

A large abstract graphic on the left side of the slide. It features a central globe with yellow and blue continents, surrounded by three large, 3D-style orange arrows pointing in different directions. The globe and arrows are set against a light blue circular background with a white border. The entire graphic is overlaid on a larger, semi-transparent light blue circle. To the right of this graphic, there are several thin, wavy yellow lines that extend across the slide.

Pace plc
Annual General Meeting

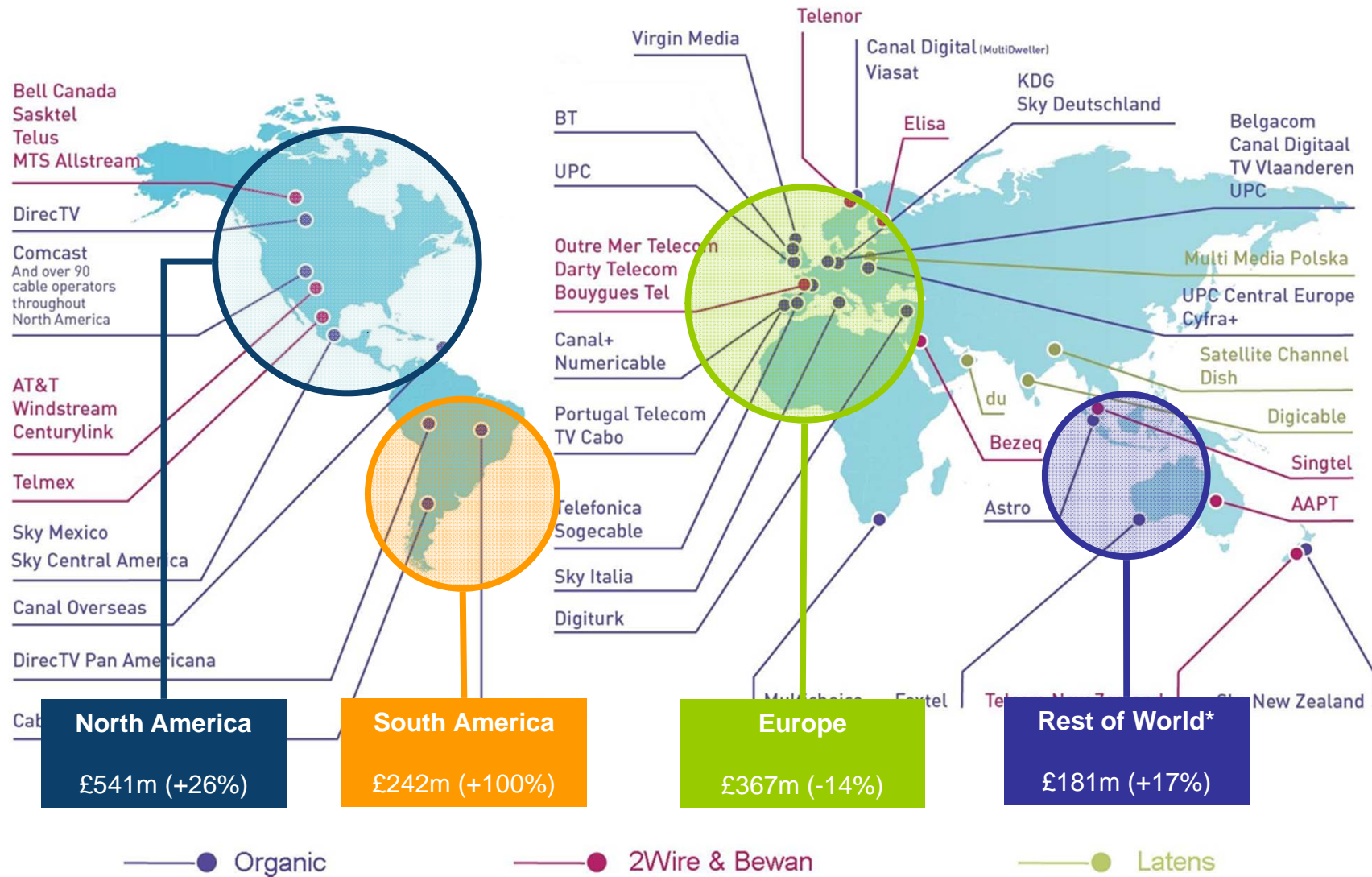
12 May 2011

BRINGING TECHNOLOGY HOME
www.pace.com

Overview of 2010

- **Subscription TV led innovation, as it...**
 - Continued its migration to HD
 - Embraced over-the-top
 - Let you watch (and pause, and record, ...) throughout your home
 - Made 3DTV a reality
- **This relentless evolution drove...**
 - Volume shipments including new gateway products of 22.2m (2009: 17.2m)
 - With underlying organic shipments growing 21% to 20.8m
 - HD mix increasing to 69% (2009: 49%)
