruptions from the Acquisition will harm Sky's or Comcast's businesses, (iv) legislative, regulatory and economic developments and (v) unpredictability and severity of catastrophic events, including, but not limited to, acts of terrorism or outbreak of war or hostilities. While the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realisation of forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

None of Comcast, Comcast Bidco or Sky, or any of their associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with its legal or regulatory obligations, none of Comcast, Comcast Bidco or Sky is under any obligation, and Comcast, Comcast Bidco and Sky expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Information relating to Sky Shareholders

Please be aware that addresses, electronic addresses and certain other information provided by Sky Shareholders, persons with information rights and other relevant persons for the receipt of communications from Sky may be provided to Comcast and/or Comcast Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Code.

No profit forecast or estimates

The statements contained in this document are made as at the date of this document (unless some other time is specified in relation to them), and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date. Subject to compliance with the Code, none of Comcast, Comcast Bidco or Sky intends, or undertakes any obligation, to update any information contained in this document, except as required by applicable law.

No statement in this document is intended or shall be deemed to be a profit forecast or profit estimate for any period. No statement in this document should be interpreted to mean that cash flow from operations, free cash flow, earnings or earnings per share for Comcast, Comcast Bidco, Sky or the Enlarged Group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published cash flow from operations, free cash flow, earnings or earnings per share for Comcast, Comcast Bidco, Sky or the Enlarged Group, as appropriate.

Dealing and Opening Position Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to midnight on the day before the deadline for making an Opening Position Disclosure must instead make a dealing disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a dealing disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A dealing disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A dealing disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and dealing disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and dealing disclosures must be made can be found in the disclosure table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a dealing disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129.

For the purposes of this section (*Disclosure requirements of the Code*) and the following section (*Publication on Website*) of this document, "business day" means a day on which the London Stock Exchange is open for the transaction of business.

Publication on website and availability of hard copies

A copy of this document, the information incorporated in this document by reference to another source and the documents listed in paragraph 16 of Appendix 3, will be made available free of charge, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on Comcast's website at www.cmcsa.com/proposal-for-sky and on Sky's website at <https://www.skygroup.sky/corporate/investors/offers-for-sky/comcast-offer>. For the avoidance of doubt, unless explicitly stated otherwise, neither the content of any website referred to in this Offer Document nor the content of any website accessible from hyperlinks is incorporated into, or forms part of, this Offer Document.

Subject to certain restrictions relating to persons in any Restricted Jurisdiction, you may request a hard copy of this document and/or information incorporated into this document by reference to another source by contacting the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK) or by submitting a request in writing to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form. If you have received this document in electronic form, a hard copy of such documents, announcements (including this document) and information will not be sent unless so requested.

No representations

No adviser, dealer, salesperson or other person, is authorised by either Comcast, Comcast Bidco or Sky to give any information or to make any representations with respect to the Offer other than such information or representations contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by either Comcast, Comcast Bidco or Sky.

Rounding

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The date of publication of this document is 13 July 2018.

TO ACCEPT THE OFFER

If you hold Sky Shares in certificated form:

If your Sky Shares, or any of them, are held in certificated form (that is, not in CREST), to accept the Offer in respect of some or all of those Sky Shares you must complete the accompanying Form of Acceptance in accordance with the instructions printed on it, paragraph 17(a) of the letter from Comcast Bidco contained in Part II, and Part D of Appendix 1. The completed Form of Acceptance should be returned as soon as possible (along with any appropriate share certificate(s) and/or other document(s) of title) by post or (during normal business hours only) by hand to the Receiving Agent, at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, and in any event **so as to be received by the Receiving Agent no later than 1.00 p.m. (London time) on 22 August 2018**. If you are posting in the UK, the enclosed reply-paid envelope has been provided for your convenience.

If you hold Sky Shares in uncertificated form:

If you hold your Sky Shares, or any of them, in CREST, you must follow the procedures set out in paragraph 17(b) of the letter from Comcast Bidco contained in Part II, and Part E of Appendix 1, and ensure that an Electronic Acceptance is made by you or on your behalf, **so that the TTE Instruction settles as soon as possible and, in any event, no later than 1.00 p.m. (London time) on 22 August 2018**. If you hold your Sky Shares as a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE Instructions to Euroclear.

If you hold Sky ADRs:

If you hold Sky ADRs, you should contact the Sky ADR Depositary (The Bank of New York Mellon) to determine how you may exchange your Sky ADRs for the Sky Shares underlying such Sky ADRs so that you may participate in the Offer as a holder of Sky Shares in the manner described in this document. Each Sky ADR represents four Sky Shares. The Sky ADR Depositary's contact details are:

- Contact: BNYM Settlement Group
- Email: drsettlements@bnymellon.com
- Tel: +1 305 388 8001

If you wish to participate in the Offer as a Sky Shareholder you should act as soon as possible in order for a completed Form of Acceptance to be received by the Receiving Agent or a TTE Instruction to settle, as applicable, **by no later than 1.00 p.m. (London time) on 22 August 2018**.

**ACCEPTANCES OF THE OFFER MUST BE RECEIVED BY 1.00 P.M.
(LONDON TIME) ON 22 AUGUST 2018**

You are advised to read the whole of this document carefully

THE FIRST CLOSING DATE OF THE OFFER IS 1.00 P.M. (LONDON TIME) ON 22 AUGUST 2018

Helpline

If you require assistance in completing your Form of Acceptance (or wish to obtain an additional Form of Acceptance), or have questions in relation to making an Electronic Acceptance, please telephone the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

Settlement

Subject to the Offer becoming or being declared unconditional in all respects, settlement for those Sky Shareholders who have validly accepted the Offer will be effected within 14 days (or, to the extent practicable, within 7 to 10 days) of the Offer becoming or being declared unconditional in all respects or, in relation to valid acceptances received after this date, within 14 days (or, to the extent practicable, within 7 to 10 days) of that acceptance.

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PART I : LETTER OF RECOMMENDATION FROM THE CHAIRMAN OF THE SKY INDEPENDENT COMMITTEE

Sky plc

(a public company with limited liability incorporated in England and Wales with registered number 02247735)

Sky Independent Committee

Registered office

Martin Gilbert (<i>Deputy Chairman, and Chairman of the Sky Independent Committee</i>)	Grant Way
Andrew Sukawaty (<i>Senior Independent Director</i>)	Isleworth
Tracy Clarke (<i>Independent Non-Executive Director</i>)	Middlesex
Adine Grate (<i>Independent Non-Executive Director</i>)	United
Matthieu Pigasse (<i>Independent Non-Executive Director</i>)	Kingdom
Katrin Wehr-Seiter (<i>Independent Non-Executive Director</i>)	TW7 5QD
Jeremy Darroch (<i>Group Chief Executive Officer</i>)	
Andrew Griffith (<i>Group Chief Operating Officer and Chief Financial Officer</i>)	

13 July 2018

To: Sky Shareholders and, for information only, to persons with information rights and participants in the Sky Share Plans

Dear Shareholder,

Recommended superior cash offer by Comcast Bidco for Sky

1. Introduction

On 11 July 2018, Comcast and Sky announced the terms of a recommended increased cash offer by Comcast for Sky at a price of £14.75 for each Sky Share.

The purpose of this letter is to explain further the background to the Offer and why the Sky Independent Committee unanimously recommends that you accept the Offer. The Sky Independent Committee, which has been so advised by Morgan Stanley, PJT Partners and Barclays as to the financial terms of the Offer, considers the terms of the Offer to be fair and reasonable. Morgan Stanley and Barclays are providing independent financial advice to the Sky Independent Committee for the purposes of Rule 3 of the Code. In providing their financial advice to the Sky Independent Committee, Morgan Stanley, PJT Partners and Barclays have taken into account the commercial assessments of the Sky Independent Committee.

In view of the representation of 21st Century Fox (a substantial shareholder in Sky and a competing offeror for Sky) and its affiliates on the Sky Board, the Sky Independent Committee was formed and given a delegated authority to exercise all of the powers of the Sky Board in relation to the Offer. The Sky Independent Committee, which excludes the Sky Non-Independent Directors, comprises six independent non-executive directors, Martin Gilbert (Deputy Chairman), Andrew Sukawaty (Senior Independent Director), Tracy Clarke, Adine Grate, Matthieu Pigasse and Katrin Wehr-Seiter, as well as two executive directors, Jeremy Darroch and Andrew Griffith, all of whom the Sky Board considers to be free from conflicts of interest with regard to the Offer.

2. Summary of the terms of the Offer

Comcast Bidco is offering to acquire, on the terms and conditions set out in this document and, in respect of certificated Sky Shares, in the Form of Acceptance, the entire issued and to be issued share capital of Sky. Under the terms of the Offer, Sky Shareholders will be entitled to receive:

£14.75 in cash for each Sky Share

The price of £14.75 per Sky Share represents a premium of approximately 5.4 per cent. to the 21CF Offer of £14.00 for each Sky Share.

The consideration under the Offer implies a value of approximately £25.9 billion for the fully diluted share capital of Sky.

As the Offer is expected to complete before the usual date for declaration and payment of the final dividend for the financial year ended 30 June 2018, the Offer includes an amount in lieu of a final dividend in respect of the financial year ended 30 June 2018. Comcast reserves the right to reduce the price of £14.75 per Sky Share by some or all of the amount of any dividend (or other distribution or return of capital) which is announced, declared, paid or becomes payable by Sky to Sky Shareholders on or after the date of the Increased Offer Announcement.

The Offer is subject to certain conditions which include, among other things, Comcast securing valid acceptances of the Offer in respect of Sky Shares which, taken together with all other Sky Shares which Comcast Bidco (and/or its nominee(s)) has acquired or agreed to acquire (whether pursuant to the Offer or otherwise), carry in aggregate more than 50 per cent. of the voting rights then normally exercisable at a general meeting of Sky.

3. Background to and reasons for the recommendation

The Sky Independent Committee remains confident in the standalone prospects for Sky and believes that Sky's strategy offers Sky Shareholders an attractive standalone value proposition. Throughout the extended offer period which has lasted over 18 months, Sky has continued to deliver high levels of organic revenue and profit growth and continues to be Europe's leading entertainment and communications business with a strong track record, widely-respected brand and deep customer relationships. Sky has the proven capabilities to develop and grow compelling customer propositions in dynamic markets. This has been evidenced, for example, by the rapid growth in its NOW TV streaming business, the continued development of its Sky Originals content proposition, the launch of a mobile service in the UK, and its expansion into Spain and Switzerland, all at the same time as delivering growth in its direct-to-consumer Pay TV businesses across Europe including its market leading Sky Q proposition.

On 7 December 2016, 21st Century Fox approached the Deputy Chairman of Sky with an initial proposal to acquire Sky. The Sky Independent Committee was established for the purpose of evaluating the proposal. After negotiating a substantial increase in terms, and agreement on certain other material terms of the proposed offer, 21st Century Fox made the Original 21CF Offer at a price of £10.75 per share on 15 December 2016. At that point, the Sky Independent Committee concluded that the Original 21CF Offer represented an attractive opportunity for Sky Shareholders to realise their shareholding in cash at a fair valuation.

Since December 2016, Sky has continued to perform well, increasing its presence in Europe and expanding its current footprint. Sky has also successfully renewed important content rights, including Premier League broadcasting rights in the UK, at a significantly lower cost, and Serie A broadcasting rights in Italy where Sky Italia stands to benefit from significantly enhanced exclusivity over live matches. Additionally, Sky has concluded groundbreaking new partnerships with Netflix and Spotify, offering its customers more choice than ever before.

On 27 February 2018, Comcast announced a possible cash offer for Sky at £12.50 per Sky Share and subsequently announced a firm pre-conditional cash offer on 25 April 2018. In view of the higher price of the Original Offer compared with the Original 21CF Offer, the Sky Independent Committee withdrew its recommendation of the Original 21CF Offer putting both competing offerors on a level playing field until such offers were capable of being put formally to Sky Shareholders.

On 12 April 2018, further to the proposed acquisition of 21st Century Fox by Disney, the Panel Executive ruled that Disney would be required to make a "chain principle" mandatory offer for Sky following the closing of the acquisition of 21st Century Fox by Disney, at a price of £10.75 per Sky Share, to the extent that by then, 21st Century Fox had not then acquired 100 per cent. of, or Comcast or any other third party had not then acquired more than 50 per cent. of, the Sky Shares. Subsequent to the increased offer for 21st Century Fox by Disney on 20 June 2018, the Panel Executive announced on 28 June 2018 that it was considering what impact the increase in the price of the Disney acquisition of 21st Century Fox should have on the consideration payable under a "chain principle" mandatory offer for Sky, and that the Panel Executive will make a further announcement in due course.

On 10 July 2018, 21st Century Fox proposed the 21CF Offer of £14.00 per share in cash to the Sky Independent Committee, which included an amount in lieu of a final dividend in respect of the financial year ended 30 June 2018. The Sky Independent Committee recommended the 21CF Offer given it represented a substantial increase in value relative to the Original Offer and the Original 21CF Offer. The Sky Independent Committee agreed to lower the minimum acceptance condition (in the event 21st Century Fox elects to switch from a scheme to a contractual offer), as this was necessary to secure the 21CF Offer. In the Sky Independent Committee's view, the Co-operation Agreement, originally agreed in December 2016, has fully and demonstrably achieved its objective of enabling 21st Century Fox to satisfy its regulatory pre-conditions and to make an offer to Sky Shareholders, but without foreclosing competitive interest.

The Sky Independent Committee is, and has been at all times, mindful of its fiduciary duties and has consistently sought to maximise value for all Sky Shareholders.

In order to preserve a competitive process for the benefit of all Sky Shareholders, the Sky Independent Committee will continue to ensure that 21st Century Fox remains bound by the surviving standstill provision in the Co-operation Agreement.

On 11 July 2018, Comcast proposed the increased offer of £14.75 in cash to the Sky Independent Committee, which included an amount in lieu of a final dividend in respect of the financial year ended 30 June 2018. The Offer represents a significant increase in value relative to the Original Offer and the 21CF Offer. As such, the Sky Independent Committee withdrew its recommendation of the 21CF Offer.

Specifically, the Offer represents:

- a premium of approximately 91.8 per cent. to the Closing Price of £7.69 per Sky Share on 6 December 2016, being the last Business Day before the date on which an initial proposal was received from 21st Century Fox by Sky;
- a premium of approximately 86.7 per cent. to the Closing Price of £7.90 per Sky Share on 8 December 2016, being the last Business Day before the start of the Offer Period;
- an increase of approximately 18.0 per cent. to the Original Offer price;
- an increase of approximately 5.4 per cent. to the 21CF Offer price;
- a multiple of approximately 14.7 times Sky Adjusted EBITDA of £2,249 million for the twelve month period ended 31 December 2017;
- a P/E multiple of 22.9 times Adjusted EPS of 64.4 pence for the twelve month period ended 31 December 2017; and
- a 10-year total shareholder return (since 1 July 2008) of +328%, versus the FTSE 100 total shareholder return over the same period of +98%.

4. Post-offer commitments in relation to Sky and the UK

The Sky Independent Committee welcomes the series of legally binding commitments that Comcast has put in place to guarantee the long-term future of Sky News and its ongoing editorial independence. The Sky Independent Committee also welcomes Comcast's voluntary commitments not to acquire any majority interest in any UK newspaper and to maintain the Sky Group UK headquarters in Osterley in support of Sky's continued position as a leader in content creation, arts and culture based in the UK, in each case for five years from the Effective Date.

As set out in the POU Announcement on 8 May 2018, Comcast is giving, or intends to give, these legally binding commitments through two separate mechanisms: (i) Post-Offer Undertakings (for the purposes of Rule 19.5 of the Code), and (ii) a Deed Poll in favour of the Sky News Board (and, if appropriate in due course, other regulatory bodies). Also as set out in the POU Announcement, Sky has agreed to give equivalent Post-Offer Undertakings, conditional on the occurrence of the Effective Date.

In addition to the above post-offer commitments, Comcast has made certain statements of intent with respect to increasing investment in UK content creation and continuing to support technology innovation, local communities and young people in the UK.

Your attention is drawn to paragraph 4 of the letter from Comcast Bidco in Part II of this document which outlines Comcast's post-offer commitments with respect to Sky and, in particular, to Appendix 4 and Appendix 5, which set out the Post-Offer Undertakings and the terms of the Deed Poll in full.

5. Information on Sky

(a) Business description

Sky is a leading entertainment and communications company in Europe. Sky serves approximately 23 million retail customers across seven countries: UK, Ireland, Germany, Austria, Italy, Spain and Switzerland.

The majority of the Sky Group's revenue is derived from retailing pay television services both in the home and on the move. In the UK and Ireland, the Sky Group also offers customers broadband and telephony products, including internet via DSL, fibre and WiFi, and has recently established a mobile offering. The Sky Group retails TV services to commercial customers and operates adjacent businesses which include wholesaling Sky channels to other providers and selling advertising on the Sky Group's own and partner channels. The Sky Group also sells both Sky Group originated television programmes and third party television programmes internationally through 'Sky Vision'.

The ordinary shares of Sky are listed on the London Stock Exchange under the symbol SKY. For the financial year ended 30 June 2017, Sky reported adjusted revenue of £12.9 billion, adjusted operating profit of £1,468 million and adjusted profit after tax of £1,048 million.

(b) Current trading and prospects

On 19 April 2018, Sky released its unaudited third quarter trading statement for the nine months ended 31 March 2018. The following has been extracted without material adjustment from the section entitled "Group Financial Performance" in such trading statement:

"...Revenue

Group like-for-like revenue grew by 5%, or £441 million, to £10,144 million (2017: £9,703 million) with good growth in all territories and all categories...

Costs

We continued to make significant progress on operating efficiency, holding adjusted operating costs flat in absolute terms. This is allowing us to continue investing on-screen, growing our fixed and mobile communications businesses and putting Sky Q into more of our customers' homes. As a result, adjusted total costs grew by only 3% to £9,017 million, well below the rate of revenue growth...

Profit

As a consequence of good revenue growth and tight cost management, profit performance was strong. Established Business EBITDA⁽¹⁾ grew by 14% to £1,777 million (2017: £1,564 million). EBITDA was up 10% after including the net costs of investing in two new lines of business – Sky Mobile and an OTT service in Spain. After depreciation and amortisation of £566 million, EBIT was up 11% to £1,127 million (2017: £1,017 million)...

Statutory operating profit for the period was £857 million, up 22%, (2017: £703 million)...

Notes:

(1) Established Business EBITDA is on an adjusted basis and includes the results of those businesses that have been operating for many years. This includes our entertainment and fixed line communications businesses in the UK & Ireland, Italy and Germany & Austria."

Except as disclosed in this document, the Sky Independent Committee is not aware of any significant change in the financial or trading position of Sky since 31 March 2018 (the date to which the latest unaudited consolidated interim financial statements of Sky were prepared).

Certain financial information relating to Sky is incorporated by reference into this document as set out in Appendix 2.

6. Comcast's intentions and strategic plans for Sky

In addition to the post-offer commitments outlined at paragraph 4 of the letter from Comcast Bidco in Part II of this document, your attention is drawn to paragraph 8 of such letter regarding Comcast's future intentions with respect to Sky if the Offer becomes or is declared unconditional in all respects.

The Sky Independent Committee notes Comcast has stated that, in order to achieve the expected benefits of the Acquisition, some operational and administrative restructuring will be required across both Comcast and Sky following completion of the Acquisition. The Sky Independent Committee notes that Comcast expects there to be limited impact on headcount and does not expect its integration review to have a material impact on the continued employment of the employees and management of Sky or the Enlarged Group or on the balance of skills and functions.

The Sky Independent Committee also welcomes the following Comcast statements (the full details of which are set out in paragraph 8 of the letter from Comcast Bidco in Part II of this document):

- Comcast does not intend to make any material change to the conditions of employment of the employees of the Sky Group;
- Sky's defined benefit pension schemes will continue to be funded in accordance with existing arrangements, and accrued benefits for existing members will not be affected;
- following completion of the Acquisition, Comcast intends to put in place incentivisation arrangements for Sky employees based on its applicable compensation schemes on terms no less favourable than Sky's current incentive arrangements and Comcast intends to consult with Sky's executive management with a view to putting in place additional retention and incentivisation arrangements for members of Sky's management team that would be granted with effect from completion; and
- Comcast does not currently anticipate any material change in the locations of Sky's or Comcast's business.

7. Sky Share Plans

Your attention is drawn to paragraph 9 of the letter from Comcast Bidco in Part II of this document in relation to the treatment of the Sky Share Plans.

8. Sky ADRs

The Offer is being made in respect of Sky Shares only and not Sky ADRs. Sky ADR Holders who wish to participate in the Offer may do so by taking the steps set out in paragraph 17 of the letter from Comcast Bidco in Part II of this document.

9. Offer related arrangements

A summary of offer-related arrangements is set out in paragraph 13 of the letter from Comcast Bidco in Part II of this document.

10. Compulsory acquisition, cancellation of trading and listing, re-registration

Your attention is drawn to paragraph 14 of the letter from Comcast Bidco in Part II of this document in relation to Comcast Bidco's intentions with regard to the compulsory acquisition of Sky Shares, the cancellation of the listing of Sky Shares on the UK Listing Authority's Official List, the cancellation of trading in Sky Shares on the London Stock Exchange's Main Market for listed securities, and the re-registration of Sky as a private limited company, following the Offer becoming or being declared unconditional in all respects and sufficient acceptances being achieved and/or sufficient Sky Shares otherwise being acquired.

11. Overseas Shareholders

The Offer is not being made, directly or indirectly, in or into, and is not capable of acceptance from, any Restricted Jurisdiction. Accordingly, any accepting Sky Shareholder who is unable to give the warranties set out in paragraph (c) of Part D (if such person holds Sky Shares in certificated form) and/or paragraph (b) of Part E (if such person holds Sky Shares in uncertificated form) of Appendix 1 may be deemed not to have validly accepted the Offer.

The attention of Sky Shareholders who are citizens or residents of jurisdictions outside the UK or who are holding shares for such citizens or residents and any person (including, without limitation, any agent, custodian, nominee or trustee) who would, or otherwise intend to, or who may have a contractual or legal obligation to forward any document in connection with the Offer outside the UK is drawn to paragraph 8 of Part C, paragraph (c) of Part D and/or paragraph (b) of Part E of Appendix 1, as applicable, and to the relevant provisions of the Form of Acceptance, which they should read before taking any action.

The availability of the Offer to Sky Shareholders who are not resident in the UK may be affected by the laws and regulations of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. If you remain in any doubt you should consult an appropriate independent professional adviser in the relevant jurisdiction without delay. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

12. Notices for Sky Shareholders in the United States

The Offer will be made to Sky Shareholders in the United States in compliance with the applicable U.S. tender offer rules under the U.S. Exchange Act, including Regulation 14E thereunder taking into account no action and exemptive relief granted by the SEC, and otherwise in accordance with the requirements of English law, the Code, the Panel, the London Stock Exchange and the FCA. Accordingly, the Offer is subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under United States domestic tender offer procedures and law.

The attention of U.S. Sky Shareholders is drawn to the section entitled “*Important Information for Sky Shareholders in the United States and Sky ADR Holders*” on pages 3 and 4 of this document, to paragraphs 16 and 18 of the letter from Comcast Bidco in Part II of this document, and to Part C of Appendix 1.

13. UK taxation

Your attention is drawn to paragraph 8 of Appendix 3 which sets out a general guide to certain aspects of the UK tax treatment of acceptance of the Offer, based on current legislation and practice.

If you are in any doubt about your own tax position, or you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriately qualified independent professional adviser immediately.

14. Further information

Your attention is drawn to the letter from Comcast Bidco set out in Part II, the further information in the Appendices, which form part of this document, and (in relation to certificated Sky Shares) to the accompanying Form of Acceptance, which should be read in conjunction with this document. The Appendices and the Form of Acceptance contain material information which may not be summarised elsewhere in this document.

15. Action to be taken to accept the Offer

The procedure for acceptance of the Offer is set out in paragraph 17 of the letter from Comcast Bidco in Part II of this document and, if you hold your Sky Shares in certificated form, in the accompanying Form of Acceptance.

If you have any questions relating to the procedure for acceptance of the Offer, please contact the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK), or by submitting a request in writing to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

Your decision as to whether to accept the Offer will depend upon your individual circumstances. If you are in any doubt as to the action you should take, you should seek your own independent financial advice.

16. Recommendation.

The Sky Independent Committee, which has been so advised by Morgan Stanley, PJT Partners and Barclays as to the financial terms of the Offer, considers the terms of the Offer to be fair and reasonable. Morgan Stanley and Barclays are providing independent financial advice to the Sky Independent Committee for the purposes of Rule 3 of the Code. In providing their financial advice to the Sky Independent Committee, Morgan Stanley, PJT Partners and Barclays have taken into account the commercial assessments of the Sky Independent Committee.

Accordingly, the Sky Independent Committee unanimously recommends that Sky Shareholders accept the Offer.

Yours faithfully,

Martin Gilbert
Deputy Chairman

Sky plc

PART II : LETTER FROM COMCAST BIDCO LIMITED

Comcast Bidco Limited

(a private company with limited liability incorporated in England and Wales with registered number 11341936)

Registered office
1 Central St. Giles
St. Giles High Street
London
United Kingdom
WC2H 8NU

13 July 2018

To: Sky Shareholders and, for information only, to persons with information rights and participants in the Sky Share Plans

Dear Sky Shareholder,

Recommended superior cash offer by Comcast Bidco for Sky

1. Introduction

On 25 April 2018, Comcast announced its pre-conditional firm intention to make a superior cash offer to the Original 21CF Offer for the entire issued and to be issued share capital of Sky at a price of £12.50 for each Sky Share.

On 8 May 2018, Comcast and Sky announced the full terms of certain post-offer undertakings in connection with the Offer, and Comcast also announced its intention to give certain legally binding commitments by way of Deed Poll. These undertakings and commitments emphasise the value and importance Comcast attaches to Sky, and Sky News in particular, and are further described in paragraph 4 of this letter.

On 5 June 2018, the Secretary of State for Digital, Culture, Media and Sport announced his decision not to issue a European Intervention Notice pursuant to section 67 of the Enterprise Act 2002 in relation to the Acquisition and, on 15 June 2018 following the completion of its Phase 1 review, the European Commission unconditionally cleared the Acquisition pursuant to Article 6(1)(b) of the EU Merger Regulation. Accordingly, on 15 June 2018, Comcast announced it had satisfied all pre-conditions set out in Appendix I of the Original Offer Announcement, and that it would publish its offer document in due course as required by the Code.

On 11 July 2018, Comcast announced the terms of a revised firm intention to make an offer for the entire issued and to be issued share capital of Sky, pursuant to which its initial offer price of £12.50 for each Sky Share was increased to £14.75 for each Sky Share. This increased offer was recommended by the Sky Independent Committee to Sky Shareholders and, accordingly, the Sky Independent Committee withdrew its recommendation of the 21CF Offer.

Comcast believes that the combination of Comcast and Sky will generate attractive financial returns to Comcast shareholders and provide benefits to the customers and employees of both organisations. Comcast Bidco (an indirect, wholly-owned, subsidiary of Comcast) is pleased to be dispatching this document to Sky Shareholders.

This letter, Appendix 1 and the Form of Acceptance contain the formal terms and conditions of the Offer.

Your attention is drawn to the letter from the Chairman of the Sky Independent Committee in Part I of this document, which sets out the reasons why the Sky Independent Committee unanimously recommends that you accept the Offer. The Sky Independent Committee, which has been so advised by Morgan Stanley, PJT Partners and Barclays as to the financial terms of the Offer, considers the terms of the Offer to be fair and reasonable. Morgan Stanley and Barclays are providing independent financial advice to the Sky Independent Committee for the purposes of

Rule 3 of the Code. In providing their financial advice to the Sky Independent Committee, Morgan Stanley, PJT Partners and Barclays have taken into account the commercial assessments of the Sky Independent Committee.

Your attention is also drawn to paragraph 17 of this letter, Parts D and E of Appendix 1 and the accompanying Form of Acceptance (in respect of Sky Shares held in certificated form), which set out the procedures for acceptance of the Offer.

Acceptances of the Offer should be sent as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. (London time) on 22 August 2018.

2. Summary of the terms of the Offer

Comcast Bidco is offering to acquire, on the terms and conditions set out in this document and, in respect of certificated Sky Shares, in the Form of Acceptance, the entire issued and to be issued share capital of Sky. Under the terms of the Offer, Sky Shareholders will be entitled to receive:

£14.75 in cash for each Sky Share

The price of £14.75 per Sky Share represents a premium of approximately 86.7 per cent. to the Closing Price of £7.90 per Sky Share on 8 December 2016, being the last Business Day before the start of the Offer Period.

The Cash Consideration implies a value of approximately £25.9 billion for the fully diluted share capital of Sky.

As the Offer is expected to complete before the usual date for declaration and payment of the final dividend for the financial year ended 30 June 2018, the Offer includes an amount in lieu of a final dividend in respect of the financial year ended 30 June 2018. Comcast reserves the right to reduce the price of £14.75 per Sky Share by some or all of the amount of any dividend (or other distribution or return of capital) which is announced, declared, paid or becomes payable by Sky to Sky Shareholders on or after the date of the Increased Offer Announcement.

The Sky Shares shall be acquired by Comcast Bidco under the Acquisition fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching to them on or after the date of the Original Offer Announcement, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made, on or after the Effective Date.

Comcast Bidco currently anticipates that the Acquisition will complete before the end of October 2018.

The Offer is subject to the Conditions and further terms and conditions set out or referred to in this letter, in Appendix 1 and in the Form of Acceptance.

3. Background to and reasons for the Acquisition

(a) Background to the Acquisition

Founded in 1963 as a small community antenna television operation, Comcast NBCUniversal is a leading global media and technology company with 2017 revenues of approximately \$85 billion. Throughout its long history, Comcast's success has been due in large part to its ability to innovate and compete successfully in industries distinguished by a rapid pace of change. In the 1970s, Comcast was one of hundreds of cable operators in the U.S. By driving growth through a combination of organic investment and strategic acquisitions, today, Comcast is one of the largest and most successful media and technology companies in the world.

Core to the Comcast vision and its long-term success has been the willingness to embrace change and grow its business through bold investments. Comcast has a proud history of making substantial organic investments to drive product innovation and growth. Since acquiring NBCUniversal in 2011, Comcast has invested over \$65 billion in the business. These investments have helped grow NBCUniversal's portfolio, ranging from film and TV production to acquiring new sports rights to building out Universal Parks, including the award-winning Wizarding World of Harry Potter attractions. Comcast has also invested in the development in the cable business of a high speed internet service that offers gigabit per second speeds to residential customers in over 90 per cent. of our markets. Strategic acquisitions have also been core to the

Comcast strategy of growth. In 2001/02, a point in time when scale was becoming increasingly important in the U.S. cable industry, Comcast more than doubled in size by acquiring AT&T Broadband in a landmark \$72 billion acquisition. In December 2009, when some industry participants were separating content from distribution, Comcast recognised the potential opportunity inherent in the combination of cable distribution and world-class content. It therefore made the decision to acquire control of the NBCUniversal media business, with NBCUniversal's Adjusted EBITDA growing from \$3 billion to \$8 billion since the date the acquisition was announced.

Sky's integrated content, distribution and technology platform is a business Comcast knows well from its own cable and entertainment assets. Over recent years as the pace of change accelerated in the entertainment industry, Comcast has followed closely Sky's impressive transition from an innovative start-up satellite TV provider to a leading European, multi-platform, premium-branded entertainment business that offers premier content to 23 million retail customers. Comcast believes that, in many ways, Comcast and Sky have been on parallel journeys. Today, both companies have business models that seek to create shareholder value through: (i) technological innovation; and (ii) the monetisation of premium content through wholesale distribution and direct-to-consumer sales. With dynamic entrepreneurial cultures at their respective cores, both companies have innovated and grown from their start-up roots into entertainment industry leaders.

Both companies also compete in a rapidly changing and highly competitive industry where: (i) consumers have more entertainment choices than ever; and (ii) an increasing number of players are investing in premium content and have a direct relationship with a large number of end customers. Comcast believes the acquisition of Sky will deliver meaningful benefits for the combined business and its customers.

(b) Reasons for the Acquisition

Stronger content businesses

The acquisition of Sky will help support the ability of a combined Comcast/Sky to invest more in original and acquired programming and amortise the costs across a larger customer base through direct relationships with approximately 53 million customers.

Sky has a strong record of acquiring attractive content for distribution in Europe and has begun to invest more in original content. Comcast Cable spends almost \$13 billion annually to acquire content for distribution in the United States, and through its portfolio of studios, including Universal Pictures, Focus Features, Dreamworks Animation, Illumination Entertainment and Carnival Films, Comcast is a major creator of original content, producing successful films like *Darkest Hour*, *Jurassic World* and *Minions* and popular television series like *Downton Abbey*. Sky offers popular sports such as the Premier League and Bundesliga, and Comcast offers, among others, the NFL and the Premier League. Sky News delivers high quality news with journalistic integrity, much like NBC News, MSNBC and CNBC.

The acquisition of Sky will enable Comcast to combine the complementary content production capacity and programming spend of the two companies to create a business equipped to compete more effectively in the rapidly changing and intensely competitive entertainment landscape.

Increased ability to innovate

Direct relationships with approximately 53 million customers will also give a combined Comcast/Sky the increased ability to invest in innovation to the benefit of consumers and to seek more attractive financial returns on those investments. Innovation is at the core of both companies' cultures with products like Sky Q from Sky and the highly regarded X1 platform from Comcast. Both companies strive to deliver a differentiated product experience in areas that include video guides and voice control as well as wireless gateways and Wi-Fi technology. Comcast believes the ability to combine areas of common investment and deliver new products and features to a much larger customer base will drive accelerated innovation for consumers and attractive financial returns.

Benefits of increased European presence

The acquisition of Sky will significantly expand Comcast's international footprint in the UK and Continental Europe in businesses that are highly complementary. Sky has leading positions in the UK, Germany and Italy and offers the opportunity to grow through digital direct-to-consumer offerings in other European countries. The acquisition of Sky would expand Comcast's international footprint from 9 per cent. of global 2017 revenues to approximately 25 per cent. (on a *pro forma* basis) and give Comcast a platform to grow its businesses in new markets.

Attractive financial returns and consumer benefits

Comcast believes that combined, Comcast and Sky would be well positioned to drive growth to provide attractive returns to Comcast shareholders and to benefit the employees and customers of both organisations.

Comcast expects the Acquisition to generate annual run-rate synergies of around \$500 million. Of these, Comcast expects to realise approximately \$300 million in currently identified recurring pre-tax cost savings. Preliminary integration work carried out to date has confirmed that there is likely to be overlap between the two businesses with the potential to generate cost savings for the Enlarged Group through corporate and administrative efficiencies, however, it expects there to be only limited impact on headcount. In addition to the elimination of certain duplicative corporate costs, examples of other areas of potential savings include optimisation of NBCUniversal and Sky's office locations and production efficiencies with respect to live coverage of sports and associated programming. Comcast believes it will need to incur approximately \$225 million in cumulative one-time pre-tax costs to achieve these savings. The balance of around \$200 million represents currently identified pre-tax recurring revenue benefits. These additional revenue benefits are expected to be achieved principally from better realisation of the value of Sky content by NBCUniversal's sales platform, the availability of Sky's platforms from which to derive even greater "Symphony" benefits from NBCUniversal content and increased advertising sales by building on NBCUniversal's global advertising sales client base and expertise.

The combination with Sky is expected to be accretive to Comcast's free cash flow per share in year one, excluding one-time transaction-related expenses. Additionally, Comcast believes that the return on invested capital of the Acquisition will exceed the weighted average cost of capital within a reasonable period of time.

4. Post-offer commitments in relation to Sky and the UK

Comcast is strongly committed to the UK and investing and growing the Sky business for the benefit of its customers, employees, and consumers.

To emphasise the value and importance Comcast attaches to Sky, and Sky News in particular, Comcast has voluntarily put in place a series of legally binding commitments that would guarantee the long-term future of Sky News and its ongoing editorial independence from the Effective Date. Comcast has also voluntarily committed not to acquire any majority interest in any UK newspaper and to maintain the Sky Group UK headquarters in Osterley in support of Sky's continued position as a leader in content creation, arts and culture based in the UK, in each case for five years from the Effective Date.

As set out in the Original Offer Announcement and the POU Announcement, Comcast is giving, or intends to give, these legally binding commitments through two separate mechanisms: (i) Post-Offer Undertakings (for the purposes of Rule 19.5 of the Code) as further described in paragraph 4(a) of this letter, and (ii) a Deed Poll in favour of the Sky News Board (and, if appropriate in due course, other regulatory bodies) as further described in paragraph 4(b) of this letter. Also as set out in the POU Announcement, Sky has agreed to give equivalent Post-Offer Undertakings, conditional on the occurrence of the Effective Date.

In addition, Comcast intends to increase investment in UK content creation and continue to support technology innovation, local communities and young people in the UK, as set out in paragraph 4(c) of this letter.

(a) **Post-Offer Undertakings**

On 8 May 2018, further to the Original Offer Announcement on 25 April 2018, Comcast and Sky together announced the full terms of the legally binding Post-Offer Undertakings that had been agreed with the Panel and which are conditional on the occurrence of the Effective Date. Pursuant to the Post-Offer Undertakings, Comcast undertakes to procure and Sky undertakes:

- (i) that a member of the Sky Group shall have ownership of, or the right to use, all assets and rights (including licences) necessary to carry on a Sky-branded news service (and shall continue to carry on such service), and that the annual expenditure on the Sky-branded news service will be at least an amount equal to the level of expenditure incurred during the period from 1 July 2016 to 30 June 2017, increased annually for inflation for a period of five years from 1 July 2018;
- (ii) to maintain the Sky Group's UK headquarters in Osterley for a period of five years from the Effective Date;
- (iii) to not acquire any majority interest in any daily, Sunday or local UK newspaper for a period of five years from the Effective Date; and
- (iv) to establish an editorial board for the Sky-branded news service, no later than three months after the Effective Date. This is to ensure that there is an appropriate beneficiary in place to monitor compliance with the terms of the Sky News Binding Commitments (as defined in paragraph 4(b) of this letter).

The Post-Offer Undertakings are legally binding commitments. Accordingly, should the Effective Date occur, each of Comcast and Sky must comply with the terms of its respective Post-Offer Undertakings and complete the courses of action committed to within the relevant time periods set out in the undertakings.

Comcast and Sky have each appointed Grant Thornton UK LLP to monitor (in accordance with a work-plan agreed with the Panel) their respective compliance with the Post-Offer Undertakings.

This paragraph 4(a) is only a summary of the Post-Offer Undertakings, the terms of which are set out in full at Appendix 4.

(b) **Comcast commitments by way of Deed Poll to the Sky News Board and other appropriate regulatory bodies**

In both the POU Announcement and the Original Offer Announcement, Comcast also announced its intention to give certain legally binding commitments by way of Deed Poll.

Immediately after the establishment of the Sky News Board, Comcast intends to enter into (and intends to procure that upon that date Sky enters into) a legally binding deed poll in favour of the Sky News Board, which will:

- (i) provide for the continued establishment of the Sky News Board for a period of 10 years;
- (ii) provide the Sky News Board with oversight of the Sky News operations in relation to ensuring the editorial independence of Sky News for a period of 10 years; and
- (iii) provide the same investment commitment to Sky News as is included in the Post-Offer Undertakings (as summarised at paragraph 4(a)(i) of this letter, and in full at paragraph 1 of Appendix 4) for a further period of five years following the expiry of that Post-Offer Undertaking,

(the “**Sky News Binding Commitments**”).

