

Summary Directors' report

DIRECTORS' REPORT

A more detailed Directors' report is included in the Company's Annual Report which can be downloaded from the Company's corporate website at www.sky.com/corporate.

DIVIDENDS

The Directors recommend a final dividend for the year ended 30 June 2011 of 14.54 pence per ordinary share which, together with the interim dividend of 8.74 pence paid to shareholders on 21 April 2011, will make a total dividend for the year of 23.28 pence (2010: 19.4 pence). Subject to approval by shareholders at the Annual General Meeting (AGM), the final dividend will be paid on 9 December 2011 to shareholders appearing on the register at the close of business on 18 November 2011.

INTERESTS IN VOTING RIGHTS

Information provided to the Company pursuant to the UK Listing Authority's Disclosure and Transparency Rules (DTRs) is published on a Regulatory Information Service and on the Company's website. As at 28 July 2011, the Company had been notified under DTR5 of the following significant holdings of voting rights in its shares.

Identity of person or group	Amount owned	Percent of class
News UK Nominees Limited ⁽ⁱ⁾	686,021,700	39.14
Capital Research and Management Company ⁽ⁱⁱ⁾	90,751,601	5.18
BlackRock, Inc. ⁽ⁱⁱ⁾	87,559,067	4.99
The Capital Group Companies, Inc. ⁽ⁱⁱ⁾	55,977,854	3.10

(i) Direct holding which is subject to restrictions on its voting rights.

(ii) Indirect holding.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance in its management of the Group and when accounting to shareholders. The Company values its dialogue with both institutional and private investors. For the benefit of private investors, the Company produces this short form Annual Review which contains the information believed to be of most interest to them.

A more detailed corporate governance report is included in the Company's Annual Report which is available for download from the Company's corporate website at www.sky.com/corporate.

CHARITABLE CONTRIBUTIONS AND COMMUNITY AND ENVIRONMENTAL ACTIVITIES

The Bigger Picture Review, which does not form part of the Annual Review, will be made available online in October 2011, and will provide further information on the Group's commitment to corporate responsibility, including community and environmental activities (see www.sky.com/thebiggerpicture). An overview of the Group's Bigger Picture approach, including community and environmental activities is also provided on pages 26 to 29.

DIRECTORS

The names and biographical details of the Directors of the Company are given on pages 44 and 45. There were no changes to the Board of Directors during the financial year.

At the Company's 2011 AGM all current Executive and Non-Executive Directors will retire. It is the intention that Allan Leighton and David Evans will not seek reappointment but all the other Executive Directors and Non-Executive Directors will offer themselves for reappointment in accordance with provision B.71 of the UK Corporate Governance Code.

The Directors' interests in the ordinary shares and options of the Company are disclosed within the report on Directors' remuneration on pages 52 to 55.

ANNUAL GENERAL MEETING

The notice convening the AGM, to be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 29 November 2011 at 11.00am, is available for download from the Company's corporate website at www.sky.com/corporate.

By order of the Board,
Dave Gormley
Company Secretary
28 July 2011