 - Business in both emerging and advanced connected home environments
- **Pace well positioned for 2011**
 - 160 world leading operator customers that are at the cutting edge of content and distribution.
 - Scale as a world leader in set-top boxes and advanced residential gateways
 - Acquisitions provide a broader portfolio of products, technologies and services

Group customer base and revenue distribution



Pace Americas



| Pace Americas | | |
|---|---|--|
| Cable | Satellite | Telco |
| Comcast No.1 US Cable provider 22.8m TV subscribers ¹ | DirecTV No.1 US Satellite provider 28.1m TV subscribers ² | AT&T No.1 US Fixed line provider 3.0m TV subscribers ³ 17.8m wired BB subs ⁴ |
| Bresnan Mediacom Suddenlink Insight Shaw And over 90 more cable operators throughout North America Cablevision Argentina Net Brazil | Sky Mexico Sky Central America Sky Brazil DirecTV Pan Americana Canal Overseas | Bell Canada Qwest MTS Allstream Sasktel Telus Telmex Windstream Centurylink |

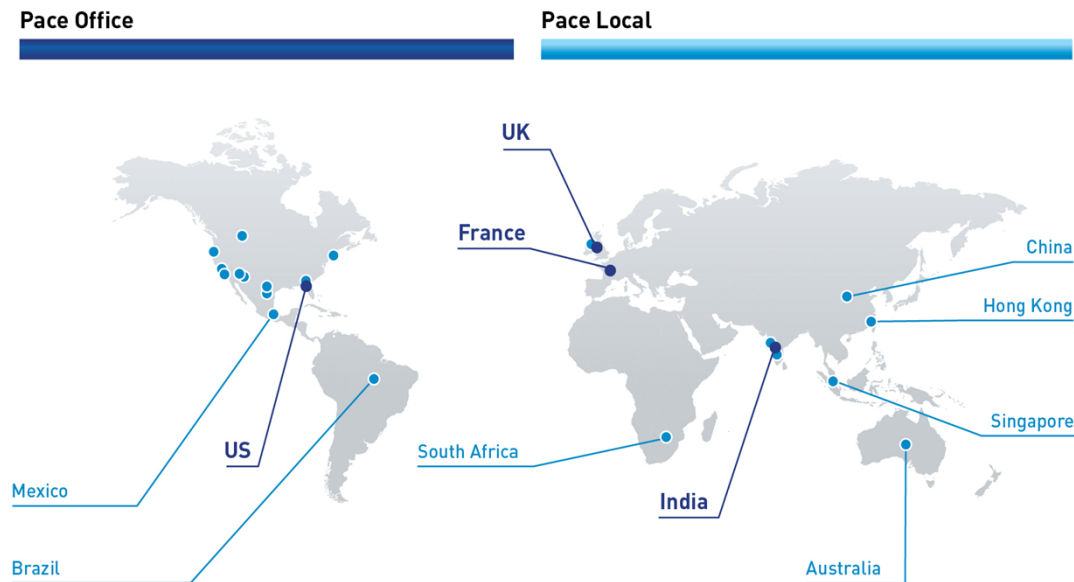
¹ Comcast (Q4 2010 report)

² DirecTV (Q4 2010 report)