This paragraph 4(b) is only a summary of the Deed Poll. The draft terms of the Deed Poll which set out the Sky News Binding Commitments are included at Appendix 5 in substantively final form, subject to any further amendments that may be agreed with any beneficiary or relevant regulator prior to the date the Sky News Binding Commitments are entered into. The Sky News Binding Commitments will constitute legally binding commitments on Comcast and Sky which will be enforceable by the Sky News Board.

The Sky News Binding Commitments do not constitute “post-offer undertakings” for the purposes of Rule 19.5 of the Code, are therefore not enforceable by the Panel as post-offer undertakings, and no view has been expressed by the Panel in relation to the Sky News Binding Commitments including the giving and enforceability of the Sky News Binding Commitments.

In the POU Announcement, Comcast also confirmed its willingness to provide for a relevant regulator to be a beneficiary of the Sky News Binding Commitments in the same way as the Sky News Board, if this is considered to be appropriate in due course. For the avoidance of doubt, the Panel is not a relevant regulator for the purposes of the Sky News Binding Commitments.

(c) **Intentions in relation to Sky's role in supporting creative industries, innovation, young people and local communities in the UK**

Comcast reaffirms the following specific statements of intent with regard to Sky's business in the UK that were made in the Original Offer Announcement:

Supporting the creative industries in the UK

Comcast intends to continue to support Sky as a leader in content creation, arts, culture, and entertainment. Comcast intends to increase Sky's investment in UK TV and film production. Comcast currently invests in UK TV and film production, including in Carnival Films, the makers of *Downton Abbey* and *The Last Kingdom*. Comcast is a global media and technology company, bringing entertainment and communications experiences to millions of people. Comcast has a proven track record of investing in the creative sector, including through Universal Pictures, Illumination Entertainment and DreamWorks Animation. As a producer, NBCUniversal has invested over \$1 billion in film and TV productions in the UK over the past three years in a wide variety of content.

Supporting innovation in the UK

Comcast intends to continue to support Sky's technology hub in Leeds and its Software Engineering Academy scheme. In the U.S., Comcast and NBCUniversal have been innovators in creating and delivering award-winning content and technologies to consumers. The combined company will create compelling opportunities for growth and innovation.

Supporting young people in the UK

Comcast intends to continue to maintain Sky's Software Engineering Academy scheme, which offers technology apprenticeships and graduate opportunities to young people across the north of England. Comcast intends to continue investment in employees' professional development across the UK. Comcast was founded as a start-up 55 years ago and that entrepreneurial spirit is still at the heart of everything we do. Comcast believes that to thrive as a company, we must invest in our people, giving them opportunities to flourish. Comcast provides many opportunities for employees to showcase their creativity and talents, including: programmes for all employees to share original ideas; opportunities for employees to partner, explore, and develop projects not core to their responsibilities; leadership and development programmes for employees of all levels; and internships and apprentice programmes for hundreds of young people annually.

Supporting communities in the UK

Comcast intends to continue to support Sky's local community programmes to inspire more people to get involved in sports. Comcast intends to support Sky's Bigger Picture Programme to create new opportunities for young people to develop themselves, including Sky Sports Scholarships, which support promising young athletes. Comcast knows the power of sports and how it brings communities together, as well as the importance of corporate social responsibility programmes to building the communities where Comcast's employees and customers live and work.

The above statements of intent in relation to Sky are not "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

5. Information on Comcast

(a) **Business description**

About Comcast NBCUniversal

Fifty-five years ago, Comcast was built on a foundation of respect, integrity, and trust, and those core values remain part of the company and its 164,000 employees' culture today. Comcast is a global media and technology company with two primary businesses: Comcast Cable and NBCUniversal.

- Comcast Cable is a provider of video, high-speed internet, landline and mobile phone and home security and automation services to residential customers under the XFINITY brand in the United States, and also provides these and other services to business customers in the United States. Comcast has 30 million customer relationships in the United States (39 states and Washington, D.C.).
- NBCUniversal is a media and entertainment business with a portfolio of news and entertainment broadcast and cable television networks and brands (including NBC, Telemundo, NBC News, CNBC, MSNBC, NBC Sports, USA Network, E!, Bravo, and Syfy), motion picture studios (Universal Pictures, Focus Features, Illumination Entertainment, DreamWorks Animation), television production operations (Universal Cable Productions, Telemundo Studios, Universal Television), two leading television stations groups, renowned theme parks (in the U.S., Japan, and a park in development in China), and a number of internet-based businesses.

Comcast's Class A common stock is registered on the NASDAQ Global Select Market under symbol CMCSA and its market capitalisation was approximately \$183.8 billion as at 26 February 2018, being the last Business Day before the announcement of Comcast's possible offer for Sky. For the year ended 31 December 2017, Comcast reported revenue of \$84.5 billion and net income of \$22.7 billion.

Comcast NBCUniversal: A Record of Success

Comcast knows how to integrate and grow content and distribution companies and has a proven track record of being a strong steward of acquired companies, as evidenced by the growth and success of NBCUniversal. Comcast is proud of its record of success, which includes:

- Since the NBCUniversal acquisition, NBCUniversal has been the fastest growing major media company in the U.S. The NBC broadcast network has gone from last to first in the U.S. rankings and it has finished first for four consecutive years.
- In 2017, Telemundo ranked as the #1 Spanish-language television network in weekday primetime and among the top five broadcast networks in the U.S., regardless of language.
- Universal Pictures continues to break box office records with hit films like *Minions*, *Despicable Me 3*, *Jurassic World*, and *Fate of the Furious*.
- Comcast NBCUniversal has made historic investments in major sports rights in the U.S., including the Olympic Games (through 2032), World Cup (Telemundo has the Spanish language U.S. media rights in 2018 and 2022), Premier League football, NASCAR, and the NFL and NHL on NBC.

NBCUniversal in the UK

Owned by Comcast, NBCUniversal is a leading media and entertainment business with more than 1,300 employees in the UK.

As a producer, NBCUniversal has invested more than \$1 billion in film and TV productions in the UK over the past three years in a wide variety of content. This includes films such as *Jurassic World: Fallen Kingdom* and *Jason Bourne* as well as TV programmes such as *Downton Abbey*, *The Last Kingdom* and *Made In Chelsea*. In addition to big budget feature films, NBCUniversal has also produced in the UK critically acclaimed and award-winning films such as *The Theory of Everything*, *The Danish Girl*, and, most recently, *Darkest Hour*. NBCUniversal's UK based production businesses include Working Title Films, Focus Features, Carnival Films, and Monkey Kingdom.

Across NBCUniversal's range of entertainment and business news TV channels, NBCUniversal has Ofcom and other broadcasting licenses, covering linear TV channels with a variety of country-specific feeds broadcasting into different countries.

NBCUniversal also has multiple On-Demand services in the UK for the distribution of on-demand audio-visual services across a variety of outlets and platforms. These services include hayu, E!, Universal Channel, and Syfy. hayu is a standalone all-reality subscription OTT service, launched in the UK, Ireland, and Australia in 2016 which has now been rolled out in the Nordics.

(b) Current trading and prospects

On 25 April 2018, Comcast released its unaudited first quarter results for the quarter period ended 31 March 2018. The following has been extracted without material adjustment from the earnings release for such unaudited first quarter results:

“...Consolidated Revenue for the first quarter of 2018 increased 10.7% to \$22.8 billion. Consolidated Net Income Attributable to Comcast increased 21.2% to \$3.1 billion. Consolidated Adjusted EBITDA⁽¹⁾ increased 3.3% to \$7.2 billion.

Earnings per Share (EPS)⁽²⁾ for the first quarter of 2018 was \$0.66, an increase of 24.5% compared to the first quarter of 2017. On an adjusted basis, EPS increased 17.0% to \$0.62.⁽³⁾

Capital Expenditures decreased 5.0% to \$2.0 billion in the first quarter of 2018. Cable Communications’ capital expenditures decreased 5.2% to \$1.7 billion in the first quarter of 2018, reflecting a lower level of spending on customer premise equipment, partially offset by increased investment in scalable infrastructure to increase network capacity and increased investment in line extensions. Cable capital expenditures represented 12.5% of Cable revenue in the first quarter of 2018 compared to 13.6% in last year’s first quarter. NBCUniversal’s capital expenditures of \$269 million decreased 5.6%.

Net Cash Provided by Operating Activities was \$5.5 billion in the first quarter of 2018. Free Cash Flow⁽⁴⁾ was \$3.1 billion.

Dividends and Share Repurchases. During the first quarter of 2018, Comcast paid dividends totaling \$738 million and repurchased 38.6 million of its common shares for \$1.5 billion. As of March 31, 2018, Comcast had \$5.5 billion available under its share repurchase authorization. Comcast expects to repurchase at least \$5.0 billion of its Class A common stock during 2018, subject to market conditions.

Notes:

(1) We define Adjusted EBITDA as net income attributable to Comcast Corporation before net income attributable to noncontrolling interests and redeemable subsidiary preferred stock, income tax benefit (expense), investment and other income (loss), net, interest expense, depreciation and amortization expense, and other operating gains and losses (such as impairment charges related to fixed and intangible assets and gains or losses on the sale of long-lived assets), if any. From time to time, we may exclude from Adjusted EBITDA the impact of certain events, gains, losses or other charges (such as significant legal settlements) that affect the period-to-period comparability of our operating performance.

(2) All earnings per share amounts are presented on a diluted basis.

(3) In this discussion, we sometimes refer to financial measures that are not presented according to generally accepted accounting principles in the U.S. (GAAP). Certain of these measures are considered non-GAAP financial measures under the SEC regulations; those rules require the supplemental explanations and reconciliations that are in Comcast’s Form 8-K (Quarterly Earnings Release) furnished to the SEC.

(4) Beginning in the first quarter 2018, we have implemented changes that simplify our definition of Free Cash Flow to the following: Net Cash Provided by Operating Activities (as stated in our Consolidated Statement of Cash Flows) reduced by capital expenditures and cash paid for intangible assets. From time to time, we may exclude from Free Cash Flow the impact of certain cash receipts or payments (such as significant legal settlements) that affect period-to-period comparability. Consistent with our previous definition, cash payments for acquisitions and construction of real estate properties are presented separately in our Consolidated Statement of Cash Flows and are therefore excluded from capital expenditures for Free Cash Flow. Following this change, our new definition of Free Cash Flow no longer adjusts for, among other things, the effects of economic stimulus packages, distributions to noncontrolling interests and dividends for redeemable preferred stock and certain nonoperating items. The prior period amounts have been adjusted to reflect this change...”

Certain financial information relating to Comcast is incorporated by reference into this document as set out in Appendix 2.

6. Information on Comcast Bidco

Comcast Bidco was incorporated in England and Wales as a private limited company on 2 May 2018 with registered number 11341936. Comcast Bidco is an indirect, wholly owned, subsidiary of Comcast. Comcast Bidco was formed for the purpose of making the Offer and has not carried on any business or traded since incorporation, nor has it entered into any obligations other than in connection with implementation of the Offer. The principal activity of Comcast Bidco will be the acquisition and holding of Sky Shares.

7. Financial effects of the Offer

Full acceptance of the Offer (and assuming Sky becomes an indirect, wholly owned, subsidiary of Comcast) would result in the earnings, assets and liabilities of the Comcast Group incorporating the consolidated earnings, assets and liabilities of Sky, and Comcast's consolidated earnings, assets and liabilities would therefore be increased accordingly. In addition, Comcast's consolidated liabilities would also be increased to reflect the borrowings incurred to fund the Offer (plus any related accrued interest payable). Details of the financing of the Offer are set out in paragraph 12 of this letter.

Based on its unaudited results for the nine months ended 31 March 2018, Sky generated consolidated revenue of £10,144 million and statutory operating profit of £857 million. As at 31 December 2017, based on its unaudited consolidated interim financial statements for the half year ended 31 December 2017, Sky had consolidated assets of £18,748 million and consolidated liabilities of £14,698 million.

The combination with Sky is expected to be accretive to Comcast's free cash flow per share in year one, excluding one-time transaction related expenses. Additionally, Comcast believes that the return on invested capital of the Acquisition will exceed the weighted average cost of capital within a reasonable period of time. Comcast expects the Acquisition to generate annual run-rate synergies of around \$500 million, through a combination of revenue benefits and recurring cost savings across the Enlarged Group. These will be achieved through optimising Comcast's and Sky's complementary operations, with only limited impact on headcount expected.

Comcast Bidco, as a company incorporated for the purpose of making the Offer, has not engaged in any activities or traded, except for entering into transactions relating to the Offer. Comcast Bidco currently has no material assets and no material liabilities. Accordingly, at completion of the Acquisition, the material assets and material liabilities of Comcast Bidco will comprise the Sky Shares to be acquired pursuant to the Offer and the intra-group arrangements entered into in connection with the Offer.

8. Directors, management, employees, research and development, locations

Employees and management

Comcast attaches great importance to the skills and experience of the existing managers and employees of Sky and believes that they will benefit from greater opportunities as a result of being part of the Enlarged Group.

Comcast recognises, however, that in order to achieve the expected benefits of the Acquisition, some operational and administrative restructuring will be required across both Comcast and Sky following completion of the Acquisition. Preliminary integration work carried out to date has confirmed that there is likely to be overlap between the two businesses and that there is the potential to generate cost savings for the Enlarged Group through corporate and administrative efficiencies, however, it expects there to be limited impact on headcount. In particular, in the event of a delisting of the Sky Shares and re-registration of Sky as a private limited company (as further described in paragraph 14 of this letter), a number of corporate and support functions, including certain functions related to Sky's status as a public listed company, will potentially require reduced headcount.

Comcast does not expect this integration review to have a material impact on the continued employment of the employees and management of Sky or the Enlarged Group or on the balance of skills and functions.

Comcast would approach any integration in an open and transparent manner with the aim of maintaining operational momentum and retaining and motivating the best talent across the Enlarged Group. The finalisation and implementation of any restructuring, integration and workforce reductions will be subject to detailed and comprehensive planning, and to appropriate engagement with stakeholders, including affected employees and any appropriate employee representative bodies in accordance with the legal obligations of the Enlarged Group. Comcast would commence this engagement process long enough before any final decision is taken to implement any job reductions so as to ensure that relevant legal obligations are complied with.

Existing rights and pensions

Comcast confirms that, upon and following completion of the Acquisition, the existing contractual and statutory employment rights, including in relation to pensions, of all of Sky's management and employees will be safeguarded, in accordance with applicable law. Save as described below, Comcast does not intend to make any material change to the conditions of employment of the employees of the Sky Group.

Sky's defined benefit pension schemes will remain closed to the admission of new members and to future accrual, and will continue to be funded in accordance with existing arrangements. The accrued benefits for existing members of Sky's defined benefit pension schemes will not be affected.

Incentivisation arrangements

Comcast is focused on attracting and retaining talent at Sky. Accordingly, Comcast intends to provide incentivisation arrangements for Sky employees following completion of the Acquisition, based upon its applicable compensation schemes, on terms no less favourable than Sky's current incentive arrangements.

In addition, Comcast intends to consult with Sky's executive management with a view to putting in place additional retention and incentivisation arrangements for members of Sky's management team that would be granted with effect from completion of the Acquisition. Comcast does not intend to hold any discussions in relation to such arrangements until after the Effective Date.

Locations, headquarters and research and development

Comcast does not currently anticipate any material change in the locations of Sky's or Comcast's business. As stated in paragraph 4 of this letter, Comcast intends to maintain Sky's UK headquarters and intends to maintain headquarters' functions at the Osterley campus. In addition, Comcast intends to maintain Sky's Milan and Munich offices as national headquarters. The majority of the senior management of the Enlarged Group will remain based in Philadelphia and London.

No other changes are envisaged by Comcast with respect to the redeployment of Sky's fixed asset base, or the research and development functions of Sky.

Trading facilities

Sky is currently listed on the London Stock Exchange. In the event that Comcast Bidco reaches the requisite acceptance threshold referred to in paragraph 14 of this letter, Comcast Bidco intends to seek the cancellation of the trading of Sky Shares on the London Stock Exchange and de-listing of Sky from the Official List.

No statements in this paragraph 8 are "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

9. Sky Share Plans

The Offer extends to any Sky Shares which are issued or unconditionally allotted (including to satisfy the exercise of options granted under the Sky Share Plans) whilst the Offer remains open for acceptance (or prior to such earlier time and/or date as Comcast Bidco may, subject to the Code, determine).

Certain details of the proposals to be made to the participants in the Sky Share Plans are set out in Appendix 7. Full details on the effect of the Offer on outstanding options granted pursuant to the Sky Share Plans and on the choices available to Sky Share Plan participants will be set out in separate letters to be sent by Sky to such participants in due course.

10. Sky ADRs

The Offer is being made in respect of Sky Shares only and not Sky ADRs. Sky ADR Holders who wish to participate in the Offer may do so by taking the steps set out in paragraph 17 of this letter.

11. Conditions to the Offer

The Acquisition is subject to the Conditions and further terms and conditions set out in Appendix 1, which include, among other things, Comcast securing valid acceptances of the Offer in respect of Sky Shares which, taken together with all other Sky Shares which Comcast Bidco (and/or its nominee(s)) has acquired or agreed to acquire (whether pursuant to the Offer or otherwise), carry in aggregate more than 50 per cent. of the voting rights then normally exercisable at a general meeting of Sky. This Acceptance Condition is not waivable by Comcast Bidco.

The Acquisition is also conditional on the receipt of various antitrust and foreign investment approvals, other regulatory consents and waivers or non-exercise of any termination rights, pre-emption rights, rights of first refusal or similar rights in a number of jurisdictions, including (where required), Ireland, Austria, Germany, Italy and Jersey. The relevant Conditions are contained in paragraph 4, paragraphs 7 to 10 (inclusive) and paragraph 12 of Part A of Appendix 1. Comcast and Comcast Bidco are in the processes of satisfying such Conditions and, as at the date of this document, have satisfied certain of them as set out below in this paragraph 11.

On 10 May 2018, the FCA unconditionally provided Comcast with the approval required to satisfy the Condition contained in paragraph 11 of Part A of Appendix 1. This approval remains effective only if the increase in control by Comcast with respect to Sky UK Limited for which the approval was sought has occurred within three months of when it was provided, save that the FCA may extend this three month period on request from Comcast and/or Comcast Bidco.

On 5 June 2018, the Secretary of State for Digital, Culture, Media and Sport announced his decision not to issue a European Intervention Notice pursuant to section 67 of the Enterprise Act 2002 in relation to the Acquisition, satisfying the Conditions in paragraphs 5 and 6 of Part A of Appendix 1. On 15 June 2018 following the completion of its Phase 1 review, the European Commission unconditionally cleared the Acquisition pursuant to Article 6(1)(b) of the EU Merger Regulation, satisfying the Conditions in paragraphs 2 and 3 of Part A of Appendix 1.

On 6 June 2018, the Channel Islands Competition and Regulatory Authorities published their decision approving the Acquisition on completion of its first detailed review under Article 22 of the Competition (Jersey) Law 2005, satisfying the Condition in paragraph 4 of Part A of Appendix 1. On 12 June 2018, the Austrian competition authority issued a clearance decision under the Austrian media merger control regime of the Austrian Cartel Act, satisfying the Condition in paragraph 10 of Part A of Appendix 1 and, on 13 June 2018, the state media authorities in Bavaria and in Hamburg and Schleswig-Holstein issued statements of non-objection in relation to the Acquisition, satisfying the Condition in paragraph 8 of Part A of Appendix 1.

On 27 June 2018, the Italian Communications Authority adopted the Resolution No. 282/18/CONS granting authorisation for the Acquisition, satisfying the Condition in paragraph 7 of Part A of Appendix 1.

12. Financing the Offer and cash confirmation

In connection with the financing of the Cash Consideration payable to Sky Shareholders pursuant to the Acquisition, Comcast has entered into the following credit agreements arranged by MLPFS and Wells Fargo: (i) an unsecured bridge credit agreement in an aggregate principal amount of up to £16,000,000,000, and (ii) an unsecured term loan credit agreement in an aggregate principal amount of up to £7,000,000,000. In addition, the proceeds of borrowings under a revolving credit facility between Comcast and, among others, JPMorgan Chase Bank, N.A. as administrative agent, for an aggregate principal amount of up to US\$7,000,000,000 are available to finance the Cash Consideration payable pursuant to the Acquisition.

Under the terms of each of the Bridge Facility Agreement, the Term Loan Agreement and the Revolving Facility Agreement, Comcast has agreed that it will not amend, treat as satisfied or waive any term or condition without the consent of the lenders (such consent not to be unreasonably withheld, conditioned or delayed) if to do so would be materially prejudicial to the interests of the lenders under the relevant credit agreement, save as required pursuant to the Code, the Panel, any other competent regulatory body or by a court of competent jurisdiction.

It is currently envisaged that the commitments under the Bridge Facility Agreement will be replaced, in whole or in part, by senior unsecured notes issued by Comcast or one of its subsidiaries in a public offering or private placement.

Further details of the terms of the Bridge Facility Agreement, the Term Loan Agreement and the Revolving Facility Agreement are set out in paragraphs 11.1.1 and 11.1.2 of Appendix 3.

Robey Warshaw, financial adviser to Comcast and Comcast Bidco, is satisfied that sufficient resources are available to Comcast Bidco to satisfy the full Cash Consideration payable to Sky Shareholders under the terms of the Acquisition.

13. Offer-related arrangements

Sky and Comcast entered into the Confidentiality Agreement dated 6 March 2018 pursuant to which each of Sky and Comcast has undertaken, among other things, to keep certain information confidential and not to disclose it to third parties (other than to permitted persons) unless required by law or regulation. These confidentiality obligations will remain in force for a period of two years from the date of the Confidentiality Agreement with the exception of information concerning the existence and contents of the discussions between the parties about the Acquisition, which will remain in force for as long as such information remains confidential.

14. Compulsory acquisition, cancellation of trading and listing, re-registration

If sufficient acceptances are received and/or sufficient Sky Shares are otherwise acquired, and assuming that all of the other Conditions have been satisfied or waived (if capable of being waived), Comcast Bidco intends to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily any Sky Shares not acquired or agreed to be acquired by or on behalf of Comcast Bidco pursuant to the Offer or otherwise on the same terms as the Acquisition.

After the Offer becomes or is declared unconditional in all respects and if Comcast Bidco has by virtue of its shareholdings and acceptances of the Offer acquired, or agreed to acquire, issued share capital carrying 75 per cent. or more of the voting rights of Sky (or the appropriate special resolutions are otherwise passed), and subject to any applicable requirements of the UK Listing Authority, it is intended that Comcast Bidco will procure that Sky makes applications to cancel the listing of Sky Shares on the UK Listing Authority's Official List and to cancel trading in Sky Shares on the London Stock Exchange's Main Market for listed securities.

It is anticipated that cancellation of Sky's listing on the Official List and admission to trading on the London Stock Exchange's Main Market will take effect no earlier than 20 Business Days after either (i) the date on which Comcast Bidco has, by virtue of its shareholdings and acceptances of the Offer acquired, or agreed to acquire, issued share capital carrying 75 per cent. of the voting rights of Sky, or (ii) the first date of issue of compulsory acquisition notices under Part 28 of the Companies Act. Comcast Bidco will notify Sky Shareholders when the required 75 per cent. percentage has been attained (or the compulsory acquisition notices served) and confirm that the notice period has commenced and the anticipated date of cancellation.

As soon as possible after the cancellation of Sky's listing on the Official List and admission to trading on the London Stock Exchange's main market for listed securities, it is intended that Sky will be re-registered as a private limited company.

Delisting of the Sky Shares and the re-registration of Sky as a private limited company would significantly reduce the liquidity and marketability of any Sky Shares in respect of which the Offer has not been accepted at that time. Any remaining Sky Shareholders would become minority shareholders in a majority controlled private limited company and may therefore be unable to sell their Sky Shares. There can be no certainty that Sky would pay any further dividends or other distributions or that such minority Sky Shareholders would again be offered an opportunity to sell their Sky Shares on terms which are equivalent to or no less advantageous than those under the Offer.

15. Overseas Shareholders

The Offer is not being made, directly or indirectly, in or into, and is not capable of acceptance from, any Restricted Jurisdiction. Accordingly, any accepting Sky Shareholder who is unable to give the warranties set out in paragraph (c) of Part D (if such person holds Sky Shares in certificated form) and/or paragraph (b) of Part E (if such person holds Sky Shares in uncertificated form) of Appendix 1 may be deemed not to have validly accepted the Offer.

The attention of Sky Shareholders who are citizens or residents of jurisdictions outside the UK or who are holding shares for such citizens or residents and any person (including, without limitation, any agent, custodian, nominee or trustee) who would, or otherwise intend to, or who may have a contractual or legal obligation to forward any document in connection with the Offer outside the UK is drawn to paragraph 8 of Part C, paragraph (c) of Part D and/or paragraph (b) of Part E of Appendix 1, as applicable, and to the relevant provisions of the Form of Acceptance, which they should read before taking any action.

The availability of the Offer to Sky Shareholders who are not resident in the UK may be affected by the laws and regulations of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. If you remain in any doubt you should consult an appropriate independent professional adviser in the relevant jurisdiction without delay. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

If you are in any doubt as to the procedure for acceptance, please contact the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK). The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. You are reminded that if you are a CREST sponsored member in respect of your Sky Shares, you should contact your CREST sponsor before taking any action.

16. Notices for Sky Shareholders in the United States

The Offer is being made for securities of an English company and Sky Shareholders in the United States should be aware that this document and any other documents relating to the Offer have been or will be prepared in accordance with the Code and UK format and style which differs from that in the United States.

The Offer will be made to Sky Shareholders in the United States in compliance with the applicable U.S. tender offer rules under the U.S. Exchange Act, including Regulation 14E thereunder taking into account no action and exemptive relief granted by the SEC, and otherwise in accordance with the requirements of English law, the Code, the Panel, the London Stock Exchange and the FCA. **Accordingly, the Offer is subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under United States domestic tender offer procedures and law.**

The following describes certain ways in which the Offer will differ from the rules and procedures typically applicable in U.S. domestic tender offers, including as a result of exemptive and no-action relief granted by the SEC in respect of the Offer:

- (i) the Offer will be open until the First Closing Date and, subject to Rule 14e-1 under the U.S. Exchange Act, can be extended for such additional period or periods as determined by Comcast Bidco, though not beyond the 60th day following publication of this document (unless the Panel agrees otherwise) in the event the Offer has not become or been declared unconditional as to acceptances. If the Offer has not become or been declared unconditional as to acceptances by 21 days after the First Closing Date, Sky Shareholders who have accepted the Offer will, until the Offer becomes or is declared unconditional as to acceptances, be entitled to withdraw their acceptance. Otherwise, except in the certain other limited circumstances described in paragraph 3 of Part C of Appendix 1, Sky Shareholders will not be entitled to withdraw their acceptance;
- (ii) except with the Panel's consent, all Conditions to the Offer must be satisfied or, where permissible, waived not later than 21 days after the later of the First Closing Date or the date on which the Offer becomes or is declared unconditional as to acceptances, whereupon the Offer will be unconditional in all respects (the "Initial Offer Period") and Comcast Bidco will (a) accept all Sky Shares that have by that time been validly tendered in acceptance of the Offer, and (b) in accordance with the Code, pay for all such accepted

Sky Shares within 14 days after the end of the Initial Offer Period (as further described in paragraph 18 of this letter). Comcast Bidco may, should it wish to do so, keep the Offer open for acceptances beyond the Initial Offer Period and must, in respect of Sky Shares tendered during this subsequent period, accept and pay for such shares within 14 days of receipt of the acceptance complete in all respects. These 14 day periods for settlement of tendered shares differ from the SEC rules which would require payment to be made “promptly” (i.e. within the normal settlement cycle in the United States). Comcast Bidco will, to the extent practicable, pay for Sky Shares tendered within 7 to 10 days of the relevant date;

- (iii) if the Offer is terminated or withdrawn, all documents of title will be returned to Sky Shareholders within 14 days of such termination or withdrawal as further described in paragraph 19 of this letter. Again, this 14 day period for return differs from the SEC rules which would require returns to be made “promptly” after termination or withdrawal of the Offer (i.e. within the normal settlement cycle in the United States). Comcast Bidco will, to the extent practicable return documents of title within 7 to 10 days of the lapse of the Offer; and
- (iv) although no revision is contemplated, if the Offer is revised it will remain open for acceptance for a period of at least 14 days or such other period as may be permitted by the Panel (in each case provided such period complies with the requirements of Rule 14e-1 under the U.S. Exchange Act) after the date on which Comcast Bidco publishes the revised offer documentation. Except with the Panel’s consent, Comcast Bidco may not revise the Offer or publish any revised Offer Document after Day 46 (as defined in Part C of Appendix 1) of the Offer, or, if later, the date which is 14 days before the last date on which the Offer can become unconditional as to acceptances (also as so defined).

The summary contained in paragraph 16(i) to paragraph 16(iv) of this letter is not comprehensive and is subject in its entirety to the disclosures contained in the remainder of this document. U.S. Sky Shareholders should also closely read “*Important Information for Sky Shareholders in the United States and Sky ADR Holders*” on pages 3 and 4 of this document, paragraph 18 of this letter and Part C of Appendix 1, for further details.

In accordance with the Code and normal UK market practice and subject to exemptive relief granted by the SEC from Rule 14e-5 under the U.S. Exchange Act, Comcast Bidco or any person acting on its behalf may from time to time make certain market or private purchases of, or arrangements to purchase, directly or indirectly, Sky Shares other than pursuant to the Offer. Any information about such purchases will be publicly announced as required by law or regulation in the UK and the U.S.

17. Procedure for acceptance of the Offer

Sky Shareholders

Sky Shareholders who hold their Sky Shares in certificated form (that is, not in CREST) should read paragraph 17(a) of this letter in conjunction with the Form of Acceptance and Parts C and D of Appendix 1. The instructions on the Form of Acceptance are deemed to form part of the terms of the Offer for Sky Shareholders who hold their Sky Shares in certificated form.

Sky Shareholders who hold their Sky Shares in uncertificated form (that is, through CREST) should read paragraph 17(b) of this letter in conjunction with Parts C and E of Appendix 1.

Sky Shareholders who hold some of their Sky Shares in certificated form and others in uncertificated form should read paragraph 17(a) of this letter in conjunction with the Form of Acceptance and Parts C and D of Appendix 1 (in respect of their Sky Shares in certificated form) and paragraph 17(b) of this letter in conjunction with Parts C and E of Appendix 1 (in respect of their Sky Shares in uncertificated form).

Sky ADR Holders

The Offer is not being extended to Sky ADR Holders. Sky ADR Holders who wish to participate in the Offer may do so by consulting the Sky ADR Depository on how to exchange their Sky ADRs and receive the underlying Sky Shares. Sky ADR Holders should refer to the terms of the deposit agreement relating to the Sky ADR programme to determine their rights in respect of their Sky ADRs, including on how to exchange their Sky ADRs for the underlying Sky Shares.

Sky ADR Holders that wish to participate in the Offer (assuming they would be eligible to participate if they were to hold Sky Shares directly), should contact either the Sky ADR Depository or, if they hold their Sky ADRs through a broker or other securities intermediary, that broker or intermediary, in each case to determine the date by which they must instruct them to act in order that any necessary processing can be completed in time. **Any necessary processing in respect of the Sky Shares received must be completed so that any acceptances of the Offer in accordance with the procedures and time periods set out in this paragraph 17 and Parts C and either D or E, as applicable, of Appendix 1 are received by 1.00 p.m. on 22 August 2018.**

The Sky ADR Depository will advise on the cost of effecting any exchange. The Sky ADR Depository's contact details are:

- Contact: BNYM Settlement Group
- Email: drsettlements@bnymellon.com
- Tel: +1 305 388 8001

(a) **Sky Shares held in certificated form (i.e. not in CREST)**

(i) **Completion of the Form of Acceptance**

To accept the Offer in respect of Sky Shares held in certificated form, you must complete the Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance. You should complete separate Forms of Acceptance for Sky Shares held in certificated form but under different designations. If you have any queries as to how to complete the Form of Acceptance, please telephone the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK). The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. **Additional Forms of Acceptance are available from the Receiving Agent upon request.**

(ii) **To accept the Offer in respect of all your Sky Shares held in certificated form**

To accept the Offer in respect of all your Sky Shares held in certificated form, you must complete Box 3 and sign Box 4A or Box 4B (as applicable) of the enclosed Form of Acceptance.

In all cases, if you are an individual, you must sign Box 4A of the Form of Acceptance in the presence of a witness who should also sign in accordance with the instructions printed on it. Any Sky Shareholder which is a company should execute Box 4B of the Form of Acceptance in accordance with the instructions printed on it.

If you do not insert a number in Box 3 of the Form of Acceptance, or if you insert in Box 3 a number which is greater than the number of Sky Shares that you hold in certificated form, or Box 3 contains the word "ALL" or any other word or marking, and you have signed Box 4A or 4B (as applicable), your acceptance will be deemed to be made in respect of all Sky Shares held by you in certificated form.

(iii) **To accept the Offer in respect of less than all your Sky Shares held in certificated form**

To accept the Offer in respect of less than all your Sky Shares held in certificated form, you must insert in Box 3 of the enclosed Form of Acceptance such lesser number of Sky Shares in respect of which you wish to accept the Offer in accordance with the instructions printed on it. You should then follow the procedure set out in paragraph 17(a)(ii) above in respect of such lesser number of Sky Shares.

(iv) **Return of Form of Acceptance**

To accept the Offer in respect of Sky Shares held in certificated form, the completed, signed and (where applicable) witnessed Form of Acceptance should be returned by post or (during normal business hours only) by hand to the Receiving Agent at **Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU**, together (subject to paragraph (v) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible **and, in any event, so as to be received not later than 1.00 p.m. (London time) on 22 August 2018.** A reply-paid envelope for use in the UK only is enclosed for your convenience. No acknowledgement of receipt of documents will be given.

Any Form of Acceptance received in an envelope post-marked in any Restricted Jurisdiction or otherwise appearing to Comcast Bidco or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid acceptance of the Offer. For further information on Overseas Shareholders, see paragraph 15 of this letter.

(v) **Share certificates not readily available or lost**

If your Sky Shares are held in certificated form, a completed, signed and (where applicable) witnessed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are lost or not readily available, you should nevertheless complete, sign (and have witnessed, where applicable) and lodge the Form of Acceptance, as stated above, so as to be received by the Receiving Agent, by no later than 1.00 p.m. (London time) on 22 August 2018. You should send with the Form of Acceptance any valid share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. No acknowledgement of receipt of documents will be given.

If you have lost your share certificate(s) and/or other document(s) of title, you should write to Sky's registrar, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or telephone Sky's registrar on 0371 384 2091 (from within the UK) and +44 (0) 121 415 7567 (from outside the UK) as soon as possible to request a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post or (during normal business hours only) by hand to the Receiving Agent at the address given above.

(vi) **Validity of acceptances**

Without prejudice to Parts C and D of Appendix 1, subject to the provisions of the Code, Comcast Bidco reserves the right to treat as valid in whole or in part any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Offer will be made until after the relevant certificate(s) and/or other document(s), or indemnities satisfactory to Comcast Bidco, have been received.

(b) **Sky Shares held in uncertificated form (i.e. in CREST)**

(i) **General**

If your Sky Shares are held in uncertificated form, to accept the Offer you should take (or procure the taking of) the action set out below to transfer the Sky Shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s), specifying the Receiving Agent (in its capacity as a CREST participant under the Escrow Agent's participant ID referred to below) as the Escrow Agent, as soon as possible **and in any event so that the TTE Instruction settles not later than 1.00 p.m. (London time) on 22 August 2018. Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE Instruction accordingly.**

The input and settlement of a TTE Instruction in accordance with this paragraph 17(b)(i) will (subject to satisfying the requirements set out in Parts C and E of Appendix 1) constitute an acceptance of the Offer in respect of the number of Sky Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your Sky Shares.

After settlement of a TTE Instruction, you will not be able to access the Sky Shares concerned in CREST for any transaction or charging purposes. If the Offer becomes or is declared unconditional in all respects, the Escrow Agent will withdraw the Sky Shares which will be transferred to Comcast Bidco in accordance with paragraph (d) of Part E of Appendix 1.

You are recommended to refer to the CREST Manual issued by Euroclear for further information on the CREST procedures outlined below.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Sky Shares to settle prior to 1.00 p.m. (London time) on 22 August 2018. In this regard, you are referred in particular to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.

(ii) To accept the Offer

To accept the Offer in respect of your Sky Shares held in uncertificated form, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear in respect of such shares. A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to the other information that is required for a TTE Instruction to settle in CREST, the following details:

- the ISIN number for the Sky Shares (which is GB0001411924);
- the number of Sky Shares in respect of which you wish to accept the Offer (i.e. the number of Sky Shares to be transferred to an escrow balance);
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent (which is RA10);
- the member account ID of the Escrow Agent for the Offer (which is COMSKY01);
- the intended settlement date (this should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on 22 August 2018);
- the corporate action number of the Offer (this is allocated by Euroclear and will be available on screen from Euroclear);
- input with a standard delivery instruction priority of 80; and
- the contact name and telephone number in the shared note field.

(iii) Validity of acceptances

Holders of Sky Shares in uncertificated form who wish to accept the Offer should note that a TTE Instruction will be a valid acceptance of that Offer as at the relevant closing date only if it has settled on or before 1.00 p.m. (London time) on that date. A Form of Acceptance which is received in respect of Sky Shares held in uncertificated form may be treated as an invalid acceptance and may be disregarded.

Comcast Bidco will make an appropriate announcement if any of the details contained in this paragraph 17(b) alter for any reason.

(iv) Overseas Shareholders

The attention of Sky Shareholders holding Sky Shares in uncertificated form and who are citizens or residents of jurisdictions outside the UK is drawn to paragraph 8 of Part C and paragraph (b) of Part E of Appendix 1.

(v) General

Normal CREST procedures (including timings) apply in relation to any Sky Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Offer (whether any such conversion arises as a result of a transfer of Sky Shares or otherwise). Sky Shareholders who are proposing to convert any such shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of share certificate(s) and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. (London time) on 22 August 2018.

If you are in any doubt as to the procedure for acceptance of the Offer, please telephone the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK). The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. If you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

18. Settlement

Subject to the Offer becoming or being declared unconditional in all respects (and except as provided in paragraph 8 of Part C of Appendix 1 in the case of certain Overseas Shareholders), settlement of the consideration to which any Sky Shareholder (or the first-named shareholder in the case of joint holders) is entitled under the Offer will be effected: (i) in the case of acceptances received, complete in all respects, by the date on which the Offer becomes or is declared unconditional in all respects, within 14 days (or, to the extent practicable, within 7 to 10 days) of such date, or (ii) in the case of acceptances received, complete in all respects, after the date on which the Offer becomes or is declared unconditional in all respects but while the Offer remains open for acceptance, within 14 days (or, to the extent practicable, within 7 to 10 days) of such receipt, and in each case in the following manner:

(a) Sky Shares in certificated form (i.e. not in CREST)

Where an acceptance relates to Sky Shares held in certificated form, settlement of any cash due will be dispatched by first class post (or such other method as may be approved by the Panel) to accepting Sky Shareholders or their appointed agents (but not into any Restricted Jurisdiction). All such cash payments will be made in pounds sterling by cheque drawn in pounds sterling on a branch of a UK clearing bank.

