

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the decision you should take, you are recommended to consult an appropriately authorised independent financial adviser.

To: holders of options under Sky's Irish Sharesave Schemes ("Options")

Summary of treatment under the Comcast Offer

You can exercise your Options to the extent of your savings, which means that you will acquire Sky Shares at the relevant discounted exercise price, and then sell them under the Comcast Offer for £14.75 each converted into euro (subject to PRSI and USC, and income tax if you have held your Options for less than three years at the date of exercise).

If you exercise your Options in accordance with this letter, you will also receive a Compensation Payment, subject to income tax, PRSI and USC, equal to the additional gain you could have made had you been able to exercise your Options in full.

You can exercise your Options through the Sky Shares portal at www.myskyrewards.com via the "Shares" tile. You should submit your instructions by midday UK time on 7 September 2018 at the latest.

Please note that all instructions received are irrevocable; once your instruction has been submitted it may not be changed.

17 August 2018

Dear Participant,

1. BACKGROUND

On 11 July 2018, the board of Comcast Corporation and the Independent Committee of Sky plc ("**Sky**") announced they had agreed the terms of a recommended cash offer by Comcast Bidco Limited (an indirect, wholly-owned subsidiary of Comcast) ("**Comcast**") of £14.75 per Sky Share (the "**Comcast Offer**"). More information on the Comcast Offer is set out in Comcast's formal offer document to Sky Shareholders, which is available at skygroup.sky/corporate/investors/offers-for-sky/comcast-offer (the "**Comcast Offer Document**").

This letter explains the effect of the Comcast Offer on your Options and the action you need to take to exercise your Options and accept the Comcast Offer. We refer to this as a "Rule 15 letter", as Comcast is required under Rule 15 of the UK Takeover Code to make an appropriate offer to option holders of Sky.

2. A REMINDER OF THE IRISH SHARESAVE SCHEMES

Under Sky's Irish Sharesave Schemes, you are currently saving a fixed monthly amount directly from your pay under a savings contract. You may have a three year and/or a five year savings contract. This letter applies to you irrespective of whether you have a three or five year savings contract. You may also participate in more than one Irish Sharesave Scheme and have more than one Option. Ordinarily you would have been able to buy a specified number of Sky Shares at the end of the savings contract at a discounted exercise price. The exercise price was set at the time of each invitation to participate in the Irish Sharesave Schemes.

3. IMPACT OF THE COMCAST OFFER ON YOUR OPTIONS UNDER THE SHARESAVE SCHEME

If the Comcast Offer becomes (or is declared) "wholly unconditional", your Options will become capable of exercise early. This would happen when the remaining completion conditions to the Comcast Offer are met (or are waived by Comcast). In particular, this means that the Comcast Offer first needs to be accepted by the holders of at least 50% of the voting shares in Sky. Regular updates on the Comcast Offer will be posted on today@sky. As Sky cannot confirm the date on which the Comcast Offer will become wholly unconditional, you should return your instructions in relation to your Options as soon as possible.

So that you do not lose out by exercising your Options early as a result of the Comcast Offer, Comcast and Sky have agreed that you will receive a further payment, compensating you for the additional gain which you would have made had you been able to exercise your Options in full (the "**Compensation Payment**"). The Compensation Payment is only payable if you exercise your Options to the full extent of your current savings, your right of exercise has arisen as a result of the Comcast Offer, and you submit an Exercise Request (defined below) by 7 September 2018.

4. **WHAT ABOUT THE ALTERNATIVE OFFER FOR SKY?**

As you are aware, 21st Century Fox has also made an offer to acquire Sky Shares and you will receive a Rule 15 letter similar to this document from 21st Century Fox, setting out its proposals in respect of your Options.

Only one of Comcast's or 21st Century Fox's offers to acquire Sky Shares can ultimately become successful. However, unlike the holders of Sky's ordinary shares who can only approve one offer, as an Option holder you have the ability to accept the proposals under both Comcast and 21st Century Fox's offers. If you accept both sets of proposals only those made in connection with the winning offer will take effect. Your Options will become exercisable when the winning offer becomes successful.

5. **HOW DO I EXERCISE MY OPTIONS AND ACCEPT THE OFFER?**

You can exercise your Options and sell the Sky Shares you receive for £14.75 converted into euro per Sky Share by accessing the Sky Shares portal via the 'Shares' tile at www.myskyrewards.com, and submitting an exercise request (the "**Exercise Request**") by midday UK time on 7 September 2018. Once you have done so you do not need to take any other action.

By submitting the Exercise Request your Options will be exercised once the Comcast Offer becomes wholly unconditional. The date on which the exercise will take effect will be determined by Sky to potentially allow you to make additional monthly savings contributions, but making sure that you can exercise your Options and sell your resulting Sky Shares under the Comcast Offer. More detail on how this date is worked out is set out below in Q11 of the FAQs.

6. **WHAT IF I HAVE FURTHER QUESTIONS?**

You will find attached to this letter some frequently asked questions, which you should review.