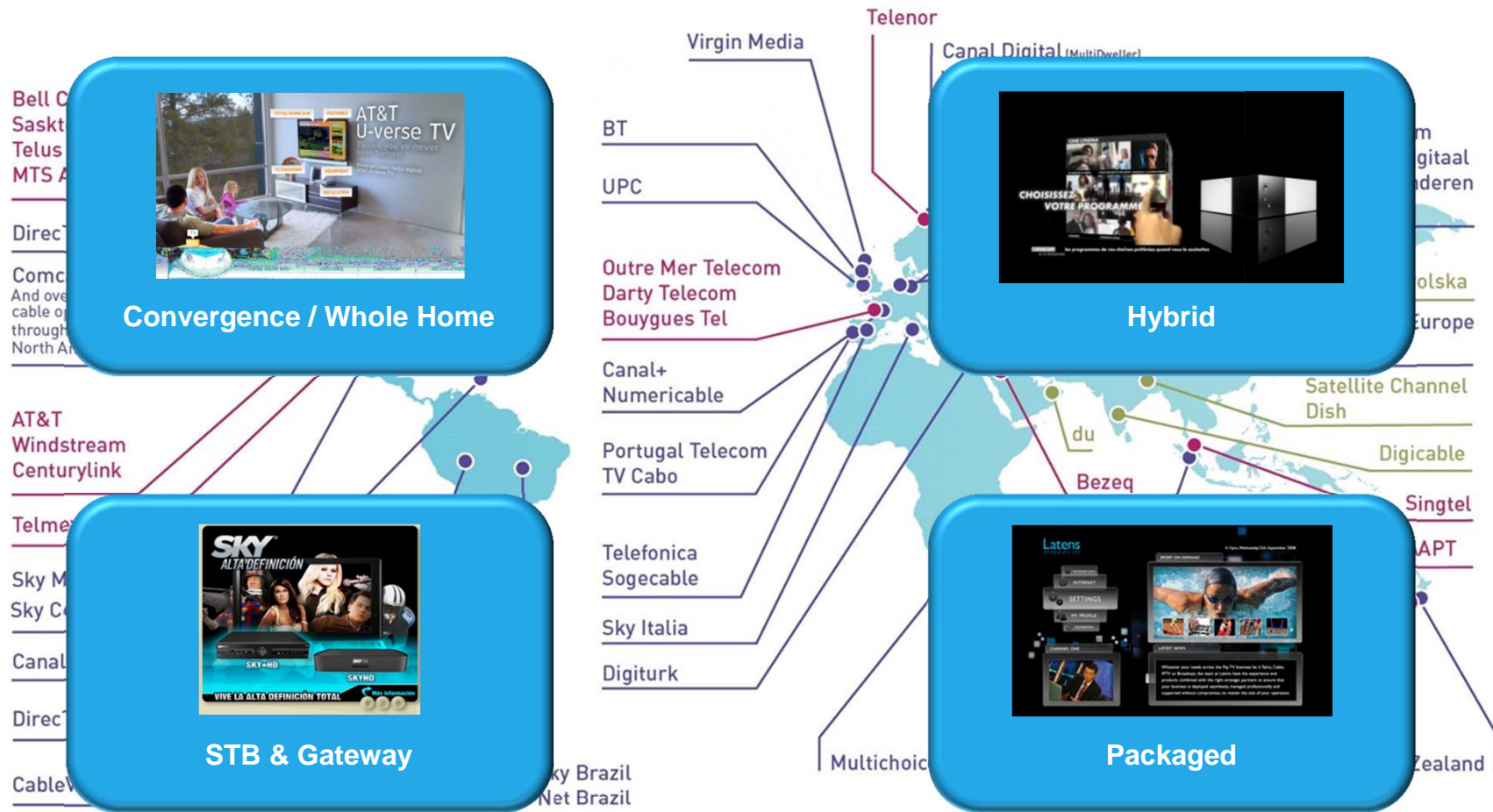
^{3,4} AT&T (Q4 2010 report) TV is U-verse subscribers only

The world is changing

- ...at different rates
 - subscriber driven growth in Latam
 - service driven growth in US
- ...with different solutions
 - going digital in India
 - hybrid (+OTT) in Europe
- Over 160 customers provides a unique vantage point of this market
- And our decentralised structure is well matched to this market diversity



Market at different stages



Set-top box & gateway



Managed Devices



DTA



HD PVR



HD Zapper



Wireless Gateways

Traditional Services

State-of-the-art 'traditional' STBs & Gateways

- Broadcast subscriptionTV: SD, HD, PVR
- Broadband internet access
- Innovative solutions, not just at the cutting-edge
- Targeted approach to emerging markets