(b) Sky Shares in uncertificated form (i.e. in CREST)

Where an acceptance relates to Sky Shares held in uncertificated form, the cash consideration to which the accepting Sky Shareholder is entitled will be paid by means of a CREST payment in favour of the accepting Sky Shareholder's payment bank in respect of the cash consideration due, in accordance with the CREST payment arrangements. Comcast Bidco reserves the right to settle all or any part of the consideration referred to in this paragraph (b), for all or any accepting Sky Shareholders, in the manner referred to in paragraph (a) above, if, for any reason, it wishes to do so.

19. General

If the Offer does not become or is not declared unconditional in all respects:

- (i) in respect of Sky Shares held in certificated form, the relevant Form of Acceptance, share certificate(s) and/or other document(s) of title will be returned by post (or such other method as may be approved by the Panel) within 14 days (or, to the extent practicable, within 7 to 10 days) of the Offer lapsing to the person or agent whose name and address is set out in Box 1 of the Form of Acceptance or, if none is set out, to the first-named holder at his registered address (provided that no such documents will be sent to an address in any Restricted Jurisdiction); and
- (ii) in respect of Sky Shares held in uncertificated form, the Escrow Agent will, immediately after the lapsing of the Offer (or within such longer period, not exceeding 14 days of the Offer lapsing, as the Panel may approve), give TTE Instructions to Euroclear to transfer all relevant Sky Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the Sky Shareholders concerned.

All communications, notices, certificates, documents of title and remittances sent by, to or from Sky Shareholders or their appointed agents will be sent at their own risk.

20. UK taxation

The attention of Sky Shareholders is drawn to paragraph 8 of Appendix 3 which sets out a general guide to certain aspects of the UK tax treatment of acceptance of the Offer, based on current legislation and practice.

If you are in any doubt about your own tax position, or you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriately qualified independent professional adviser immediately.

21. Further information

Your attention is drawn to the letter of recommendation from the Sky Independent Committee in Part I, the further information in the Appendices, which form part of this document, and (in relation to certificated Sky Shares) to the accompanying Form of Acceptance, which should be read in conjunction with this document. The Appendices and the Form of Acceptance contain material information which may not be summarised elsewhere in this document.

22. Action to be taken to accept the Offer

Your decision as to whether to accept the Offer will depend upon your individual circumstances. If you are in any doubt as to the action you should take, you should seek your own independent financial advice.

To accept the Offer:

- (a) in respect of your Sky Shares, or any of them, in certificated form (i.e. not in CREST), you should complete, sign (and, where applicable, have witnessed) and return the Form of Acceptance, together with the relevant share certificate(s) and/or other document(s) of title, by post or (during normal business hours only) by hand to the Receiving Agent at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and, in any event, so as to be received not later than 1.00 p.m. (London time) on 22 August 2018. If you are posting in the UK, the enclosed reply-paid envelope has been provided for your convenience; and
- (b) in respect of your Sky Shares, or any of them, held in uncertificated form (i.e. in CREST), you should follow the procedure for Electronic Acceptance through CREST so that the TTE Instruction settles as soon as possible and, in any event, no later than 1.00 p.m. (London time) on 22 August 2018. If you are a CREST sponsored member, you should refer to your CREST sponsor as only your sponsor will be able to send the necessary TTE Instruction to Euroclear.

Yours faithfully,

Arthur R. Block
Director

Comcast Bidco Limited

APPENDIX 1 : CONDITIONS AND FURTHER TERMS OF THE OFFER

Part A : Conditions of the Offer

The Acquisition is conditional on:

Acceptance Condition

1. valid acceptances of the Offer having been received (and not, where permitted, withdrawn) by no later than 1.00 p.m. on 22 August 2018 (or such later times and/or dates as Comcast Bidco may, subject to the rules of the Code or with the consent of the Panel, decide) in respect of Sky Shares which, taken together with all other Sky Shares which Comcast Bidco (and/or its nominee(s)) has acquired or agreed to acquire (whether pursuant to the Offer or otherwise), carry in aggregate more than 50 per cent. of the voting rights then normally exercisable at a general meeting of Sky;

for the purposes of this Condition 1:

- (a) Sky Shares which have been unconditionally allotted but not issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, shall be deemed to carry the voting rights they will carry upon issue;
- (b) valid acceptances shall be deemed to have been received in respect of Sky Shares which are treated for the purposes of Part 28 of the Companies Act as having been acquired or contracted to be acquired by Comcast Bidco, whether by virtue of acceptance of the Offer or otherwise; and
- (c) all percentages of voting rights and share capital are to be calculated by reference to the percentage held and in issue outside treasury;

in addition, the Acquisition will be conditional upon the following Conditions and, accordingly, the Offer will not become or be declared wholly unconditional unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

Regulatory Approvals

2. the European Commission deciding, in terms satisfactory to Comcast Bidco, that the Acquisition or any matter arising from or relating to the Acquisition or the Comcast Group's involvement in the Acquisition does not fall within the scope of application of EU merger control pursuant to Article 6(1)(a) of the EU Merger Regulation or is compatible with the internal market pursuant to Article 6(1)(b), 6(2) or 8(1) or 8(2) of the EU Merger Regulation or having been deemed to have done so under Article 10(6) of the EU Merger Regulation;
3. in the event that the European Commission has issued a decision (or is deemed to have done so) that the whole or part of the Acquisition is to be referred to a competent authority of one or more Member States under Article 9 of the EU Merger Regulation:
 - (a) to the extent that the European Commission retains jurisdiction over any part of the Acquisition or any matter arising from or relating to the Acquisition or the Comcast Group's involvement in the Acquisition, the European Commission deciding, in terms satisfactory to Comcast Bidco, that the Acquisition or any matter arising from or relating to the Acquisition or the Comcast Group's involvement in the Acquisition is compatible with the internal market pursuant to Article 6(1)(b), 6(2) or 8(1) or 8(2) of the EU Merger Regulation or having been deemed to have done so under Article 10(6) of the EU Merger Regulation;
 - (b) to the extent that the whole or part of the Acquisition is referred under Article 9 of the EU Merger Regulation to the CMA:
 - (i) it being established in terms satisfactory to Comcast Bidco that the CMA does not intend to make a Phase 2 CMA Reference in relation to the Acquisition and either:
 - (A) the expiry of the time limit within which an application may be made to the CAT for the setting aside of such a decision without such an application having been made; or

- (B) if any such application or applications has or have been made, the dismissal of such application or applications by the CAT and it being established in terms satisfactory to Comcast Bidco that no further appeal has been or will be made against any relevant ruling of the CAT; or
- (ii) if the CMA decides to make a Phase 2 CMA Reference in relation to the Acquisition:
 - (A) either:
 - I. the CMA concluding that the Acquisition will not result in the creation of a relevant merger situation that may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services; or
 - II. the CMA allowing the Acquisition to proceed on terms satisfactory to Comcast Bidco; and
 - (B) the expiry of the time limit within which an application may be made to the CAT for the setting aside of such a decision without such an application having been made or, if any such application or applications has or have been made, the dismissal of such application or applications by the CAT and it being established in terms satisfactory to Comcast Bidco that no further appeal has been or will be made against any relevant ruling of the CAT;
- (c) to the extent that the whole or part of the Acquisition is referred under Article 9 of the EU Merger Regulation to the Italian Competition Authority:
 - (i) the Italian Competition Authority serving, according to Section 16(4) of Law No. 287/1990, a written notice to Comcast and/or Comcast Bidco that it does not intend to commence a formal investigation in relation to the Acquisition or the 30 days period provided by Article 16(4) of Law No. 287/1990 is expired without the commencement of a formal investigation; or
 - (ii) in the event that a formal investigation is commenced by the Italian Competition Authority, it serving according to Article 6(2) or Article 18(2) of Law No. 287/1990 a decision to Comcast and/or Comcast Bidco clearing the Acquisition in terms satisfactory to Comcast Bidco; and
 - (iii) the time allowed for an application for review of any decision referred to in (i) and (ii) above having expired without any such application for review having been made to the Tribunale Amministrativo Regionale del Lazio (the “**Italian First Instance Administrative Court**”) or to the President of the Italian Republic (through a *Ricorso Straordinario al Capo dello Stato*);
- (d) to the extent that the whole or part of the Acquisition is referred under Article 9 of the EU Merger Regulation to the German Competition Authority (*Bundeskartellamt*):
 - (i) it either being established in terms satisfactory to Comcast Bidco:
 - (A) that the German Competition Authority has decided not to open second phase proceedings (*Hauptprüfverfahren*) pursuant to Section 40 (1) of the German Act against Restraints of Competition (*Gesetz gegen Wettbewerbsbeschränkungen*); or
 - (B) that the statutory time period for opening second phase proceedings pursuant to Section 40 (1) of the German Act against Restraints of Competition has expired without the German Competition Authority having timely informed the notifying undertakings that it has opened second phase proceedings;
 - (ii) or in the event the German Competition Authority having made a decision to open second phase proceedings pursuant to Section 40 (1) of the German Act against Restraints of Competition, the German Competition Authority has:
 - (A) either
 - I. issued a clearance decision without conditions and/or obligations under Section 40 (2) of the German Act against Restraints of Competition, or is deemed to have done so after the expiry of the statutory time period pursuant to Section 40 (2) of the German Act against Restraints of Competition; or

- (D) the Austrian Cartel Court or Austrian Supreme Cartel Court having issued a binding decision providing for the termination of the proceedings based on the expiry of the waiting period of 5 months (or 6 months upon request of the notifying party) set out in Section 14 (1) of the Austrian Cartel Act; or
 - (E) the Austrian Supreme Cartel Court having issued a binding decision providing for the termination of the proceedings based on the expiry of the waiting period of 2 months set out in Section 14 (2) of the Austrian Cartel Act;
- (g) to the extent the whole or part of the Acquisition is referred under Article 9 of the EU Merger Regulation to a competent authority of one or more other Member States, clearance having been obtained from the relevant competent authority;
4. the Jersey Competition Regulatory Authority having issued its decision in writing in terms satisfactory to Comcast Bidco, to approve the Acquisition on completion of its first detailed review (as that term is used in the guidance issued by the Channel Islands Competition and Regulatory Authorities) under Article 22 of the Competition (Jersey) Law 2005; or, in the event of the Jersey Competition Regulatory Authority having notified Comcast and/or Comcast Bidco and Sky in writing of its having made a decision to commence a second detailed review (as that term is used in the guidance issued by the Channel Islands Competition and Regulatory Authorities), the Jersey Competition Regulatory Authority having issued its decision in writing to approve the Acquisition on completion of its second detailed review in terms satisfactory to Comcast Bidco under Article 22 of the Competition (Jersey) Law 2005;
5. if the Secretary of State issues a European intervention notice under Section 67 of the Enterprise Act 2002:
- (a) it being established in terms satisfactory to Comcast Bidco that the Secretary of State does not intend to make a Phase 2 CMA Reference in relation to the Acquisition and either:
 - (i) the expiry of the time limit within which an application may be made to the CAT for the setting aside of a decision by the Secretary of State not to make a Phase 2 CMA Reference in relation to the Acquisition without such an application having been made; or
 - (ii) if any such application or applications has or have been made, the dismissal of such application or applications by the CAT and it being established in terms satisfactory to Comcast Bidco that no further appeal has been or will be made against any relevant ruling of the CAT; or
 - (b) if the Secretary of State decides to make a Phase 2 CMA Reference in relation to the Acquisition:
 - (i) either:
 - (A) the Secretary of State deciding in terms satisfactory to Comcast Bidco that the Acquisition will not result in the creation of a European relevant merger situation that may be expected to operate against the public interest; or
 - (B) the Secretary of State allowing the Acquisition to proceed on terms satisfactory to Comcast Bidco; and
 - (ii) the expiry of the time limit within which an application may be made to the CAT for the setting aside of any such decision without such an application having been made; or, if any such application or applications has or have been made, the dismissal of such application or applications by the CAT and it being established in terms satisfactory to Comcast Bidco that no further appeal has been or will be made against any relevant ruling of the CAT;
6. if the Secretary of State issues an intervention notice under Section 42 of the Enterprise Act 2002:
- (a) it being established in terms satisfactory to Comcast Bidco that the Secretary of State does not intend to make a Phase 2 CMA Reference in relation to the Acquisition; and either:
 - (i) the expiry of the time limit within which an application may be made to the CAT for the setting aside of such a decision without such an application having been made; or

- (ii) if any such application or applications has or have been made, the dismissal of such application or applications by the CAT and it being established in terms satisfactory to Comcast Bidco that no further appeal has been or will be made against any relevant ruling of the CAT; or
 - (b) if the Secretary of State decides to make a Phase 2 CMA Reference in relation to the Acquisition:
 - (i) either:
 - (A) the Secretary of State deciding in terms satisfactory to Comcast Bidco that the Acquisition will not result in the creation of a relevant merger situation that may be expected to operate against the public interest;
 - (B) the Secretary of State allowing the Acquisition to proceed on terms satisfactory to Comcast Bidco; or
 - (C) in the event the Secretary of State decides to make no finding at all in relation to the Acquisition (pursuant to Section 54(2) of the Enterprise Act 2002), the CMA allowing the Acquisition to proceed on terms satisfactory to Comcast Bidco; and
 - (ii) the expiry of the time limit within which an application may be made to the CAT for the setting aside of such a decision without such an application having been made; or, if any such application or applications has or have been made, the dismissal of such application or applications by the CAT and it being established in terms satisfactory to Comcast Bidco that no further appeal has been or will be made against any relevant ruling of the CAT;
7. the Italian Communications Authority having granted on terms satisfactory to Comcast Bidco the authorisation concerning the acquisition of a company operating in the Radio/TV sector, pursuant to Article 1(6), lett. C), no. 13 of Law no. 249/1997 and Article 3, Annex A of Agcom resolution 368/14/CONS; and
- (a) the Italian Communications Authority having granted (or being deemed to have done so) the authorisation concerning the potential acquisition of a dominant position in the media and telecommunication sectors and the control of pluralism, pursuant to Article 43 of Legislative Decree no. 177/2005, through a decision in terms satisfactory to Comcast Bidco not to open an investigation under Article 4(8), Annex A of Agcom resolution 368/14/CONS; or
 - (b) (i) the Italian Communications Authority having made a decision (or being deemed to have made) to initiate an investigation under Article 16, Annex A of the Agcom resolution 368/14/CONS; and (ii) the Italian Communications Authority having issued a decision under Article 24, Annex A of the Agcom resolution 368/14/CONS in terms satisfactory to Comcast Bidco pursuant to Article 43 of Legislative Decree no. 177/2005 (or being deemed to have done so); and
 - (c) the time allowed for an application for review of any decision referred to in Conditions 7, 7(a) and 7(b), having expired without any such application for review having been made to the Italian First Instance Administrative Court or to the President of the Italian Republic (through a *Ricorso Straordinario al Capo dello Stato*);
8. the state media authorities in Bavaria (*Bayerische Landeszentrale für neue Medien (BLM)*), and in Hamburg and Schleswig-Holstein (*Medienanstalt Hamburg / Schleswig-Holstein (MA HSH)*) having, issued statements of non-objection in relation to the Acquisition;
9. the Acquisition having been notified to the Irish Minister for Communications, Climate Action and Environment (the “**Minister**”) pursuant to Section 28B(1) of the Competition Act and:
- (a) the Minister having informed the notifying parties pursuant to Section 28D(1)(a) of the Competition Act that he has made a determination that the Acquisition will not be contrary to the public interest in protecting plurality of media in Ireland and may be put into effect; or

- (b) the Minister having informed the notifying parties pursuant to Section 28D(1)(b) of the Competition Act that, in light of proposed commitments offered by the parties and satisfactory to Comcast Bidco, he has made a determination that the Acquisition will not be contrary to the public interest in protecting plurality of media in Ireland and may be put into effect subject to those commitments; or
 - (c) the Minister having informed the notifying parties pursuant to Section 28G(1)(a) of the Competition Act that he has determined that the Acquisition will not be contrary to the public interest in protecting plurality of media in Ireland and may be put into effect; or
 - (d) the Minister having informed the notifying parties pursuant to Section 28G(1)(c) of the Competition Act that, in light of proposed commitments offered by the parties and satisfactory to Comcast Bidco, he has made a determination that the Acquisition will not be contrary to the public interest in protecting plurality of media in Ireland and may be put into effect subject to those commitments; and
 - (e) 40 working days having passed from the date the notifying parties are informed of the Minister's decision under either of paragraphs (a), (b), (c) or (d) above and no appeal having been made to the High Court under Section 24 of the Competition Act;
10. under the Austrian media merger control regime of the Austrian Cartel Act (*Kartellgesetz*):
- (a) both of the competent Austrian antitrust authorities (*Amtsparteien*) having waived their right to file for an application for examination (*Verzicht auf Stellung eines Prüfantrags*) of the Acquisition pursuant to Section 11 (4) of the Austrian Cartel Act; or the standstill period (*Antragsfrist*) of 4 weeks (or 6 weeks upon request of the notifying party) provided for in Section 11 (1) or (1a) of the Austrian Cartel Act having lapsed and no application for examination having been made (*keine Stellung eines Prüfungsantrags*) by any of the Austrian antitrust authorities; or
 - (b) in the event that one or both of the competent Austrian antitrust authorities has made a request for an application for examination of the Acquisition pursuant to Section 11 (1) of the Austrian Cartel Act:
 - (i) the respective competent Austrian antitrust authorit(y/ies) (*Amtspartei(en)*) having withdrawn their respective application(s) for examination;
 - (ii) the Austrian Cartel Court (*Kartellgericht*) or Austrian Supreme Cartel Court (*Kartellobergericht*) having issued a binding clearance decision (*rechtskräftige Freigabeentscheidung*);
 - (iii) the Austrian Cartel Court or Austrian Supreme Cartel Court having issued a binding decision (*rechtskräftige Entscheidung*) that no notifiable event (*kein anmeldepflichtiger Zusammenschluss*) arises from the Acquisition;
 - (iv) the Austrian Cartel Court or Austrian Supreme Cartel Court having issued a binding decision providing for the termination of the proceedings based on the expiry of the waiting period of 5 months (or 6 months upon request of the notifying party) set out in Section 14 (1) of the Austrian Cartel Act; or
 - (v) the Austrian Supreme Cartel Court having issued a binding decision providing for the termination of the proceedings based on the expiry of the waiting period of 2 months set out in Section 14 (2) of the Austrian Cartel Act;
11. in respect of the acquisition by Comcast Bidco of, or increase in control by Comcast Bidco with respect to, Sky UK Limited, the FCA:
- (a) having given notice for the purposes of Section 189(4)(a) of FSMA that it has determined to approve such acquisition or increase in control on terms reasonably satisfactory to Comcast Bidco; or
 - (b) being treated, by virtue of Section 189(6) of FSMA, as having approved such acquisition of or increase in control, where references to FSMA are read, where applicable, with the Financial Services and Markets Act 2000 (Controllers) (Exemptions) Order 2009;
12. if approval from a Relevant Authority is required for, or a Relevant Authority decides to review, the Acquisition or any matter arising from or related to the Acquisition other than as specifically addressed by paragraphs 2 to 11 above:

- (a) it being established in terms satisfactory to Comcast Bidco that such Relevant Authority approves or will permit the Acquisition to proceed on terms satisfactory to Comcast Bidco; and
- (b) all relevant time periods for appeals or applications for review of such decision by the Relevant Authority having expired or, if any such appeals or applications are made, the dismissal of the appeals or applications in terms satisfactory to Comcast Bidco and it being established in terms satisfactory to Comcast Bidco that no further appeal has been or will be made against any relevant ruling;

General Third Party Clearances

- 13. the waiver (or non-exercise within any applicable time limits) by any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Sky Group taken as a whole) arising as a result of or in connection with the Acquisition including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control of, Sky by Comcast Bidco or any member of the Comcast Group;
- 14. other than in relation to the competition law and regulatory approvals referred to in paragraphs 2 to 12 above, no Third Party having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps which would or might reasonably be expected to:
 - (a) require, prevent or delay the divestiture, or alter the terms envisaged for any proposed divestiture by any member of the Wider Comcast Group or any member of the Wider Sky Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which in any such case would be material in the context of the Wider Sky Group taken as a whole;
 - (b) require, prevent or delay the divestiture by any member of the Wider Comcast Group of any shares or other securities in Sky;
 - (c) impose any limitation on, or result in a delay in, the ability of any member of the Wider Comcast Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Sky Group or the Wider Comcast Group or to exercise management control over any such member, in each case, to an extent which is material;
 - (d) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Comcast Group or of any member of the Wider Sky Group;
 - (e) make the Acquisition or its implementation or the acquisition or proposed acquisition by Comcast Bidco or any member of the Wider Comcast Group of any shares or other securities in, or control of Sky void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, delay or otherwise interfere with the same, or impose material additional conditions or obligations with respect thereto, or otherwise challenge or interfere therewith;
 - (f) require any member of the Wider Comcast Group or the Wider Sky Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Sky Group or the Wider Comcast Group owned by any third party where such acquisition would be material in the context of the Wider Sky Group taken as a whole or, as the case may be, the Wider Comcast Group taken as a whole;
 - (g) impose any limitation on the ability of any member of the Wider Sky Group to co-ordinate its business, or any part of it, with the businesses of any other members; or
 - (h) result in any member of the Wider Sky Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any Sky Shares having expired, lapsed or been terminated;

15. in addition to the competition law and regulatory approvals referred to in paragraphs 2 to 12 above, all necessary filings or applications having been made in connection with the Acquisition and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition or the acquisition by any member of the Wider Comcast Group of any shares or other securities in, or control of, Sky and all authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals for the proposed acquisition of any shares or other securities in, or control of, Sky by any member of the Wider Comcast Group having been obtained in terms and in a form satisfactory to Comcast Bidco from all appropriate Third Parties or persons with whom any member of the Wider Sky Group has entered into contractual arrangements and all such authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals together with all authorisations orders, recognitions, grants, licences, confirmations, clearances, permissions and approvals necessary or appropriate to carry on the business of any member of the Wider Sky Group remaining in full force and effect and all filings necessary for such purpose have been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;

Certain matters arising as a result of any arrangement, agreement etc.

16. except as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Sky Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which in consequence of the Acquisition or the proposed acquisition of any shares or other securities in Sky or because of a change in the control or management of Sky or otherwise, could or might reasonably be expected to result in to an extent which is material in the context of the Wider Sky Group as a whole, or in the context of the Acquisition:
 - (a) any moneys borrowed by or any other indebtedness (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (b) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or modified or affected or any obligation or liability arising or any action being taken or arising thereunder;
 - (c) any assets or interests of any such member being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged other than in the ordinary course of business;
 - (d) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any such member;
 - (e) the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
 - (f) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
 - (g) any such member ceasing to be able to carry on business under any name under which it presently does so; or
 - (h) the creation of any liability, actual or contingent, by any such member,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Sky Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (a) to (h) of this Condition;

No material transactions, claims or changes in the conduct of the business of the Sky Group

17. except as Disclosed, no member of the Wider Sky Group having, since 30 June 2017:
- (a) save as between Sky and wholly-owned subsidiaries of Sky or for Sky Shares issued pursuant to the exercise of options or vesting of awards granted under the Sky Share Plans, issued, authorised or proposed the issue of additional shares of any class;
 - (b) save as between Sky and wholly-owned subsidiaries of Sky or for the grant of options and awards under the Sky Share Plans, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - (c) other than to another member of the Sky Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;
 - (d) save for intra-Sky Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business;
 - (e) save for intra-Sky Group transactions, made or authorised or proposed or announced an intention to propose any material change in its loan capital;
 - (f) issued, authorised or proposed the issue of any debentures or (save for intra-Sky Group transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
 - (g) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (a) above, made any other change to any part of its share capital;
 - (h) implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or entered into or changed the terms of any contract with any director or senior executive;
 - (i) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or could be restrictive on the businesses of any member of the Wider Sky Group or the Wider Comcast Group or which involves or could involve an obligation of such a nature or magnitude or which is other than in the ordinary course of business and which, in any such case, is material in the context of the Wider Sky Group taken as a whole;
 - (j) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed;
 - (k) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Sky Group or the Wider Comcast Group other than to a nature and extent which is normal in the context of the business concerned;
 - (l) waived or compromised any claim otherwise than in the ordinary course of business and which is material in the context of the Wider Sky Group taken as a whole;

- (m) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition and which is material in the context of the Wider Sky Group;
- (n) having made or agreed or consented to any change to:
 - (i) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Sky Group for its directors, employees or their dependents;
 - (ii) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (iii) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (iv) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;
- (o) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit plans relating to the employment or termination of employment of any person employed by the Wider Sky Group and in each case which is material in the context of the Wider Sky Group taken as a whole; or
- (p) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Sky Shareholders in a general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code,

and, for the purposes of paragraphs (c), (d), (e) and (f) of this Condition, the term Sky Group shall mean Sky and its wholly-owned subsidiaries;

No adverse change, litigation or regulatory enquiry

18. except as Disclosed, since 30 June 2017:

- (a) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Wider Sky Group which is material in the context of the Wider Sky Group taken as a whole;
- (b) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Sky Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider Sky Group having been instituted announced or threatened by or against or remaining outstanding in respect of any member of the Wider Sky Group which is material in the context of the Wider Sky Group taken as a whole;
- (c) no contingent or other liability having arisen or become apparent to Comcast Bidco which would be likely to materially and adversely affect any member of the Wider Sky Group, taken as a whole; and
- (d) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Sky Group which is necessary for the proper carrying on of its business;

No discovery of certain matters

19. except as Disclosed, Comcast Bidco not having discovered:

- (a) that any financial, business or other information concerning the Wider Sky Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Sky Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading;
- (b) that any member of the Wider Sky Group partnership, company or other entity in which any member of the Wider Sky Group has a significant economic interest and which is not a subsidiary undertaking of Sky is subject to any liability (contingent or otherwise) which is not disclosed in the annual report and accounts of Sky for the year ended 30 June 2017; or

- (c) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Sky Group and which is material in the context of the Wider Sky Group;
20. Comcast Bidco not having discovered that:
- (a) any past or present member of the Wider Sky Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which storage, carriage, disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) on the part of any member of the Wider Sky Group;
 - (b) there is, or is likely to be, for that or any other reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Sky Group to make good, repair, reinstate or clean up any property now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Sky Group, under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction; and

Anti-corruption, sanctions and criminal property

21. except as Disclosed, Comcast Bidco not having discovered that:
- (a) (i) any past or present member, director, officer or employee of the Wider Sky Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation or (ii) any person that performs or has performed services for or on behalf of the Wider Sky Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation; or
 - (b) any asset of any member of the Wider Sky Group constitutes criminal property as defined by Section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition); or
 - (c) any past or present member, director, officer or employee of the Sky Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (i) any government, entity or individual in respect of which U.S. or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by U.S. or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HM Treasury in the UK; or (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states; or
 - (d) any member of the Sky Group is or has been engaged in any transaction which would cause Comcast and/or Comcast Bidco to be in breach of any law or regulation upon Comcast Bidco's acquisition of Sky, including the economic sanctions of the United States Office of Foreign Assets Control, or HM Treasury in the UK, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states.

Part B : Waiver and invocation of Conditions

1. To the extent permitted by law and subject to the requirements of the Panel, Comcast Bidco reserves the right to waive, in whole or in part, all or any of the Conditions in Part A of this Appendix 1, except for Condition 1 and Condition 11 which cannot be waived. As at the date of this document, each of Conditions 2, 3, 4, 5, 6, 7, 8, 10 and 11 in Part A of Appendix 1 have been satisfied.
2. Except with the consent of the Panel, the Offer will lapse unless all of the Conditions to the Offer set out in Part A of this Appendix 1 have been fulfilled or, where permitted, waived or, where appropriate, have been determined by Comcast Bidco to be or remain satisfied, by midnight (London time) on the 21st day after the later of (i) the First Closing Date; and (ii) the date on which the Offer becomes or is declared unconditional as to acceptances (or, in each case, such later date as Comcast Bidco may determine, with the consent of the Panel).
3. Comcast Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions set out in Part A of this Appendix 1 by a date earlier than the latest date specified above in paragraph 2 of this Part B for the fulfilment or waiver thereof, notwithstanding that the other Conditions to the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
4. The Offer will lapse if:
 - (a) (i) the European Commission either initiates Phase 2 proceedings in respect of the Acquisition; or (ii) the European Commission makes a referral to a competent authority of the United Kingdom under Article 9(1) of the EU Merger Regulation and the CMA then initiates a Phase 2 CMA Reference in respect of the Acquisition; or
 - (b) a Phase 2 CMA Reference is initiated in respect of the Acquisition,in each case before the later of the First Closing Date or the date when the Offer becomes or is declared unconditional as to acceptances.
5. If Comcast Bidco is required by the Panel to make an offer for Sky Shares under the provisions of Rule 9 of the Code, Comcast Bidco may make such alterations to any of the Conditions as are necessary to comply with the provisions of that Rule.

Part C : Further terms of the Offer

Except where the context requires otherwise, any reference in this document and in the Form of Acceptance to:

- (a) the Offer becoming “**unconditional as to acceptances**” means the Offer being or becoming or being declared unconditional as to acceptances by virtue of the Acceptance Condition having become or been declared fulfilled, whether or not any other Condition remains to be satisfied;
- (b) the Offer becoming “**unconditional in all respects**” means the Offer being or becoming or being declared unconditional in all respects;
- (c) “**acceptance of the Offer**” includes deemed acceptances of the Offer;
- (d) “**Day 39**” means 21 August 2018 (or such other date as Comcast Bidco may decide with the agreement of the Panel);
- (e) “**Day 46**” means 28 August 2018 (or such other date as Comcast Bidco may decide with the agreement of the Panel);
- (f) “**Day 60**” means 11 September 2018 (or such other date as Comcast Bidco may decide with the agreement of the Panel); and
- (g) “**Day 70**” means 21 September 2018 (or such other date as Comcast Bidco may decide with the agreement of the Panel).

The following further terms apply, unless the context requires otherwise, to the Offer:

1. Acceptance Period

- (a) The Offer will initially be open for acceptance until 1.00 p.m. on 22 August 2018. Comcast Bidco reserves the right (but will not be obliged, other than as may be required by the Code) at any time and from time to time to extend the Offer after such time and, in such event, it will make an announcement of such extension in the manner described in paragraph 2 of this Part C and give oral or written notice of such extension to the Receiving Agent.
- (b) Although no revision is contemplated, if the Offer is revised it will, subject to paragraph 4(g) of this Part C, remain open for acceptance for a period of at least 14 days (or such other period as may be permitted by the Panel and in each case provided such period complies with the requirements of Rule 14e-1 under the U.S. Exchange Act) from the date on which Comcast Bidco publishes the revised offer documentation. Except with the Panel’s consent, no revision of the Offer may be made or revised offer documentation published after Day 46 or, if later, the date which is 14 days before the last date on which the Offer can become unconditional as to acceptances.
- (c) The Offer, whether revised or not, shall not (except with the consent of the Panel or as otherwise permitted by the Code) be capable of becoming unconditional as to acceptances after midnight on Day 60 (or any other time and/or date beyond which Comcast Bidco has stated that the Offer will not be extended and in respect of which it has not, where permitted, withdrawn that statement), nor of being kept open for acceptance after that time and/or date unless it has previously become unconditional as to acceptances. Unless the Panel agrees otherwise, if the Offer has not become unconditional as to acceptances at such time (taking account of any permitted extension of the Offer), the Offer will lapse. If the Offer lapses for any reason, the Offer will cease to be capable of further acceptance and Comcast Bidco and Sky Shareholders will cease to be bound by prior acceptances. Comcast Bidco reserves the right, with the permission of the Panel, to extend the time for the Offer to become unconditional as to acceptances to any later time(s) and/or date(s).
- (d) Except with the consent of the Panel, for the purpose of determining at any particular time whether the Acceptance Condition is satisfied, Comcast Bidco may only take into account acceptances received, or purchases of Sky Shares made, in respect of which relevant documents and/or TTE Instructions are received by the Receiving Agent:
 - (i) by 1.00 p.m. on Day 60 (or any other time and/or date beyond which Comcast Bidco has stated that the Offer will not be extended and in respect of which it has not, where permitted, withdrawn that statement); or
 - (ii) if the Offer is extended with the consent of the Panel, such later time(s) and/or date(s) as Comcast Bidco may, with the permission of the Panel, determine.

If the latest time at which the Offer may become unconditional as to acceptances is extended beyond midnight on Day 60, acceptances received and purchases made in respect of which the relevant documents have been received by the Receiving Agent after 1.00 p.m. on the relevant date may (except where the Code otherwise permits) only be taken into account with the agreement of the Panel.

- (e) If the Offer becomes unconditional as to acceptances, it will remain open for acceptance for not less than 14 days from the date on which it would otherwise have expired. If the Offer has become unconditional as to acceptances and it is stated by or on behalf of Comcast Bidco that the Offer will remain open until further notice or if the Offer will remain open for acceptance beyond Day 70, then not less than 14 days' notice in writing will be given by or on behalf of Comcast Bidco prior to the closing of the Offer to those Sky Shareholders who have not accepted the Offer.
- (f) If a competitive situation arises or further develops (as determined by the Panel) after Comcast Bidco has made a "no extension" statement and/or a "no increase" statement (as referred to in the Code) in relation to the Offer, Comcast Bidco may, if it specifically reserved the right to do so at the time such statement was made (or otherwise with the Panel's consent), choose not to be bound by or withdraw such statement and to extend and/or revise the Offer provided that it complies with the requirements of the Code and, in particular, that:
 - (i) it announces the withdrawal and that it is free to extend or revise the Offer (as appropriate) as soon as possible and in any event within four Business Days of the firm announcement of the competing offer or other competitive situation;
 - (ii) it sends a notice to Sky Shareholders (and persons with information rights) at the earliest opportunity to that effect or, in the case of Sky Shareholders with registered addresses outside the UK or whom Comcast Bidco reasonably believes to be a nominee, trustee, agent or custodian holding Sky Shares for such persons, by announcement in the UK; and
 - (iii) any Sky Shareholder who accepted the Offer after the date of the "no extension" or "no increase" statement is given a right of withdrawal in accordance with paragraph 3(d) of this Part C.
- (g) Comcast Bidco may, if it specifically reserved the right to do so at the time the statement was made (or otherwise with the consent of the Panel), choose not to be bound by the terms of a "no extension" or "no increase" statement and may publish an increased or improved offer (either as to the value or form of the consideration or otherwise) if it is recommended for acceptance by the Sky Independent Committee, or in any other circumstance permitted by the Panel.
- (h) If Sky announces material new information of the kind referred to in Rule 31.9 of the Code after Day 39, Comcast Bidco may choose not to be bound by a "no extension" statement and/or a "no increase" statement if it specifically reserved the right to do so at the time such statement is made (or otherwise with the consent of the Panel) and to be free to revise and/or extend the Offer, if permitted by the Panel, provided that it:
 - (i) announces the withdrawal and that it is free to extend or revise the Offer (as appropriate) as soon as possible and in any event within four Business Days after the date of announcement by Sky; and
 - (ii) sends a notice to Sky Shareholders (and persons with information rights) at the earliest opportunity to that effect or, in the case of Sky Shareholders with registered addresses outside the UK or whom Comcast Bidco reasonably believes to be a nominee, trustee, agent or custodian holding Sky Shares for such persons, by announcement in the UK.
- (i) If a competitive situation arises or further develops (as determined by the Panel) and is continuing on the Business Day immediately preceding Day 60, Comcast Bidco will enable holders of Sky Shares in uncertificated form who have not already validly accepted the Offer but who have previously accepted the competing offer to accept the Offer by special form of acceptance to take effect on Day 60 (or such other date as agreed with the Panel). The special form of acceptance shall constitute a valid acceptance of the Offer provided that:
 - (i) it is received by the Receiving Agent on or before Day 60 (or such other date as agreed with the Panel);

- (ii) the relevant Sky Shareholder shall have applied to withdraw his acceptance of the competing offer but that the Sky Shares to which such withdrawal relates shall not have been released from escrow by the escrow agent to the competing offer before Day 60 (or such other date as agreed with the Panel); and
- (iii) the Sky Shares to which the special form of acceptance relates are not transferred to escrow in accordance with the procedure for acceptance set out in the letter from Comcast Bidco in Part II of this document on or before Day 60, but an undertaking is given that they will be so transferred as soon as possible thereafter.

Sky Shareholders wishing to use such special forms of acceptance should apply to the Receiving Agent on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK). The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. Notwithstanding the right to use such special form of acceptance, holders of Sky Shares in uncertificated form may not use a Form of Acceptance (or any other purported acceptance form) for the purpose of accepting the Offer in respect of such shares.

2. Announcements

- (a) Without prejudice to paragraph 3(b) of this Part C, by 8.00 a.m. on the next Business Day (the “**relevant day**”) following the day on which the Offer is due to expire, or becomes or is declared unconditional as to acceptances, or is revised or extended, as the case may be (or such later time(s) or date(s) as the Panel may agree), Comcast Bidco will make an appropriate announcement through a Regulatory Information Service. Such announcement will state (unless otherwise permitted by the Panel):
 - (i) the total number of Sky Shares for which acceptances of the Offer have been received showing (A) the extent, if any, to which such acceptances have been received from person(s) acting or deemed to be acting in concert with Comcast Bidco for the purposes of the Offer; and (B) which were the subject of an irrevocable commitment or a letter of intent procured by Comcast Bidco or any persons acting in concert with it;
 - (ii) details of any relevant securities of Sky in which Comcast Bidco or any person acting in concert with it has an interest or in respect of which it has a right to subscribe, in each case specifying the nature of the interests or rights concerned. Similar details of any short positions over Sky relevant securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, will also be stated;
 - (iii) details of any relevant securities of Sky in respect of which Comcast Bidco or any person acting in concert with it has an outstanding irrevocable commitment or letter of intent; and
 - (iv) details of any relevant securities of Sky which Comcast Bidco or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will specify the percentage of each class of relevant securities of Sky represented by these figures. The announcement shall include a prominent statement of the total number of Sky Shares which Comcast Bidco may count towards the satisfaction of the Acceptance Condition and the percentage of Sky Shares represented by this figure.
- (b) Except as otherwise agreed by the Panel, in calculating the number of Sky Shares represented by acceptances and/or purchases for the announcement, an acceptance or purchase will only be counted towards fulfilling the Acceptance Condition if the requirements of Notes 4, 5 and 6 (as applicable) on Rule 10 of the Code are satisfied (unless the Panel agrees otherwise). Subject to this, Comcast Bidco may include or exclude for announcement purposes acceptances and/or purchases which are not in all respects in order or not accompanied by the relevant share certificate(s) and/or other document(s) of title and/or not accompanied by the relevant TTE Instruction or which are subject to verification.
- (c) Any decision to extend the time and/or date by which the Acceptance Condition has to be fulfilled may be made at any time up to, and will be announced not later than, 8.00 a.m. on the relevant day (as defined in paragraph 2(a) of this Part C) or such later time(s) and/or date(s) as

the Panel may agree. The announcement will state the next expiry date unless the Offer is then unconditional as to acceptances, in which case it may instead state that the Offer will remain open until further notice.