If, after reading these, you still have an outstanding query, please contact Link either by email at skycomcast@linkgroup.co.uk or by calling their Helpline on +44 (0)371 664 9268. Calls from outside the UK will be charged at the applicable international rate. The Link Helpline is open from 9.00am to 5.30pm Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. For legal reasons Link cannot give any legal, financial or tax advice.

As a reminder, if the Comcast Offer becomes wholly unconditional you can exercise your Options to the extent of your savings and sell the Sky Shares you acquire under the Comcast Offer for £14.75 per Sky Share converted into euro (subject to PRSI and USC, and income tax if you have held your Options for less than three years at the date of exercise), and receive the Compensation Payment (subject to income tax, PRSI and USC), by submitting an Exercise Request on the Sky Shares Portal **by midday UK time on 7 September 2018 at the latest**.

Please note that all instructions received are irrevocable; once your instruction has been submitted it may not be changed.

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 proposal to exercise your Options and accept the Comcast Offer, as set out in this letter, to be fair and reasonable. Morgan Stanley and Barclays are providing independent financial advice to the Sky Independent Committee for the purposes of Rule 15(b) 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 you exercise your Options and accept the Comcast Offer as set out in this letter.

Yours faithfully

Martin Gilbert
Deputy Chairman of Sky plc
Chairman of the Sky Independent Committee

Arthur R Block
Director
Comcast Bidco Limited

FREQUENTLY ASKED QUESTIONS

1. *How will I know about the progress of the Comcast Offer and when the Comcast Offer becomes “wholly unconditional”?*

Updates on the Comcast Offer will be posted on today@sky – please check this regularly. More information on the Comcast Offer is set out in the Comcast Offer Document, which is available at skygroup.sky/corporate/investors/offers-for-sky/comcast-offer.

2. *What do I need to do?*

What do I need to do?	Submit your exercise instruction between now and 7 September 2018 so that your Options are exercised once the Comcast Offer becomes wholly unconditional and the Sky Shares you receive are sold for £14.75 per Sky Share.
How do I submit my request?	Go to www.myskyrewards.com , click on the 'Shares' tile and follow the instructions for the Comcast Offer.
What will I receive and when would I receive it?	<ul style="list-style-type: none"> • £14.75 per Sky Share you are able to buy at the discounted exercise price, converted into euro. Payment will be made within 14 days from your exercise being processed (subject to deductions for PRSI and USC, and income tax if applicable) *; • the Compensation Payment, through the next available payroll (subject to income tax, PRSI and USC); and • any residual amount due to you, within 7 days from the date of exercise.

*Gains on exercise are subject to PRSI and USC, and income tax if you have held your Options for less than three years at the date of exercise (see Question 17 *What are the Tax Consequences of Exercising My Options?* below).

Please see Question 14 *Do I have to submit the Exercise Request before the deadline? Can I wait for longer before I exercise my Options (and potentially make even more savings contributions)?* for information regarding what will occur if you do not submit an Exercise Request by 7 September 2018.

3. *Can you give me an example of how this will work and what I might receive if I choose to exercise?*

If the Comcast Offer becomes wholly unconditional, this will bring forward your ability to exercise a proportion of your Options. For Options that you have held for at least three years at the date of exercise, this exercise would be on an income tax-free basis (PRSI and USC would however apply). However, you will only be able to use the savings you have made up to the date of exercise, which means you will not be able to buy and sell the full number of Sky Shares under your Options.

Whilst Exercise Requests should be submitted by 7 September 2018, the exact date on which the exercise will take effect will be determined by Sky to potentially allow you to make additional monthly savings contributions, but making sure that you can exercise your Options and sell your Shares under the Comcast Offer.

It has been agreed that if you submit an Exercise Request by 7 September 2018 to exercise your Options pursuant to the Comcast Offer, you will also receive the Compensation Payment. The Compensation Payment will be calculated by working out the gain that you would have made on each additional Sky Share that you would have been able to acquire had you been able to exercise your Options in full (i.e. £14.75 minus your Option's exercise price, multiplied by the number of Sky Shares you were unable to acquire). The Compensation Payment will be converted into euro and will be subject to deductions for income tax, PRSI and USC.

For example, the payments could be as follows for a Sharesave you joined in 2016 and based on saving €100 per month under a three year savings contract, a notional discounted exercise price of €8, an offer price of £14.75, an original grant of 450 Sky Shares under Option exercisable at the Normal Maturity Date and an exercise 18 months into the savings contract assuming an exchange rate of €1:£0.85:

Exercise and Sell (subject to income tax, PRSI and USC*)		Compensation Payment ^ (subject to income tax, PRSI and USC)	
Savings	€1,800 (18 months x €100)	Number of Sky Shares unable to acquire	225 (450 originally granted - 225 exercised)
Number of Sky Shares able to acquire	225 (€1,800 savings ÷ €8 exercise price)	Gain per share	€9.35 (€14.75 x €1:€0.85 - €8 exercise price)
Gain (euro) Pre-tax	€3,904.41 (225 shares x €14.75 x €1:€0.85)	Amount (euro) pre-tax	€2,103.75 (225 shares x €9.35 gain)
Tax (Standard Rate Taxpayer†)	€1,015.14 (€3,904.41 x 26%)	Tax due (Basic Rate Taxpayer†)	€546.97 (€2,103.75 x 26%)
Total Payable (after tax): €4,446.05 (€2,889.27 + €1,556.78)			

* Please note that the gain on exercise of an Option you have held for at least three years at the date of exercise will be free from income tax. Please see Question 17 What are the tax consequences of exercising my Options? below. Capital Gains Tax may apply.