Hybrid



Watching TV should be easy

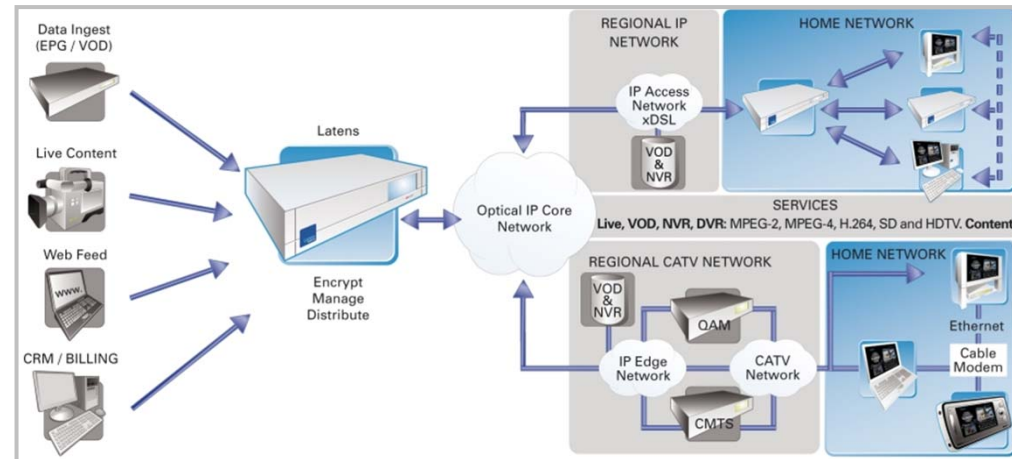
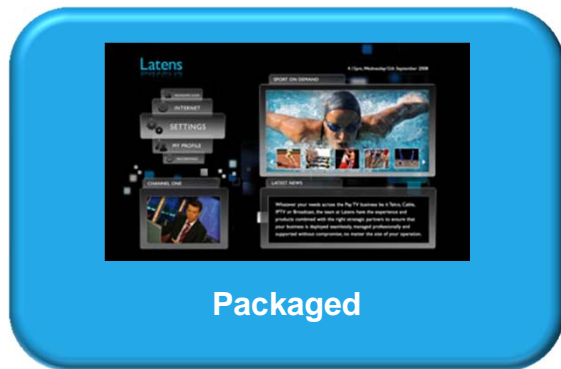


Hybrid (OTT & IPTV)

Over-the-top & IPTV enhancing their services

- Content on-demand
- Seamlessly delivered through the STB
- Watched on your TV

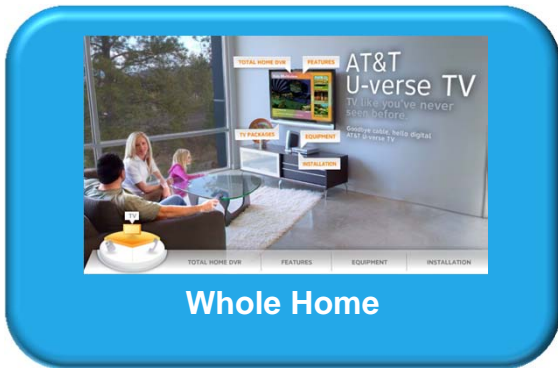
Packaged



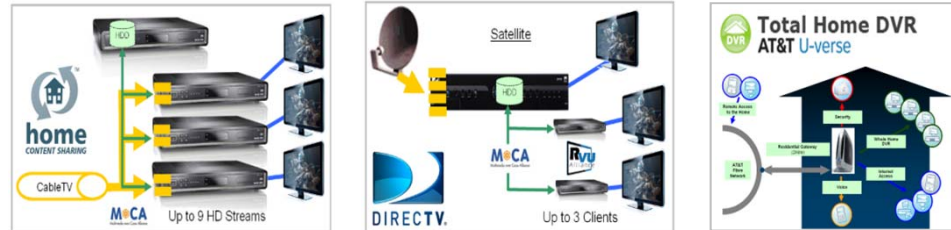
End-to-end solutions

- Well suited to tier two / tier three service providers
- Seeking a packaged or 'end-to-end' solution provider
- Cardless conditional access
- Middleware and applications
- Systems integration