- (d) In this Appendix 1, references to the making of an announcement or the giving of notice by or on behalf of Comcast Bidco include: (i) the release of an announcement by Comcast Bidco's public relations consultants or by one or more of the Comcast Bidco Financial Advisers or by any other nominee of Comcast Bidco, in each case on behalf of Comcast Bidco to the press; and/or (ii) the transmission by whatever means of an announcement through a Regulatory Information Service. An announcement made otherwise than through a Regulatory Information Service will be notified simultaneously through a Regulatory Information Service (unless otherwise agreed by the Panel).
- (e) A copy of any announcement made by Comcast Bidco in accordance with this paragraph 2 of Part C will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Comcast's website at <https://www.cmcsa.com/proposal-for-sky> as soon as possible and in any event by no later than 12 noon on the Business Day following the announcement.
- (f) Without limiting the manner in which Comcast Bidco may choose to make any public statement and subject to Comcast Bidco's obligations under applicable law and rules and paragraph 2(e) above, Comcast Bidco will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to a Regulatory Information Service.

3. Rights of withdrawal

- (a) Except as provided by this paragraph 3 of Part C or as may otherwise be agreed in writing between Comcast Bidco and any particular Sky Shareholder in accordance with the Code, acceptances of and elections by Sky Shareholders under the Offer shall be irrevocable.
- (b) If Comcast Bidco, having announced the Offer to be unconditional as to acceptances, fails to comply by 3.30 p.m. on the relevant day (as defined in paragraph 2(a) of this Part C) (or such later time(s) and/or date(s) as the Panel may agree) with any of the other requirements specified in paragraph 2(a) of this Part C, an accepting Sky Shareholder may (unless the Panel agrees otherwise) withdraw his acceptance of the Offer: (i) in the case of Sky Shares held in certificated form, by written notice or otherwise signed by the accepting Sky Shareholder (or his agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to Comcast Bidco, is produced with the notice) given by post or (during normal business hours only) by hand to the **Receiving Agent, at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU**, or (ii) in the case of Sky Shares held in uncertificated form, in the manner set out in paragraph 3(f) this Part C. Subject to paragraph 1(c) of this Part C, this right of withdrawal may be terminated not less than eight days after the relevant day by Comcast Bidco confirming, if it be the case, that the Offer is still unconditional as to acceptances, and complying with the other requirements specified in paragraph 2(a) of this Part C. If any such confirmation is given, the first period of 14 days referred to in paragraph 1(e) of this Part C will run from the date of that confirmation.
- (c) If by 1.00 p.m. on 12 September 2018 (or such later time(s) and/or date(s) as the Panel may agree) the Offer has not become unconditional as to acceptances, an accepting Sky Shareholder may withdraw his acceptance of the Offer at any time thereafter: (i) by written notice in the manner referred to in paragraph 3(b) of this Part C; or (ii) if the relevant Sky Shares are held in uncertificated form, in the manner set out in paragraph 3(f) of this Part C, until the earlier of:
 - (i) the time when the Offer becomes unconditional as to acceptances; and
 - (ii) the final time for the lodging of acceptances of the Offer which can be taken into account in accordance with paragraph 1(d) of this Part C.
- (d) If a "no extension" statement and/or a "no increase" statement is withdrawn in accordance with paragraph 1(f) of this Part C, any Sky Shareholder who accepts the Offer after the date of the statement may withdraw his acceptance: (i) in the manner referred to in paragraph 3(b) of this Part C; or (ii) if the relevant Sky Shares are held in uncertificated form, in the manner set out in paragraph 3(f) of this Part C, no later than the eighth day after the date on which Comcast Bidco sends the notice of the withdrawal of that statement to Sky Shareholders.

- (e) In this paragraph 3, “**written notice**” (including any letter of appointment, direction or authority) means notice in writing signed by the relevant accepting Sky Shareholder(s) (or his/their agent(s) duly appointed in writing and evidence of whose appointment is produced with the notice in a form satisfactory to Comcast Bidco) given to the Receiving Agent by post or (during normal business hours only) by hand to the Receiving Agent, at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. E-mail, facsimile, the internet or other electronic transmission, or copies, will not be sufficient to constitute written notice. A notice which is post-marked in, or otherwise appears to Comcast Bidco or its agents to have been sent from, a Restricted Jurisdiction, may not be treated as valid. The notice must include all relevant information to enable the Receiving Agent to identify the Sky Shares to be withdrawn and a contact telephone number for the Sky Shareholder.
- (f) In the case of Sky Shares held in uncertificated form, if withdrawals are permitted pursuant to paragraphs 3(b), 3(c) or 3(d) of this Part C, an accepting Sky Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA Instruction must, in order for it to be valid and settle, include the following details:
- (i) the number of Sky Shares to be withdrawn, together with their ISIN number (which is GB0001411924);
 - (ii) the member account ID of the accepting shareholder, together with his participant ID;
 - (iii) the member account ID of the Escrow Agent included in the relevant Electronic Acceptance to be withdrawn (which is COMSKY01);
 - (iv) the Escrow Agent’s participant ID (which is RA10);
 - (v) the CREST transaction reference number of the Electronic Acceptance to be withdrawn to be inserted at the beginning of the shared note field;
 - (vi) the intended settlement date for the withdrawal;
 - (vii) the corporate action number for the Offer allocated by Euroclear; and
 - (viii) input with a standard delivery instruction priority of 80.

Any such withdrawal will be conditional upon the Receiving Agent verifying that the withdrawal request is validly made. Accordingly, the Receiving Agent will, on behalf of Comcast Bidco, either reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) message or a receiving agent accept (AEAN) message, as appropriate.

- (g) If an accepting Sky Shareholder withdraws his acceptance, all documents of title and other documents lodged with the Form of Acceptance will be returned as soon as practicable following the receipt of the withdrawal (and in any event within 14 days) and the Receiving Agent will immediately give TFE Instructions for the release of securities held in escrow to the original balance(s) of the Sky Shareholder concerned.
- (h) Sky Shares in respect of which acceptances have been validly withdrawn in accordance with this paragraph 3 of Part C may subsequently be re-assented to the Offer by following one of the procedures set out in paragraph 17 of the letter from Comcast Bidco contained in Part II of this document at any time while the Offer remains open for acceptance.
- (i) Any question as to the validity (including time of receipt) of any notice of withdrawal will be determined by Comcast Bidco whose determination (save as the Panel otherwise determines) will be final and binding. None of Comcast Bidco, the Comcast Bidco Financial Advisers, the Receiving Agent, or any other person will be under any duty to give notification of any defect or irregularities in any notice of withdrawal or incur any liability for failure to give such notification or for any determination under this paragraph 3 of this Part C.

4. Revisions of the Offer

- (a) Although no revision of the Offer is contemplated, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or nature of the consideration offered or otherwise), the benefit of the revised Offer will, subject to paragraphs 4(c), 4(d) and 8 of this Part C, be made available to any Sky Shareholder who has accepted the Offer (or re-assented to it), in its original or any previously revised form(s), and who has not validly withdrawn such acceptance (a “**previous acceptor**”). The acceptance of the Offer by or on

behalf of a previous acceptor in its original or any previously revised form(s) shall, subject to as provided in paragraphs 4(c), 4(d) and 8 of this Part C, be deemed an acceptance of the revised Offer and shall constitute the irrevocable and separate appointment of each of Comcast Bidco and any director of, or person authorised by, Comcast Bidco, or one of the Comcast Bidco Financial Advisers and each of its directors, as his attorney and/or agent with authority:

- (i) to accept any such revised Offer on behalf of such previous acceptor;
- (ii) if the revised Offer includes alternative form(s) of consideration, to make on his behalf elections for and/or accept alternative form(s) of consideration in the proportions which the attorney and/or agent in his absolute discretion thinks fit; and
- (iii) to execute on behalf of and in the name of such previous acceptor all further documents (if any) and to do all things (if any) as may be required to give effect to such acceptances and/or elections.

In making any such election and/or acceptance, the attorney and/or agent will be able to take into account the nature of any previous acceptance(s) or election(s) made by or on behalf of a previous acceptor and such other facts or matters as he may reasonably consider relevant, and shall not be liable to any Sky Shareholder or other person with respect to the making of any such election and/or acceptance or in making any determination relating thereto.

- (b) The powers of attorney and authorities conferred by this paragraph 4 and any acceptance of a revised Offer and/or any election pursuant thereto shall be irrevocable unless and until the previous acceptor becomes entitled to withdraw his acceptance under paragraph 3 of this Part C and duly and validly does so.
- (c) The deemed acceptance and/or election referred to in paragraph 4(a) of this Part C shall not apply, and the power of attorney and authorities conferred by that paragraph shall not be exercised, to the extent that a previous acceptor:
 - (i) in respect of Sky Shares in certificated form, lodges with the Receiving Agent, within 14 days of the publication of the document containing the revised Offer, a Form of Acceptance (or other form validly issued by or on behalf of Comcast Bidco) in which the Sky Shareholder validly elects to receive the consideration receivable by him under such revised Offer in some other manner; or
 - (ii) in respect of Sky Shares in uncertificated form, sends (or, if a CREST sponsored member, procures that his CREST sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each ESA Instruction must, in order for it to be valid and settle, include the following details:
 - (A) the number of Sky Shares in respect of which the changed election is made, together with their ISIN number (this is GB0001411924);
 - (B) the member account ID of the previous acceptor, together with his participant ID;
 - (C) the member account ID of the Escrow Agent included in the relevant Electronic Acceptance (which is COMSKY01);
 - (D) the Escrow Agent's participant ID (which is RA10);
 - (E) the CREST transaction reference number of the Electronic Acceptance in respect of which the election is to be changed to be inserted at the beginning of the shared note field;
 - (F) the intended settlement date for the changed election;
 - (G) the corporate action number for the Offer allocated by Euroclear;and, in order that the desired change of election can be effected, must include:
 - (H) the member account ID of the Escrow Agent relevant to the new election; and
 - (I) input with a standard delivery instruction priority of 80.

Any such change of election will be conditional upon the Receiving Agent verifying that the request is validly made. Accordingly, the Receiving Agent will, on behalf of Comcast Bidco, reject or accept the requested change of election by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message, as appropriate.

- (d) The deemed acceptance and/or election referred to in paragraph 4(a) of this Part C shall not apply, and the power of attorney and the authorities conferred by that paragraph shall not be exercised if, as a result, the previous acceptor would (on such basis as the Comcast Bidco Financial Advisers may reasonably consider appropriate) receive less in aggregate in consideration under the revised Offer or otherwise than he would have received in aggregate in consideration as a result of his acceptance of the Offer in the form originally accepted by such previous acceptor or on his behalf.
- (e) Comcast Bidco and the Receiving Agent reserve the right to treat an executed Form of Acceptance or TTE Instruction in respect of the Offer (in its original or any previously revised form(s)) which is received (or dated) on or after the announcement of any revised Offer as a valid acceptance of the revised Offer (and, where applicable, a valid election for or acceptance of any of the alternative forms of consideration). Such acceptance shall constitute an authority in the terms of paragraph 4(a) of this Part C, *mutatis mutandis*, on behalf of the relevant Sky Shareholder.
- (f) Although no revision is contemplated, if the Offer is revised, a revised offer document will be published. On the day of publication, Comcast Bidco will publish the document on its website and will announce that the document has been so published. If the revised offer document is published, both Comcast Bidco and Sky will make the revised offer document readily available to the representatives of the employees of Comcast Bidco (if any) and Sky, respectively, or, where there are no such representatives, to the employees themselves. In addition, Comcast Bidco will make the revised offer document readily available to the trustee of Sky's pension schemes.
- (g) In the event of any material change to the terms of the Offer, Comcast Bidco will make such change in accordance with all applicable laws, including Regulation 14E under the U.S. Exchange Act, taking into account the exemptive and no action relief granted by the SEC in respect of the Offer, which may, under certain circumstances, require that the closing date of the Offer be extended by a minimum period of ten U.S. business days with respect to an increase or decrease in: (i) the percentage of securities to be acquired pursuant to the Offer (if the change exceeds two per cent. of the original amount); (ii) the consideration offered; or (iii) any dealer-manager's solicitation fee, and five U.S. business days for any other material change or waiver of a material condition.
- (h) If a competitive situation arises or further develops (as determined by the Panel) after the date of this document, Comcast Bidco may (with the consent of the Panel) extend or revise the Offer provided it complies with the requirements of the Code.

5. Dividends

- (a) The Sky Shares will be acquired by Comcast Bidco under the Acquisition fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching to them on or after the date of the Original Offer Announcement, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made, on or after the Effective Date.
- (b) If any dividend, and/or other distribution and/or other return of capital is announced, declared, paid or becomes payable in respect of the Sky Shares on or after the date of the Increased Offer Announcement, Comcast Bidco reserves the right to reduce the Cash Consideration by some or all of the amount of any such dividend and/or other distribution and/or other return of capital, in which case any reference in this document to the Cash Consideration for the Sky Shares will be deemed to be a reference to the Cash Consideration as so reduced, and the relevant eligible Sky Shareholder will be entitled to receive and retain such dividend and/or other distribution and/or other return of capital. To the extent that such a dividend and/or other distribution and/or other return of capital is announced, declared, paid or becomes payable and is or shall be: (i) transferred pursuant to the Acquisition on a basis which entitles Comcast Bidco to receive the dividend or distribution or return of capital and to retain it; or (ii) cancelled, the Cash Consideration payable shall not be subject to change in accordance with this paragraph. Any exercise by Comcast Bidco of its rights referred to in this paragraph shall not be regarded as constituting any revision or variation of the Offer.

6. Acceptances and purchases

- (a) Subject to the Code, and notwithstanding any other provision of this Part C, Comcast Bidco reserves the right to treat as valid in whole or in part any acceptance of the Offer if received by the Receiving Agent or otherwise on behalf of Comcast Bidco which is not entirely in order or in correct form or which is not accompanied by (as applicable) the relevant share certificate(s) and/or other relevant document(s) of title or not accompanied by the relevant TTE Instruction or is received by it at any place or places or in any form or manner determined by either the Receiving Agent or Comcast Bidco otherwise than as set out in this document or (in respect of Sky Shares held in certificated form) in the Form of Acceptance. In that event, no settlement of consideration under the Offer will be made until after the acceptance is entirely in order and (as applicable) the relevant transfer to escrow has settled or the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to Comcast Bidco have been received by the Receiving Agent.
- (b) Except as otherwise agreed by the Panel:
 - (i) an acceptance of the Offer will only be counted towards fulfilling the Acceptance Condition if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Code are satisfied with respect to it;
 - (ii) a purchase of Sky Shares by Comcast Bidco or its nominee(s) (or, if Comcast Bidco is required to make an offer for Sky Shares pursuant to Rule 9 of the Code, by a person acting in concert with Comcast Bidco or its nominee(s) for the purpose of such offer(s)) will only be counted towards fulfilling the Acceptance Condition if the requirements of Note 5 and, if applicable, Note 6 on Rule 10 of the Code are satisfied with respect to it;
 - (iii) Sky Shares which have been borrowed by Comcast Bidco may not be counted towards fulfilling the Acceptance Condition; and
 - (iv) before the Offer may become or be declared unconditional as to acceptances, the Receiving Agent shall issue a certificate to Comcast Bidco, any of the Comcast Bidco Financial Advisers or their respective agents which states the number of Sky Shares in respect of which acceptances have been received and not validly withdrawn, and the number of Sky Shares otherwise acquired, whether before or during the Offer Period, which comply with the provisions of this paragraph 6(b) of this Part C. A copy of the certificate will be sent to the Panel and Sky's financial advisers as soon as possible after it is issued.
- (c) For the purpose of determining at any particular time whether the Acceptance Condition is satisfied, Comcast Bidco is not bound (unless otherwise required by the Panel) to take into account any Sky Shares which have been unconditionally allotted or issued or which arise as the result of the exercise of subscription or conversion rights before the determination takes place unless written notice containing relevant details of the allotment, issue, subscription or conversion has been received from Sky or its agent before that time by Comcast Bidco or the Receiving Agent on behalf of Comcast Bidco at the address specified in paragraph 3(b) of this Part C. E-mail, facsimile, the internet or other electronic transmission, or copies, will not constitute written notice for this purpose.
- (d) In relation to any acceptance of the Offer in respect of Sky Shares held in uncertificated form, Comcast Bidco reserves the right to make such alterations, additions or modifications to the terms of the Offer as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided such alterations, additions or modifications are consistent with the requirements of the Code or are otherwise made with the Panel's consent.
- (e) For the purposes of this document, the time of receipt of a TTE Instruction, an ESA Instruction or an Electronic Acceptance shall be the time at which the relevant instruction settles in CREST.

7. General

- (a) The Offer is subject to the satisfaction (or waiver, if permitted) of the Conditions and to the full terms and conditions set out in this Appendix 1 and the Form of Acceptance.
- (b) Each of the Conditions shall be regarded as a separate Condition, and shall not be limited by reference to any other Condition.

- (c) The Offer is made at 1.00 p.m. on 13 July 2018 and is capable of acceptance from that date and after that time. Copies of this document, the Form of Acceptance and any related documents are available from the Receiving Agent at the address set out in paragraph 3(b) of this Part C from that time.
- (d) If the Offer lapses for any reason:
 - (i) it will cease to be capable of further acceptance;
 - (ii) Comcast Bidco and accepting Sky Shareholders will cease to be bound by: (i) in the case of Sky Shares held in certificated form, Forms of Acceptance submitted; and (ii) in the case of Sky Shares held in uncertificated form, Electronic Acceptances inputted and settled, in each case before the time the Offer lapses;
 - (iii) in respect of Sky Shares held in certificated form, Forms of Acceptance, share certificates and other documents of title will be returned by post (or by such other method as may be approved by the Panel) within 14 days (and, if practicable, within 7 to 10 days) of the Offer lapsing, at the risk of the Sky Shareholder in question, to the person or agent whose name and address is set out in the relevant box on the Form of Acceptance or, if none is set out, to the first-named holder at his registered address. No such documents will be sent to an address in a Restricted Jurisdiction; and
 - (iv) in respect of Sky Shares held in uncertificated form, the Escrow Agent will, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days from the lapsing of the Offer), give TFE Instructions to Euroclear to transfer all Sky Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of Sky Shareholders concerned;
- (e) Under Rule 13.5(a) of the Code, Comcast Bidco may not invoke a Condition to the Offer so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Comcast Bidco in the context of the Offer. Conditions 1, 2, 3, 5, and 6 in Part A of this Appendix 1 are not subject to this provision of the Code.
- (f) The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Form of Acceptance constitute part of the terms of the Offer. Words and expressions defined in this document have the same respective meanings when used in the Form of Acceptance unless the context otherwise requires. The provisions of Parts A, B, C and D of Appendix 1 shall be deemed to be incorporated in, and form part of, the Form of Acceptance.
- (g) Except with the Panel's consent:
 - (i) settlement of the consideration to which any Sky Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which Comcast Bidco or any of the Comcast Bidco Financial Advisers may otherwise be, or claim to be, entitled as against such Sky Shareholder; and
 - (ii) settlement of the consideration to which any Sky Shareholder is entitled will be effected: (i) in the case of acceptances received, complete in all respects, by the date on which the Offer becomes unconditional in all respects, within 14 days (and, if practicable, within 7 to 10 days) of such date, or (ii) in the case of acceptances received, complete in all respects, after the date on which the Offer becomes unconditional in all respects but while the Offer remains open for acceptance, within 14 days (and, if practicable, within 7 to 10 days) of such receipt, in the manner prescribed in paragraph 18 of the letter from Comcast Bidco contained in Part II of this document.

Subject to paragraph 8 of this Part C, Comcast Bidco reserves the right not to send any consideration to an address in any Restricted Jurisdiction.

- (h) Any omission or failure to dispatch this document, (where relevant) the Form of Acceptance, any other document relating to the Offer or any notice required to be dispatched under the terms of the Offer, to (or any failure to receive the same by) any person to whom the Offer is made, or should be made, shall not invalidate the Offer in any way nor be treated as meaning, expressly or by implication, that the Offer has not been made to any such person. Subject to paragraph 8 of this Part C, the Offer extends to all Sky Shareholders to whom this document,

the Form of Acceptance and or related documents may not be sent, or who may not receive such documents. Any and all such persons may collect copies of all such documents from the Receiving Agent at the address set out in paragraph 3(b) of this Part C or inspect this document, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on the website maintained by Comcast in relation to the Offer at <https://www.cmcsa.com/proposal-for-sky> while the Offer remains open for acceptances.

- (i) All powers of attorney, appointments as agent and authorities on the terms conferred by or referred to in this Appendix 1, or (where relevant) in the Form of Acceptance, are given by way of security for the performance of the obligations of the Sky Shareholder concerned and are irrevocable (in respect of powers of attorney, in accordance with section 4 of the Powers of Attorney Act 1971) except in the circumstances where the donor of such power of attorney, appointment or authority is entitled to withdraw his acceptance in accordance with paragraph 3 of this Part C and duly and validly does so.
- (j) All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from any Sky Shareholders (or their designated agent(s)) will be delivered by or sent to or from them (or their designated agent(s)) at their risk. No acknowledgement of receipt of any Form of Acceptance, Electronic Acceptance, transfer by means of CREST, communication, notice, share certificate and/or other document of title will be given by or on behalf of Comcast Bidco.
- (k) If, assuming that all of the other Conditions have been satisfied or waived (if capable of being waived), sufficient acceptances are received and/or sufficient Sky Shares are otherwise acquired, Comcast Bidco intends to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily any Sky Shares not acquired or agreed to be acquired by or on behalf of Comcast Bidco pursuant to the Offer or otherwise on the same terms as the Acquisition. After the Offer becomes or is declared unconditional in all respects and if Comcast Bidco has by virtue of its shareholdings and acceptances of the Offer acquired, or agreed to acquire, issued share capital carrying 75 per cent. or more of the voting rights of Sky, it is intended that, not less than 20 Business Days after the date on which Comcast Bidco acquired, or agreed to acquire such issued share capital, Comcast Bidco will procure that Sky makes applications to cancel the listing of Sky Shares on the UK Listing Authority's Official List and to cancel trading in Sky Shares on the London Stock Exchange's Main Market for listed securities.
- (l) If the expiry date of the Offer is extended, a reference in this document and in the Form of Acceptance to the expiry date of the offer, to the First Closing Date or to 22 August 2018 shall (except in paragraph 1(a) of this Part C, the definition of Offer Period, and where the context requires otherwise) be deemed to refer to the expiry date of the Offer as so extended.
- (m) Neither Comcast Bidco nor any person acting on behalf of Comcast Bidco, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer or otherwise in connection therewith (including on any of the bases set out below in paragraph 8 of this Part C).
- (n) All references in this Appendix 1 to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date of this document).
- (o) Any references in this Appendix 1 to the return or dispatch of documents by post shall extend to the return or dispatch by such other method as the Panel may approve.
- (p) The Offer, the Form of Acceptance and Electronic Acceptances, all acceptances of the Offer, all elections in respect of it, all contracts made pursuant to the Offer, all action taken or made or deemed to be taken or made pursuant to any of these terms and the relationship between a Sky Shareholder and Comcast Bidco, the Comcast Bidco Financial Advisers or the Receiving Agent are governed by and shall be construed in accordance with English law.
- (q) Execution of a Form of Acceptance or the making of an Electronic Acceptance by or on behalf of a Sky Shareholder will constitute their agreement that the Courts of England are (subject to paragraph 7(r) of this Part C of Appendix 1) to have exclusive jurisdiction to settle any dispute which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by the Offer and the Form of Acceptance or the

Electronic Acceptance or otherwise arising in connection with the Offer and the Form of Acceptance or the Electronic Acceptance, and for such purposes that they irrevocably submit to the jurisdiction of the English Courts.

- (r) Execution of a Form of Acceptance or the making of an Electronic Acceptance by or on behalf of a Sky Shareholder will constitute their agreement that the agreement in paragraph 7(q) of this Part C is included for the benefit of Comcast Bidco, the Comcast Bidco Financial Advisers and the Receiving Agent and accordingly, notwithstanding the exclusive agreement in paragraph 7(q) of this Part C, Comcast Bidco, the Comcast Bidco Financial Advisers and the Receiving Agent shall each retain the right to, and may in its absolute discretion, bring proceedings in the courts of any other country which may have jurisdiction and that the accepting Sky Shareholder irrevocably submits to the courts of any such country.
- (s) The Offer is subject to the applicable requirements of the UK Listing Authority, the FCA, the London Stock Exchange, the Code and U.S. tender offer rules under the U.S. Exchange Act, including Regulation 14E thereunder taking into account no action and exemptive relief granted by the SEC.
- (t) All questions as to the validity of any acceptance of the Offer and all questions as to, or the acceptance of, any words or markings on a Form of Acceptance will be determined by Comcast Bidco whose determination (except as required by the Panel) will be final and binding. None of Comcast Bidco, the Comcast Bidco Financial Advisers, the Receiving Agent, or any other person will be under any duty to give notification of any defects or irregularities in any purported acceptance of the Offer or will incur any liability for failure to give such notification or for any determination under this paragraph (t).

8. Overseas Shareholders

- (a) The making of the Offer to Overseas Shareholders (or to persons who are nominees of, or agents, custodians or trustees for, such persons) or in jurisdictions outside the UK may be prohibited or affected by the laws of the relevant jurisdiction. Before taking any action in relation to the Offer, Overseas Shareholders should fully inform themselves about and observe any applicable legal requirements of such jurisdictions. It is the responsibility of each Overseas Shareholder wishing to accept the Offer to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, including obtaining any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties or other requisite payments due in that jurisdiction. Any such Overseas Shareholder shall be responsible for any issue, transfer or other taxes or duties or other payments by whomsoever payable, and Comcast Bidco (and any person acting on its behalf) shall be fully indemnified and held harmless by such Overseas Shareholders for any such issue, transfer or other taxes or duties or other payments which Comcast Bidco (or any person acting on its behalf) may be required to pay. If you are an Overseas Shareholder and you are in any doubt about your position, you should consult your independent financial adviser in the relevant jurisdiction.
- (b) The Offer is being made into all jurisdictions where it is capable of being lawfully made in compliance with local laws. Unless otherwise determined by Comcast Bidco or required by the Code, and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any other means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of foreign or interstate commerce of, or any facilities of a national, state or other securities exchange of, any Restricted Jurisdiction, and shall not be capable of acceptance by any such use, means, instrumentality or facility or from or within any Restricted Jurisdiction unless otherwise determined by Comcast Bidco.
- (c) Copies of this document, the Form of Acceptance and any related documents are not being (unless determined otherwise by Comcast Bidco in its sole discretion or required by the Code, and permitted by applicable law and regulation), and must not be, directly or indirectly mailed, transmitted or otherwise forwarded, distributed, sent or otherwise made available in, into or from a Restricted Jurisdiction including to Sky Shareholders or persons with information rights or participants in the Sky Share Plans with registered addresses in a Restricted Jurisdiction or to persons whom Comcast Bidco reasonably believes to be agents, custodians, trustees or nominees holding Sky Shares for persons with registered addresses in a Restricted Jurisdiction. Persons

receiving such documents (including, without limitation, agents, custodians, nominees and trustees) should observe these restrictions and must not mail or otherwise forward, distribute, send or otherwise make them available in, into or from a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, in connection with the Offer, and so doing may render any purported acceptance of the Offer invalid.

- (d) Persons wishing to accept the Offer must not use the mails of any Restricted Jurisdiction or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Offer. All Sky Shareholders (including nominees, trustees or custodians) who may have a contractual or legal obligation, or may otherwise intend, to forward this document and/or Form of Acceptance and/or related document, should read the further details in this regard which are contained in this paragraph 8 of Part C and in Parts D and E of Appendix 1 before taking any action. Envelopes containing Forms of Acceptance, evidence of title or other documents relating to the Offer should not be post-marked in, or otherwise dispatched from, a Restricted Jurisdiction and all acceptors of the Offer must provide an address outside a Restricted Jurisdiction for the receipt of the consideration to which they are entitled under the Offer or for the return of the Form of Acceptance or documents of title.
- (e) If, despite the restrictions described above, any person (including, without limitation, any agent, custodian, nominee and/or trustee), whether pursuant to a contractual or legal obligation or otherwise, sends, forwards or otherwise distributes this document, the Form of Acceptance or any related documents in, into or from a Restricted Jurisdiction or uses the mail of, or any other means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of foreign or interstate commerce of, or any facilities of a national, state or other securities exchange of, a Restricted Jurisdiction in connection with such forwarding, such person should:
 - (i) inform the recipient of such fact;
 - (ii) explain to the recipient that such action may invalidate any purported acceptance or election by the recipient; and
 - (iii) draw the attention of the recipient to this paragraph 8.
- (f) Subject to the provisions of this paragraph 8 of Part C and applicable law, a Sky Shareholder may be deemed NOT to have validly accepted the Offer if:
 - (i) he puts “NO” in Box 5 of the Form of Acceptance and thereby does not give the representations and warranties set out in paragraph (c) of Part D of this Appendix 1;
 - (ii) he has a registered address in a Restricted Jurisdiction or completes Box 6 of the Form of Acceptance with an address in a Restricted Jurisdiction and in either case does not insert in Box 6 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Offer to be sent;
 - (iii) he inserts in Box 6 of the Form of Acceptance the name and address of a person or agent in a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Offer to be sent;
 - (iv) a Form of Acceptance received from him is received in an envelope post-marked in, or otherwise appears to Comcast Bidco or its agents to have been sent from, any Restricted Jurisdiction;
 - (v) he inserts in Box 2 of the Form of Acceptance a telephone number in a Restricted Jurisdiction for use in the event of queries; or
 - (vi) he makes a Restricted Escrow Transfer pursuant to paragraph 8(g) below without also making a related Restricted ESA Instruction which is accepted by the Receiving Agent.

Comcast Bidco reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph (c) of Part D or, as the case may be, paragraph (b) of Part E of this Appendix 1 could have been truthfully given by the relevant Sky Shareholder and, if such investigation is made and, as a result, Comcast Bidco determines (for any reason) that such representations and warranties could not have been so given, such acceptance may be rejected as invalid.

- (g) If a Sky Shareholder holding Sky Shares in uncertificated form cannot give the warranty set out in paragraph (b) of Part E of this Appendix 1, but nevertheless can provide evidence satisfactory to Comcast Bidco that he is able to accept the Offer in compliance with all relevant legal and regulatory requirements, he may purport to accept the Offer by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) both:
- (i) a TTE Instruction to a designated escrow balance detailed below (a “**Restricted Escrow Transfer**”); and
 - (ii) one or more valid ESA Instructions (a “**Restricted ESA Instruction**”), which specify the form of consideration which he wishes to receive (consistent with any alternatives which may from time to time be offered under the Offer).

Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA Instruction(s) settle in CREST and Comcast Bidco decides, in its absolute discretion, to exercise its right described in paragraph 8(j) of this Part C to waive, vary or modify the terms of the Offer relating to Overseas Shareholders, to the extent required to permit such acceptance to be made, in each case during the acceptance period set out in paragraph 1 of this Part C. If Comcast Bidco accordingly decides to permit such acceptance to be made, the Receiving Agent will, on behalf of Comcast Bidco, accept the purported acceptance as an Electronic Acceptance on the terms of this document (as so waived, varied or modified) by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, the Receiving Agent will, on behalf of Comcast Bidco, reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message.

Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:

- the ISIN number for the Sky Shares (which is GB0001411924);
- the number of Sky Shares in respect of which the Offer is to be accepted;
- the member account ID and the participant ID of the Sky Shareholder;
- the participant ID of the Escrow Agent (which is RA10), and its member account ID specific to a Restricted Escrow Transfer (which is RESTRICT);
- the intended settlement date;
- the corporate action number for the Offer allocated by Euroclear; and
- input with a standard delivery instruction priority of 80.

Each Restricted ESA Instruction must, in order for it to be valid and settle, include the following details:

- the ISIN number for the Sky Shares (which is GB0001411924);
- the number of Sky Shares relevant to that Restricted ESA Instruction;
- the member account ID and participant ID of the accepting Sky Shareholder;
- the member account ID and participant ID of the Escrow Agent set out in the Restricted Escrow Transfer;
- the participant ID of the Escrow Agent (which is RA10) and its member account ID relevant to the form of consideration required (which is COMSKY01);
- the CREST transaction reference number of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates;
- the intended settlement date;
- input with a standard delivery instruction priority of 80; and
- the corporate action number for the Offer.

- (h) Comcast Bidco reserves the right to notify any matter (including the making of the Offer) to all or any Sky Shareholder(s):
- (i) with registered address(es) outside the UK; or
 - (ii) whom Comcast Bidco reasonably believes to be a nominee, trustee or custodian holding Sky Shares for persons who are citizens, residents or nationals of jurisdictions outside the UK,

by announcement in the UK through a Regulatory Information Service or in any other appropriate manner or by notice in the London Gazette or paid advertisement in any daily newspaper published and circulated in the UK, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such Sky Shareholders to receive or see such notice. A reference in this document to a notice or the provision of information in writing by or on behalf of Comcast Bidco shall be construed accordingly. No such document will be sent to an address in a Restricted Jurisdiction.

- (i) Notwithstanding any other provision of this paragraph 8 of this Part C, Comcast Bidco may, in its sole and absolute discretion, make the Offer to a resident in a Restricted Jurisdiction if Comcast Bidco is satisfied, in that particular case, that to do so would not constitute a breach of any securities or other relevant legislation of a Restricted Jurisdiction.
- (j) The provisions of this paragraph 8 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Overseas Shareholders or on a general basis by Comcast Bidco in its sole and absolute discretion. Subject to such discretion, the provisions of this paragraph 8 supersede any terms of the Offer inconsistent with them.
- (k) If any written notice from a Sky Shareholder withdrawing his acceptance in accordance with paragraph 3 of this Part C is received in an envelope post-marked in, or which otherwise appears to Comcast Bidco or its agents to have been sent from, a Restricted Jurisdiction, Comcast Bidco reserves the right, in its absolute discretion to treat that notice as invalid. Further, Comcast Bidco reserves the right to reject any elections made or purported to be made by the persons to whom this paragraph 8 of this Part C applies.
- (l) References in this paragraph 8 to a Sky Shareholder shall include the person or persons making an Electronic Acceptance and the person or persons executing a Form of Acceptance and, in the event of more than one person executing the Form of Acceptance, the provisions of this paragraph apply to them jointly and severally.

Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your appropriate adviser in the relevant jurisdiction.

Part D : Form of Acceptance (for Sky Shares held in certificated form)

This Part D applies only to Sky Shares held in certificated form. If you hold all your Sky Shares in uncertificated form, you should ignore this Part D and instead read Part E below.

For the purposes of this Part D and the Form of Acceptance, the phrase “**Sky Shares in certificated form comprised in the acceptance**” shall mean the number of Sky Shares inserted in Box 3 of the Form of Acceptance or, if no number is inserted or a number greater than the relevant Sky Shareholder’s holding of Sky Shares is inserted or Box 3 contains the word “ALL” or any other word or marking, the greater of:

- the relevant Sky Shareholder’s entire holding of Sky Shares in certificated form as disclosed by details of the register of members made available to the Receiving Agent prior to the time the relevant Form of Acceptance is processed by them;
- the relevant Sky Shareholder’s entire holding of Sky Shares in certificated form, as disclosed by details of the register of members made available to the Receiving Agent prior to the latest time for receipt of Form(s) of Acceptance which can be taken into account in determining whether the Offer is unconditional as to acceptances; and
- the number of Sky Shares in certificated form in respect of which certificates or an indemnity in lieu thereof is received.