† In this example we have shown amounts for a standard rate tax payer (i.e. income tax is charged at 20%, PRSI is charged at 4% and USC is charged at 2%). Different amounts will apply for tax payers subject to different rates. RTSO deductions are initially taken at the highest rates. Please see Question 17 What are the tax consequences of exercising my Options? below.

^ Please note that the Compensation Payment is only payable if you submit your Exercise Request by 7 September 2018. It will not be payable if you submit your request after that date. It will also not be payable if you submit an Exercise Request following the maturity of your savings arrangements, as the Comcast Offer will not have reduced the number of Sky Shares that you were able to acquire under your Options. You will not lose out as a result of this, as the proceeds you receive for the sale of the Sky Shares will equal the value of the sale proceeds and Compensation Payment (subject to tax) you would receive if your savings arrangements had not matured.

4. Do I need to do anything in respect of my current monthly savings?

No. You do not need to take any action in respect of your current monthly savings and we will continue to make deductions from pay until your Options are exercised. In fact, if you were to stop your contributions your Options would, in due course, lapse and you may not be able to acquire Sky Shares.

If you save via standing order, once your Option has been exercised following the Comcast Offer becoming wholly unconditional you will need to stop your standing order or money will continue to be deducted from your account.

5. Do I need to provide any additional money to exercise my Options?

No. Your Options will be exercised using the savings you have made under the Irish Sharesave Schemes. You therefore do not need to provide any other funds in order to exercise your Options.

6. If I want to exercise my Options, can I make additional monthly contributions into my savings account to increase the number of Sky Shares I can buy?

As the Comcast Offer is unlikely to remain open to acceptances for the duration of your six month exercise period, it is unlikely that you will be able to make the full five additional payments if you exercise your Options on the basis being recommended. It may however be possible to make one or more additional payments, dependent upon the date on which the Comcast Offer becomes wholly

unconditional and whether Comcast extends the period over which the Comcast Offer remains open for acceptances (but this cannot be guaranteed). Provided that you submit an Exercise Request by 7 September 2018, Sky will exercise your Options at the latest possible date in order to ensure the maximum savings contributions are included, but without taking a risk of waiting too long before exercising so as not to be able to accept the Comcast Offer and sell your Sky Shares. Please see Question 11 *If I submit an Exercise Request, when will my Options be exercised? How will my Sky Shares be sold?* and Question 3 *Can you give me an example of how this might work and what I might receive if I choose to exercise?* for more details. The Compensation Payment is designed to ensure that you do not lose out as a result of exercising early.

7. What are the discounted exercise prices?

The discounted exercise prices were set at the time you were invited to participate in Sharesave. They are:

- Sharesave 2012: **€7.68**
- Sharesave 2013: **€8.06**
- Sharesave 2014: **€8.87**
- Sharesave 2015: **€11.19**
- Sharesave 2016: **€8.18**
- Sharesave 2017: **€8.50**

8. What happens if the Comcast Offer never becomes wholly unconditional?

In this case the Comcast Offer would have no effect on your Options. If you have submitted an Exercise Request, it would have no effect. Instead, you would either continue to make savings and, in the normal course, your Options would become exercisable under the rules of the Irish Sharesave Schemes or, if an alternative bid for Sky succeeds, your Options will be dealt with in accordance with separate proposals you may have received from an alternative bidder.

9. What happens if I do not exercise my Options?

If you do not submit an Exercise Request your Options will cease to be exercisable from the date six months after the date on which the Comcast Offer becomes wholly unconditional. If "squeeze-out" (as described below) does not occur, your Options will not lapse on this date and you may carry on saving. Your Options would become exercisable again on the maturity of your savings arrangements in the ordinary course, unless your Options lapse earlier under the rules of the Irish Sharesave Schemes.

If Comcast is able to serve a "squeeze-out" notice*, and you have not submitted an Exercise Request, your Options will become exercisable from such date for the duration of the period in which Comcast is entitled to acquire Sky Shares and will lapse at the end of this period if it has not been exercised. If your Options lapse, you will not be able to exercise your Options and sell the resulting Sky Shares or be eligible for the Compensation Payment. Instead, you will only be able to receive repayment of the savings you have made into your savings contract(s).

If your Options lapse in any of the circumstances described above, you will not be able to exercise them and receive £14.75 per Sky Share (converted into euro) or the Compensation Payment, and will lose any value to which you are entitled.