Whole Home



Watching TV should be easy

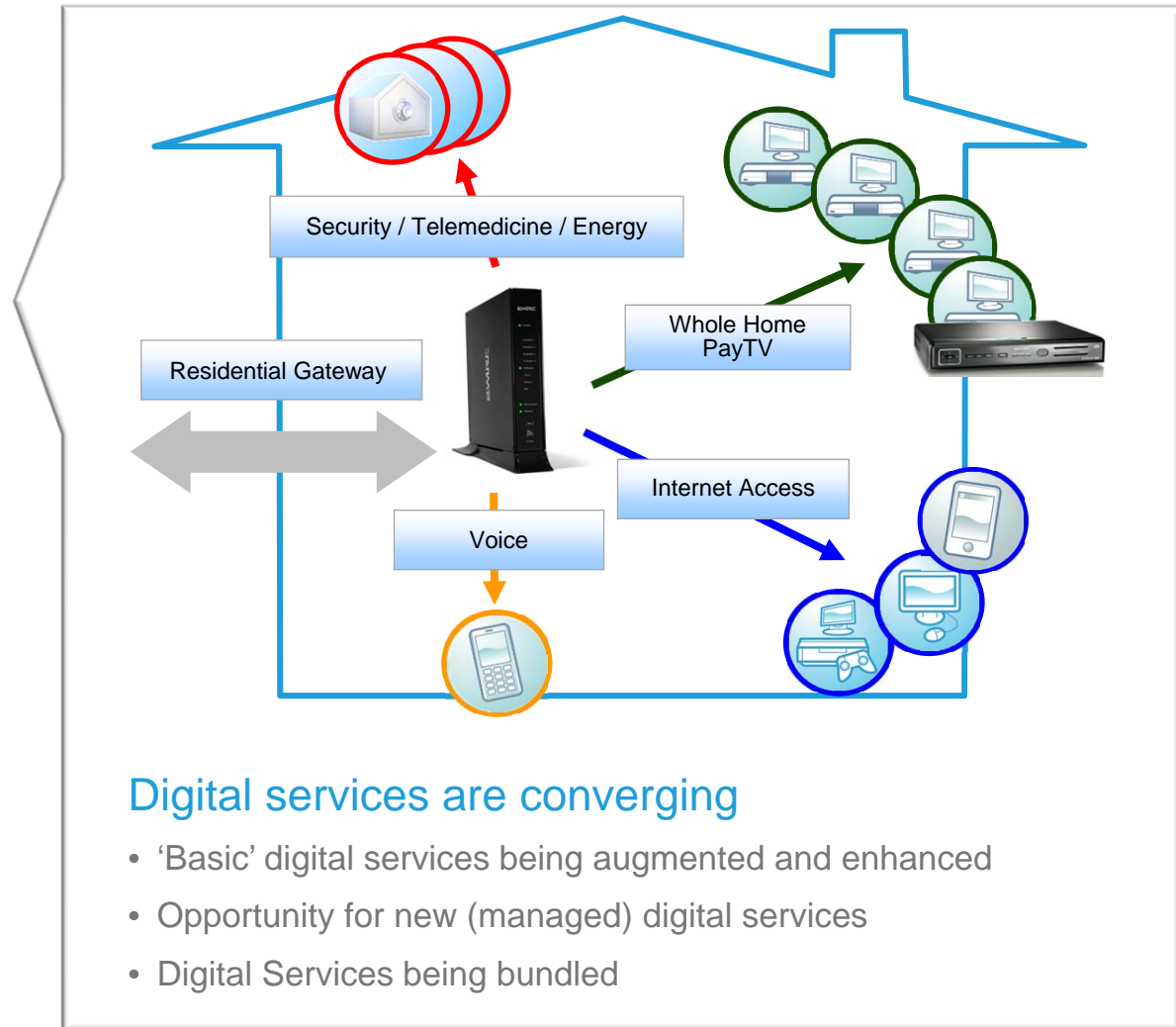
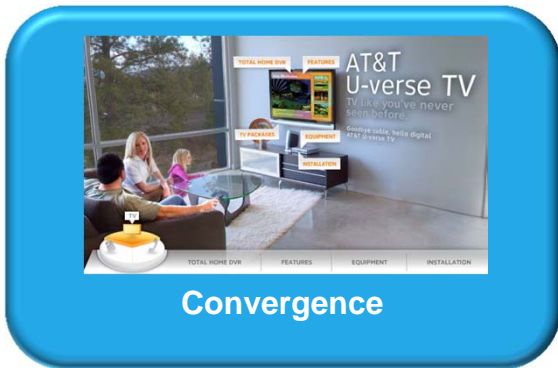