Without prejudice to the terms of the Form of Acceptance and the provisions of Parts A, B and C of this Appendix 1, each Sky Shareholder by whom, or on whose behalf, a Form of Acceptance is executed and lodged with the Receiving Agent, irrevocably undertakes, represents, warrants and agrees to and with Comcast Bidco, the Comcast Bidco Financial Advisers and the Receiving Agent (so as to bind him, his personal or legal representatives, heirs, successors and assigns) that:

- (a) the execution of the Form of Acceptance, whether or not any Boxes are completed, and whether or not the Form of Acceptance is validly executed as a deed, constitutes:
 - (i) an acceptance of the Offer in respect of the number of Sky Shares in certificated form inserted or deemed to be inserted in Box 3 of the Form of Acceptance; and
 - (ii) an undertaking to execute any further documents, take any further action and give any further assurances which may be required to enable Comcast Bidco to obtain the full benefit of this Part D and/or to perfect any of the authorities expressed to be given in this Part D and otherwise in connection with his acceptance of the Offer,

in each case on and subject to the terms and conditions set out or referred to in this document and the Form of Acceptance, and that, subject only to the rights of withdrawal set out or referred to in paragraph 3 of Part C of this Appendix 1, each such acceptance and undertaking shall be irrevocable, provided that if (A) no Boxes are completed; or (B) the total number of Sky Shares inserted in Box 3 is greater than the relevant Sky Shareholder’s holding of Sky Shares or Box 3 contains the word “ALL” or any other word or marking; or (C) the acceptance is otherwise completed incorrectly, but the Form of Acceptance is signed, it shall be deemed to be an acceptance of the Offer in respect of all Sky Shares in certificated form comprised in the acceptance;

- (b) he is irrevocably and unconditionally entitled to sell and transfer the beneficial ownership of the Sky Shares in certificated form comprised or deemed to be comprised in such acceptance and that such Sky Shares are sold fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching to them on or after the date of the Original Offer Announcement, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made, on or after the Effective Date;
- (c) unless “NO” is inserted in Box 5 of the Form of Acceptance, such Sky Shareholder:
 - (i) has not received or sent copies or originals of this document, the Form of Acceptance or any related documents in, into or from any Restricted Jurisdiction;
 - (ii) has not in connection with the Offer or the execution or delivery of the Form of Acceptance, utilised, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone,

- internet or other forms of electronic communication) of interstate or foreign commerce of, or any facilities of a national, state or other securities exchange of, any Restricted Jurisdiction;
- (iii) is accepting the Offer from outside any Restricted Jurisdiction and was outside such jurisdictions when the Form of Acceptance was delivered;
 - (iv) is not an agent or fiduciary acting on a non-discretionary basis for a principal, unless such agent or fiduciary is an authorised employee of such principal or such principal has given any instructions with respect to the Offer from outside any Restricted Jurisdiction; and
 - (v) if such Sky Shareholder is a citizen, resident or national of a jurisdiction outside the UK, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, obtained all requisite governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in Comcast Bidco, any of the Comcast Bidco Financial Advisers or any other person acting on behalf of any of them being in breach of the legal or regulatory requirements of, or be liable for any issue, transfer or other taxes or duties or other payments in, any such jurisdiction in connection with the Offer or his acceptance of the Offer;
- (d) in relation to Sky Shares in certificated form, the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects and to the Sky Shareholder not having validly withdrawn his acceptance, the irrevocable and separate appointment of each of Comcast Bidco and any director of, or any person authorised by, Comcast Bidco, or any one of the Comcast Bidco Financial Advisers and each of its directors, as his attorney and/or agent (the “**attorney**”), and an irrevocable instruction and authorisation to such attorney to:
- (i) complete and execute all or any form(s) of transfer, renunciation and/or other documents at the discretion of such attorney in relation to Sky Shares in certificated form comprised in the acceptance in favour of Comcast Bidco or such other persons as Comcast Bidco or its agents may direct;
 - (ii) deliver any form(s) of transfer, renunciation and/or other document(s) at the discretion of such attorney together with any share certificate or other document(s) of title for registration relating to such Sky Shares for registration; and
 - (iii) execute all such other documents and take any other action as may in the opinion of such attorney be necessary or expedient for the purposes of, or in connection with, the acceptance of the Offer and to vest in Comcast Bidco (or its nominees) the full legal and beneficial ownership of Sky Shares in certificated form comprised in the acceptance;
- (e) in relation to Sky Shares in certificated form, the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects and to the Sky Shareholder not having validly withdrawn his acceptance, a separate and irrevocable instruction and authorisation:
- (i) to Sky or its agents to procure the registration of the transfer of the Sky Shares in certificated form comprised in the acceptance and the delivery of the share certificate(s) and other document(s) of title in respect of the Sky Shares to Comcast Bidco or as it may direct;
 - (ii) subject to the provisions of paragraph 8 of Part C of this Appendix 1, to Comcast Bidco, one of the Comcast Bidco Financial Advisers or their respective agents, to procure the issue and dispatch by post (or such other method as may be approved by the Panel) of a cheque in respect of any cash consideration to which such Sky Shareholder is entitled under the Offer at such Sky Shareholder’s risk, to the person or agent whose name and address (outside the Restricted Jurisdictions unless otherwise permitted by Comcast Bidco) is set out in Box 1 of the Form of Acceptance or such changed address entered in Box 6 of the Form of Acceptance or, if none is set out, to the first-named holder at his registered address (outside the Restricted Jurisdictions unless otherwise permitted by Comcast Bidco); and

- (iii) to Comcast Bidco, the Comcast Bidco Financial Advisers, Sky or their respective agents, to record, act and rely on any mandates, instructions, consents or instruments in force relating to payments, notices or distributions which have been entered in the records of Sky in respect of his holding of Sky Shares (until such are revoked or varied);
- (f) the execution of the Form of Acceptance constitutes the giving of separate authority to each of Comcast Bidco, the Comcast Bidco Financial Advisers, the Receiving Agent and their respective directors and agents within the terms of Part C and this Part D of this Appendix 1 in respect of the Sky Shares in certificated form comprised in the acceptance;
- (g) subject to the Offer becoming unconditional in all respects (or if the Offer will become unconditional in all respects or lapse immediately upon the outcome of the resolution in question) or if the Panel consents, for Sky Shares in respect of which the Offer has been accepted or deemed to be accepted, which acceptance has not been validly withdrawn and pending registration of any transfer in the name of Comcast Bidco (or as it may direct), pursuant to the Offer:
 - (i) Comcast Bidco or its agents shall be authorised to direct the exercise of any votes and any or all other rights and privileges (including the right to requisition the convening of a general meeting of Sky or of any class of its shareholders) attaching to the Sky Shares in certificated form comprised in the acceptance; and
 - (ii) the execution of a Form of Acceptance by a Sky Shareholder constitutes with regard to such Sky Shares in certificated form comprised in the acceptance:
 - (A) an irrevocable authority to Sky and/or its agents from such Sky Shareholder to send any notice, circular, warrant, document or other communication which may be required to be sent to him as a member of Sky (including any share certificate(s) and/or other document(s) of title) to Comcast Bidco at its registered office;
 - (B) an irrevocable authority to Comcast Bidco and any director of, or any person authorised by, Comcast Bidco to sign any document and do such things as may, in the opinion of that agent and/or attorney, seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the Sky Shares held by him in certificated form (including, without limitation, signing any consent to short notice of a general or separate class meeting as his attorney and/or agent and on his behalf, and/or to attend (and/or to execute a form of proxy in respect of such Sky Shares appointing any person nominated by Comcast Bidco to attend) general and separate class meetings of Sky (and any adjournments thereof) and to exercise the votes attaching to the Sky Shares in certificated form comprised or deemed to be comprised in the acceptance on his behalf, where relevant that such votes are to be cast so far as possible to satisfy any outstanding Condition); and
 - (C) the agreement of the Sky Shareholder not to exercise any of such rights without the consent of Comcast Bidco, and the irrevocable undertaking of such Sky Shareholder not to appoint a proxy for or to attend any such general meeting or separate class meeting of Sky;
- (h) he shall deliver or procure the delivery to the Receiving Agent at the address referred to in paragraph 3(b) of Part C of this Appendix 1 his share certificate(s) and/or other document(s) of title in respect of those Sky Shares in certificated form comprised in the acceptance (which has not been not validly withdrawn), or an indemnity acceptable to Comcast Bidco in lieu thereof, as soon as possible and in any event within six months of the Offer becoming unconditional in all respects;
- (i) the terms and conditions of the Offer are deemed to be incorporated in, and form part of, the Form of Acceptance, which shall be read and construed accordingly;
- (j) he shall do all such acts and things as shall, in the opinion of Comcast Bidco, be necessary or expedient to vest in Comcast Bidco or its nominee(s) (or such other person as Comcast Bidco may decide) the Sky Shares in certificated form comprised in the acceptance;
- (k) he shall ratify each and every act or thing which may be done or effected by Comcast Bidco, any of the Comcast Bidco Financial Advisers or the Receiving Agent or any directors or agents of, or any person authorised by, any of them, or by Sky or its agents, as the case may be, in the exercise of any of the powers and/or authorities under this Part D;

- (l) the execution of the Form of Acceptance constitutes such Sky Shareholder's agreement to the terms of paragraphs 7(q) and 7(r) of Part C of this Appendix 1;
- (m) the Form of Acceptance shall be deemed to be delivered on the date of its execution and shall take effect as a deed on such date;
- (n) if any provision of Part C or this Part D of this Appendix 1 shall be unenforceable or invalid or shall not operate so as to afford Comcast Bidco, any of the Comcast Bidco Financial Advisers, the Receiving Agent or any of their respective directors, agents or persons authorised by any of them the benefit of the authorities and powers of attorney expressed to be given therein, he shall with all practicable speed do all such acts and things and execute all such documents as may be required or desirable to enable those persons to secure the full benefits of Part C and this Part D of this Appendix 1;
- (o) the *ejusdem generis* principle of construction shall not apply to the terms and conditions of the Offer and/or the Form of Acceptance. Accordingly general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words; and
- (p) the Sky Shareholder is not a client (as defined in the FCA Handbook) of any of the Comcast Bidco Financial Advisers in connection with the Offer.

References in this Part D to a Sky Shareholder include references to the person or persons executing a Form of Acceptance and, if more than one person executes a Form of Acceptance, the provisions of this Part D shall apply to them jointly and to each of them.

Part E : Electronic Acceptances

This Part E applies only to Sky Shares held in uncertificated form. If you hold all your Sky Shares in certificated form, you should ignore this Part E and instead read Part D above.

For the purposes of this Part E, the phrase “**Sky Shares in uncertificated form comprised in the acceptance**” shall mean the number of Sky Shares which are transferred by the relevant Sky Shareholder by Electronic Acceptance to an escrow account by means of a TTE Instruction.

Without prejudice to the provisions of Parts A, B and C of this Appendix 1, each Sky Shareholder by whom, or on whose behalf, an Electronic Acceptance is made, irrevocably undertakes, represents, warrants and agrees to and with Comcast Bidco, the Comcast Bidco Financial Advisers and the Receiving Agent (so as to bind him, his personal or legal representatives, heirs, successors and assigns) that:

- (a) the Electronic Acceptance shall constitute:
 - (i) an acceptance of the Offer in respect of the number of Sky Shares held in uncertificated form to which a TTE Instruction relates; and
 - (ii) an undertaking to execute any documents, take any further action and give any further assurances which may be required to enable Comcast Bidco to obtain the full benefit of this Part E and/or to perfect any of the authorities expressed to be given in this Part E and otherwise in connection with his acceptance of the Offer,in each case on and subject to the terms and conditions set out or referred to in this document, and that, subject only to the rights of withdrawal set out or referred to in paragraph 3 of Part C of this Appendix 1, such acceptance and undertaking shall be irrevocable;
- (b) such Sky Shareholder:
 - (i) has not received or sent copies or originals of this document, the Form of Acceptance or any related documents, in, into or from any Restricted Jurisdiction;
 - (ii) has not otherwise utilised in connection with the Offer, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facilities of a national, state or other securities exchange of, any Restricted Jurisdiction;
 - (iii) is accepting the Offer from outside any Restricted Jurisdiction and was outside those jurisdictions at the time of the input and settlement of the relevant TTE Instruction(s);
 - (iv) is not an agent or fiduciary acting on a non-discretionary basis for a principal, unless such agent or fiduciary is an authorised employee of such principal or such principal has given any instructions with respect to the Offer from outside any Restricted Jurisdiction; and
 - (v) if such Sky Shareholder is a citizen, resident or national of a jurisdiction outside the UK, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, obtained all requisite governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in Comcast Bidco, any of the Comcast Bidco Financial Advisers or any other person acting on behalf of them being in breach of the legal or regulatory requirements of, or be liable for any issue, transfer or other taxes or duties or other payment in, any such jurisdiction in connection with the Offer or his acceptance of the Offer;
- (c) the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to such Sky Shareholder not having validly withdrawn his acceptance, the irrevocable and separate appointment of each of Comcast Bidco and any director of, or any person authorised by, Comcast Bidco, or any one of the Comcast Bidco Financial Advisers and each of its directors, as his attorney and/or agent (the “**attorney**”), and an irrevocable instruction and authorisation to such attorney to execute all such documents and do all such acts and things as may in the attorney’s opinion be necessary or expedient for the

- purpose of, or in connection with, acceptance of the Offer and to vest in Comcast Bidco (or its nominees) the full legal and beneficial ownership of Sky Shares in uncertificated form comprised in the acceptance;
- (d) the Electronic Acceptance constitutes the irrevocable appointment of the Receiving Agent as such Sky Shareholder's attorney and/or agent with an irrevocable instruction and authorisation:
- (i) subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Sky Shareholder not having validly withdrawn his acceptance, to transfer to Comcast Bidco (or to such other person or persons as Comcast Bidco or its agents may direct) by means of CREST all or any of the Sky Shares in uncertificated form which are the subject of a TTE Instruction in respect of that Electronic Acceptance; and
 - (ii) if the Offer does not become unconditional in all respects, to give instructions to Euroclear, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days of the lapsing of the Offer), to transfer all such Sky Shares to the original available balance of the accepting Sky Shareholder;
- (e) the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in all respects and to the Sky Shareholder not having validly withdrawn his acceptance, a separate and irrevocable instruction and authorisation:
- (i) to Comcast Bidco, any one of the Comcast Bidco Financial Advisers or their respective agents (subject to the provisions of paragraph 8 of Part C of this Appendix 1) to procure the making of a CREST payment obligation in favour of the Sky Shareholder's payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which the Sky Shareholder is entitled under the Offer, provided that Comcast Bidco may (if, for any reason, it wishes to do so) determine that all or any part of any such cash consideration shall be paid by cheque dispatched by post (or such other method as may be approved by the Panel) at the risk of the Sky Shareholder, to the first-named or sole holder at his registered address or, to such other address which is acceptable to Comcast Bidco at the risk of the Sky Shareholder, provided that if the Sky Shareholder concerned is a CREST member whose registered address is in a Restricted Jurisdiction, any cash consideration to which such shareholder is entitled shall be paid by cheque dispatched by post, at the risk of such Sky Shareholder, to the first-named or sole holder at an address outside a Restricted Jurisdiction stipulated by such holder or as otherwise determined by Comcast Bidco; and
 - (ii) to Comcast Bidco, the Comcast Bidco Financial Advisers, Sky or their respective agents, to record, act and rely on any mandates, instructions, consents or instruments in force relating to payments, notices or distributions which have been entered in the records of Sky in respect of his holding of Sky Shares (until such are revoked or varied);
- (f) the Electronic Acceptance constitutes the giving of separate authority to each of Comcast Bidco, the Comcast Bidco Financial Advisers, the Receiving Agent, and their respective directors and agents within the terms of Part C and this Part E of this Appendix 1 in respect of Sky Shares in uncertificated form comprised in the acceptance;
- (g) subject to the Offer becoming unconditional in all respects (or if the Offer will become unconditional in all respects or lapse immediately upon the outcome of the resolution in question) or if the Panel consents, for Sky Shares in respect of which the Offer has been accepted or deemed to be accepted, which acceptance has not been validly withdrawn and pending registration of any transfer in the name of Comcast Bidco (or as it may direct) pursuant to the Offer:
- (i) Comcast Bidco or its agents shall be authorised to direct the exercise of any votes and any or all other rights and privileges (including the right to requisition the convening of a general meeting of Sky or of any class of its shareholders) attaching to the Sky Shares in uncertificated form comprised in the acceptance; and
 - (ii) an Electronic Acceptance by a Sky Shareholder constitutes with regard to such Sky Shares in uncertificated form comprised in the acceptance:

- (A) an irrevocable authority to Sky and/or its agents from such Sky Shareholder to send any notice, circular, warrant, document or other communication which may be required to be sent to him as a member of Sky (including any share certificate(s) and/or other document(s) of title issued as a result of a conversion of such Sky Shares into certificated form) to Comcast Bidco at its registered office;
 - (B) an irrevocable authority to Comcast Bidco and any director of, or any person authorised by, Comcast Bidco to sign any document and do such things as may, in the opinion of that agent and/or attorney, seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the Sky Shares held by him in uncertificated form (including, without limitation, signing any consent to short notice of a general or separate class meeting as his attorney and/or agent and on his behalf and/or to attend (and/or to execute a form of proxy in respect of such Sky Shares appointing any person nominated by Comcast Bidco to attend) general and separate class meetings of Sky (and any adjournments thereof) and to exercise the votes attaching to the Sky Shares in uncertificated form comprised or deemed to be comprised in the acceptance on his behalf, where relevant that such votes are to be cast so far as possible to satisfy any outstanding Condition); and
 - (C) the agreement of the Sky Shareholder not to exercise any of such rights without the consent of Comcast Bidco, and the irrevocable undertaking of such Sky Shareholder not to appoint a proxy for or to attend any such general meeting or separate class meeting of Sky;
- (h) if, for any reason, any Sky Shares in respect of which a TTE Instruction has been effected in accordance with paragraph 17 of the letter from Comcast Bidco contained in Part II of this document are converted to certificated form, he shall (without prejudice to paragraph (g) of this Part E) immediately deliver or procure the immediate delivery of the share certificate(s) and/or other document(s) of title in respect of all such Sky Shares that are so converted to the Receiving Agent at the address referred to in paragraph 3(b) of Part C of this Appendix 1, or to Comcast Bidco at its registered office, or as Comcast Bidco or its agents may direct, and he shall be deemed upon conversion to undertake, represent, warrant and agree in the terms set out in Part D of this Appendix 1 in relation to such Sky Shares without prejudice to the application of this Part E as far as Comcast Bidco deems appropriate;
 - (i) the creation of a CREST payment obligation in favour of his payment bank in accordance with the CREST payment arrangements referred to in paragraph (e) of this Part E shall, if and to the extent of the obligation so created, discharge in full any obligation of Comcast Bidco to pay to him the cash consideration to which he is entitled pursuant to the Offer;
 - (j) he shall do all such acts and things as shall, in the opinion of Comcast Bidco, be necessary or expedient to vest in Comcast Bidco or its nominee(s) (or such other person(s) as Comcast Bidco may decide) the Sky Shares in uncertificated form comprised or deemed to be comprised in the acceptance and to enable the Receiving Agent to perform its functions as Escrow Agent for the purposes of the Offer;
 - (k) he shall ratify each and every act or thing which may be done or effected by Comcast Bidco, any of the Comcast Bidco Financial Advisers or the Receiving Agent, or any directors or agents of, or any person authorised by, any of them, or by Sky or its agents, as the case may be, in the exercise of any of their powers and/or authorities under this Part E;
 - (l) if any provision of Part C or this Part E of this Appendix 1 shall be unenforceable or invalid or shall not operate so as to afford Comcast Bidco, any of the Comcast Bidco Financial Advisers or the Receiving Agent or any of their respective directors, agents or persons authorised by them, the benefit of the authorities and powers of attorney expressed to be given therein, he shall with all practicable speed do all such acts and things and execute all such documents that may be required or desirable to enable those persons to secure the full benefits of Part C and this Part E of this Appendix 1;
 - (m) the making of an Electronic Acceptance constitutes such Sky Shareholder's agreement to the terms of paragraphs 7(q) and 7(r) of Part C of this Appendix 1;

- (n) by virtue of Regulation 43 of the Regulations, the making of an Electronic Acceptance constitutes an irrevocable power of attorney by the CREST member accepting the Offer in favour of Comcast Bidco, the Receiving Agent and any of their respective directors or agents or persons authorised by either of them in the terms of all the powers and authorities expressed to be given by Part C, this Part E and (where applicable by virtue of paragraph (h) above) Part D of this Appendix 1;
- (o) he is irrevocably and unconditionally entitled to sell and transfer the beneficial ownership of the Sky Shares comprised or deemed to be comprised in such acceptance and that such Sky Shares are sold fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching to them on or after the date of the Original Offer Announcement, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made, on or after the Effective Date; and
- (p) the Sky Shareholder is not a client (as defined in the FCA Handbook) of any of the Comcast Bidco Financial Advisers in connection with the Offer.

References in this Part E to a Sky Shareholder include references to the person or persons making an Electronic Acceptance and, if more than one makes an Electronic Acceptance, the provisions of this Part E shall apply to them jointly and to each of them.

APPENDIX 2 : FINANCIAL INFORMATION RELATING TO SKY, COMCAST AND COMCAST BIDCO

1. Financial information relating to Sky

The following table sets out financial information in respect of the Sky Group as required by Rule 24.3(e) of the Code. The documents referred to in the following table, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the Code. For the avoidance of doubt, only those sections of the sources specifically referred to below are incorporated by reference into, and form part of, this document.

Document	Website address	Page numbers of the information incorporated by reference
Unaudited results for the nine months ended 31 March 2018	https://www.skygroup.sky/corporate/investors/results Click on the link entitled “Q3 17/18 Download Trading Statement”	1 – 8 (inclusive)
Unaudited results for the six months ended 31 December 2017	https://www.skygroup.sky/corporate/investors/results Click on the link entitled “Q2 17/18 Download Press Release”	1 – 34 (inclusive)
Unaudited results for the three months ended 30 September 2017	https://www.skygroup.sky/corporate/investors/results Click on the link entitled “Q1 17/18 Download Trading Statement”	1 – 6 (inclusive)
Annual Report and Accounts for the financial year ended 30 June 2017	https://www.skygroup.sky/corporate/investors/annual-reports Click on the link entitled “Annual Report 2017 Download report”	79 – 137 (inclusive)
Annual Report and Accounts for the financial year ended 30 June 2016	https://www.skygroup.sky/corporate/investors/annual-reports Click on the link entitled “Annual Report 2016 Download report”	71 – 131 (inclusive)

The information above is available free of charge in a “read only”, printable format from the web addresses set out above.

2. Financial information relating to Comcast and Comcast Bidco

The following table sets out financial information in respect of Comcast as required by Rule 24.3 of the Code. The documents referred to in the following table are incorporated into this document by reference pursuant to Rule 24.15 of the Code. For the avoidance of doubt, only those sections of the sources specifically referred to below are incorporated by reference into, and form part of, this document.

<u>Document</u>	<u>Website address</u>	<u>Page numbers of the information incorporated by reference</u>
Unaudited results on Form 10-Q for the three months ended 31 March 2018	https://www.cmcsa.com/static-files/9ed49aef-e952-4c8c-bcf8-3ffae5ff4ebf	1 – 25 (inclusive)
Consolidated financial statements on Form 10-K for the year ended 31 December 2017	https://www.cmcsa.com/financials/annual-reports Click on the link entitled “2017 Annual Report on Form 10-K”	61 – 101 (inclusive)
Consolidated financial statements on Form 10-K for the year ended 31 December 2016	https://www.cmcsa.com/financials/annual-reports Click on the link entitled “2016 Annual Report on Form 10-K”	74 – 120 (inclusive)

Comcast Bidco was formed on 2 May 2018 for the purpose of making the Offer and has not carried on any business or traded since incorporation, nor has it entered into any obligations other than in connection with implementation of the Offer. No financial information is available or has been published in respect of Comcast Bidco.

The information above is available free of charge in a “read only”, printable format from the web addresses set out above.

Availability of hard copies

Any person who has received this document may request a hard copy of any documents or information incorporated by reference into this document. A copy of such documents or information incorporated by reference into this document will not be provided unless requested by contacting the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK) or by submitting a request in writing to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

No incorporation of website information

Save as set out above, neither the content of Sky’s nor Comcast’s website, nor the content of any website accessible from hyperlinks on Sky’s or Comcast’s website, is incorporated into, or forms part of, this document.

APPENDIX 3 : ADDITIONAL INFORMATION

1. Responsibility

- 1.1 The Comcast Directors and the Comcast Bidco Director, whose names are set out in paragraph 2.1 and paragraph 2.2 below, respectively, accept responsibility for the information contained in this document (including any expressions of opinion), other than the information (and expressions of opinion) for which responsibility is taken by the Sky Independent Committee pursuant to paragraph 1.2 below. To the best of the knowledge and belief of the Comcast Directors and the Comcast Bidco Director (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.
- 1.2 The Sky Independent Committee, whose names are set out in the definition of “Sky Independent Committee” in Appendix 8, accept responsibility for the information contained in this document (including any expressions of opinion) relating to Sky, the Wider Sky Group, the Sky Directors, the Sky Directors’ close relatives, related trusts and connected persons, the persons acting in concert with Sky, the recommendations and opinions of the Sky Independent Committee relating to the Offer in Part I of this document, and the Post-Offer Undertakings made by Sky pursuant to Rule 19.5 of the Code as set out in Appendix 4. To the best of the knowledge and belief of the Sky Independent Committee (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

2. Directors

- 2.1 The Comcast Directors and their respective positions are as follows:

Name	Position held
Kenneth J. Bacon	Director
Madeline S. Bell	Director
Sheldon M. Bonovitz	Director
Edward D. Breen	Director
Gerald L. Hassell	Director
Jeffrey A. Honickman	Director
Maritza G. Montiel	Director
Asuka Nakahara	Director
David C. Novak	Director
Brian L. Roberts	Chairman and Chief Executive Officer

The registered office of Comcast, which is also the business address of each of the Comcast Directors, is One Comcast Center, Philadelphia, PA 19103-2838, United States.

- 2.2 The director of Comcast Bidco is Arthur R. Block. The registered office of Comcast Bidco, which is also the business address of the Comcast Bidco Director, is 1 Central St. Giles, St. Giles High Street, London WC2H 8NU, United Kingdom. Mr. Block is an Executive Vice President and the General Counsel and Secretary at Comcast.

2.3 The Sky Directors and their respective positions are as follows are:

Name	Position held
Chase Carey	Non-Executive Director
Tracy Clarke	Independent Non-Executive Director
Jeremy Darroch	Group Chief Executive Officer
Martin Gilbert	Deputy Chairman
Adine Grate	Independent Non-Executive Director
Andrew Griffith	Group Chief Operating Officer and Chief Financial Officer
James Murdoch	Chairman
John Nallen	Non-Executive Director
Matthieu Pigasse	Independent Non-Executive Director
Andrew Sukawaty	Senior Independent Director
Katrin Wehr-Seiter	Independent Non-Executive Director

Sky is a public company limited by shares and incorporated in England and Wales with registration number 02247735. The registered office of Sky, which is also the business address of each of the Sky Directors, is Grant Way, Isleworth, Middlesex, TW7 5QD, United Kingdom.

3. Market quotations

Set out below are the Closing Prices of Sky Shares as derived from the Daily Official List on:

- (i) the first dealing day in each of the six months immediately before the date of this document;
- (ii) 8 December 2016 (being the last dealing day prior to the commencement of the Offer Period); and
- (iii) 9 July 2018 (being the Latest Practicable Date).

Date	Sky Share (£)
8 December 2016	7.895
1 February 2018	10.620
1 March 2018	13.720
3 April 2018	13.250
1 May 2018	13.800
1 June 2018	13.370
2 July 2018	14.640
9 July 2018	14.685

4. Ratings and outlook

The current ratings and outlooks publicly accorded to Comcast by Fitch, Moody's and Standard & Poor's are as follows:

Rating agency	Short-term rating	Long-term rating	Outlook
Fitch	F2	A-	Stable
Moody's	P-2	A3	Review for downgrade
Standard & Poor's	A-2	A-	Negative watch

As at the Latest Practicable Date, there had been the following changes to Comcast's ratings and/or outlooks during the Offer Period:

- (i) on 23 May 2018, following Comcast's announcement that it is considering an all-cash offer for certain of 21st Century Fox's assets, Moody's placed Comcast's A3 long-term rating on review for downgrade on concerns over any such offer being an all-debt financed offer. Prior to this date, Moody's had assigned Comcast a long-term rating of A3 with a Stable rating outlook; and

- (ii) on 28 February 2018, following Comcast’s possible offer announcement for Sky on 27 February 2018, Standard & Poor’s placed Comcast’s A- long-term rating on Creditwatch Negative on concerns that its all-cash offer for Sky might lead to sustained higher leverage. Standard & Poor’s re-affirmed this rating and outlook on 29 May 2018 following Comcast’s announcement that it was contemplating an offer for select parts of 21st Century Fox. Prior to this date, Standard & Poor’s had assigned Comcast a long-term rating of A- with a Stable rating outlook.

No ratings agency has publicly accorded Comcast Bidco with any credit rating or outlook.

The current ratings and outlooks publicly accorded to Sky by Fitch, Moody’s and Standard & Poor’s are as follows:

Rating Agency	Long-term rating	Outlook
Fitch	BBB-	Positive watch
Moody’s	Baa2	Developing
Standard & Poor’s	BBB	Developing

As at the Latest Practicable Date, there had been the following changes to Sky’s ratings and/or outlooks during the Offer Period:

- (i) on 26 September 2017, following the end of Sky’s fiscal year, Standard & Poor’s placed Sky’s BBB long-term rating on CreditWatch Developing as a consequence of concerns that Sky’s deleveraging would take longer than previously expected. Prior to this date, Standard’s & Poor’s had assigned Sky a BBB long-term rating with a CreditWatch Positive outlook;
- (ii) on 20 December 2016, following 21st Century Fox’s firm offer announcement for Sky on 15 December 2016, Moody’s changed Sky’s Baa2 long-term rating outlook to Developing on concerns that Moody’s did not have visibility as to possible changes to the post-acquisition capital structure of Sky as a result of the offer’s pre-conditions and the likelihood of a lengthy regulatory review process. Prior to this date, Moody’s had assigned Sky a long-term rating of Baa2 with a Stable rating outlook;
- (iii) on 19 December 2016, following 21st Century Fox’s firm offer announcement for Sky on 15 December 2016, Fitch placed Sky’s BBB- long-term rating on Rating Watch Positive on the basis of expected strong strategic and operational links with 21st Century Fox as a higher credit rated possible parent company. Prior to this date, Fitch had assigned Sky a long-term rating of BBB- with a Stable rating outlook; and
- (iv) on 13 December 2016, following 21st Century Fox’s possible offer announcement for Sky on 9 December 2016, Standard & Poor’s placed Sky’s BBB long-term rating on CreditWatch Positive on the belief that there was a significant likelihood that a final agreement could be reached. Prior to this date, Standard & Poor’s had assigned Sky a long-term rating of BBB with a Negative rating outlook.

5. Interests and dealings

5.1 For the purposes of this paragraph 5:

“**acting in concert**” with a party means any such person acting or deemed to be acting in concert with that party for the purposes of the Code;

“**connected person**” in relation to a director of Comcast, Comcast Bidco or Sky (as applicable) includes: (i) such director’s spouse or civil partner and children or step-children under the age of 18; (ii) the trustee(s) of any trust for the benefit of such director and/or any person mentioned in (i); (iii) any company in which such director and/or any person mentioned in (i) or (ii) is entitled to exercise or control the exercise of one-third or more of the voting power, or which is accustomed to act in accordance with the directions of such director or any such person; and (iv) any other person whose interests in shares are taken to be interests of such director pursuant to Part 22 of the Companies Act;

“**dealing**” has the meaning given to it in the Code and “**dealt**” has the corresponding meaning;

“**Dealing Arrangement**” includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;

“**derivative**” includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

“**Disclosure Date**” means the close of business on the Latest Practicable Date;

“**Disclosure Period**” means the period commencing 9 December 2015 (the date 12 months prior to the date of commencement of the Offer Period) and ending on the Disclosure Date;

“**Financial Collateral Arrangement**” means an arrangement of the kind referred to in Note 4 on Rule 4.6 of the Code;

“**Offer Period**” means in this context the period commencing on 9 December 2016 and ending on the Disclosure Date;

“**relevant securities**” means: (i) Sky Shares and any other securities of Sky which carry voting rights; (ii) equity share capital of Sky or, as the context requires, Comcast or Comcast Bidco; and (iii) securities of Sky or, as the context requires, Comcast or Comcast Bidco, carrying conversion or subscription rights into any of the foregoing; and

“**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

A person has an “**interest**” or is “**interested**” in relevant securities if he has a long economic exposure, whether absolute or conditional, to changes in the price of those securities (but not if he only has a short position in such securities) and in particular if: (i) he owns them; (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them; (iii) by virtue of any agreement to purchase, option or derivative, he: (A) has the right or option to acquire them or call for their delivery; or (B) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or (iv) he is party to any derivative: (A) whose value is determined by reference to their price; and (B) which results, or may result, in his having a long position in them.

If there is any inconsistency between the above definitions and the Code, those used in the Code shall prevail.

5.2 *Persons acting in concert with Comcast and Comcast Bidco*

In addition to the Comcast Directors and the Comcast Bidco Director (together with their respective close relatives and related trusts) and the members of the Comcast Group, the persons who are acting in concert with Comcast and Comcast Bidco for the purposes of the Offer and which are required to be disclosed are:

<u>Person acting in concert</u>	<u>Type of company</u>	<u>Relationship with Comcast and Comcast Bidco</u>	<u>Address</u>
Evercore Group L.L.C.	Limited liability company	Financial adviser	55 East 52nd Street, New York, NY 10055
Evercore Partners International LLP	Limited liability partnership	Financial adviser	15 Stanhope Gate, London, W1K 1LN
Merrill Lynch International	Private unlimited company	Financial adviser and corporate broker	2 King Edward Street, London, EC1A 1HQ
Robey Warshaw LLP	Limited liability partnership	Financial adviser	31 St James’s Place, London, SW1A 1NR
Wells Fargo Securities, LLC	Limited liability company	Co-financial adviser	375 Park Avenue, New York, NY 10152

5.3 *Persons acting in concert with Sky*

In addition to the Sky Directors (together with their close relatives and related trusts) and the members of the Sky Group (and their related pension schemes), the persons who are acting in concert with Sky for the purposes of the Offer and which are required to be disclosed are:

Person acting in concert	Type of company	Relationship with Sky	Address
Barclays Bank PLC (acting through its Investment Bank)	Public limited company	Financial adviser	5 The North Colonnade, London, E14 4BB
Morgan Stanley & Co International plc	Public limited company	Financial adviser	25 Cabot Square, London, E14 4QA
PJT Partners (UK) Limited	Private limited company	Financial adviser	5th Floor, One Curzon Street, London, W1J 5HD

5.4 *Interests in Sky relevant securities*

5.4.1 As at the Disclosure Date, the Sky Directors (and their close relatives and related trusts and connected persons) had an interest in, a right to subscribe in respect of, or a short position in relation to, the following Sky relevant securities (apart from options, which are described in paragraph 5.4.2):

Director	Number of Sky Shares
James Murdoch	Nil
Jeremy Darroch	743,101
Andrew Griffith	197,580
Chase Carey	Nil
Tracy Clarke	5,060
Martin Gilbert	9,137
Adine Grate	29,394
John Nallen	Nil
Matthieu Pigasse	9,147
Andrew Sukawaty	5,730
Katrin Wehr-Seiter	Nil

5.4.2 As at the Disclosure Date, the Sky Directors held the following outstanding options and awards over Sky Shares under the Sky Share Plans:

Long Term Incentive Plan

Director	Exercise period	Exercise price (£)	Number of Sky Shares under option
Jeremy Darroch	29/07/2019 – 29/07/2024	Nil	600,000
	29/07/2019 – 29/07/2024	Nil	600,000
Andrew Griffith	29/07/2019 – 29/07/2024	Nil	350,000
	29/07/2019 – 29/07/2024	Nil	350,000

Co-Investment Plan

Director	Exercise period	Exercise price (£)	Number of Sky Shares under option
Jeremy Darroch	01/09/2017 – 01/09/2022	Nil	141,824*
	28/08/2018 – 28/08/2023	Nil	141,758
	31/08/2019 – 31/08/2024	Nil	176,110
	01/09/2020 – 01/09/2025	Nil	151,706
Andrew Griffith	01/09/2017 – 01/09/2022	Nil	66,672*
	28/08/2018 – 28/08/2023	Nil	66,938
	31/08/2019 – 31/08/2024	Nil	83,159
	01/09/2020 – 01/09/2025	Nil	71,635

Sky Sharesave Schemes

Director	Exercise period	Exercise price (£)	Number of Sky Shares under option
Jeremy Darroch	01/02/2020 – 31/07/2020	7.08	2,139
Andrew Griffith	01/02/2018 – 31/07/2018	7.08	1,271
	01/02/2021 – 31/07/2021	7.52	1,196

- 5.4.3 As at the Disclosure Date, persons acting in concert with Sky had an interest in, a right to subscribe in respect of, or a short position in relation to, the following relevant securities of Sky:

Name	Number of Sky Shares	Interest in Sky issued share capital as at the Latest Practicable Date
Barclays Bank Plc – Jersey Branch	37,486	0.00%

* Options under the Co-Investment Plan which were granted to Jeremy Darroch and Andrew Griffith in 2014, for the three year performance period ended 30 June 2017, vested on the basis of a 1.3 times match on 1 September 2017 over 141,824 shares and 66,672 shares respectively.

5.5 Dealings in Sky relevant securities

5.5.1 The following dealings in relevant securities of Sky by the Sky Directors (and their close relatives and related trusts and connected persons) have taken place during the Offer Period:

Date	Party	Transaction	Number of Sky Shares	Price per Sky Share (£)
21/12/2016	Tracy Clarke	Purchase of shares pursuant to trading plan	64	9.8650
21/12/2016	Martin Gilbert	Purchase of shares pursuant to trading plan	102	9.8650
21/12/2016	Matthieu Pigasse	Purchase of shares pursuant to trading plan	101	9.8650
21/12/2016	Andrew Sukawaty	Purchase of shares pursuant to trading plan	97	9.8650
27/01/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	62	10.0500
27/01/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	101	10.0500
27/01/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	99	10.0500
27/01/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	96	10.0500
27/02/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	63	9.9750
27/02/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	101	9.9750
27/02/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	99	9.9750
27/02/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	96	9.9750
27/03/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	64	9.8100
27/03/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	103	9.8100
27/03/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	101	9.8100
27/03/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	98	9.8100
27/04/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	149	9.8350
27/04/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	260	9.8350
27/04/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	257	9.8350
27/04/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	185	9.835
26/05/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	56	10.0100
26/05/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	91	10.0100
26/05/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	96	10.0100
26/05/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	89	10.0100
27/06/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	57	9.6900
27/06/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	93	9.6900

Date	Party	Transaction	Number of Sky Shares	Price per Sky Share (£)
		to trading plan		
27/06/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	96	9.6900
27/06/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	93	9.6900
27/07/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	94	9.6600
27/07/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	95	9.6600
27/07/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	58	9.6600
27/07/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	92	9.6600
27/07/2017	Jeremy Darroch	Grant of awards under the Long Term Incentive Plan at nil cost	600,000	Nil
27/07/2017	Andrew Griffith	Grant of awards under the Long Term Incentive Plan at nil cost	350,000	Nil
28/07/2017	Jeremy Darroch	Exercise and sale of awards under the Long Term Incentive Plan	1,200,000	9.6700
28/07/2017	Andrew Griffith	Exercise and sale of awards under the Long Term Incentive Plan	700,000	9.6700
25/08/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	100	9.5200
25/08/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	101	9.5200
25/08/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	62	9.5200
25/08/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	114	9.5200
01/09/2017	Jeremy Darroch	Purchase of Investment Shares under the Co-Investment Plan	53,230	9.5600
01/09/2017	Jeremy Darroch	Grant of matching share award under the Co-Investment Plan	151,706	Nil
01/09/2017	Andrew Griffith	Purchase of Investment Shares under the Co-Investment Plan	25,135	9.5600
01/09/2017	Andrew Griffith	Grant of matching share award under the Co-Investment Plan	71,635	Nil
27/09/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	126	9.1550
27/09/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	103	9.1550
27/09/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	78	9.1550
27/09/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	115	9.1550
27/10/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	122	9.3800
27/10/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	111	9.3800

Date	Party	Transaction	Number of Sky Shares	Price per Sky Share (£)
		to trading plan		
27/10/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	76	9.3800
27/10/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	113	9.3800
27/11/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	123	9.3950
27/11/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	118	9.3950
27/11/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	75	9.3950
27/11/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	112	9.3950
01/12/2017	Andrew Griffith	Grant of share option for nil consideration under the Sky Sharesave Scheme with an exercise price of £7.52	1,196	Nil
21/12/2017	Martin Gilbert	Purchase of shares pursuant to trading plan	112	10.1875
21/12/2017	Matthieu Pigasse	Purchase of shares pursuant to trading plan	108	10.1875
21/12/2017	Tracy Clarke	Purchase of shares pursuant to trading plan	70	10.1875
21/12/2017	Andrew Sukawaty	Purchase of shares pursuant to trading plan	104	10.1875
26/01/2018	Martin Gilbert	Purchase of shares pursuant to trading plan	111	10.4250
26/01/2018	Matthieu Pigasse	Purchase of shares pursuant to trading plan	107	10.4250
26/01/2018	Tracy Clarke	Purchase of shares pursuant to trading plan	69	10.4250
26/01/2018	Andrew Sukawaty	Purchase of shares pursuant to trading plan	101	10.4250
27/02/2018	Martin Gilbert	Purchase of shares pursuant to trading plan	151	13.1350
27/02/2018	Matthieu Pigasse	Purchase of shares pursuant to trading plan	148	13.1350
27/02/2018	Tracy Clarke	Purchase of shares pursuant to trading plan	89	13.1350
27/02/2018	Andrew Sukawaty	Purchase of shares pursuant to trading plan	94	13.1350
27/03/2018	Martin Gilbert	Purchase of shares pursuant to trading plan	88	13.1000
27/03/2018	Matthieu Pigasse	Purchase of shares pursuant to trading plan	85	13.1000
27/03/2018	Tracy Clarke	Purchase of shares pursuant to trading plan	55	13.1000
27/03/2018	Andrew Sukawaty	Purchase of shares pursuant to trading plan	55	13.1000
27/04/2018	Martin Gilbert	Purchase of shares pursuant to trading plan	171	13.6450
27/04/2018	Matthew Pigasse	Purchase of shares pursuant to trading plan	167	13.6450
27/04/2018	Tracy Clarke	Purchase of shares pursuant to trading plan	100	13.6450
27/04/2018	Andrew Sukawaty	Purchase of shares pursuant to trading plan	106	13.6450

<u>Date</u>	<u>Party</u>	<u>Transaction</u>	<u>Number of Sky Shares</u>	<u>Price per Sky Share (£)</u>
25/05/2018	Martin Gilbert	to trading plan Purchase of shares pursuant to trading plan	69	13.5000
25/05/2018	Matthew Pigasse	Purchase of shares pursuant to trading plan	74	13.5000
25/05/2018	Tracy Clarke	Purchase of shares pursuant to trading plan	42	13.5000
25/05/2018	Andrew Sukawaty	Purchase of shares pursuant to trading plan	43	13.5000
27/06/2018	Martin Gilbert	Purchase of shares pursuant to trading plan	64	14.3950
27/06/2018	Matthew Pigasse	Purchase of shares pursuant to trading plan	65	14.3950
27/06/2018	Tracy Clarke	Purchase of shares pursuant to trading plan	40	14.3950
27/06/2018	Andrew Sukawaty	Purchase of shares pursuant to trading plan	40	14.3950

5.5.2 The following dealings in relevant securities of Sky by persons acting in concert with Comcast have taken place during the Disclosure Period:

<u>Name of party</u>	<u>Date</u>	<u>Nature of dealing</u>	<u>Number of Sky ADRs</u>	<u>Price per Sky ADR (US\$)</u>
BofA Merrill Lynch	23/06/2016	Purchase	700	53.19
	22/04/2016	Purchase	4,140	56.46
	19/04/2016	Sale	121	58.83
	01/03/2016	Purchase	100	58.97
	01/03/2016	Purchase	82	58.99
	29/02/2016	Purchase	106	57.93
	29/02/2016	Purchase	102	57.93
	14/01/2016	Sale	500	61.72
	09/12/2015	Purchase	10,006	65.85
Wells Fargo	10/01/2017	Purchase	4	48.09
	10/01/2017	Sale	4	48.09
	10/01/2017	Sale	4	48.09
	10/01/2017	Purchase	4	48.09

5.6 General

Save as disclosed in this document, as at the Disclosure Date:

- 5.6.1 none of (i) Comcast, (ii) Comcast Bidco, (iii) any Comcast Director (or any close relative, related trust or connected person of any such director), (iv) the Comcast Bidco Director (or any close relative, related trust or connected person of such director), nor (v) any person acting in concert with Comcast Bidco:
- (a) had any interest in, a right to subscribe in respect of, or any short position in relation to, relevant securities of Sky; nor
- (b) dealt in any relevant securities of Sky during the Disclosure Period;
- 5.6.2 neither Comcast Bidco nor any person acting in concert with Comcast Bidco has any Dealing Arrangement with any other person, and as such, no such person has dealt in any relevant securities of Sky during the Disclosure Period;
- 5.6.3 neither Comcast Bidco nor any person acting in concert with Comcast Bidco had borrowed or lent any Sky relevant securities (including any Financial Collateral Arrangements), save for any borrowed shares which have been either on-lent or sold;

- 5.6.4 neither Sky nor any Sky Director (or any close relative, related trust or connected person of any such director):
- (a) had any interest in, a right to subscribe in respect of, or any short position in relation to, relevant securities of Comcast or Comcast Bidco; nor
- (b) dealt in any relevant securities of Comcast or Comcast Bidco during the Offer Period;
- 5.6.5 none of (i) Sky, (ii) any Sky Director (or any close relative, related trust or connected person of any such director), nor (iii) any person acting in concert with Sky:
- (a) had any interest in, a right to subscribe in respect of, or any short position in relation to, relevant securities of Sky; nor
- (b) dealt in any relevant securities of Sky during the Offer Period;
- 5.6.6 neither Sky nor any person acting in concert with Sky has any Dealing Arrangement with any other person, and as such, no such person has dealt in any relevant securities of Sky during the Offer Period; and
- 5.6.7 neither Sky nor any person acting in concert with Sky had borrowed or lent any Sky relevant securities (including any Financial Collateral Arrangements), save for any borrowed shares which have been either on-lent or sold.

