

## **Press notice and letters concerning the termination of merger proposals**

### **1. NTL announcement on Newcastle United, dated 21 April 1999**

NTL (NASDAQ: NTLI; EASDAQ:NTLI.ED) announced today that, after considering the findings of the MMC on the proposed merger of BSkyB and Manchester United, it does not intend to make the offer for the issued share capital of Newcastle United PLC in respect of which it holds an irrevocable undertaking to accept given by Cameron Hall Developments Limited, the majority shareholder in Newcastle United PLC.

NTL has made the decision following the recent announcement by the Secretary of State for Trade and Industry that he had blocked BSkyB's proposed acquisition of Manchester United and that he had referred the possible offer by NTL to the Competition Commission.

Barclay Knapp, Chief Executive Officer of NTL, said:

“We're clearly disappointed in the circumstances that have led us to this decision. NTL remains committed however, through the activities of PTV, to widening choice and diversity of sports programming: we will assess other opportunities in football as and when they arise.”

In December 1998, NTL, through its wholly owned subsidiary, Premium TV, acquired 9,000,000 shares (6.3 per cent of the issued share capital of Newcastle United) at a price of 111.7 pence per share and Cameron Hall Developments Limited entered into an irrevocable undertaking to accept an offer at not less than 111.7 pence per share in respect of the balance of its shares in Newcastle United, representing 50.8% of the issued share capital.

### **2. Letter from NTL's legal advisers, Travers Smith Braithwaite, dated 23 April 1999**

Dear Dr. Morris,

#### **Competition Commission Inquiry into the proposed merger between NTL and Newcastle United**

As you are aware, NTL announced on 21st April 1999 that, after considering the findings of the MMC on the proposed merger of BSkyB and Manchester United, it did not intend to make the offer for the issued share capital of Newcastle United PLC in respect of which it held an irrevocable undertaking to accept dated 16 December 1998 (“the Irrevocable Undertaking”) given by Cameron Hall Developments Limited (“CHD”). A copy of the press release announcing this decision was sent to CHD on the same day by way of written notice pursuant to clause 5(ii) of the Irrevocable Undertaking that the takeover offer would not be made. As a result, the Irrevocable Undertaking has lapsed and NTL, through its wholly owned subsidiary, Premium TV Limited (“PTV”), retains only a 6.3% stake in Newcastle United PLC. NTL has also confirmed that, having regard to the content of the MMC report on BSkyB and Manchester United, it has no present intention of making a renewed offer for Newcastle United PLC.

As a result, we would respectfully ask for the reference of the merger situation in contemplation to be abandoned under section 75(5) of the Fair Trading Act 1973 and for steps to be taken to close the reference of the completed merger as soon as possible.

Yours sincerely,

**MARGARET MOORE**  
(Travers Smith Braithwaite)

**3. Letter from Newcastle United's legal advisers, Dibb Lupton Alsop, dated 28 April 1999**

Dear Sir

**Competition Commission Enquiry into the proposed merger between NTL and Newcastle United PLC**

We write in connection with our conversations last week and with reference to the announcement dated 21 April 1999 by NTL that it does not intend to make an offer for the remaining shares in Newcastle United PLC. We have also seen a copy of the letter dated 23 April 1999 sent by Travers Smith Braithwaite to Dr Derek Morris.

So far as Newcastle United PLC is aware, and in reliance on the announcement to this effect made by NTL, NTL has abandoned its proposal to make the arrangements mentioned in the reference to the Commission. In consequence, there are no arrangements in progress or contemplation which would result in the creation of a merger situation qualifying for investigation.

In the circumstances, we would be grateful if you would confirm that the Commission will request the Secretary of State to lay the reference aside insofar as it concerns the question as to whether a merger situation is in contemplation. We would also be grateful for your confirmation that the reference of the alleged completed merger situation will be closed as soon as possible.

In the meantime, we are assuming that you will not require any observations to be submitted on behalf of Newcastle United PLC in relation to the matters which have formed the subject of the references.

Yours faithfully

**DIBB LUPTON ALSOP**