Whole Home

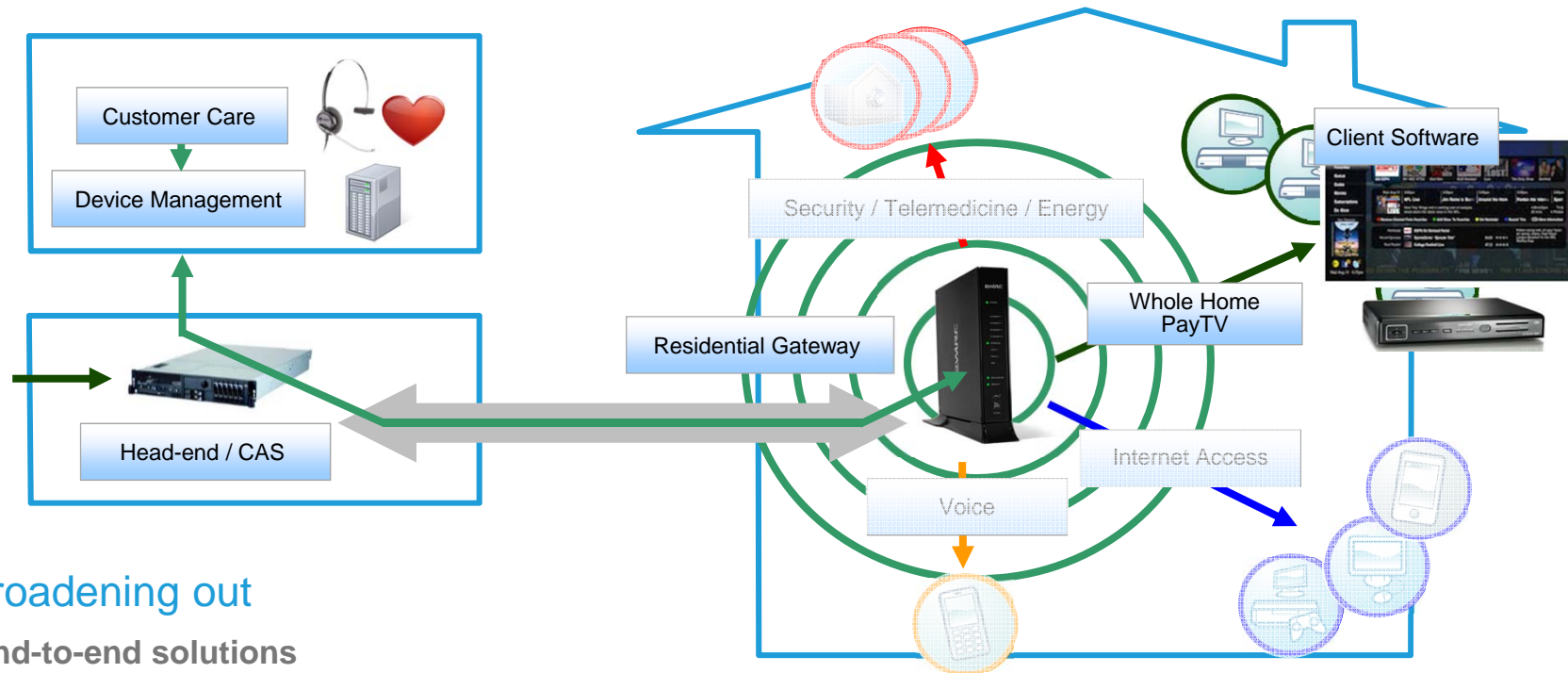
Developing and deploying advanced whole home solutions

- Intuitive, easy to use TV experience, throughout the home
- Sophisticated, interconnected devices, professionally managed

Convergence



Broadening out our capability



Broadening out

End-to-end solutions

- Headend & conditional access
- Middleware & applications

Digital service management solutions

- Control of in-home devices
- Linked into intelligent call centre support

Managed devices in the home

- Set-top box
- Residential gateway

Great
products
to our **customers,**
every time



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