5.7 *Interests of significant shareholders in Comcast*

- 5.7.1 As at the Latest Practicable Date, so far as Comcast is aware, the following entities have pre-existing interests in Comcast which would create potential direct or indirect interests of 5 per cent. or more in the share capital of the Enlarged Group on completion of the Acquisition:

<u>Shareholder</u>	<u>Class of Comcast share</u>	<u>Number of Comcast shares⁽¹⁾</u>	<u>Estimated % indirect interest in Sky's share capital following completion of the Acquisition⁽²⁾</u>
The Vanguard Group	Class A common stock	322,104,305	7.0
BlackRock, Inc.	Class A common stock	315,540,621	6.9

Notes:

- (1) This information is based on Schedule 13G filings with the SEC made by The Vanguard Group and BlackRock, Inc. on 9 February 2018 and 29 January 2018, respectively, setting out information as of 31 December 2017.
- (2) Assuming: (i) the acquisition of 100 per cent. of Sky Shares, (ii) the holdings of Vanguard Group and BlackRock, Inc. reported on 9 February 2018 and 29 January 2018, respectively, have not changed since such dates and will not change prior to completion of the Acquisition, and (iii) 4,592,195,625 shares of Class A common stock outstanding as at 6 April 2018 and on completion of the Acquisition.

- 5.7.2 Brian L. Roberts, Comcast's Chairman and CEO, (or certain of his connected companies or family trusts) beneficially owns all of Comcast's 9,444,375 outstanding shares of Class B common stock. The Class B common stock represents 33 1/3 per cent. of the combined voting power of Comcast's Class A and Class B common stock, which percentage is generally non-dilutable under the terms of Comcast's articles of incorporation.

Under Comcast's articles of incorporation, each share of Class B common stock is convertible at the shareholder's option into a share of Class A common stock. If Brian L. Roberts were to convert his Class B common stock into Class A common stock, he (and certain of his family members and connected foundations, trusts and companies) would beneficially own approximately 1 per cent. of the Class A common stock and, indirectly, less than 5 per cent of Sky on completion of the Acquisition.

6. Irrevocable undertakings

No irrevocable undertakings or letters of intent to accept, or procure acceptance of, the Offer have been received by Comcast or Comcast Bidco. As a result of irrevocable undertakings entered into in connection with the Original 21CF Offer (the "**Director Irrevocable**

Undertakings”), each member of the Sky Independent Committee who owns Sky Shares is unable to accept the Offer in respect of their own beneficial holdings of Sky Shares and must vote in favour of or accept (as applicable) the 21CF Offer in respect of their holdings, unless and until the Director Irrevocable Undertakings lapse. The Director Irrevocable Undertakings shall lapse if: 21st Century Fox announces, with the consent of the Panel, that it does not intend to proceed with 21CF Offer; if its scheme or any related resolution is not approved by the requisite majorities at the relevant Sky shareholder meetings; if the 21CF Offer is implemented by way of a takeover offer, an offer document is not posted to Sky Shareholders within the permitted period under the Code; if the 21CF Offer lapses or is withdrawn; or if the 21CF Offer does not complete by 15 October 2018.

7. Service contracts and letters of appointment of the Sky Directors

7.1 Executive Directors

Jeremy Darroch is employed by Sky under the terms of a service agreement dated 25 June 2008. His basic annual salary is £1,065,641.

Andrew Griffith is also employed by Sky under the terms of a service agreement dated 25 June 2008. His basic annual salary is £670,929.

The benefits provided to each of Mr Darroch and Mr Griffith (each, an “**executive director**” and together, the “**executive directors**”) include provision of a car allowance or company car, private medical insurance (for the executive director, his spouse and any unmarried children aged under 21), permanent disability insurance, life assurance and a free Sky subscription package. The executive directors also receive a cash supplement in lieu of employer contributions to a pension plan, equal to around 16% of their basic annual salary.

If, and to the extent, consistent with Sky’s most recent remuneration policy approved by Sky Shareholders, the executive directors are eligible to be considered for a bonus of such amount as Sky’s remuneration committee may determine in its absolute discretion. Awards are based on annual operational and financial objectives with a maximum bonus potential of 200% of basic annual salary for Mr Darroch and 150% for Mr Griffith. The executive directors may invest up to 50% of any bonus award in Sky Shares under Sky’s Co-Investment Plan. They are not entitled to any commission and are not party to any profit sharing arrangements.

The executive directors participate in the Sky Share Plans and their outstanding options and awards are set out above in paragraph 5.4.2 of this Appendix 3.

Sky maintains liability insurance for its directors and officers.

The executive directors’ service agreements may be terminated by the executive director or Sky by either party giving to the other not less than 12 months’ written notice. Alternatively, Sky may terminate the contract immediately by making a payment in lieu of notice of a lump sum equal to the value of 12 months’ basic salary, benefits (being pension-related benefits, car allowance, private medical insurance, permanent disability insurance, life assurance and a free Sky subscription package) and a bonus pro-rated to his length of service in the year in which the termination of his employment falls (but excluding share incentives). Irrespective of whether notice to terminate employment is given by the executive director or Sky, Sky may put the executive director on garden leave for some or all of any notice period.

7.2 The Chairman and other Non-Executive Directors

The non-executive directors of Sky do not have service contracts but instead are engaged under letters of appointment, details of which are summarised below:

Chairman (James Murdoch)

Mr Murdoch serves under a letter of appointment with Sky dated 22 February 2008, effective from 7 December 2008, under which he has served as Chairman of the Sky Board between December 2007 and April 2012 (at which time he stepped down as Chairman), then as a non-executive director from April 2012 until he was re-appointed Chairman on 30 April 2016. As Chairman, he receives an all-inclusive annual basic fee of £410,000. He is also eligible to receive a free Sky subscription package and other benefits for Sky’s business purposes may be provided, such as the provision of a car to travel to/from meetings. He is not entitled to any bonus or commission. He is not eligible for the grant of options under any of Sky’s share option schemes and is not eligible to join Sky’s pension plan. As he is deemed to be affiliated to 21st Century Fox, he is not permitted to participate in the monthly share purchase plan.

His appointment runs on a rolling basis, subject to annual re-election at Sky's annual general meeting. Mr Murdoch's appointment is terminable by Sky on one month's written notice. Upon termination of appointment, the Chairman is entitled to such fees as may have accrued (but not been paid) up to the date of termination, together with reimbursement in the normal way of expenses properly incurred prior to that date, but otherwise has no right to compensation on termination of his appointment. His appointment letter contains confidentiality restrictions, which survive after termination of appointment.

Non-Executive Directors (other than the Chairman)

The non-executive directors each receive an annual fee of £66,215. They receive an additional fee for taking on extra responsibilities as follows:

- £30,000 for holding the position of Deputy Chairman;
- £40,000 for being the Senior Independent Director;
- £25,000 for being the chair of a board committee; and
- £10,000 for being a member of a board committee.

The appointments are anticipated to be for an initial term of three years (after which period they continue to run on a rolling basis), but are subject to annual re-election at Sky's annual general meeting and are terminable by either party on one month's written notice.

The non-executive directors are also eligible to receive a free Sky subscription package and other benefits for Sky's business purposes may be provided, such as the provision of a car to travel to/from meetings.

Sky's non-executive directors (other than those who are deemed to be affiliated with 21st Century Fox) can elect to enter into a trading plan with Sky pursuant to which they may receive 25% or more of their fees in Sky Shares, which are purchased on a monthly basis.

The non-executive directors are not entitled to any bonus or commission and are not party to any Sky profit sharing or share scheme or pension arrangements.

Upon termination of appointment, the non-executive directors are entitled to such fees as may have accrued up to the date of termination, together with reimbursement in the normal way of expenses properly incurred prior to that date, but they otherwise have no right to compensation on termination of their appointments.

The appointment letters for the non-executive directors contain confidentiality restrictions, which survive after termination of appointment.

Additional details of the individual non-executive directors' appointments are set out below:

Non-executive director	Letter of appointment dated	Annual fee (£)*
Martin Gilbert	7 December 2011	116,215
Andrew Sukawaty	29 October 2012	141,215
Tracy Clarke	19 June 2012	111,215
Chase Carey	30 January 2013	66,215
Adine Grate	17 July 2013	111,215
John Nallen	4 November 2015	66,215
Matthieu Pigasse	8 December 2011	86,215
Katrin Wehr-Seiter	13 October 2016	66,215

7.3 *Other service contracts*

Save as set out above in this paragraph 7, there are no service contracts or letters of appointment in force between any Sky Director or any proposed Sky Director and any member of the Sky Group, and, save as disclosed in this paragraph 7, no such contract or letter of appointment has been entered into or amended during the six months preceding the date of this document.

* Annual fee in respect of appointment(s) held as at the date of this document.

8. United Kingdom Taxation

The comments set out in this paragraph 8 are based on current UK tax legislation as applied in England and Wales and HMRC published practice (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect. They are intended as a general guide only to certain limited aspects of the UK tax treatment of the acceptance of the Offer and do not purport to be a complete analysis of all tax considerations relating to the Offer. They do not constitute tax advice and apply only to Sky Shareholders who are resident for tax purposes in the UK at all relevant times and, in the case of individuals, who are domiciled in the UK and to whom “split year” treatment does not apply, who hold their Sky Shares as an investment and who are the absolute beneficial owners of their Sky Shares. This paragraph 8 does not address all possible tax consequences relating to an investment in the Sky Shares. Certain categories of Sky Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefitting from certain reliefs or exemptions, those connected with Sky and those for whom the Sky Shares are employment related securities may be subject to special rules and this summary does not apply to such shareholders. It does not address the position of Sky ADR Holders who are urged to consult an independent professional adviser.

Sky Shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own appropriate independent professional advisers immediately.

8.1 *UK Taxation of Chargeable Gains*

Liability to UK tax on chargeable gains will depend on the individual circumstances of each Sky Shareholder.

The sale by a Sky Shareholder of Sky Shares for cash pursuant to the Offer will constitute a disposal, or part disposal, for the purposes of UK tax on chargeable gains which may, depending on the Sky Shareholder’s individual circumstances (including the availability of exemptions, reliefs and allowable losses), and in particular, the Sky Shareholder’s base cost in his holding of Sky Shares, give rise to a liability to UK tax on chargeable gains.

8.1.1 Individual Sky Shareholders

No tax should be payable by a Sky Shareholder who is an individual on any gain realised on the disposal or part disposal if the amount of the chargeable gains realised, when aggregated with other gains realised by that Sky Shareholder in the tax year (and after taking account of allowable losses), does not exceed the annual exemption (the annual exemption for the tax year beginning on 6 April 2018 is £11,700). Any gains in excess of this amount will, broadly, be taxed at a rate of 10 per cent. for a taxpayer paying tax at the basic rate and 20 per cent. for higher and additional rate taxpayers, but where the gains of a basic rate taxpayer subject to capital gains tax exceed the unused part of their basic rate band, that excess will be subject to tax at the 20 per cent. rate.

An individual Sky Shareholder who has ceased to be resident in the UK for tax purposes for a period of five years or less and who disposes of Sky Shares during that period may also be liable on his return to the UK to UK taxation on any capital gain realised (subject to any available exemption or relief).

8.1.2 Corporate Sky Shareholders

A gain on the disposal or part disposal of Sky Shares by a Sky Shareholder which is within the charge to UK corporation tax (but which does not qualify for the substantial shareholding, or any other, exemption in respect of its Sky Shares) will be subject to corporation tax on chargeable gains in respect of the disposal (the rate of which is currently 19 per cent.). For such Sky Shareholders indexation allowance may be available to reduce any chargeable gain arising on the disposal (but not to create or increase any allowable loss). For Sky Shares acquired before 1 January 2018, the level of indexation allowance that is given in calculating a company’s chargeable gains is calculated using the relevant index or factor that would apply to the disposal of an asset in December 2017. For Sky Shares acquired from 1 January 2018 onwards, no indexation allowance on disposal is available.

8.2 *Taxation of Dividends*

Sky will not be required to withhold amounts on account of UK tax at source when paying a dividend (including the Final Dividend).

8.2.1 Individual Sky Shareholders

A UK resident individual shareholder will not be subject to income tax on dividends such individual shareholder receives from Sky if the total amount of dividend income received by the individual in the tax year (including the dividend from Sky) does not exceed a dividend allowance of £2,000 (the “**Dividend Allowance**”).

In determining the income tax rate or rates applicable to a UK resident individual Sky Shareholder’s taxable income, dividend income is treated as the highest part of such individual Sky Shareholder’s income. Dividend income that falls within the Dividend Allowance will count towards the basic or higher rate limits (as applicable) which may affect the rate of tax due on any dividend income in excess of the Dividend Allowance.

To the extent that a UK resident individual Sky Shareholder’s dividend income for the tax year exceeds the Dividend Allowance and, when treated as the top slice of such individual Sky Shareholder’s income, falls above such individual Sky Shareholder’s personal allowance but on or below the basic rate limit, such an individual Sky Shareholder will be subject to tax on that dividend income at the dividend basic rate of 7.5 per cent. To the extent that such dividend income falls above the basic rate limit but on or below the higher rate limit, such an individual Sky Shareholder will be subject to tax on that dividend income at the dividend upper rate of 32.5 per cent. To the extent that such dividend income falls above the higher rate limit, such an individual Sky Shareholder will be subject to tax on that dividend income at the dividend additional rate of 38.1 per cent.

8.2.2 Corporate Sky Shareholders

A Sky Shareholder within the charge to UK corporation tax will be subject to corporation tax on dividends paid by Sky, unless (subject to special rules for such Sky Shareholders that are “small companies”) the dividends fall within an exempt class and certain other conditions are met. Each Sky Shareholder’s position will depend on its own circumstances, but it would normally be expected that the dividends paid by Sky would fall within an exempt class.

8.3 *Sky Share Plans*

Special tax provisions may apply to Sky Shareholders who have acquired or acquire their Sky Shares pursuant to the Sky Share Plans, including provisions imposing a charge to UK income tax and National Insurance Contributions when an option or award is exercised. Such Sky Shareholders are advised to seek independent professional advice.

8.4 *UK stamp duty and UK stamp duty reserve tax (“SDRT”)*

No UK stamp duty or SDRT should be payable by Sky Shareholders (wherever resident) in respect of the transfer of their Sky Shares to Comcast Bidco as a result of accepting the Offer.

9. **Financing arrangements**

In connection with the financing of the Cash Consideration payable to Sky Shareholders pursuant to the Acquisition, Comcast has entered into the following credit agreements arranged by MLPFS and Wells Fargo: (i) an unsecured bridge credit agreement in an aggregate principal amount of up to £16,000,000,000, and (ii) an unsecured term loan credit agreement in an aggregate principal amount of up to £7,000,000,000. In addition, the proceeds of borrowings under a revolving credit facility between Comcast and, among others, JPMorgan Chase Bank, N.A. as administrative agent, for an aggregate principal amount of up to US\$7,000,000,000 are available to finance the Cash Consideration payable pursuant to the Acquisition.

It is currently envisaged that the commitments under the Bridge Facility Agreement will be replaced, in whole or in part, by senior unsecured notes issued by Comcast or one of its subsidiaries in a public offering or private placement.

Further details of the terms of the Bridge Facility Agreement, the Term Loan Agreement and the Revolving Facility Agreement are set out in paragraphs 11.1.1 and 11.1.2 of this Appendix 3.

10. Side agreements relating to Conditions

Except as disclosed in this document, there are no agreements or arrangements to which Comcast or Comcast Bidco is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition of the Offer.

11. Material contracts

11.1 Comcast material contracts

The following contracts have been entered into by Comcast or its subsidiaries other than in the ordinary course of business since 9 December 2014 (the date two years prior to the start of the Offer Period) and are or may be material.

11.1.1 *Revolving Credit Facility Amendment*

On 27 April 2018, Comcast entered into an amendment agreement between, amongst others (i) Comcast as borrower, (ii) the lenders party thereto, and (iii) JPMorgan Chase Bank, N.A. as administrative agent (the “**RCF Amendment**”), which amended the credit agreement dated as of 26 May 2016 (as amended by the RCF Amendment, the “**Revolving Facility Agreement**”). The Revolving Facility Agreement provides for a revolving credit facility (the “**Revolving Facility**”) in an aggregate principal amount of up to \$7,000,000,000. Comcast may, in certain circumstances and upon the agreement of one or more lenders, increase the available commitments up to a total amount of \$10,000,000,000. The proceeds of borrowings under the Revolving Facility (the “**Revolving Loans**”) may be used for general corporate purposes or to finance a portion of the cash consideration and/or fees and expenses payable pursuant to the Acquisition.

The Revolving Loans bear interest at a rate of, at Comcast’s option, LIBOR or base rate, plus a margin ranging from 0.75% to 1.25% for LIBOR Revolving Loans and 0.00% to 0.25% for base rate Revolving Loans. A commitment fee is payable on the average daily amount of undrawn Revolving Facility commitments at a rate per annum ranging from 0.05% to 0.15%. The margin for the Revolving Loans and the Revolving Loan commitment fee rate are each determined based on Comcast’s public debt rating.

The Revolving Facility commitments are scheduled to terminate on 26 May 2021. Comcast may, upon the agreement of one or more lenders, extend this expiration date up to 26 May 2023. Amortization payments are not required for loans under the Revolving Facility. The Revolving Facility may be voluntarily prepaid or cancelled by Comcast without penalty or premium.

The loans under the Revolving Facility Agreement are guaranteed by certain subsidiaries of Comcast and are unsecured. The Revolving Facility Agreement also contains those certain covenants, terms and events of default as described below in relation to the Facilities Agreements under the heading “*Guarantees, certain covenants and events of default*” in paragraph 11.1.2 of this Appendix 3.

11.1.2 *Term Loan Agreement and Bridge Facility Agreement*

On 25 April 2018, Comcast entered into the Term Loan Agreement, which provides for a term loan credit facility (the “**Term Facility**”) in an aggregate principal amount of up to £7,000,000,000. Loans under the Term Facility may be borrowed in pounds sterling or in dollars at Comcast’s option. The Term Facility consists of two tranches: a £3,000,000,000 3-year tranche (the “**Term Facility 3-Year Tranche**”) and a £4,000,000,000 5-year tranche (the “**Term Facility 5-Year Tranche**”). On 25 April 2018, Comcast entered into the Bridge Facility Agreement, which provides for a bridge loan facility (the “**Bridge Facility**”), and together with the Term Facility, the “**Facilities**”) in an initial aggregate principal amount of up to £16,000,000,000. Comcast may, upon the agreement of one or more lenders under the Bridge Facility, increase the commitments under the Bridge Facility prior to the initial borrowing thereunder so long as there is no continuing event of default under the Bridge Facility Agreement.

Comcast may borrow under the Term Facility and under the Bridge Facility subject to certain conditions. The proceeds of borrowings under the Term Facility (the “**Term Loans**”) and the Bridge Facility (the “**Bridge Loans**”) may be used to finance a portion of the cash consideration payable to Sky Shareholders pursuant to the Acquisition and to pay fees and expenses relating to the Acquisition. The Term Loans and Bridge Loans will be available on a customary “certain funds” basis.

Interest rates and fees

The Term Loans bear interest at a rate of, at Comcast’s option, LIBOR or base rate, plus a margin based on Comcast’s public debt rating. The margin applicable to the Term Loans ranges from:

- (i) in respect of Term Facility 3-Year Tranche, 0.625% to 1.125% for LIBOR Term Loans and 0.00% to 0.125% for base rate Term Loans; and
- (ii) in respect of the Term Facility 5-Year Tranche, 0.75% to 1.25% for LIBOR Term Loans and 0.00% to 0.25% for base rate Term Loans.

The Bridge Loans bear interest at a rate of LIBOR plus a margin ranging from 0.75% to 2.00%. The margin for the Bridge Loans is determined based on (i) Comcast’s public debt rating and (ii) the number of days elapsed since the initial borrowing under the Bridge Facility.

Under the terms of the Bridge Facility Agreement, a duration fee is payable on the aggregate principal amount of outstanding Bridge Loans as follows:

Days after the initial borrowing under the Bridge Facility	Applicable duration fee percentage
90 days	0.50%
180 days	0.75%
270 days	1.00%

Under the terms of the Term Loan Agreement and the Bridge Facility Agreement, a commitment fee based on Comcast’s public debt rating is payable at a per annum rate ranging from 0.09% to 0.11% of the aggregate average daily amount of commitments under the Term Facility and the Bridge Facility from (and including) 9 June 2018 until the end of the relevant availability period.

Maturity and amortization

The Term Facility 3-Year Tranche matures 3 years after the initial borrowing under the Term Facility. The Term Facility 5-Year Tranche matures 5 years after the initial borrowing under the Term Facility. The Bridge Facility matures 364 days after the initial borrowing under the Bridge Facility.

The Term Facility 5-Year Tranche will amortize at an annual rate of (i) 8.0% during the fourth year of the Term Facility, and (ii) 12.0% during the fifth year of the Term Facility. Amortization payments are not required for loans under the Term Facility 3-Year Tranche or the Bridge Facility.

Prepayments

The Facilities may be voluntarily prepaid or cancelled by Comcast without penalty or premium. The Bridge Facility Agreement requires the mandatory prepayment of the Bridge Loans with the net cash proceeds of certain equity issuances, certain debt issuances and certain asset sales.

Guarantees, certain covenants and events of default

The loans under the Facilities are guaranteed by certain subsidiaries of Comcast. The Facilities are unsecured.

The Term Facility Agreement and the Bridge Facility Agreement (together, the “**Facilities Agreements**”) each contains certain negative covenants that restrict the ability of Comcast and certain of its subsidiaries to, among other things: create security over assets, permit certain subsidiaries that do not guarantee the Facilities to incur indebtedness, and merge or consolidate.

Each of the Facilities Agreements contains a maximum net debt to EBITDA (calculated on a consolidated basis with customary adjustments) covenant of 5.75 to 1.00, which is tested at the end of each fiscal quarter. The Facilities Agreements also contain certain customary representations and warranties, affirmative covenants and events of default.

Under the terms of the Facilities Agreements, Comcast has agreed that it will not amend, treat as satisfied or waive any term or condition without the consent of the lenders (such consent not to be unreasonably withheld, conditioned or delayed) if to do so would be materially prejudicial to the interests of the lenders under the relevant credit agreement, save as required pursuant to the Code, the Panel, any other competent regulatory body or by a court of competent jurisdiction.

Fee Letter

On 28 March 2018, Comcast entered into a fee letter with MLPFS, Bank of America, N.A., Wells Fargo and Wells Fargo Bank, National Association (the “**Fee Letter**”), pursuant to which Comcast agreed to pay fees in respect of the Facilities as follows:

- *Structuring Fee:* on the date of the Original Offer Announcement (the “**Announcement Date**”), Comcast paid a structuring fee of \$3,000,000 to MLPFS and \$1,500,000 to Wells Fargo.
- *Bridge Facility Commitment Fee:* Comcast is required to pay the Bridge Facility lenders a commitment fee (the “**Initial Bridge Commitment Fee**”) equal to 0.10% of the aggregate initial commitments under the Bridge Facility. 50% of the Initial Bridge Commitment Fee was paid on the Announcement Date, with the remaining 50% payable 120 days after the Announcement Date (or, if earlier, upon the initial funding of the Bridge Loans (the “**Initial Bridge Closing Date**”). Comcast is further required to pay the Bridge Facility lenders an additional commitment fee (the “**Supplemental Bridge Commitment Fee**”) equal to 0.10% of the commitments remaining under the Bridge Facility as of 120 days after the Announcement Date. 50% of the Supplemental Bridge Commitment Fee is payable 180 days after the Announcement Date (or, if earlier, the Initial Bridge Closing Date). The remaining 50% of the Supplemental Bridge Commitment Fee is payable 240 days after the Announcement Date (or, if earlier, the Initial Bridge Closing Date). The Initial Bridge Commitment Fee and the Supplemental Bridge Commitment Fee may be increased to 0.125% based on Comcast’s public debt rating.
- *Bridge Facility Funding Fee:* upon any funding of the Bridge Loans, Comcast is required to pay a funding fee ranging from 0.15% to 0.50% of such funded Bridge Loans, determined based on when the applicable funding occurs.
- *Term Facility Upfront Fee:* on the Announcement Date, Comcast paid an upfront fee equal to 0.03% of the initial Term Facility 3-Year Tranche commitments and 0.06% of the initial Term Facility 5-Year Tranche commitments. Upon any funding of the Term Loans, Comcast is required to pay an additional upfront fee equal to 0.03% of the Term Facility 3-Year Tranche loans and 0.06% of the Term Facility 5-Year Tranche loans so funded. The upfront fees in respect of the Term Facility 3-Year Tranche may be increased to 0.0375%, and the upfront fees in respect of the Term Facility 5-Year Tranche may be increased to 0.75%, in each case based on Comcast’s public debt rating.

11.1.3 *Comcast Notes Offering*

Comcast has consummated the following senior notes offerings (collectively, the “**Notes**”). The Notes are each a separate series of securities issued under a senior indenture dated 18 September 2013 entered into among Comcast, Comcast Cable Communications, LLC (“**Comcast Cable**”), NBCUniversal and BNY, as trustee, as amended by the first supplemental indenture dated as of 17 November 2015 entered into among Comcast, Comcast Cable, NBCUniversal, and BNY, as trustee, (as amended, the

“**Indenture**”). The Indenture and Notes are New York law governed. The Notes are Comcast’s direct unsecured and unsubordinated obligations and are fully and unconditionally guaranteed by Comcast Cable and NBCUniversal (the “**Guarantors**”).

The terms of the Notes include those stated in the Indenture, which are summarised below, and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended. The Indenture does not limit the amount of debt Comcast may issue under the Indenture or otherwise.

The following is a non-exhaustive summary of certain provisions of each series of Notes prepared solely for the purpose of this document and compliance with the Code:

Title of security	Date issued	Aggregate principal amount issued (\$ in millions)	Interest rate	Interest payment dates	Maturity date	Redemption	
						Par Call Date	Spread to Treasuries for Make-Whole Redemption
<i>U.S. Note Offerings:</i>							
3.550% Senior Notes due 2028	08.02.18	1,000	3.550%	01.05 and 01.11	01.05.28	01.02.28	0.15%
3.900% Senior Notes due 2038	08.02.18	1,200	3.900%	01.03 and 01.09	01.03.38	01.09.37	0.15%
4.000% Senior Notes due 2048	08.02.18	1,000	4.000%	01.03 and 01.09	01.03.48	01.09.47	0.20%
3.969% Senior Notes due 2047	19.10.17	2,000	3.969%	01.05 and 01.11	01.11.47	01.05.47	0.20%
3.999% Senior Notes due 2049	19.10.17	2,000	3.999%	01.05 and 01.11	01.11.49	01.05.49	0.20%
4.049% Senior Notes due 2052	19.10.17	1,500	4.049%	01.05 and 01.11	01.11.52	01.05.52	0.25%
3.15% Senior Notes due 2028	07.08.17	1,650	3.15%	15.02 and 15.08	15.02.28	15.11.27	0.15%
4.00% Senior Notes due 2047	07.08.17	850	4.00%	15.02 and 15.08	15.08.47	15.02.47	0.20%
3.00% Senior Notes due 2024	10.01.17	1,250	3.00%	01.02 and 01.08	01.02.24	01.01.24	0.15%
3.30% Senior Notes due 2027	10.01.17	1,250	3.30%	01.02 and 01.08	01.02.27	01.11.26	0.15%
1.625% Senior Notes due 2022	19.07.16	700	1.625%	15.01 and 15.07	15.01.22	15.12.21	0.10%
2.35% Senior Notes due 2027	19.07.16	1,400	2.35%	15.01 and 15.07	15.01.27	15.10.26	0.15%
3.20% Senior Notes due 2036	19.07.16	1,000	3.20%	15.01 and 15.07	15.07.36	15.01.36	0.15%
3.40% Senior Notes due 2046	19.07.16	1,400	3.400%	15.01 and 15.07	15.07.46	15.01.46	0.20%
2.75% Senior Notes due 2023	30.03.16	350	2.75%	01.03 and 01.09	01.03.23	01.02.23	0.20%
3.15% Senior Notes due 2026	30.03.16	700	3.15%	01.03 and 01.09	01.03.26	01.12.25	0.25%
2.75% Senior Notes due 2023	23.02.16	750	2.75%	01.03 and 01.09	01.03.23	01.02.23	0.20%
3.15% Senior Notes due 2026	23.02.16	1,500	3.15%	01.03 and 01.09	01.03.26	01.12.25	0.25%
3.375% Senior Notes due 2025	27.05.15	1,500	3.375%	15.02 and 15.08	15.08.25	15.05.25	0.20%
4.40% Senior Notes due 2035	27.05.15	800	4.400%	15.02 and 15.08	15.08.35	15.02.35	0.20%
4.60% Senior Notes due 2045	27.01.15	1,700	4.600%	15.02 and 15.08	15.08.45	15.02.45	0.25%
<i>Formosa Note Offerings:</i>							
4.250% Senior Notes due 2053	12.02.18	800	4.250%	15.02 and 15.08	31.01.53	15.02.23	N/A
4.45% Senior Notes due 2047	14.03.17	1,005	4.450%	15.03 and 15.09	15.03.47	15.03.20	N/A
4.05% Senior Notes due 2046	26.05.16	1,430	4.05%	01.02 and 01.08	01.08.46	01.08.19	N/A
4.60% Senior Notes due 2046	09.12.15	1,490	4.60%	01.02 and 01.08	01.02.46	01.02.18	N/A

Optional redemption

With respect to the U.S. Note Offerings (the “**U.S. Notes**”), Comcast has the right at its option to redeem any of the U.S. Notes of each series, in whole or in part, prior to their maturity, at the applicable Redemption Price. With respect to each series of U.S. Notes, “**Redemption Price**” means, at any time prior to Par Call Date for such series, the greater of: (i) 100% of the principal amount of such U.S. Notes, and (ii) the sum of the present values of the principal amount of such U.S. Notes and the scheduled payments of interest thereon (exclusive of interest accrued to the date of redemption) from the redemption date to the Par Call Date, in each case discounted to the redemption date on a semi-annual basis at the rate specified under the column titled “Spread to Treasuries for Make-Whole Redemption” above, provided that if such U.S. Notes are redeemed on or after the applicable Par Call Date, the Redemption Price will equal 100% of the principal amount of such U.S. Notes.

With respect to the Formosa Note Offerings (the “**Formosa Notes**”), Comcast has the option to redeem the Formosa Notes then outstanding, in whole but not in part, on the Par Call Date for such series and on each anniversary of such Par Call Date. Any redemption described in this paragraph will be at a redemption price equal to 100% of the principal amount of the Formosa Notes being redeemed plus accrued and unpaid

interest to, but not including, the redemption date. In addition, the Formosa Notes are subject to redemption prior to maturity if certain events involving U.S. taxation occur. If any of these special tax events do occur, such Formosa Notes will be redeemed at a redemption price of 100% of the principal amount of the Formosa Notes being redeemed plus any accrued and unpaid interest and additional amounts then payable to, but not including, the redemption date.

There is no mandatory redemption prior to maturity or sinking fund payments for any series of Notes.

Additional interest on Formosa Notes

Comcast will, subject to certain exceptions and limitations, pay as additional interest on the Formosa Notes such additional amounts as are necessary in order that the net payment by Comcast of the principal and interest to a non-U.S. holder, after certain withholdings or deductions imposed by the U.S. or a taxing authority in the U.S., will not be less than the amount provided in such Formosa Notes to be then due and payable.

Certain covenants and events of default

Comcast and the Guarantors have agreed certain restrictions on their activities for the benefit of holders of all series of senior debt securities issued under the Indenture, including (subject to a number of qualifications and exceptions) limits on Comcast's and the Guarantors' ability to create or incur certain liens, enter into sale and lease-back transactions and sell assets or merge or consolidate with another company.

The Indenture provides for certain customary events of default, including (i) default in the paying interest or principal on the senior debt securities when due, (ii) defaults in the performance or breach of any covenants in the Indenture, (iii) certain events of bankruptcy, insolvency, reorganisation, administration or similar proceedings, and (iv) if any guarantee shall not be in full force and effect.

Exchange Notes

The 3.969% Senior Notes due 2047, the 3.999% Senior Notes due 2049 and the 4.049% Senior Notes due 2052 (shown in the table above) were originally issued on 19 October 2017 in connection with a private exchange offer for certain series of Comcast and NBCUniversal's then outstanding senior notes. On 15 December 2017, substantially all of such notes were exchanged for new notes (the "**Exchange Notes**") in an exchange offer registered with the SEC that was conducted by Comcast. The terms of each series of the Exchange Notes are substantially identical to the terms of the applicable series of the notes issued in the private exchange offer, except that the Exchange Notes are registered under the Securities Act of 1933, as amended, and the transfer restrictions, registration rights and related special interest provisions applicable to the notes issued in the private exchange offer do not apply to the Exchange Notes. The registered exchange offer satisfied the registration rights that Comcast granted to the holders of the notes issued in the private exchange offer.

11.1.4 *Atairos Shareholders Agreement*

Comcast is a party to an amended and restated shareholders agreement, dated as of 31 March 2018 (the "**Shareholders Agreement**"), by and among: (i) Comcast, (ii) Comcast AG Holdings, LLC and Comcast Spectacor Ventures, LLC (collectively, "**Comcast Shareholder**"), (iii) Atairos Group, Inc., a strategic investment company established by Comcast and Michael J. Angelakis ("**Atairos**"), (iv) a shareholder company owned by the Atairos' management team ("**ManagementCo**"), and (v) a management company owned by the Atairos' management team (the "**Manager**").

Pursuant to the Shareholders Agreement, Comcast Shareholder has committed to invest up to \$4 billion in Atairos in exchange for non-voting Class I shares, and agreed to fund an annual \$40 million management fee payable by Atairos to the Manager, which amounts will be increased to \$5 billion and \$45 million, respectively, effective as of 1 July 2018, with the additional capital commitment to be used for investments outside of the United States. The capital commitment (and Comcast Shareholder's other obligations under the Shareholders Agreement) is guaranteed by Comcast and is terminable if,

among other things, Mr. Angelakis ceases to serve in certain capacities in Atairos or the Manager. ManagementCo committed to invest up to \$100 million, also in exchange for *pari passu* non-voting Class I shares. ManagementCo owns 100% of Atairos' voting Class II shares.

Interests in Atairos are transferrable only in limited circumstances, and distributions may only be made in respect of Atairos' Class II shares after certain capital contributions and management fees have been repaid in full plus 2 per cent. (after which they will generally be made at 87.5 and 12.5 per cent. to the Class I and Class II shares, respectively). Distributions made in respect of Class II shares are subject to reduction in certain circumstances and, subject to certain limits, distributed proceeds may be recalled and reinvested during the first seven years of Atairos' term. Comcast Shareholder has approval rights over certain proposed investments and a right of first offer with respect to all assets of Atairos, subject to certain exceptions.

11.1.5 *Wireless Operational Co-operation Agreement*

On 5 May 2017, Comcast entered into a Wireless Operational Cooperation Agreement with Charter Communications, Inc. pursuant to which the parties, for a period of one year, agreed to explore potential opportunities for operational cooperation in their respective wireless businesses and to work only together with respect to national mobile network operators, through potential commercial arrangements. The agreement was not extended and ended in accordance with its terms.

11.1.6 *TWC Termination Agreement*

On 24 April 2015, Comcast and Time Warner Cable Inc. ("TWC") entered into an agreement to terminate the agreement and plan of merger entered into by Comcast, TWC and Tango Acquisition Sub, Inc. on 12 February 2014 pursuant to which TWC stockholders would have received 2,875 shares of Comcast Class A common stock in exchange for their TWC common stock.

11.2 Sky material contracts

The following contracts have been entered into by the Sky Group other than in the ordinary course of business since 9 December 2014 (the date two years prior to the start of the Offer Period) and are or may be material.

11.2.1 *GMTN Programme bond issue*

On 3 April 2007, certain Sky Group entities established a euro medium-term note programme which provides the Sky Group with a standardised documentation platform to allow for senior debt issuance in the Eurobond markets. On 7 February 2014, the Sky Group updated and expanded its programme to become a global medium-term note programme (the "**GMTN Programme**"). Notes issued under the GMTN Programme are unconditionally and irrevocably guaranteed by Sky Group Finance plc ("**Sky Finance**"), Sky, Sky UK Limited ("**Sky UK**"), Sky Subscribers Services Limited ("**Sky Subscribers**"), Sky Telecommunications Services Limited ("**STSL**") and Sky CP Limited ("**Sky CP**").