**A "squeeze-out" notice can be served by Comcast if Sky Shareholders accept the Comcast Offer in respect of 90% of the Sky Shares subject to the Comcast Offer. A "squeeze-out" notice would require the remaining Sky shareholders to accept the Comcast Offer within six weeks, and any remaining Sky Shares would then be automatically acquired by Comcast at the end of that six-week period. You may not receive separate notice if this is the case.*

10. Why can't I exercise my Options in full?

The Irish Sharesave Schemes are governed by specific tax legislation, which provides the applicable tax advantages, but also means that the Options under the Irish Sharesave Schemes can only be exercised

using savings made into your savings contract at the date of exercise. The legislation does not permit you to "top up" your savings as if you had saved until the Normal Maturity Date.

Comcast and Sky have agreed to pay you a Compensation Payment to address the fact that you are not able to save to the Normal Maturity Date and cannot 'top up' your savings.

11. *If I submit an Exercise Request, when will my Options be exercised? How will my Sky Shares be sold?*

Provided that you submit an Exercise Request by 7 September 2018, your Options will be exercised at the latest date which Sky considers it remains administratively practicable to exercise and accept the Comcast Offer whilst the Comcast Offer is guaranteed to remain open, whilst aiming to maximise the number of monthly savings contributions you can make.

The Comcast Offer is guaranteed to be open for 21 days after the date on which the Comcast Offer becomes wholly unconditional, and so the exercise might occur towards the end of this period. Alternatively, if before the end of this 21 day period it is announced that this period will be extended, your Option exercise would then occur towards the end of the extended period. It might be that an extension is only announced towards the end of the 21 day period, in which case your Options may have been exercised before the extension was announced (as at the time the Options was exercised it could not be guaranteed that the Comcast Offer would be extended).

If a "squeeze-out" notice is served before your Options are exercised, your Options may be exercised after the next savings contribution is credited to your account following the date of that notice if there is sufficient time to do so. Again, this is to allow you to potentially have additional savings contributions credited to your account before your Options are exercised. The benefit of having additional savings is that for any option that you have held for at least three years at the date of exercise, more of that option can be exercised free from income tax.

Working these dates out might be complicated, but you do not need to do it yourself: it will be done for you and your Options exercised accordingly if you submit the Exercise Request by the deadline. Whenever your Options are exercised, the Sky Shares you acquire will be sold to Comcast under the Comcast Offer.

Once your Options are exercised then Zedra Trust Company (Guernsey) Limited, the trustee of the Sky Employee Share Ownership Plan (the "**Trustee**") will manage the process relating to the Sky Shares on your behalf. The Trustee will accept the Comcast Offer and your Sky Shares will then be purchased by Comcast for £14.75 each. The Trustee will receive this amount and will then arrange for it to be paid to you following conversion into euro, subject to deductions for PRSI and USC. RTSO (income tax, PRSI and USC) will be payable if you have held your Option for less than three years (see Q17 *What are the tax consequences of exercising my Options?*).

By submitting the Exercise Request you are also agreeing to the Trustee's terms and conditions, which are available on the Sky Shares portal.

12. *How will my sale proceeds be converted into euro?*

The sale proceeds you receive from the sale of your Sky Shares to Comcast will be converted into euro at the closing exchange rate provided by Sky Treasury on the day immediately before your exercise is processed.

13. *How will I receive the proceeds of the sale of my Sky Shares?*

You are likely to receive three separate payments in the month following the exercise of your Options in the following order:

- Any residual amount due to you, which will be returned to you directly by Link (e.g. if on exercise you have an amount of savings which does not purchase a full Sky Share at your exercise price). This will be paid to the bank details you have entered on the Sky Shares portal. If you do not enter any bank details, you will receive a cheque.

- The proceeds of the sale of your Sky Shares to Comcast. This will be paid to you within 14 days from your exercise being processed. A withholding for RTSO (income tax, PRSI and USC) will be made unless you opt to deal with your local tax office directly (see Q17 *What are the tax consequences of exercising my Options?*)
- The Compensation Payment, which will be paid to you through the next available payroll, subject to deductions for income tax, PRSI and USC.

14. Do I have to submit the Exercise Request before the deadline? Can I wait for longer before I exercise my Options (and potentially make even more savings contributions)?

You do not have to submit the Exercise Request by the deadline date of 7 September 2018. Your Options will become capable of exercise when the Comcast Offer becomes wholly unconditional and will then remain capable of exercise (in connection with the Comcast Offer) for six months, subject to the curtailment of this period if Comcast becomes able to serve a "squeeze-out" notice (as referred to at Q9 *What happens if I do not exercise my Options?* above).

Following the expiry of this six month period and provided that Comcast has not been able to serve a squeeze-out notice, your Options will cease to be exercisable. In such a case, you may carry on saving and, subject to the rules of the Irish Sharesave Scheme, exercise your Options on the maturity of your savings arrangements in the ordinary course. If Comcast becomes eligible to serve a squeeze-out notice, your Options will lapse at the end of the period during which Comcast is so entitled if they are not exercised.