The GMTN Programme was last updated in June 2015 and in October 2016. The maximum potential issuance under the GMTN Programme is £5 billion. On 17 November 2015, Sky issued €500 million guaranteed notes under the GMTN Programme paying 2.250% interest and maturing on 17 November 2025 (the "**GMTN Notes**").

Pursuant to the final terms of the GMTN Notes, Sky will be required to make an offer to redeem or purchase the GMTN Notes at the relevant redemption amount plus interest up to the date of redemption or purchase if there is a change of control of Sky or the announcement of a potential change of control (i) which, if the GMTN Notes carry an investment grade credit rating, results in a downgrade to a non-investment grade rating or a withdrawal of that rating; or (ii) which, if the GMTN Notes carry a non-investment grade rating, results in a downgrade by one or more notches or a withdrawal of that non-investment grade rating; or (iii) where, if the GMTN Notes do not carry a credit rating, Sky does not seek such a rating or is unable to achieve such a rating, provided that in each case the decision to downgrade, withdraw or not to award

a credit rating occurs within a certain period of time after the change of control and the relevant rating agency cites that such decision(s) resulted from the change of control or the announcement of the potential change of control.

The GMTN Notes also contain an issuer call option pursuant to which Sky may redeem, at any time prior to the maturity date, all of the GMTN Notes at the higher of (i) 100 per cent. of the nominal amount of the GMTN Notes and (ii) a make-whole amount.

11.2.2 *EMTN Programme bond issue*

On 5 September 2014, certain Sky Group entities also established a £10 billion euro medium-term note programme (the “**EMTN Programme**”), which provided the Sky Group with a standardised documentation platform to allow for senior debt issuance in the Eurobond markets. In September 2014, Sky issued (i) €1,500 million 1.500% guaranteed notes due 2021, and (ii) €1,000 million 2.500% guaranteed notes due 2026; in November 2014, Sky issued (i) €850 million 1.875% guaranteed notes due 2023, (ii) £450 million 2.875% guaranteed notes due 2020, (iii) £300 million 4.000% guaranteed notes due 2029, and (iv) €400 million 2.750% guaranteed notes due 2029; and in April 2015, Sky issued €600 million floating rate guaranteed notes due 2020 (together, the “**Notes**”). The Notes are unconditionally and irrevocably guaranteed by Sky Finance, Sky UK, Sky Subscribers, STSL and Sky CP.

Pursuant to the conditions of the Notes, Sky will be required to make an offer to redeem or purchase the Notes at the relevant redemption amount plus interest up to the date of redemption or purchase if there is a change of control of Sky or the announcement of a potential change of control (i) which, if the Notes carry an investment grade credit rating, results in a downgrade to a non-investment grade rating or a withdrawal of that rating; or (ii) which, if the Notes carry a non-investment grade rating, results in a downgrade by one or more notches or a withdrawal of that non-investment grade rating; or (iii) which, if the Notes do not carry a credit rating, Sky does not seek such a rating or is unable to achieve such a rating, provided that in each case the decision to downgrade, withdraw or not to award a credit rating occurs within a certain period of time after the change of control and the relevant rating agency cites that such decision(s) resulted from the change of control or the announcement of the potential change of control.

11.2.3 *RCF*

The Sky Group has a £1 billion syndicated multicurrency revolving credit facility in place (the “**RCF**”) which is available for Sky’s general corporate purposes. The RCF is currently undrawn.

The RCF was originally entered into on 25 July 2014 and is guaranteed by Sky UK, Sky Finance, Sky Subscribers, STSL and Sky CP. Sky extended the RCF in May 2015 and in April 2016. The RCF is due to mature on 30 November 2021.

In the event of a change of control of Sky, as a result of which both Standard & Poor’s and Moody’s downgrade Sky’s credit rating below investment grade within 90 days, the lenders can require any amounts outstanding under the RCF to be repaid (other than in the event that 21st Century Fox or any subsidiary or holding company thereof (or a subsidiary of such holding company) acquires such control).

11.2.4 *Co-operation Agreement entered into with 21st Century Fox*

Sky and 21st Century Fox entered into a co-operation agreement on 15 December 2016 (the “**Co-operation Agreement**”) in relation to the Original 21CF Offer. The Co-operation Agreement was terminated by Sky on 25 April 2018 after the Sky Independent Committee withdrew its recommendation of the Original 21CF Offer in light of the Original Offer Announcement.

Following such termination, certain provisions of the Co-operation Agreement ceased to apply, including the obligation on 21st Century Fox to pay a break fee of £200 million. The Co-operation Agreement ensures, however, that certain obligations continue after such termination. These include the obligation on Sky to provide information and assistance to 21st Century Fox for the purposes of obtaining all regulatory clearances. Furthermore, 21st Century Fox continues to be bound by the standstill provisions in the

Co-operation Agreement which prevent 21st Century Fox acquiring any interest in Sky Shares or taking any other action which would trigger a requirement on 21st Century Fox to make a mandatory offer under Rule 9 of the Code.

A further surviving provision of the Co-operation Agreement provided that, in the event 21st Century Fox switches to pursue its offer for Sky by way of a contractual offer, the acceptance condition for such an offer must be no less that the percentage of Sky Shares to which the offer relates which is equal to a majority of the Sky Shares held by Unaffiliated Sky Shareholders. However, as set out in the 21CF Offer announcement, in the context of the premium offered pursuant to the 21CF Offer, the Sky Independent Committee agreed that 21st Century Fox (in its sole discretion) may reduce the minimum acceptance condition of such a contractual offer from a majority of the Sky Shares held by Unaffiliated Sky Shareholders to a simple majority of all Sky Shares (including those held by 21st Century Fox and its affiliates).

11.2.5 *Sale and Purchase Deed relating to the sale of Sky Betting & Gaming*

On 21 April 2018, Sky UK, Cyan Blue JerseyCo Limited (the holding vehicle for investment funds and vehicles advised by affiliates of CVC Capital Partners Limited), Cyan Blue Manco Limited, the holding vehicle for employees of Sky Betting & Gaming and 12 individual management shareholders entered into a sale and purchase deed (the “**Acquisition Agreement**”) pursuant to which The Stars Group Inc. and its subsidiaries (“**The Stars Group**”) would acquire Cyan Blue Topco Limited and its subsidiaries, carrying on business as Sky Betting & Gaming (the “**Sky Bet Disposal**”). As part of the transaction, Sky will continue to license the Sky Betting & Gaming brands to The Stars Group.

On 10 July 2018, Sky confirmed the completion of the sale of its 20% stake in Sky Betting & Gaming to The Stars Group pursuant to the Acquisition Agreement. At closing of the Sky Bet Disposal, Sky received approximately £426 million in cash and approximately 7.6 million common shares in The Stars Group Inc. (the “**Common Shares**”), valued at approximately £208 million based on the closing price of the Common Shares on 9 July 2018.

Save as disclosed above, no contracts have been entered into by the Sky Group otherwise than in the ordinary course of business since 9 December 2014 (being the date two years prior to the commencement of the Offer Period) which are or may be material.

12. Sources of information and bases of calculations

In this document, unless otherwise stated or the context otherwise requires, the sources and bases used are as described in Appendix 6.

13. Information incorporated by reference

13.1 Parts of other documents are incorporated by reference in, and form part of, this document.

13.2 Appendix 2 sets out the financial information incorporated by reference into this document.

13.3 Any person who has received this document may request a hard copy of any documents or information incorporated by reference into this document. A copy of such documents or information incorporated by reference into this document will not be provided unless requested by contacting the Receiving Agent, Link Asset Services, on 0345 307 3443 (or +44 (0) 345 307 3443, if telephoning from outside the UK) or by submitting a request in writing to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. The helpline is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

14. General

14.1 Except as disclosed in this document, there is no agreement, arrangement or understanding (including any compensation arrangement) between Comcast, Comcast Bidco or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of Sky, or any person interested or recently interested in Sky Shares, having any connection with or dependence on or which is conditional on the outcome of the Offer.

- 14.2 Except as disclosed in this document, there is no agreement, arrangement or understanding by which the beneficial ownership of any of the Sky Shares to be acquired by Comcast Bidco will be transferred to any other person, however Comcast Bidco reserves the right to transfer any such shares to any other member of the Comcast Group or any joint venture, partnership, firm or company in which it has a substantial interest and the right to assign any such shares by way of security or grant any other security interest over such shares.
- 14.3 Each of Robey Warshaw, Evercore, BofA Merrill Lynch, Wells Fargo, Morgan Stanley, PJT Partners and Barclays has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.

15. Fees and expenses

- 15.1 The aggregate fees and expenses which are expected to be incurred by Comcast in connection with the Offer are estimated to amount to between approximately £202,947,000 and £242,780,000 (excluding applicable VAT or similar taxes). This aggregate number consists of the following categories (each excluding applicable VAT or similar taxes)⁽¹⁾:

Category	Amount – £
Financing arrangements ⁽²⁾	151,340,000 to 170,258,000
Financial and corporate broking advice ⁽³⁾⁽⁴⁾	22,701,000 to 37,835,000
Legal advice ⁽³⁾⁽⁵⁾	20,053,000 to 24,063,000
Accounting and tax advice ⁽⁵⁾	530,000 to 636,000
Public relations advice ⁽⁴⁾	6,432,000 to 7,718,000
Other professional services ⁽⁶⁾	1,513,000 to 1,816,000
Other costs and expenses ⁽⁶⁾	378,000 to 454,000

Notes:

- (1) Fees and expenses that will be invoiced in US dollars have, for the purposes of this table, been converted into pounds sterling at an exchange rate of 0.7567, which was derived from Bloomberg as at 10:30 p.m. on the Latest Practicable Date.
- (2) Refer to paragraphs 11.1.1 and 11.1.2 of Appendix 3 for details of the Bridge Facility Agreement, the Term Loan Agreement and the Revolving Facility Agreement.
- (3) A proportion of such fees may be payable at the discretion of Comcast.
- (4) A proportion of such fees are payable depending on whether the Acquisition successfully completes.
- (5) These services are charged, in part, by reference to hourly or daily rates. Amounts included here reflect the time incurred up to the Latest Practicable Date and an estimate of further time required.
- (6) These services may vary depending on the service volumes and types of services provided. Amounts included here reflect an estimate of the expected services required.

- 15.2 In addition, stamp duty (or stamp duty reserve tax) of 0.5% on the purchase price of the Sky Shares acquired under the Offer will be payable by Comcast Bidco.

- 15.3 The aggregate fees and expenses which are expected to be incurred by Sky in connection with the Offer are estimated to amount to between approximately £88.6m and £95.9m (excluding applicable VAT or similar taxes). This aggregate number consists of the following categories (each excluding applicable VAT or similar taxes)⁽¹⁾:

Category	Amount – £
Financial and corporate broking advice ⁽²⁾⁽³⁾	£59.5m to £61.5m
Legal advice ⁽²⁾⁽⁴⁾	£15.2m to £20.0m
Accounting and tax advice ⁽⁵⁾	£2.4m
Public relations advice ⁽³⁾	£5.0m
Other professional services ⁽⁵⁾	£5.5m
Other costs and expenses ⁽⁵⁾	£1.0m to £1.5m

Notes:

- (1) Fees and expenses that will be invoiced in US dollars have, for the purposes of this table, been converted into pounds sterling at an exchange rate of 0.7567, which was derived from Bloomberg as at 10:30 p.m. on the Latest Practicable Date.
- (2) A proportion of such fees may be payable at the discretion of the Sky Independent Committee.
- (3) A proportion of such fees are success-based and payable depending on the outcome of the offers for Sky.
- (4) These services are charged, in part, by reference to hourly or daily rates. Amounts here reflect the time incurred up to the Latest Practicable Date and an estimate of further time required.
- (5) These services may vary depending on the service volumes and types of services provided. Amounts included here reflect an estimate of the expected services required.

16. Documents available on website

- 16.1 Copies of the following documents shall be made available on the website of Comcast at <https://www.cmcsa.com/proposal-for-sky> and on the website of Sky at <https://www.skygroup.sky/corporate/investors/offers-for-sky/comcast-offer> until the end of the Offer Period:
- 16.1.1 this document and the Form of Acceptance;
- 16.1.2 the Original Offer Announcement and Increased Offer Announcement;
- 16.1.3 the articles of association of Comcast Bidco;
- 16.1.4 the articles of association of Sky;
- 16.1.5 the Confidentiality Agreement referred to in paragraph 13 of the letter from Comcast Bidco in this document;
- 16.1.6 the irrevocable undertakings referred to in paragraph 6 of this Appendix 3;
- 16.1.7 Comcast's financing arrangements in connection with the Acquisition as referred to in paragraph 12 of the letter from Comcast Bidco in this document; and
- 16.1.8 the written consents from each of Robey Warshaw, Evercore, BofA Merrill Lynch, Wells Fargo, Morgan Stanley, PJT Partners and Barclays referred to in paragraph 14.3 of this Appendix 3.
- 16.2 For the avoidance of doubt, the content of the website referred to in paragraph 16.1 is not incorporated into and, save for the information specifically incorporated by reference into this document, does not form part of this document.

APPENDIX 4 : POST-OFFER UNDERTAKINGS

Comcast and Sky make the following post-offer undertakings pursuant to Rule 19.5 of the City Code, subject to the qualification and condition set out below (each of the post-offer undertakings in paragraphs 1.1(a), 1.1(b), 1.1(c), 1.2, 1.3, 2, 3 and 4 being a “**Post-Offer Undertaking**” and, together, the “**Post-Offer Undertakings**”).

1. Sky-Branded News Service

1.1 Comcast undertakes to procure, and Sky undertakes, that:

- (a) throughout the period of five years from the Effective Date or, if longer, from the Effective Date to the date on which the Post-Offer Undertakings at paragraphs 1.1(b), 1.1(c), 1.2 and 1.3 have been satisfied in full, a member of the Sky Group (alone or with other members of the Sky Group) shall:
 - (i) have ownership of, or the right to use, all assets and rights (including licences) necessary to carry on a Sky-Branded News Service; and
 - (ii) continue to carry on a Sky-Branded News Service;
- (b) subject to the Post-Offer Undertaking at paragraph 1.1(c), the total Sky News Expenditure spent by members of the Sky Group:
 - (i) during the period from the Effective Date to 30 June 2019 will be at least an amount which, when added to the total Sky News Expenditure during any period from 1 July 2018 to the Effective Date, is equal to the Initial Amount, as increased (for the previous 12 months only) by CPIH as published in July 2018 (or, if not available in July 2018, the next month in which it is published) (the Initial Amount so increased being the “**First Year Amount**”);
 - (ii) during the period from 1 July 2019 to 30 June 2020 will be at least an amount equal to the First Year Amount, as increased by CPIH as published in July 2019 (or, if not available in July 2019, the next month in which it is published) (such increased amount being the “**Second Year Amount**”);
 - (iii) during the period from 1 July 2020 to 30 June 2021 will be at least an amount equal to the Second Year Amount, as increased by CPIH as published in July 2020 (or, if not available in July 2020, the next month in which it is published) (such increased amount being the “**Third Year Amount**”);
 - (iv) during the period from 1 July 2021 to 30 June 2022 will be at least an amount equal to the Third Year Amount, as increased by CPIH as published in July 2021 (or, if not available in July 2021, the next month in which it is published) (such increased amount being the “**Fourth Year Amount**”); and
 - (v) during the period from 1 July 2022 to 30 June 2023 will be at least an amount equal to the Fourth Year Amount, as increased by CPIH as published in July 2022 (or, if not available in July 2022, the next month in which it is published) (such increased amount being the “**Final Year Amount**”),each of the First Year Amount, the Second Year Amount, the Third Year Amount, the Fourth Year Amount and the Final Year Amount being the “**Applicable Base Expenditure**” in respect of the relevant period; and
- (c) in the event that the total Sky News Expenditure spent by members of the Sky Group during the period from 1 July 2018 to 30 June 2019 or any period set out in any of paragraphs 1.1(b)(ii) to (v) (each such period being an “**Expenditure Period**”) is less than the Applicable Base Expenditure for that period, the amount of that shortfall (“**Shortfall**”) shall be spent by members of the Sky Group as Sky News Expenditure within 6 months of the end of that period (each such period being a “**Shortfall Period**”) and provided that the amount of any Sky News Expenditure spent pursuant to this Post-Offer Undertaking shall not be considered as Sky News Expenditure spent for the purposes of the Post-Offer Undertaking at paragraph 1.1(b) during the Expenditure Period following that in which the Shortfall arose.

- 1.2 Comcast undertakes to procure, and Sky undertakes, that throughout each Expenditure Period and from 1 July 2023 to 31 December 2023, the Sky Group shall maintain financial records containing and recording all items of Sky News Expenditure and the total Sky News Expenditure in each such period.
- 1.3 Comcast undertakes that it shall make available to Sky such funding as may be necessary to enable Sky to satisfy the Post-Offer Undertaking at paragraph 1.1(c) irrespective of Comcast's level (if any) of ownership of or control over Sky.

(Paragraphs 1.1(a), 1.1(b), 1.1(c), 1.2 and 1.3 together being the “**Sky News Post-Offer Undertakings**”).

1.4 For the purposes of the Sky News Post-Offer Undertakings:

- (a) “**CPIH**” means the annual consumer prices index rate, including a measure of owner occupiers’ housing costs, as published by the Office for National Statistics (or any successor);
- (b) “**Indirect Costs Cap**” means in respect of an Expenditure Period (and including any related Shortfall Period) an amount equal to 30 per cent. of the Applicable Base Expenditure for that Expenditure Period;
- (c) “**Initial Amount**” means the amount of the total Sky News Expenditure for the period from 1 July 2016 to 30 June 2017 (*see Note 1*);
- (d) “**Relevant Costs**” means:
- (i) the direct costs relating to:
- (A) headcount: the cost of all permanent staff and freelancers working directly on the provision of a Sky-Branded News Service (including presenters, reporters, producers, editors and cameramen);
- (B) coverage/newsgathering: daily newsgathering costs (e.g. travel, accommodation and feeds), large story spend (e.g. referenda, elections), newsgathering contract costs (e.g. The Associated Press) and satellite truck maintenance and operational costs;
- (C) production, studio and archive: all production and studio costs (headcount, equipment and storage) and operational spend, news archive costs, and foreign bureau rent and office costs;
- (D) Sky News International: transponder, marketing, and headcount costs for Sky News International;
- (E) digital: headcount costs for digital team and associated contracts;
- (F) radio: headcount costs for radio journalists and costs of associated radio contracts; and
- (G) channel management: headcount costs for direct channel management of a Sky-Branded News Service including the Head of a Sky-Branded News Service; and
- (ii) subject to (iii) below, the indirect costs relating to:
- (A) satellite and digital terrestrial television (Freeview) and other capacity: an allocation to a Sky-Branded News Service of: (i) total satellite capacity costs; (ii) total Freeview capacity costs; and (iii) related headcount costs;
- (B) music licence fees: an allocation to a Sky-Branded News Service of total music licence costs;
- (C) creative services: headcount costs of the graphics team working for, and an allocation of creative agency and promotional costs to, a Sky-Branded News Service;
- (D) corporate overhead and functional information technology and human resources: an allocation to a Sky-Branded News Service of: (i) corporate headcount support comprising headcount from Sky’s legal, finance, human resources and public affairs departments; and (ii) information technology and human resources support costs (e.g. laptop support); and

(E) capital expenditure depreciations: capital expenditure depreciation on the capital assets directly employed for the purposes of the provision of a Sky-Branded News Service, comprising news gathering and operational equipment (e.g. cameras and SIS trucks),

but, in each case, excluding indirect costs relating to property and facilities shared with other businesses (not being a Sky-Branded News Service) of the Sky Group (including rates and rent for buildings from which a Sky-Branded News Service operates), marketing (including advertising), equipment support and broadcast operations (i.e. the headcount and equipment costs relating to the ingest and playout of audiovisual content).

(iii) If and to the extent that indirect costs in any Expenditure Period (including any related Shortfall Period) exceeds the Indirect Costs Cap for that period, the total amount of any indirect costs for that Expenditure Period (including any related Shortfall Period) shall be deemed to be equal to the Indirect Costs Cap.

(e) “**Sky-Branded News Service**” means a 24 hour news and current affairs service comprising television news channels (and which may also include related digital and radio services) that is distributed to an audience in the United Kingdom (although it may also be received internationally) that:

(i) is made available under a brand which incorporates the word “Sky” (and may include the brands “Sky News” and “Sky News HD”); and

(ii) may be made available on a free to air or a charged (including a subscription) basis; but

(iii) does not include Sky Sports News.

(f) “**Sky News Expenditure**” means expenditure by members of the Sky Group (excluding any expenditure between such members) on Relevant Costs incurred on a basis which is consistent with Sky’s previous accounting policies and methodology for the purposes of carrying on a Sky-Branded News Service;

(g) “**Sky News International**” means a version or versions of a Sky-Branded News Service distributed to an audience outside of the UK; and

(h) “**Sky Sports News**” means a news service with a majority of its content focussed on sports related news.

1.5 For the purposes of the Sky News Post-Offer Undertakings, a certification by the Supervisor as to any of the following:

(a) whether or not expenditure constitutes:

(i) Sky News Expenditure;

(ii) expenditure by members of the Sky Group; and

(iii) expenditure during a period; and

(b) what amount constitutes:

(i) the Initial Amount; and

(ii) Shortfall,

shall be final and conclusive and binding on Comcast and Sky.

Note 1: The Initial Amount is commercially sensitive and a figure is therefore not included in this Appendix 4. It will, however, be certified by the Supervisor.

2. Sky Group’s UK Headquarters at Osterley

Throughout the period of five years from the Effective Date, Comcast undertakes to procure, and Sky undertakes, that the Sky Group shall maintain its UK headquarters in Osterley, Greater London, TW7 by Sky occupying one or more buildings in Osterley, one of which buildings shall be publicly designated as the Sky Group’s UK headquarters and be the registered office of Sky.

3. **Ownership of Newspapers in the UK**

Throughout the period of five years from the Effective Date:

- (a) Comcast undertakes that neither Comcast nor any of its subsidiaries or subsidiary undertakings shall; and
- (b) Comcast undertakes to procure, and Sky undertakes, that neither Sky nor any of Sky's subsidiaries or subsidiary undertakings shall,

in each case, directly or indirectly, whether alone or with or through any third party, hold or acquire (or enter into any agreement, or trigger any obligation, to so hold or acquire) a majority of the shares or voting rights in, or the right to appoint or remove a majority of the board of directors of, any undertaking which carries on a business of publishing any daily, Sunday or local UK Newspaper (the "**UK Newspaper Post-Offer Undertaking**").

For the purposes of the UK Newspaper Post-Offer Undertaking, "**UK Newspaper**" means a printed newspaper publication, the majority of the content (excluding advertisements) of which consists of news reports related to public and current affairs and other journalistic content, published at intervals of not more than 7 days and distributed wholly or primarily either nationally throughout the UK or in a specific local area of the UK (and which may also be made available in digital form) but excluding a publication which is made available only in digital form.

4. **Sky News Board**

Each of Comcast and Sky undertakes to procure that, no later than three months after the Effective Date, the Sky Group shall establish an "editorial board" for the Sky-Branded News Service by Sky UK Limited (or, alternatively, any other member of the Sky Group that, as at the date on which the "editorial board" is so established, holds the relevant licence(s) for a Sky-Branded News Service):

- (a) designating and appointing no fewer than three individuals to an "editorial board", such designation and appointment to be considered satisfied when announced via a RIS; and
- (b) publishing the terms of reference of that "editorial board" on a website.

Qualification and Condition

Subject to consulting the Panel in advance and obtaining the Panel's consent to rely on such qualification or condition pursuant to Rule 19.5(f) of the City Code, a Post-Offer Undertaking will no longer apply if and to the extent that the Panel determines that Comcast or Sky (as the case may be) is unable to comply with that Post-Offer Undertaking as a result of an event, act or circumstance beyond the control of Comcast or Sky (as the case may be).

Definitions and Interpretation

The following definitions and interpretations also apply for the purposes of this Appendix 4 and the Post-Offer Undertakings:

“City Code”	means the City Code on Takeovers and Mergers;
“Comcast”	means Comcast Corporation, a company incorporated in Pennsylvania with its registered office in One Comcast Center, Philadelphia, PA 19103;
“Effective Date”	means the date on which the Offer becomes or is declared unconditional in all respects;
“Offer”	means the offer by Comcast for the entire issued share capital of Sky to be made following Comcast’s announcement of its firm intention to make an offer on 25 April 2018;
“Panel”	means the UK Panel on Takeovers and Mergers;
“procure”	includes taking, continuing to take and preserving the ability to take steps to secure a relevant outcome, including (without prejudice to the aforesaid) by obtaining from any person or entity enforceable obligations and commitments to act and enforcing such obligations and commitments; and, for the avoidance of doubt, a Post-Offer Undertaking by Comcast to “procure” shall subsist and continue in full force and effect irrespective of Comcast’s level (if any) of ownership of or control over Sky;
“right to appoint or remove a majority of the board of directors”	shall be construed in accordance with Schedule 6 of the Companies Act 2006;
“RIS”	has the meaning given in the City Code;
“Sky”	means Sky plc, a company incorporated in England and Wales with registered number 02247735;
“Sky Group”	means Sky and its subsidiaries and subsidiary undertakings from time to time;
“Sky UK Limited”	means Sky UK Limited, a company incorporated in England and Wales with registered number 09006991;
“subsidiary”	has the meaning given in Section 1159 of the Companies Act 2006;
“subsidiary undertaking”	has the meaning given in Section 1162 of the Companies Act 2006;
“Supervisor”	means Grant Thornton UK LLP;
“UK”	means the United Kingdom of Great Britain and Northern Ireland;
“undertaking”	has the meaning given in Section 1161 of the Companies Act 2006; and
“voting rights”	shall be construed in accordance with Schedule 6 of the Companies Act 2006.

Words and expressions not otherwise defined in this Appendix 4 shall have the meaning given to them in Rule 2.7 announcement published by Comcast on 25 April 2018 which can be found on Comcast’s website at www.cmcsa.com/proposal-for-sky.

Further Information regarding the Post-Offer Undertakings

The Post-Offer Undertakings set out in this Appendix 4 are in a form acceptable to the Panel, are legally binding commitments and, should the Effective Date occur, each of Comcast and Sky must comply with the terms of its respective Post-Offer Undertakings and complete any courses of action committed to within the relevant time periods set out.

Comcast and Sky have each appointed the Supervisor to monitor its compliance with the Post-Offer Undertakings it has given. In respect of its appointment, the Supervisor has agreed a work-plan with the Panel in order to monitor compliance by each of Comcast and Sky with the Post-Offer Undertakings it has given.

Comcast, Sky and the Supervisor will be required to submit periodic reports to the Panel, in accordance with the provisions of Rule 19.5(h) and (i) of the City Code, in respect of the Post-Offer Undertakings.

APPENDIX 5 : DEED POLL

COMCAST COMMITMENTS BY WAY OF DRAFT DEED POLL TO THE SKY NEWS BOARD AND, IF APPROPRIATE, OTHER REGULATORY BODIES

This DEED POLL is made on [●] 2018

BY:

Comcast Corporation, a company incorporated in Pennsylvania with registered office in One Comcast Center, Philadelphia, PA 19103 USA (*Comcast*); and

Sky plc, a company incorporated in England and Wales with registered number 02247735 (*Sky*),
(together the *Parties* and each a *Party*)

TO:

The Sky News Board (as further defined in Schedule 2 hereto), and each individual member thereof, in his/her capacity as an Independent Expert Board Member of the Sky News Board from time to time (the *Beneficiaries*, and each a *Beneficiary*)

WHEREAS:

(A) On 25 April 2018, Comcast announced a firm intention to acquire the entire issued and to be issued share capital of Sky (the *Offer*).

(B) On 8 May 2018, Comcast and Sky announced the adoption of various post-offer undertakings in respect of the Sky business and the Sky-Branded News Service (the *POU Announcement*).

(C) In connection with the Offer, the Parties wish to give certain legally binding undertakings to the Beneficiaries in relation to the Sky-Branded News Service.

(D) The legally binding undertakings contained in this Deed Poll do not constitute post-offer undertakings for the purposes of Rule 19.5 of the City Code on Takeovers and Mergers and are not enforceable by the Panel on Takeovers and Mergers as such.

Terms used in this Deed Poll shall have the meanings set out in Schedule 2.

NOW THIS DEED POLL WITNESSES as follows:

1. UNDERTAKINGS

1.1 By this Deed Poll, the Parties hereby undertake that they shall be bound by and comply with the terms of the undertakings set out in Schedule 1 (the *Undertakings*).

1.2 The Parties hereby acknowledge and covenant that the obligations contained in the Undertakings are owed to the Beneficiaries and that each Beneficiary shall be entitled to enforce the Undertakings against the Parties.

2. FURTHER ASSURANCE

The Parties undertake to perform all further acts and things, and execute and deliver such further documents, as may be required by law or as may be necessary or reasonably desirable to implement and/or give effect to this Deed Poll.

3. PARTIAL INVALIDITY

3.1 If any provision of this Deed Poll is or becomes invalid, illegal or unenforceable in any jurisdiction, that shall not affect the legality, validity or enforceability of the remaining provisions in that jurisdiction or of that provision in any other jurisdiction.

4. AMENDMENTS

No amendment or other variation to this Deed Poll shall be effective unless it is duly executed in writing by each of the Parties and, to the extent that any such amendment or variation seeks to reduce, dilute or otherwise diminish the scope of the undertakings of the Parties contained herein in any way, with the written consent of the Sky News Board (acting by a majority of its members).

5. GOVERNING LAW AND JURISDICTION

5.1 Governing law

This Deed Poll and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in all respects in accordance with English law.

5.2 Jurisdiction

The English courts shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise out of or in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by, this Deed Poll or otherwise arising in connection with this Deed Poll and for such purposes the Parties irrevocably submit to the jurisdiction of the English courts.

5.3 Process Agent

Comcast shall at all times maintain an agent for service of process and any other documents in proceedings in England and Wales or any other proceedings in connection with this Deed Poll. Such agent shall be Company Secretary, NBCUniversal International Limited, 1 Central St. Giles, St. Giles High Street, London WC2H 8NU and any claim form, judgment or other notice of legal process shall be sufficiently served on Comcast if delivered to such agent at its address for the time being. Comcast waives any objection to such service.

6. THIRD PARTIES

This Deed Poll is enforceable under the Contract (Rights of Third Parties) Act 1999 by each of the Beneficiaries, but not by any other person.

SCHEDULE 1 UNDERTAKINGS

1. UNDERTAKING TO ESTABLISH SKY NEWS BOARD

1.1 During the period of ten years from the date of the Sky News Board's establishment (the *Independence Undertaking Period*), each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to procure the continued establishment of the Sky News Board, and that for the duration of the Independence Undertaking Period such Sky News Board shall:

- (a) be chaired by a person who meets the Independent Expert Board Member Criteria and in addition has senior editorial and/or journalistic experience (the *Independent Chairperson*);
- (b) be comprised of:

- (i) an Independent Chairperson selected by Sky; and
- (ii) two other persons meeting the Independent Expert Board Member Criteria,

with all appointments and removals (subsequent to its initial establishment) being made by a majority of the Sky News Board (the *Independent Expert Board Members*);

- (c) operate under terms of reference which shall stipulate that the Sky News Board shall:
 - (i) be entrusted with oversight of the compliance of the Sky-Branded News Service with the Sky News Editorial Guidelines, including provisions relating to editorial independence in news reporting and compliance with Ofcom's Broadcasting Code;
 - (ii) have powers and adequate resources to review and investigate all areas within the remit of the Sky News Board;
 - (iii) meet as frequently as it considers necessary to discharge its functions, but in any event not fewer than four times a year;
 - (iv) consider any representations made by the Head of Sky News as to the Sky-Branded News Service's compliance with the Sky News Editorial Guidelines as provided for under section 1.1(c)(i) above and report any such representations to the Sky Board;
 - (v) advise the Sky Board on any issues within its remit including the Sky News Board Approvals;
 - (vi) consider any representations made by the Head of Sky News pursuant to section 3.2(c) and report any such representations to the Comcast Board;
 - (vii) be quorate only if at least two Independent Expert Board Members are present;
 - (viii) take all decisions on the basis of a majority vote (including as to the enforcement by the Sky News Board (or by any individual acting in his or her capacity as a member of the Sky News Board) of this Deed Poll); and
 - (ix) require each member to notify each of the other members promptly if he or she no longer meets the Independent Expert Board Member Criteria.

1.2 An Independent Expert Board Member shall only be removed from the Sky News Board by a unanimous vote in favour of removal taken by the Sky News Board (without counting the vote of the Independent Expert Board Member in question):

- (a) in the event of gross negligence, wilful misconduct, dishonesty, or fraud committed by that Independent Expert Board Member; or
- (b) if he or she no longer meets the Independent Expert Board Member Criteria.

1.3 During the Independence Undertaking Period, each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to procure that:

- (a) subject to section 1.3(b), the following matters at Sky UK Limited (or at any successor company that holds the relevant licence(s) for the Sky-Branded News Service from time to time) shall take place only with the approval of a majority of the Sky News Board:

- (i) the appointment or removal of the Head of Sky News (with the Sky News Board having the right prior to any replacement of the Head of Sky News to be consulted on the replacement candidate (in particular in relation to such candidate's editorial experience and integrity) and to nominate a candidate for appointment to the role);

- (ii) the remuneration package of the Head of Sky News;
 - (iii) any material changes to the authority or reporting relationship of the Head of Sky News; and
 - (iv) any future changes to the Sky News Editorial Guidelines, (together the *Sky News Board Approvals*); and
- (b) no subsequent amendments to the Sky News Board Approvals (other than amendments made to comply with law or regulation) shall be made without the prior approval of a majority of the Sky News Board (having taken into account the need for the continuing editorial independence of the Sky-Branded News Service).
- 1.4 During the Independence Undertaking Period, Comcast undertakes to procure that, subject to general compliance procedures and oversight, no employee or officer of Comcast or member of the Comcast Board outside of the Sky-Branded News Service's editorial function shall influence or attempt to influence the editorial choices made by the Head of Sky News or the Head of Sky News' delegates (including the selection, prominence or running of news stories or the political comment and opinion to be broadcast on the Sky-Branded News Service).

2. TERMS OF APPOINTMENT OF SKY NEWS BOARD

- 2.1 During the Independence Undertaking Period each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to procure that a member of the Sky Group enters into a letter of appointment with each Independent Expert Board Member which sets out, amongst other things, the duties of such Independent Expert Board Member as a member of the Sky News Board, together with the annual fees payable to him/her for performing that role.
- 2.2 Following his or her appointment, each Independent Expert Board Member (each an *Indemnified Person*) shall be indemnified by the Parties to the fullest extent permitted by law and without prejudice to any indemnity to which he or she might otherwise be entitled, against any liability arising and all expenses reasonably incurred or paid by him or her in connection with an action, claim, suit or proceeding in which he or she becomes involved (as a party or otherwise) by virtue of him or her being or having been an Independent Expert Board Member or enforcing the rights of the Sky News Board pursuant to the undertakings contained in this Deed Poll, and against amounts paid or incurred by him or her in settlement thereof, provided that no indemnification shall be provided to any Indemnified Person against any liability owed to Sky UK Limited (or any successor company that holds the relevant licence(s) for the Sky-Branded News Service from time to time) or its shareholders by reason of wilful default, bad faith, gross negligence or fraudulent misconduct.

3. UNDERTAKING TO ENHANCE AND MAINTAIN SKY NEWS EDITORIAL GUIDELINES

- 3.1 During the Independence Undertaking Period, each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to maintain and observe the editorial guidelines that are in place in relation to the Sky-Branded News Service as at the date of this Deed Poll, as modified in accordance with section 3.2 below and section 1.3(a)(iv) above (the *Sky News Editorial Guidelines*).
- 3.2 Within three months from the Effective Date, each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to procure that the Sky News Editorial Guidelines shall be amended to specify that:
- (a) the Head of Sky News (along with those to whom the Head of Sky News has delegated authority) retains complete editorial control over all news and current affairs output, including the selection and running of news stories and any political comment and opinion broadcast on the Sky-Branded News Service;
 - (b) subject to general compliance procedures and oversight, instructions to the Sky-Branded News Service editorial staff, including journalists, shall be given only by the Head of Sky News or those to whom the Head of Sky News has delegated authority; and
 - (c) in the event that the Head of Sky News becomes aware of an attempt by any employee or officer of Comcast outside of the Sky-Branded News Service's editorial function to influence the selection or running of news stories or the political comment and opinion to be broadcast on the Sky-Branded News Service, the Head of Sky News shall escalate such matters to the Sky News Board.

- 3.3 During the Independence Undertaking Period, each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to procure that no subsequent amendments to the Sky News Editorial Guidelines (other than amendments made to comply with law or regulation) shall be made without the prior approval of a majority of the Sky News Board (having taken into account the need for the continuing editorial independence of the Sky-Branded News Service) in accordance with section 1.3(a)(iv) above.

4. UNDERTAKING TO MAINTAIN INVESTMENT IN THE SKY-BRANDED NEWS SERVICE

- 4.1 Each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to procure that:

- (a) throughout the period of five years commencing on the first day after the POU Expiry Date (the *Sky News Investment Continuation Date*), or if longer, from the Sky News Investment Continuation Date to the date on which the undertakings at sections 4.1(b), 4.1(c), 4.2 and 5.2 have been satisfied in full, a member of the Sky Group (alone or with other members of the Sky Group) shall:

- (i) have ownership of, or the right to use, all assets and rights (including licences) necessary to carry on a Sky-Branded News Service; and
- (ii) continue to carry on a Sky-Branded News Service; and

- (b) subject to section 4.1(c) below, the Sky News Expenditure spent by members of the Sky Group:

- (i) during the period from 1 July 2023 to 30 June 2024 will be at least an amount equal to the Final Year Amount, as increased by CPIH as published in July 2023 (or, if not available in July 2023, the next month in which it is published) (such increased amount being the *Sixth Year Amount*);
- (ii) during the period from 1 July 2024 to 30 June 2025 will be at least an amount equal to the Sixth Year Amount, as increased by CPIH as published in July 2024 (or, if not available in July 2024, the next month in which it is published) (such increased amount being the *Seventh Year Amount*);
- (iii) during the period from 1 July 2025 to 30 June 2026 will be at least an amount equal to the Seventh Year Amount, as increased by CPIH as published in July 2025 (or, if not available in July 2025, the next month in which it is published) (such increased amount being the *Eighth Year Amount*);
- (iv) during the period from 1 July 2026 to 30 June 2027 will be at least an amount equal to the Eighth Year Amount, as increased by CPIH as published in July 2026 (or, if not available in July 2026, the next month in which it is published) (such increased amount being the *Ninth Year Amount*);
- (v) during the period from 1 July 2027 to 30 June 2028 will be at least an amount equal to the Ninth Year Amount, as increased by CPIH as published in July 2027 (or, if not available in July 2027, the next month in which it is published) (such increased amount being the *Tenth Year Amount*); and
- (vi) during the period from 1 July 2028 to 30 June 2029 will be at least an amount equal to the Tenth Year Amount, as increased by CPIH as published in July 2028 (or, if not available in July 2028, the next month in which it is published) (such increased amount being the *Eleventh Year Amount*),

each of the Sixth Year Amount, the Seventh Year Amount, the Eighth Year Amount, the Ninth Year Amount, the Tenth Year Amount and the Eleventh Year Amount being the *Applicable Base Expenditure* in respect of the relevant period; and

- (c) in the event that the Sky News Expenditure spent by members of the Sky Group during any period set out in any of sections 4.1(b)(i) to 4.1(b)(vi) (each such period being an *Expenditure Period*) is less than the Applicable Base Expenditure for that period, the amount of that shortfall (*Shortfall*) shall be spent by members of the Sky Group as Sky News Expenditure within 6 months of the end of that period (each such period being a *Shortfall Period*) and provided that the amount of any Sky News Expenditure spent pursuant to this section 4.1(c) shall not be considered as Sky News Expenditure spent for the purposes of section 4.1(b) during the Expenditure Period following that in which the Shortfall arose.