If you do not submit the Exercise Request you can instead wait, and keep making monthly savings, and then exercise during the exercise periods referred to above, or on the maturity of your savings arrangements, as described above. However if you choose this course of action, there is some important information you should know:

- **If you do not submit an Exercise Request by 7 September 2018, no Compensation Payment will be payable.**
- The only time you will be guaranteed to be able to sell your Sky Shares under the Comcast Offer is during the period of 21 days after the Comcast Offer becomes wholly unconditional. **If you are going to exercise your Options and accept the Comcast Offer during this period your Sky Shares will be sold on the same basis as if you submitted an Exercise Request.**
- After these 21 days, the Comcast Offer might be extended, in which case you might be able to exercise and sell your Sky Shares at a later date than if you had used the Exercise Request. **However, this cannot be guaranteed, and if the Comcast Offer is not extended, you will not be able to sell your Sky Shares under the Comcast Offer.** Further, to the extent it is able to do so, Comcast intends to apply to cancel the trading of Sky Shares on the London Stock Exchange, which means you might not be able to find another buyer for your Sky Shares either.
- You would be required to sell your Sky Shares if Comcast serves a "squeeze-out" notice (and if a "squeeze-out" notice is served before the Comcast Offer becomes wholly unconditional or during the 21 day period thereafter, you would be in the same position if you submitted an Exercise Request).
- If you do not submit an Exercise Request, your Options will cease to be exercisable if you fail to exercise them within the relevant period and may lapse. We may not be able to confirm to you in advance the date on which your Options will cease to be exercisable or lapse. **It is your responsibility to make sure that you exercise your Options in time.**
- If you do not submit an Exercise Request by the deadline date of 7 September 2018, you would need to contact Link to exercise your Options and you would also have to separately accept the Comcast Offer. You would need to make your own arrangements to do so, and make sure that you do so within the relevant period, otherwise you might lose the chance to sell your Sky Shares under the Comcast Offer.
- If you accept the Comcast Offer without using the Exercise Request, the £14.75 per Sky Share you receive from Comcast will be paid to you in pounds sterling, not euro. You will have to convert your proceeds into euro yourself and will bear any associated exchange rate costs.

- Options may lapse for reasons unconnected with the Comcast Offer, for example if you cease to be employed by Sky other than in a circumstance which allows you to continue to exercise your Options.
- If you do not exercise your Options in connection with the Comcast Offer, you will only be able to exercise them when they become exercisable in accordance with the rules of the Irish Sharesave Schemes; this is likely to be on the maturity of your savings arrangements (unless Comcast is able to serve a squeeze-out notice).
- If you do not want to use the Exercise Request, and instead want to make your own arrangements to exercise your Options, you should contact Link either by email at skycomcast@linkgroup.co.uk or by calling their Helpline on +44 (0)371 664 9268.

15. What happens if I do not have access to the Sky Shares portal to submit an Exercise Request?

If you are unable to access the Sky Shares portal via today@sky, you can access it via the internet at www.skyemployeeshares.com. You will need to enter your username, password and characters from your memorable word to login. If you have not previously registered for access, please follow these steps:

- Select 'Register' on the bottom right hand side of the home page
- Enter your Investor Code (available from Link), surname and enter your Irish Eircode
- Set up your username, password and memorable word for accessing your account in the future

Alternatively, you may request a personalised hard copy Exercise Form from Link by calling their Helpline (see What if I have further questions? on page 2) or emailing skycomcast@linkgroup.co.uk. If you are submitting instructions this way, you will need to return the relevant form to the address printed on the form so that it is received by no later than midday on 7 September 2018 in order to guarantee that your instructions are acted upon.

Please note that all instructions received are irrevocable; once your instruction has been submitted or returned it may not be changed.

16. What happens if I leave Sky?

The normal rules of the Irish Sharesave Schemes in respect of leaving employment continue to apply both before and after the Comcast Offer becomes wholly unconditional. This means that your Options will either lapse or be capable of exercise in accordance with the rules, depending on your reason for leaving.

Please note that you will only receive the Compensation Payment if you submit your Exercise Request by the cut-off date of 7 September 2018 and, other than in certain good leaver circumstances referred to below, remain employed at the point the offer goes wholly unconditional.

Circumstances of your leaving	Effect on Options
Before the Comcast Offer becomes wholly unconditional where your Options lapse (for example on resignation) or have been exercised before the Comcast Offer became wholly unconditional.	This letter would stop being relevant to you and, even if you have submitted an Exercise Request, it would not have any effect. Your savings would be returned in full and you would not be eligible for the Compensation Payment.
Before the Comcast Offer becomes wholly unconditional in circumstances which allow you to exercise your Options, for example: <ul style="list-style-type: none"> • injury or disability; • redundancy; or • retirement. 	<p>You will have six months from leaving to exercise before your Options lapse. Your exercise period will not be extended by the Comcast Offer.</p> <p>If you have submitted an Exercise Request under the Comcast Offer by the cut-off date of 7 September 2018, you would receive the Compensation Payment.</p> <p>If you have not submitted an Exercise Request under the Comcast Offer by the cut-off date of 7 September 2018, you will not be eligible for the Compensation Payment.</p>

<p>After the Comcast Offer becomes wholly unconditional in circumstances which allow you to exercise your Options, for example:</p> <ul style="list-style-type: none"> • injury or disability; • redundancy; or • retirement. 	<p>You will have six months from leaving to exercise before your Options lapse.</p> <p>If you have submitted an Exercise Request under the Comcast Offer by the cut-off date of 7 September 2018, you would receive the Compensation Payment.</p> <p>If you exercise after the cut-off date of 7 September 2018, you will not be eligible to receive the Compensation Payment.</p>
<p>After the Comcast Offer becomes wholly unconditional in circumstances which do not allow you to exercise your Options, for example resignation.</p>	<p>If you have not exercised your Options already they will lapse on you leaving employment. You will receive your savings back in full.</p>
<p>After the Comcast Offer becomes wholly unconditional and where you have already exercised your Options.</p>	<p>There is no effect on your Options by you leaving employment.</p>

17. What are the tax consequences of exercising my Options?

The following is a summary of tax consequences of exercising your Options. It is intended as a general guide only, and is not tax advice to any individual participant. If you are in any doubt about your tax position, you should consult your own tax adviser.

i) Income Tax, Universal Social Charge and Pay related Social Insurance

Income Tax

If your Options were granted more than three years before the date of exercise, no income tax liability will arise when you exercise them.

If your Options were granted less than three years before the date of exercise, an income tax liability will arise on any gain that you make upon the exercise of your Options. Your gain will be calculated as the aggregate market value of the Sky Shares on the date those Sky Shares are issued or transferred to you following the exercise of your Options (which should be equal to the £14.75 per Sky Share sale consideration payable by Comcast converted into euro), minus the exercise price of your Option.

If your Options are, or become, exercisable because you have left or leave your employment with Sky by reason of injury, disability, redundancy or retirement, no income tax liability will arise, even if your Options were granted less than three years before the date of exercise.

If you are receiving this letter as the personal representatives (or similar) of a deceased participant, there are no tax consequences on the exercise of Options.

Universal Social Charge and Pay Related Social Insurance

Exercising your Options will give rise to a Universal Social Charge ("**USC**") liability and a Pay Related Social Insurance ("**PRSI**") liability.

USC and PRSI will be payable on any gain you make. For USC and PRSI purposes, your gain will be calculated as the market value of the Sky Shares on the date those Sky Shares are issued or transferred to you following the exercise of your Options (which should be equal to the £14.75 sale consideration per Sky Share payable by Comcast converted into euro), minus the exercise price of your Option. USC is charged at progressive rates from 0.5% to 8%. PRSI is charged at 4%.

(ii) Capital Gains Tax

When you exercise your Options, you may also be liable for capital gains tax. As explained above, when you exercise your Options your resulting Sky Shares will be immediately transferred to Comcast for £14.75 per Sky Share. For capital gains purposes, this transfer to Comcast and receipt of proceeds amounts to a disposal.

If you have held an Option for less than three years before exercising it and an income tax liability has arisen on its exercise, the amount of your capital gain is based on the excess (if any) of the sale proceeds you receive over the market value of the Sky Shares issued or transferred to you upon exercise of your Options, on which your income tax liability is calculated. It is therefore unlikely that you will make a capital gain if you exercise in these circumstances.

Where you exercise in circumstances where no income tax is payable, capital gains tax is based on the excess (if any) of the £14.75 you receive per Sky Share over your Option's exercise price.

Liability to capital gains tax arises only to the extent that your total capital gains (less allowable losses) for the tax year exceed the annual allowance (which is €1,270 for the tax year to 31 December 2018). Capital gains tax is chargeable at the rate of 33%. Capital gains tax is collected via self assessment.

You may have multiple Options under the Irish Sharesave Schemes, each of which may have a different exercise price. You will need to take these differences into account when calculating your capital gains.

Note that if you hold other Sky Shares or share options and/or if you have sold shares, or sell shares in the same period, then you may have additional capital gains to include in the calculations described above.

Capital gains tax is due by 15 December for disposals made between 1 January and 30 November of the same year and by 31 January for disposals made in the immediately preceding December.

(iii) Payment of Tax, Self Assessment and Special Collection

Ordinarily, where options are exercised early, income tax, PRSI and USC liabilities are discharged by the participant completing Form RTSO1 (*Relevant Tax on Share Option, USC and PRSI*) and filing it with the Revenue Commissioners and the participant paying the amount of such liabilities directly to the Collector-General. Sky has, however, agreed with the Collector-General that Sky can instead deduct the amount of these liabilities from your sale proceeds and pay it to the Collector-General on your behalf rather than you having to complete and file Form RTSO1 and pay the amount of these liabilities yourself to the Collector-General. Income tax, PRSI and USC will be deducted and paid to the Collector-General at the highest rates (currently 52%) as a combined rate. The remaining balance will then be paid to you. By submitting an Exercise Request you agree to have your RTSO, PRSI and USC dealt with in this manner.