- 4.2 Comcast undertakes that it shall make available to Sky such funding as may be necessary to enable Sky to satisfy the undertaking set out in section 4.1(c) irrespective of Comcast's level (if any) of ownership or control over Sky,
(sections 4.1 and 4.2 together being the *Sky News Investment Undertaking*).

5. UNDERTAKINGS IN RELATION TO REPORTING AND MONITORING

- 5.1 In relation to the Undertakings in sections 1 and 3 above (the *Editorial Independence Undertakings*), each of Comcast (in so far as it is able exercising the powers available to it) and Sky undertakes to procure that:
- (a) following its own establishment, the Sky News Board shall then publish an announcement via a RIS, certified by the Independent Chairperson as accurate, that the Sky News Editorial Guidelines were amended within three months of the Effective Date to specify the matters set out in section 3.2 above;
 - (b) within 30 days after the date on which the audited annual accounts of Sky have been published in relation to a financial year falling (whether in whole or in part) within the Independence Undertaking Period, the Sky News Board shall publish a confirmation via RIS announcement, certified by the Independent Chairperson as accurate, confirming whether during the relevant financial period:
 - (i) the Sky News Board comprised solely members who had certified to the Independent Chairperson in a form acceptable to the Independent Chairperson that they met the Independent Expert Board Member Criteria and was chaired by an Independent Chairperson;
 - (ii) the Sky News Board operated under the terms of reference as required by section 1.1(c) above;
 - (iii) no matters subject to Sky News Board Approvals took place without the approval of a majority of the Sky News Board and no amendments to the Sky News Board Approvals (other than amendments made to comply with law or regulation) were made without the prior approval of a majority of the Sky News Board (having taken into account the need for the continuing editorial independence of the Sky-Branded News Service); and
 - (iv) no amendments to the Sky News Editorial Guidelines (other than amendments made to comply with law or regulation) were made without the prior approval of a majority of the Sky News Board (having taken into account the need for the continuing editorial independence of the Sky-Branded News Service);
 - (c) the Sky News Board shall publish a report via RIS announcement on an annual basis, certified by the Independent Chairperson as accurate of:
 - (i) any representations made by the Head of Sky News as to the Sky-Branded News Service's compliance with the Sky News Editorial Guidelines as required by section 1.1(c)(iv) above;
 - (ii) any matters escalated by the Head of Sky News as provided for in section 3.2(c), or if no matters were escalated, confirmation of such; and
 - (iii) any fees paid to the Independent Expert Board Members.
- 5.2 In relation to the Sky News Investment Undertaking, for each period set out in sections 4.1(b)(i) to 4.1(b)(vi) and during the period from 1 July 2029 to 31 December 2029 (the *Sky News Investment Continuation Period*) each of Comcast (in so far as it is able exercising the powers available to it) and Sky shall procure that:
- (a) the Sky Group shall maintain financial records containing and recording all items of Sky News Expenditure and the total Sky News Expenditure in each such period; and
 - (b) within 30 days after the date on which the audited annual accounts of Sky have been published in relation to a financial year falling (whether in whole or in part) during the Sky News Investment Continuation Period, the Sky News Board shall publish a confirmation via RIS announcement, certified by the Independent Chairperson as accurate confirming whether the Parties are in compliance with the Sky News Investment Undertaking.

6. FORCE MAJEURE

- 6.1 Subject to consulting the Sky News Board in advance and obtaining their consent, each of the undertakings set out in this Schedule 1 will no longer apply where Sky News Board determines that Comcast or Sky (as the case may be) is unable to comply with the relevant undertaking as a result of an event, act or circumstance beyond the control of Comcast or Sky (as the case may be).

SCHEDULE 2 DEFINITIONS

1. In this Deed Poll, capitalised terms shall have the following meaning:

Act means the Enterprise Act 2002;

Applicable Base Expenditure has the meaning given in section 4.1(b) of Schedule 1;

business has the meaning given by sections 129(1) and (3) of the Act;

Comcast Board means, from time to time, the board of directors of Comcast Corporation;

Companies Act means the Companies Act 2006;

CPIH means the annual consumer prices index rate, including a measure of owner occupiers' housing costs, as published by the Office for National Statistics (or any successor body);

Dispute has the meaning given in clause 5.2;

Editorial Independence Undertakings has the meaning given to it in section 5.1 of Schedule 1;

Effective Date means the date on which the offer by Comcast for the entire issued and to be issued share capital of Sky, to be made following Comcast's announcement of its firm intention to make an offer on 25 April 2018, becomes or is declared unconditional in all respects;

Eighth Year Amount has the meaning given to it in section 4.1(b)(iii) of Schedule 1;

Eleventh Year Amount has the meaning given to it in section 4.1(b)(vi) of Schedule 1;

Expenditure Period has the meaning given to it in section 4.1(c) of Schedule 1;

Final Year Amount has the meaning given to it in the POU Announcement;

Group of Interconnected Bodies Corporate has the meaning given in section 129(2) of the Act; references to a Group of Interconnected Bodies Corporate shall be to the Group of Interconnected Bodies Corporate as constituted from time to time;

Head of Sky News means the individual responsible for setting editorial strategy and direction for the Sky-Branded News Service's digital, television and radio output, including the appointment and dismissal of senior Sky-Branded News Service employees (including presenters);

Indirect Costs Cap means in respect of an Expenditure Period (and including any related Shortfall Period) an amount equal to 30 per cent. of the Applicable Base Expenditure for that Expenditure Period;

Indemnified Person has the meaning given to it in section 2.2 of Schedule 1;

Independence Undertaking Period has the meaning given in section 1.1 of Schedule 1;

Independent Chairperson has the meaning given in section 1.1(a) Schedule 1;

Independent Expert Board Members has the meaning given in section 1.1(b) of Schedule 1;

Independent Expert Board Member Criteria means:

- (a) having experience in the UK media sector;
- (b) not having been an employee of Comcast or any member of the same Group of Interconnected Bodies Corporate as Comcast within the last five years;
- (c) not having, and not having had within the last three years of the date of their first appointment to the Sky News Board, a material business relationship with Comcast either directly, or as a partner, shareholder, director or senior employee of a body that has such a relationship;
- (d) not having received and not receiving remuneration from Comcast (other than a fee paid by Comcast for their service as a member of the Sky News Board), not participating in Comcast's share option or performance-related pay scheme, and not being a member of Comcast's pension scheme;
- (e) not having close family ties with any of Comcast's advisers, directors or senior employees;
- (f) not having significant links with directors of Comcast through involvement in other companies or bodies;
- (g) not representing a significant Comcast shareholder; and
- (h) not having served on the board of Comcast within nine years from the date of their first appointment to the Sky News Board;

Ninth Year Amount has the meaning given to it in section 4.1(b)(iv) of Schedule 1;

Ofcom means the Office of Communications as established by the Office of Communications Act 2002, or where relevant, the Director General of Telecommunications as appointed under section 1 of the Telecommunications Act 1984;

Ofcom's Broadcasting Code means the Broadcasting Code published by Ofcom from time to time;

Offer has the meaning given in recital (A);

POU Announcement has the meaning given to it in recital (B);

POU Expiry Date means the date on which the Sky News Investment Post-Offer Undertaking expires;

Relevant Costs means:

- (a) the direct costs relating to:
 - (i) headcount: the cost of all permanent staff and freelancers working directly on the provision of a Sky-Branded News Service (including presenters, reporters, producers, editors, cameramen);
 - (ii) coverage/newsgathering: daily newsgathering costs (e.g. travel, accommodation and feeds), large story spend (e.g. referenda, elections), newsgathering contract costs (e.g. The Associated Press) and satellite truck maintenance and operational costs;
 - (iii) production, studio and archive: all production and studio costs (headcount, equipment and storage) and operational spend, news archive costs, and foreign bureau rent and office costs;
 - (iv) Sky News International: transponder, marketing and headcount costs for Sky News International;
 - (v) digital: headcount costs for digital team and associated contracts;
 - (vi) radio: headcount costs for radio journalists and costs of associated radio contracts; and
 - (vii) channel management: headcount costs for direct channel management of a Sky-Branded News Service including the Head of a Sky-Branded News Service; and
- (b) subject to (c) below, the indirect costs relating to:
 - (i) satellite and digital terrestrial television (Freeview) and other capacity: an allocation to a Sky-Branded News Service of: (i) total satellite capacity costs; (ii) total Freeview capacity costs; and (iii) related headcount costs;
 - (ii) music licence fees: an allocation to a Sky-Branded News Service of total music licence costs;
 - (iii) creative services: headcount costs of the graphics team working for, and an allocation of creative agency and promotional costs to, a Sky-Branded News Service;
 - (iv) corporate overhead and functional information technology and human resources: an allocation to a Sky-Branded News Service of: (i) corporate headcount support comprising headcount from Sky's legal, finance, human resources and public affairs departments; and (ii) information technology and human resources support costs (e.g. laptop support); and
 - (v) capital expenditure depreciations: capital expenditure depreciation on the capital assets directly employed for the purposes of the provision of a Sky-Branded News Service, comprising news gathering and operational equipment (e.g. camera and SIS trucks),
but, in each case, excluding indirect costs relating to property and facilities shared with other businesses (not being the Sky-Branded News Service) of the Sky Group (including rates and rent for buildings from which a Sky-Branded News Service operates), marketing (including advertising), equipment support and broadcast operations (i.e. the headcount and equipment costs relating to the ingest and playout of audiovisual content);
- (c) if and to the extent that indirect costs in any Expenditure Period (including any related Shortfall Period) exceeds the Indirect Costs Cap for that period, the total amount of any indirect costs for that Expenditure Period (including any related Shortfall Period) shall be deemed to be equal to the Indirect Costs Cap.

RIS has the meaning given to it in the City Code on Takeovers and Mergers;

Seventh Year Amount has the meaning given to it in section 4.1(b)(ii) of Schedule 1;

Shortfall has the meaning given to it in section 4.1(c) of Schedule 1;

Shortfall Period has the meaning given to it in section 4.1(c) of Schedule 1;

Sixth Year Amount has the meaning given to it in section 4.1(b)(i) of Schedule 1;

Sky Board means, from time to time, the board of directors of Sky Plc;

Sky-Branded News Service means a 24 hour news and current affairs service comprising television news channels (and which may also include related digital and radio services) that is distributed to an audience in the United Kingdom (although it may also be received internationally) that:

- (a) is made available under a brand which incorporates the word “Sky” (and may include the brands “Sky News” and “Sky News HD”); and
- (b) may be made available on a free to air or a charged (including a subscription) basis; but
- (c) does not include Sky Sports News;

Sky Group means Sky and its Subsidiaries and Subsidiary Undertakings (unless otherwise stated);

Sky News Board means the editorial board for the Sky-Branded News Service to be established by Sky UK Limited (or alternatively, any other member of the Sky Group which holds the relevant licence(s) for the Sky-Branded News Service) pursuant to the post-offer undertaking given by Comcast and Sky as set out in section 4 of Part A of the POU Announcement;

Sky News Board Approvals has the meaning given in section 1.3(a) of Schedule 1;

Sky News Editorial Guidelines has the meaning given in section 3.1 of Schedule 1;

Sky News Expenditure means the total expenditure by members of the Sky Group (excluding any expenditure between such members) on Relevant Costs incurred on a basis which is consistent with Sky’s previous accounting policies and methodology for the purposes of carrying on a Sky-Branded News Service;

Sky News International means a version or versions of a Sky-Branded News Service distributed to an audience outside of the UK;

Sky News Investment Continuation Date has the meaning given to it in section 4.1(a) of Schedule 1;

Sky News Investment Continuation Period has the meaning given to it in section 5.2 of Schedule 1;

Sky News Investment Post-Offer Undertaking has the meaning given to it in the POU Announcement;

Sky News Investment Undertaking has the meaning given in section 4.1 of Schedule 1;

Sky Sports News means a news service with a majority of its content focussed on sports related news;

Sky UK Limited means a company incorporated in England and Wales with registered number 02906991;

Subsidiary has the meaning given in Section 1159 of the Companies Act;

Subsidiary Undertaking has the meaning given in Section 1161 of the Companies Act; and

Tenth Year Amount has the meaning given to it in section 4.1(b)(v) of Schedule 1;

UK or United Kingdom means the United Kingdom of Great Britain and Northern Ireland;

Undertakings has the meaning given in clause 1.1.

2. In this Deed Poll, unless the context otherwise requires:

- (a) a reference to an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced;
- (b) references to a recital, paragraph, clause or Schedule (other than a schedule to a statutory provision) shall refer to those of this Deed Poll unless stated otherwise;
- (c) headings do not affect the interpretation of this Deed Poll, the singular shall include the plural and vice versa, and references to one gender include all genders;
- (d) any reference to a day shall mean a period of 24 hours running from midnight to midnight;

- (e) references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;
- (f) any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (g) a reference to any other document referred to in this Deed Poll is a reference to that other document as amended, varied or supplemented at any time; and
- (h) references to this Deed Poll include this Deed Poll as amended or supplemented in accordance with its terms.

IN WITNESS WHEREOF each of the Parties has duly executed this Deed Poll to take effect on the date stated at the beginning of it.

EXECUTED as a **DEED** and) Authorised signatory:
DELIVERED on behalf of **COMCAST**)
CORPORATION, a corporation)
 incorporated under the laws of the)
 Commonwealth of Pennsylvania, being a) Name:
 person or persons who, in accordance) Title:
 with the laws of that Commonwealth, are)
 acting under the authority of the)
 company)

EXECUTED and **DELIVERED** as a) Signature:
DEED by **SKY PLC** acting by a director)
 in the presence of:) Name:

Witness) Signature:
)
) Name:
)
) Address:
)

APPENDIX 6 : SOURCES OF INFORMATION AND BASIS OF CALCULATION

Unless otherwise stated, the following constitute the bases and sources of information referred to in this document:

1. Historical financial information relating to the Sky Group has been extracted or derived (without material adjustment) from the Annual Report for Sky for the financial year ended 30 June 2017 and the Interim Results for Sky for the six month periods ended 31 December 2017 and 31 December 2016.
2. Historical financial information relating to the Comcast Group has been extracted or derived (without material adjustment) from the Annual Report for Comcast for the year ended 31 December 2017, and from Comcast's internal records.
3. The synergy estimates are unaudited and are based on analysis by Comcast's management and on Comcast's internal records.
4. Other information relating to the Sky Group and the Comcast Group has been extracted or derived (without material adjustment) from public sources (except for paragraphs 5 and 6 of this Appendix 6).
5. Information provided by Sky states that, as at the close of business on 10 July 2018, Sky had in issue 1,719,017,230 ordinary shares, of which 978,515 are held in ESOP.
6. Any reference to the fully diluted share capital of Sky is based on:
 - (a) 1,719,017,230 Sky Shares referred to in paragraph 5 of this Appendix 6;
 - (b) plus up to 39,734,458 Sky Shares which may be issued on or after the date of this document to cover options and awards outstanding as of 10 July 2018 under the Sky Share Plans; and
 - (c) less 978,515 shares held in ESOP which will be used by Sky to satisfy options and awards in priority to the issue of new Sky Shares.
7. Any reference to the value of the fully diluted share capital of Sky is based on the price of £14.75 per Sky Share.
8. The premium calculations to the price per Sky Share have been calculated by reference to:
 - (a) a price of £7.69 per Sky Share, being the Closing Price on 6 December 2016, the last Business Day before the date on which an initial proposal was received by Sky from 21st Century Fox;
 - (b) a price of £7.90 per Sky Share, being the closing price on 8 December 2016, the last Business Day before the start of the Offer Period;
 - (c) the Original Offer price of £12.50 per Sky Share; and
 - (d) the 21CF Offer price of £14.00 per Sky Share.
9. The enterprise value of Sky is based on Sky's expected fully diluted share capital at completion by applying the offer price, plus Sky's net debt of £7,434 million, less proceeds from the exercise of options of £39 million, investments in joint ventures and associates of £40 million and available-for-sale investments of £216 million as at 31 December 2017 as set out in Sky's Interim Results for the six months ended 31 December 2017.
10. The acquisition multiple of approximately 14.7 times Sky's Adjusted EBITDA for twelve month period ended 31 December 2017 was calculated as a ratio of enterprise value (calculated as described in paragraph 9 of this Appendix 6) to Adjusted EBITDA for the twelve month period ended 31 December 2017 (as defined in paragraph 11 of this Appendix 6).
11. Sky's Adjusted EBITDA for the twelve month period ended 31 December 2017 was £2,249 million calculated by using the reported Adjusted EBITDA from the Annual Report for Sky for the financial year ended 30 June 2017, and the Interim Results for Sky for the six month periods ended 31 December 2016 and 31 December 2017.
12. The acquisition multiple of approximately 22.9 times Sky's Adjusted EPS for the twelve month period ended 31 December 2017 was calculated as a ratio of the Offer price of £14.75 per Sky Share to Adjusted EPS for the twelve month period ended 31 December 2017 (as defined in paragraph 13 of this Appendix 6).

13. Sky's Adjusted EPS for the twelve month period ended 31 December 2017 was 64.4 pence, calculated by using the reported Adjusted EPS from the Annual Report for Sky for the financial year ended 30 June 2017, and the Interim Results for Sky for the six month periods ended 31 December 2016 and 31 December 2017.
14. Unless otherwise stated, all prices and Closing Prices for Sky Shares are closing middle market quotations derived from the Daily Official List (SEDOL).
15. Pro-forma financial metrics, including Comcast's synergy estimates, are stated as at the date of this document and assume the acquisition of 100 per cent. of the Sky Shares. For the avoidance of doubt, any material merger, acquisition, reorganisation or other corporate transaction which Comcast or any other member of the Comcast Group may decide to enter into, effect and/or complete after the date hereof, could have an impact on these financial metrics.
16. The International Securities Identification Number (ISIN) for the Sky Shares is GB0001411924.
17. All information relating to Comcast Bidco has been provided by persons duly authorised by the Comcast Bidco board.

APPENDIX 7 : SKY SHARE PLANS

1. Appropriate Proposals

Subject to applicable confidentiality, legal and regulatory requirements, Comcast Bidco intends to request from Sky such details in relation to the Sky Share Plans as Comcast Bidco may reasonably require in order to make appropriate proposals to the participants in the Sky Share Plans, as provided for in Rule 15 of the Code (the “Proposals”), including the proposals as set out in paragraphs 2.2 and 3 to 5 of this Appendix 7. Comcast Bidco intends that the Proposals will take the form of a joint proposal from Sky and Comcast Bidco to participants in the Sky Share Plans.

2. Treatment of Share Plans

- 2.1 Comcast Bidco acknowledges that where any of the Sky Share Plans provides for the exercise of discretion (including in respect of performance measures), the exercise of any such discretion shall be a matter solely for the Sky Remuneration Committee. However, Comcast Bidco’s intention is that the treatment of options under the Sky Share Plans shall be as set out in paragraphs 2.2 and 3 to 5 of this Appendix 7.

Sky Long-Term Incentive Plans (including the Co-Investment Plans)

- 2.2 Comcast Bidco intends the Proposals to provide that, to the extent possible and/or applicable (and unless different treatment is agreed between Comcast Bidco and Sky in relation to any particular option grants), options under the Sky 2008 Long-Term Incentive Plan and the Sky Management Long-Term Incentive Plan will become exercisable immediately on the Effective Date and remain exercisable for three months from the Effective Date (or such other period as may be specified in the rules of the scheme). Options which vest and are exercised as a result of the Offer and in accordance with the Proposals will to the greatest extent possible be satisfied on a cash-settled, time pro-rated basis, with no performance conditions attached. Comcast has confirmed that it will be responsible for the cash settlement amounts.
- 2.3 Sky has confirmed to Comcast Bidco that business as usual grants under the Sky 2008 Long-Term Incentive Plan and the Sky Management Long-Term Incentive Plan proposed for July and August 2018 (over a maximum aggregate of 13,764,084 Sky Shares) will proceed in the ordinary course.

3. UK Sharesave Schemes

- 3.1 The Proposals to participants in the Sky Sharesave Scheme and the Sky 2013 Sharesave Scheme will take the form of participants’ options becoming exercisable immediately on the Effective Date, with such options remaining exercisable for six months from the Effective Date (or such other period as may be specified in the rules of the scheme), to the extent of the participants’ accrued savings and interest (if any) under the linked savings arrangements.

Compensation payment

- 3.2 Comcast Bidco agrees that Sky may make an additional payment to each participant in the Sky Sharesave Scheme and the Sky 2013 Sharesave Scheme (provided that such participants exercise their options as a result of the Offer to the fullest extent possible, with the result that the remainder of their options lapse) equal to (i) the difference between the Cash Consideration per Sky Share and the exercise price per share of the participant’s option; multiplied by (ii) the number of Sky Shares under the proportion of the option which lapses. The payment will be made subject to deduction and withholding for income tax and social security (or similar) contributions arising in respect of such payment.

4. Irish Sharesave Schemes

- 4.1 The Proposals to participants in the Sky 2005 Irish Sharesave Scheme and the Sky 2016 Irish Sharesave Scheme will take the form of participants’ options becoming exercisable on the Effective Date, with such options remaining exercisable for six months from the Effective Date (or such other period as may be specified in the rules of the scheme), to the extent of the participants’ accrued savings and interest (if any) under the linked savings arrangements.

Compensation payment

- 4.2 Comcast Bidco agrees that Sky may make an additional payment to each participant in the Sky 2005 Irish Sharesave Scheme and the Sky 2016 Irish Sharesave Scheme (provided that such participants exercise their options as a result of the Offer to the fullest extent possible, with the result that the remainder of their options lapse) equal to (i) the difference between the Cash Consideration per Sky Share and the exercise price per share of the participant's option; multiplied by (ii) the number of Sky Shares under the proportion of the option which lapses. The payment will be made subject to deduction and withholding for income tax and social security (or similar) contributions arising in respect of such payment.

5. International Sharesave Scheme

- 5.1 The Proposals to participants in the Sky 2015 International Sharesave Scheme will take the form of participants' options becoming exercisable immediately upon the Effective Date, with such options remaining exercisable for six months from the Effective Date (or such other period as may be specified in the rules of the scheme), to the extent of the participants' accrued savings under the linked savings arrangements. Options under the Sky 2015 International Sharesave Scheme which are exercised in connection with the Offer, will, to the greatest extent possible, be cash-settled. Comcast has confirmed that it will be responsible for the cash settlement amounts.

Compensation payment

- 5.2 Comcast Bidco agrees that Sky may make an additional payment to each participant in the Sky 2015 International Sharesave Scheme (provided that such participants exercise their options as a result of the Offer to the fullest extent possible, with the result that the remainder of their options lapse) equal to (i) the difference between the Cash Consideration per Sky Share and the exercise price per share of the participant's option; multiplied by (ii) the number of Sky Shares under the proportion of the option which lapses. The payment will be made subject to deduction and withholding for income tax and social security (or similar) contributions arising in respect of such payment.

6. Employee Trust

- 6.1 Comcast Bidco and Sky have agreed that Sky will recommend to the trustee of the ESOP that the trustee will, in priority to the issue of Sky Shares by Sky, use the Sky Shares comprised in the trust fund to satisfy any exercise of options which occur following the date of this Document.
- 6.2 In light of Comcast Bidco's proposals in paragraphs 2.2 and 5.1 of this Appendix 7 to cash settle options which are exercised in connection with the Offer to the greatest extent possible, Sky has agreed that the trustee of the ESOP will not be required to purchase any further Sky Shares.

APPENDIX 8 : DEFINITIONS

Except in Appendix 4 and Appendix 5 (in respect of which the definitions set out in the respective Appendix shall apply), the following apply throughout this document (unless the context otherwise requires):

“ 21CF Offer ”	the pre-conditional offer by 21st Century Fox for the fully diluted share capital of Sky which 21st Century Fox and its affiliates do not own at an offer price of £14.00 for each Sky Share announced on 11 July 2018;
“ 21st Century Fox ”	Twenty-First Century Fox, Inc., a company incorporated in Delaware with registered office in 1211 Avenue of the Americas, New York, New York 10036;
“ Acceptance Condition ”	the Condition as to acceptances set out in paragraph 1 of Part A of Appendix 1;
“ Acquisition ”	the acquisition by Comcast Bidco of the entire issued and to be issued share capital of Sky, to be implemented by means of the Offer as set out in the Offer Document;
“ acting in concert ”	in relation to a party, means any such person acting or deemed to be acting in concert with that party for the purposes of the Code;
“ ADR ”	an American Depositary Receipt created pursuant to the deposit agreement between Sky and BNY dated 9 December 2002 and as amended and restated as of 28 May 2010 and trading on the over-the-counter market in the U.S.;
“ affiliates ”	in relation to a party, any person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the party, and for these purposes a party shall be deemed to control a person if such party possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the person, whether through the ownership of over 50 per cent. of the voting securities or the right to appoint over 50 per cent. of the relevant board of directors by contract or otherwise but, in relation to 21st Century Fox, specifically excluding Sky and each other member of the Sky Group;
“ associated undertaking ”	has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 other than paragraph 19(1)(b) of Schedule 6 to those Regulations which shall be excluded for this purpose;
“ Barclays ”	means Barclays Bank PLC, acting through its Investment Bank;
“ BNY ”	the Bank of New York Mellon;
“ BofA Merrill Lynch ”	Merrill Lynch International;
“ Bridge Facility Agreement ”	the £16,000,000,000 364-day bridge credit agreement dated as of 25 April 2018 between, amongst others, (1) Comcast as the borrower, (2) Bank of America, N.A. as administrative agent, (3) Wells Fargo Bank, National Association as syndication agent, (4) MLPFS and Wells Fargo as joint lead arrangers and joint book runners, and (5) the lenders party thereto;
“ Business Day ”	a day, (other than a Saturday, Sunday, public or bank holiday in the UK) on which banks are open for business in the City of London;
“ Cash Consideration ”	the cash amount of £14.75 payable by Comcast Bidco under the Offer in respect of each Sky Share, as adjusted in accordance with the terms of the Offer as set out in the Offer Document;
“ CAT ”	the Competition Appeal Tribunal;

“certificated” or “in certificated form”	a Sky Share that is not in uncertificated form (that is, not in CREST);
“Closing Price”	the closing middle market quotation of a share derived from the Daily Official List;
“CMA”	the Competition and Markets Authority;
“Code”	the City Code on Takeovers and Mergers;
“Comcast”	Comcast Corporation, a company incorporated in Pennsylvania with registered office in One Comcast Center, Philadelphia, PA 19103, United States;
“Comcast Bidco”	Comcast Bidco Limited, a private limited company incorporated in England and Wales with registered number 11341936;
“Comcast Bidco Director”	the director of Comcast Bidco as at the date of this document, as set out in paragraph 2.2 of Appendix 3;
“Comcast Bidco Financial Advisers”	Robey Warshaw, Evercore, BofA Merrill Lynch and Wells Fargo;
“Comcast Directors”	the directors of Comcast as at the date of this document, as set out in paragraph 2.1 of Appendix 3;
“Comcast Group”	Comcast and its subsidiaries and subsidiary undertakings from time to time;
“Companies Act”	the Companies Act 2006, as amended;
“Conditions”	the conditions to the Offer set out in Part A of Appendix 1, and “Condition” means any one of them;
“Confidentiality Agreement”	the confidentiality agreement entered into between Sky and Comcast, effective 6 March 2018;
“Co-operation Agreement”	has the meaning given to it in 11.2.4 of Appendix 3;
“CREST”	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations);
“CREST Manual”	the CREST manual issued from time to time by Euroclear;
“CREST member”	a person who has been admitted by Euroclear as a system member (as defined in the Regulations);
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the Regulations);
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor;
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member;
“Daily Official List”	the daily official list of the London Stock Exchange;
“Deed Poll”	the draft deed poll in favour of the Sky News Board as set out in Appendix 5;
“Disclosed”	the information which has been fairly disclosed (i) in the Annual Report and Accounts for Sky for the year ended 30 June 2017 or Sky’s Interim Results for the six months ended 31 December 2017, (ii) in any public announcement by Sky prior to the date of the Original Offer Announcement by way of any Regulatory Information Service (including information the availability of which has been announced by way of any Regulatory Information Service), or (iii) in the Original Offer Announcement;
“Disney”	The Walt Disney Company;
“Effective Date”	the date on which the Offer becomes or is declared unconditional in all respects;
“Electronic Acceptance”	the inputting and setting of a TTE Instruction which constitutes or is deemed to constitute an acceptance of the Offer on the terms set out in this document;

“Enlarged Group”	the enlarged group following completion of the Acquisition, comprising the Comcast Group and the Sky Group;
“ESA Instruction”	an Escrow Account Adjustment Input (AESN), transaction type “ESA” (as described in the CREST Manual);
“Escrow Agent”	the Receiving Agent in its capacity as escrow agent for the purposes of the Offer;
“ESOP”	the Sky Employee Share Ownership Plan, a trust which was established to satisfy awards made to participants of Sky’s employee share plans;
“EU Merger Regulation”	Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings;
“Euroclear”	Euroclear UK & Ireland Limited;
“Evercore”	Evercore Group together with its affiliate Evercore Partners, where only the latter is providing financial advice to Comcast Bidco and Comcast for the purposes of the Code;
“Evercore Group”	Evercore Group L.L.C.;
“Evercore Partners”	Evercore Partners International LLP;
“FCA”	the Financial Conduct Authority or its successor from time to time;
“First Closing Date”	1.00 p.m. (London time) on 22 August 2018;
“Fitch”	Fitch Ratings Inc.;
“Form of Acceptance”	the form of acceptance and authority for use by Sky Shareholders holding Sky Shares in certificated form in connection with the Offer;
“FSMA”	the Financial Services and Markets Act 2000;
“hard copy form”	a document, an announcement or any information will be sent in hard copy form if it is sent in a paper copy or similar form capable of being read;
“Increased Offer Announcement”	the announcement of the recommended terms of Comcast’s firm intention to make an offer for Sky at a price of £14.75 dated 11 July 2018;
“Latest Practicable Date”	9 July 2018, being the latest practicable date prior to the date of this document;
“Link Asset Services”	a trading name of Link Market Services Limited, a company registered in England and Wales with registered number 2605568 and having its registered office at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU;
“London Stock Exchange”	London Stock Exchange plc;
“MLPFS”	Merrill Lynch, Pierce, Fenner & Smith Incorporated;
“Moody’s”	Moody’s Investor Service, Inc.;
“Morgan Stanley”	means Morgan Stanley & Co International plc;
“NBCUniversal”	NBCUniversal Media, LLC, a limited liability company incorporated in Delaware with registered office in 30 Rockefeller Plaza, New York, NY 10112-0015;
“NBCUniversal’s Adjusted EBITDA”	the net income attributable to NBCUniversal before net income attributable to non-controlling interests and redeemable subsidiary preferred stock, income tax benefit (expense), investment and other income (loss), net, interest expense, depreciation and amortisation expense, and other operating gains and losses (such as impairment charges related to fixed and intangible assets and gains or losses on the sale of long-lived assets), if any. From time to time, NBCUniversal may exclude from Adjusted EBITDA the impact

	of certain events, gains, losses or other charges (such as significant legal settlements) that affect the period-to-period comparability of our operating performance;
“Offer”	the cash offer made by Comcast Bidco at £14.75 per Sky Share to acquire the entire issued and to be issued share capital of Sky subject to the Conditions and further terms and conditions set out in this document and, in the case of Sky Shares held in certificated form, the Form of Acceptance, including, where the context requires, any subsequent revision, variation, extension or renewal of such offer;
“Offer Document”	this document and any subsequent document containing the Offer;
“Offer Period”	the period starting on (and including) 9 December 2016 and ending on the latest of the following: (i) the First Closing Date; (ii) the time and date on which the Offer lapses or is withdrawn; and (iii) the time and date on which the Offer becomes or is declared unconditional as to acceptances;
“Official List”	the official list maintained by the UK Listing Authority pursuant to Part VI of FSMA;
“Opening Position Disclosure”	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position, as defined in Rule 8 of the Code;
“Original 21CF Offer”	the original pre-conditional offer by 21st Century Fox for the fully diluted share capital of Sky which 21st Century Fox and its affiliates do not own at an offer price of £10.75 for each Sky Share announced on 15 December 2016 and subsequently increased pursuant to the 21CF Offer;
“Original Offer”	the pre-conditional cash offer by Comcast for the entire issued and to be issued share capital of Sky at £12.50 per Sky Share and subsequently increased pursuant to the Offer;
“Original Offer Announcement”	the announcement dated 25 April 2018 containing the Original Offer;
“Overseas Shareholders”	Sky Shareholders not resident in, or who are nationals or citizens or residents of countries other than, the United Kingdom;
“Panel”	the Panel on Takeovers and Mergers;
“Phase 2 CMA Reference”	a reference to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
“PJT Partners”	means PJT Partners (UK) Limited;
“Post-Offer Undertakings” and “Post-Offer Undertaking”	has the meaning given to it in the introductory paragraph of Appendix 4;
“POU Announcement”	the announcement by Comcast and Sky on 8 May 2018 giving the Post-Offer Undertakings and, in respect of Comcast only, the intention to give certain legally binding commitments by way of Deed Poll;
“Proposals”	has the meaning given to it in paragraph 1 of Appendix 7;
“Receiving Agent”	Link Asset Services;
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 95/3775);
“Regulatory Information Service” or “RIS”	any information service authorized from time to time by the FCA for the purpose of disseminating regulation announcements;

“Relevant Authority”	any central bank, ministry, governmental, quasigovernmental, supranational (including the European Union), statutory, regulatory or investigative body, authority or tribunal (including any national or supranational antitrust, competition or merger control authority, any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction;
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Sky Shareholders in that jurisdiction;
“Revolving Facility Agreement”	has the meaning given to it in paragraph 11.1.1 of Appendix 3;
“Robey Warshaw”	Robey Warshaw LLP;
“SEC”	U.S. Securities and Exchange Commission;
“Secretary of State”	has the meaning given to it in the Enterprise Act 2002;
“significant interest”	a direct or indirect interest in ten per cent. or more of the equity share capital (as defined in the Companies Act);
“Sky”	Sky plc, incorporated in England and Wales with registered number 02247735;
“Sky ADRs”	the ADRs each evidencing four Sky Shares in the capital of Sky;
“Sky ADR Depository”	BNY, in its capacity as the depository for the Sky ADR programme;
“Sky ADR Holders”	holders of Sky ADRs;
“Sky Board”	the Sky Directors collectively;
“Sky Directors”	the directors of Sky at the date of this document, as set out in paragraph 2.3 of Appendix 3;
“Sky Group”	Sky and its subsidiaries and subsidiary undertakings from time to time (unless otherwise stated);
“Sky Independent Committee”	the committee of independent directors of Sky formed in connection with Original 21CF Offer and at the time of this document comprising six independent non-executive directors, Martin Gilbert (Deputy Chairman), Andrew Sukawaty (Senior Independent Director), Tracy Clark, Adine Grate, Matthieu Pigasse and Katrin Wehr-Seiter, and two executive directors, Jeremy Darroch and Andrew Griffith;
“Sky News Binding Commitments”	has the meaning given to it in paragraph 4(b) of the letter from Comcast Bidco in Part II to this document;
“Sky News Board”	has the meaning given to it in Schedule 2 of the Deed Poll;
“Sky Non-Independent Directors”	means the Sky Directors who are appointees of 21st Century Fox to the Sky Board and are therefore excluded from being members of the Sky Independent Committee, such persons being Chase Carey, James Murdoch and John Nallen;
“Sky Shareholders”	holders of Sky Shares from time to time;
“Sky Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 50 pence each in the capital of the Sky and any further such ordinary shares which are unconditionally allotted or issued and fully paid while the Offer remains open for acceptance or before such earlier time and date as Comcast Bidco (subject to the

Code) may determine, not, unless the Panel so permits, being earlier than the time and date on which the Offer becomes or is declared unconditional as to acceptances or, if later, the First Closing Date (but excluding any such ordinary shares held or which become held in treasury);

“Sky Share Plans”	the Sky 2008 Long-Term Incentive Plan (incorporating the Co-Investment Plan), the Sky Management Long-Term Incentive Plan (incorporating the Management Co-Investment Plan) and the Sky Sharesave Schemes;
“Sky Sharesave Schemes”	the Sky Sharesave Scheme, the Sky 2013 Sharesave Scheme, the Sky 2005 Irish Sharesave Scheme, the Sky 2016 Irish Sharesave Scheme and the Sky 2015 International Sharesave Scheme;
“Standard & Poor’s”	Standard & Poor’s Financial Services LLC;
“subsidiary”	has the meaning given to it in Section 1159 of the Companies Act;
“subsidiary undertaking”	has the meaning given to it in Section 1162 of the Companies Act;
“Term Loan Agreement”	the £7,000,000,000 term loan credit agreement dated as of 25 April 2018 between, amongst others, (1) Comcast as the borrower, (2) Bank of America, N.A. as administrative agent, (3) Wells Fargo Bank, National Association as syndication agent, (4) MLPFS and Wells Fargo as joint lead arrangers and joint book runners, and (5) the lenders party thereto;
“TFE Instruction”	a Transfer from Escrow instruction (as defined by the CREST Manual);
“TTE Instruction”	a Transfer to Escrow instruction (as described in the CREST Manual);
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Listing Authority”	the FCA as the authority for listing in the UK when it is exercising its powers under Part VI of FSMA;
“Unaffiliated Sky Shareholders”	all Sky Shareholders excluding 21st Century Fox or its affiliates;
“uncertificated form”	a share or other security, title to which is recorded in the relevant register of Sky as being held in uncertificated form in CREST, and title to which, by virtue of the Regulations, may be transferred by means of CREST;
“undertaking”	has the meaning given to it in Section 1161 of the Companies Act;
“U.S.” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
“U.S. Exchange Act”	U.S. Securities Exchange Act of 1934, as amended;
“Wells Fargo”	Wells Fargo Securities, LLC;
“Wider Comcast Group”	Comcast and its subsidiary undertakings, associated undertakings and any other undertaking in which Comcast and/or such undertakings (aggregating their interests) have a significant interest; and
“Wider Sky Group”	Sky and its subsidiary undertakings, associated undertakings and any other undertaking in which Sky and/or such undertakings (aggregating their interests) have a significant interest.

In this document, unless the contrary is otherwise indicated:

- all references to “**GBP**”, “**pence**”, “**sterling**”, “**pounds sterling**”, “**p**” or “**£**” are to the lawful currency of the United Kingdom. All references to **USD**, **US\$**, **dollar** or **\$** are to the lawful currency of the United States;
- all times referred to are London time unless otherwise stated;
- all references to “**days**” are to calendar days unless otherwise stated;

- all references to “**relevant securities**” are to that term as it is defined in the Code;
- references to the singular include the plural and vice versa and references to one gender include all genders; and
- terms defined in the CREST Manual shall bear the same meanings where used in this document.

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