Alternatively you may choose to complete Form RTSO1 and pay your income tax, PRSI and USC liabilities directly to the Collector-General (within 30 days of the exercise of your Options). Form RTSO1 is available on the Revenue Commissioners website. Unless you have prior approval from your local tax office to pay at lower rates, you are required to pay income tax, PRSI and USC to the Collector-General at the highest rates (currently 52%) as a combined rate. If you choose this route you will not be able to complete an online Exercise Request, you would need to contact Link to request an Exercise form to complete and return. Please contact Link by calling their Helpline (see Further Information below) or emailing skycomcast@linkgroup.co.uk who will arrange for tax to not be deducted on your behalf.

Where your Options are exercised more than three years after grant in circumstances where income tax liabilities do not arise, you will not need to complete Form RTSO1, and your only liabilities will be for PRSI and USC which will be deducted through payroll.

For income tax, USC and capital gains tax liabilities, you may need to register for self assessment with the Revenue Commissioners. You will then need to submit a tax return with details of your Option exercise and the sale of your shares. Your tax return will need to be submitted by 31 October of the year following the year in which your Options were exercised. You will need to pay any additional income tax, USC and capital gains tax liabilities that have arisen on the exercise of your Options or the disposal of the resulting Sky Shares by 31 October of the year following the year in which your Options were exercised. If you have overpaid income tax or USC through the Form RTSO1 process, this is the manner in which a reclaim may be sought.

Sky is obliged to inform the Revenue Commissioners of the exercise of your Options. You are strongly recommended to put aside enough money to pay this assessment when the time comes.

18. What are the tax consequences of receiving the Compensation Payment?

The Compensation Payment will be subject to deductions for income tax, PRSI and USC, which will be deducted through payroll.

19. Will a new Irish Sharesave Scheme be set up when (and if) Comcast completes its acquisition of Sky?

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.

TERMS AND CONDITIONS

These terms and conditions are important: they apply to this letter and to the online Exercise Request. You should read these terms and conditions carefully before submitting an Exercise Request. You should keep a copy of these terms and conditions for future reference. Separate additional Terms and Conditions accompany any hard copy Exercise Form.

1. In the event of any differences between this letter and the rules of Sky's Irish Sharesave Schemes which govern the Options to which this letter relates or the applicable legislation, the rules or applicable legislation (as appropriate) will prevail. Copies of the rules are available on the Sky Shares portal, accessible at www.myskyrewards.com or www.skyemployeeeshares.com. A form of this letter is also available at <https://www.skygroup.sky/corporate/investors/offers-for-sky/comcast-offer>.

Submitting the Exercise Request

2. The Exercise Request will be of no effect unless it is submitted in accordance with the instructions set out on the Sky Shares portal by midday on 7 September 2018.

Exercise of your Options pursuant to the Exercise Request

3. By submitting the Exercise Request you confirm that you have had the opportunity to review the Comcast Offer Document (which is available at skygroup.sky/corporate/investors/offers-for-sky/comcast-offer), this letter and the Sky Shares portal, and have read and irrevocably agree to their respective terms and conditions.
4. By submitting the Exercise Request you confirm that each Option which you are exercising is valid, has not lapsed and is free from all mortgages and third party interests. You acknowledge that any Option certificate in respect of your Option will become void once your Option has been exercised.
5. By submitting the Exercise Request you acknowledge that you wish to exercise each of your Options to the fullest extent possible and that, in order to achieve the exercise of your Options, you will be (i) irrevocably electing to close your linked savings arrangements and (ii) directing Link to arrange for your accrued savings to be remitted to Sky to fund the exercise of your Options.
6. By submitting the Exercise Request you acknowledge that you wish to exercise any Options granted to you following the date on which you submit the Exercise Request to the fullest extent possible.
7. In no circumstances will the Trustee be liable for any loss howsoever arising as a result of acting in accordance with your instructions pursuant to the Exercise Request.
8. The exercise of your Options pursuant to the Exercise Request will take effect on the date determined by the Board of Sky in accordance with the terms of this letter.
9. By submitting the Exercise Request you irrevocably elect to accept the Comcast Offer in relation to all of the Sky Shares acquired pursuant to such exercise in accordance with the terms of this letter.
10. By submitting the Exercise Request you accept that the consideration payable pursuant to the Comcast Offer for the Sky Shares acquired on exercise of your Options will be paid as set out in this letter.
11. Any surplus cash amount in your savings arrangements not used to acquire Sky Shares (being an amount less than the exercise price in respect of one Sky Share under your Option, or each of your Options) will be returned to you into the bank account, details of which you provide through the Sky Shares portal. If you do not provide bank details, you will receive a cheque sent to the address held by Link.
12. Although no revision of the Comcast Offer is contemplated, by submitting your Exercise Request you agree that if the consideration payable under the Comcast Offer (in its original or any previously revised form(s)) were to increase you will be deemed to continue to instruct Sky that you wish to exercise your Options and accept the Comcast Offer without being required to reaffirm your instructions.
13. If the Comcast Offer does not become or is not declared wholly unconditional, your Exercise Request will have no effect on your Options, which will not be exercised.

Investment decision and taxation

14. Exercising your Options is a personal decision, and if you are in any doubts as to the decision you should take you are recommended to consult an appropriately authorised independent financial adviser. For legal reasons, neither Sky, Comcast Corporation, Comcast Bidco Limited, the Trustee, or Link nor any of their respective employees, officers or agents can give any legal, financial or tax advice. By submitting the Exercise Request you acknowledge that you have not relied on any investment, tax or other advice from Comcast Corporation, Comcast Bidco Limited, Sky, the Trustee, or Link or any member of their respective groups of companies, or any employees, officers or agents thereof.
15. By submitting the Exercise Request you acknowledge that reporting any taxable Option gain and/or capital gain and paying any income tax, PRSI and USC and/or capital gains tax that may arise in respect of the exercise of your Option or the Sky Shares acquired on exercise of your Option being sold to Comcast Bidco Limited is your sole responsibility, but that Sky has agreed with the Collector-General that it will deduct and pay any income tax, PRSI and USC liabilities on your behalf without the need for you to complete form RTSO1.
16. By submitting the Exercise Request you acknowledge that the Compensation Payment will be subject to deductions for income tax, PRSI and USC, which will be deducted through payroll.

General

17. Options granted under the Irish Sharesave Schemes will in most cases remain exercisable for six months following the Comcast Offer becoming or being declared wholly unconditional. If you have left, or leave employment with Sky, your Options may lapse before or after this date, dependent upon the circumstances of your leaving.
18. Sky Shares issued on the exercise of Options following the Comcast Offer becoming or being declared wholly unconditional and prior to the Comcast Offer closing will be purchased by Comcast Bidco Limited for £14.75 per Sky Share.
19. By submitting the Exercise Request you are also agreeing to the Trustee's terms and conditions, which you should read and which are available on the Sky Shares portal. The Trustee is being used to hold your Sky Shares on your behalf before those Sky Shares are then sold to Comcast Bidco Limited. The Trustee will receive the sale proceeds for your Sky Shares on your behalf before these are transferred to you via Link.

20. None of Comcast Corporation, Comcast Bidco Limited, Sky, Link or the Trustee, nor any member of their respective groups of companies, nor any employees, officers or agents thereof can be held responsible for any failure in the electronic delivery of the Exercise Request or any other document or any consequential loss.
21. If any Option to which the Exercise Request would otherwise have applied lapses (to any extent) prior to the date on which the relevant terms of the Exercise Request become effective, the Exercise Request will be of no effect in respect of such Option and you will not receive any Sky Shares in respect of such Option (or part thereof).
22. The information collected in the Exercise Request will be used for data processing for which Link is responsible and will be transmitted to any person(s) who require such information for the purposes of carrying out your instructions, and such persons will include Sky, Comcast and the Trustee.
23. This letter and the Exercise Request are each governed by and will be construed in accordance with the laws of Ireland.

NOTES

The release, publication or distribution of this letter in, into or from jurisdictions other than Ireland and the availability of the Comcast Offer to shareholders of Sky who are not resident in Ireland may be restricted by the laws of those jurisdictions. Therefore persons into whose possession this letter 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. This document does not constitute an offer to sell or issue, nor the solicitation of an offer to buy or subscribe for, shares in any jurisdiction in which such offer or solicitation is unlawful.

The term "Independent Committee" refers to the committee of independent directors of Sky established for the purposes of considering the Comcast Offer and 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) and two executive directors (Jeremy Darroch and Andrew Griffith).

The Independent Committee accepts responsibility for the information contained in this letter (including any expressions of opinion) other than the information (and expressions of opinion) for which the directors of Comcast Corporation and the directors of Comcast Bidco Limited accept responsibility. To the best of the knowledge and belief of the Independent Committee (which has taken all reasonable care to ensure that this is the case), the information contained in this letter for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of Comcast Corporation and the directors of Comcast Bidco Limited each accept responsibility for the information (including any expressions of opinion) contained in this letter relating to the Comcast Group and the directors of Comcast Corporation and the directors of Comcast Bidco Limited. To the best of the knowledge and belief of the directors of Comcast Corporation and the directors of Comcast Bidco Limited (who have taken all reasonable care to ensure that this is the case), the information contained in this letter for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Morgan Stanley & Co International plc, which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom, Barclays Bank PLC, acting through its Investment Bank ("**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 (UK) Limited, 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

Each of Morgan Stanley, PJT Partners and Barclays have given and not withdrawn their written consent to the issue of this letter with the inclusion of the references to their names in the form and context in which they appear.

Comcast Bidco Limited is a newly-incorporated company formed for the purposes of the Comcast Offer and is indirectly wholly-owned by Comcast Corporation. Comcast Bidco Limited was incorporated under the laws of England and Wales as a private limited company on 2 May 2018 with registered number 11341936 and has neither traded since incorporation nor entered into any obligations, other than in connection with the Comcast Offer.

Accidental omission to dispatch this letter to, or any failure to receive the same by, any person to whom the proposals in the letter are made or should be made, will not invalidate the proposals in any way.