Q1 2015 Investor Call

May 8, 2015

LIBERTY GLOBAL®

“Safe Harbor”

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our strategies, future growth prospects and opportunities, including expectations with respect to Liberty 3.0; our expectations with respect to our OCF and FCF growth, including in our Latin America operations; subscriber and RGU growth, including our expectations for organic subscriber additions in 2015; the development and expansion of our superior network and innovative products and services, including superfast broadband, Horizon TV, Horizon Go, WiFi and MyPrime; increased upselling; our mobile and wireless strategy, including anticipated 4G launches and expansion of our WiFi network; our B2B strategy in particular with respect to SME services; our share repurchase program; the strength of our balance sheet and tenor of our third-party debt; our expectations with respect to Project Lightning, our proposed acquisition of Choice and Telenet’s proposed acquisition of BASE; the anticipated commencement of trading of the LiLAC tracking shares and other information and statements that are not historical fact. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. These risks and uncertainties include the continued use by subscribers and potential subscribers of our services and their willingness to upgrade to our more advanced offerings, our ability to meet challenges from competition, to manage rapid technological change or to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers, the effects of changes in laws or regulation, general economic factors, our ability to obtain regulatory approval and satisfy regulatory conditions associated with acquisitions and dispositions, our ability to successfully acquire and integrate new businesses and realize anticipated efficiencies from businesses we acquire, the availability of attractive programming for our digital video services and the costs associated with such programming, our ability to achieve forecasted financial and operating targets, the outcome of any pending or threatened litigation, our ability to access cash of our subsidiaries and the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital, fluctuations in currency exchange and interest rates, the ability of vendors and suppliers to timely deliver quality products, equipment, software and services, as well as other factors detailed from time to time in our filings with the Securities and Exchange Commission, including the most recently filed Forms 10-K and 10-Q. These forward-looking statements speak only as of the date of this presentation. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Additional Information Relating to Defined Terms:

Please refer to the Appendix at the end of this presentation, as well as our press release dated May 7, 2015 and our SEC filings, for the definitions of the following terms which may be used herein including: Rebased Growth, Operating Cash Flow (“OCF”), Free Cash Flow (“FCF”), Revenue Generating Units (“RGUs”), Average Revenue per Unit (“ARPU”), as well as GAAP reconciliations, where applicable.

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Q1 2015 Highlights[1]

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Financial & Operating Highlights

Rebased **revenue** growth of **3%** in Q1 to $4.5 bn – on pace

Q1 **ARPU +5%** yoy, led by 7% increase in Germany

Q1 **OCF** of $2.1 bn, rebased growth of 1% - impacted by non-recurring items

Q1 **FCF** of $330 mm, **on track for $2.5 bn in 2015**

Key Developments

Project Lightning launched in U.K., ramping in H2'15

Telenet announced **BASE acquisition** in April

LiLAC tracking stock set to launch in early July

Liberty 3.0 expected to drive faster revenue & OCF growth

Balance Sheet

Total liquidity of **$4.3 bn**, incl. available capacity

Gross leverage at **4.9x**, cost of debt now at **5.4%**

~90% of long-term debt due 2020 and beyond

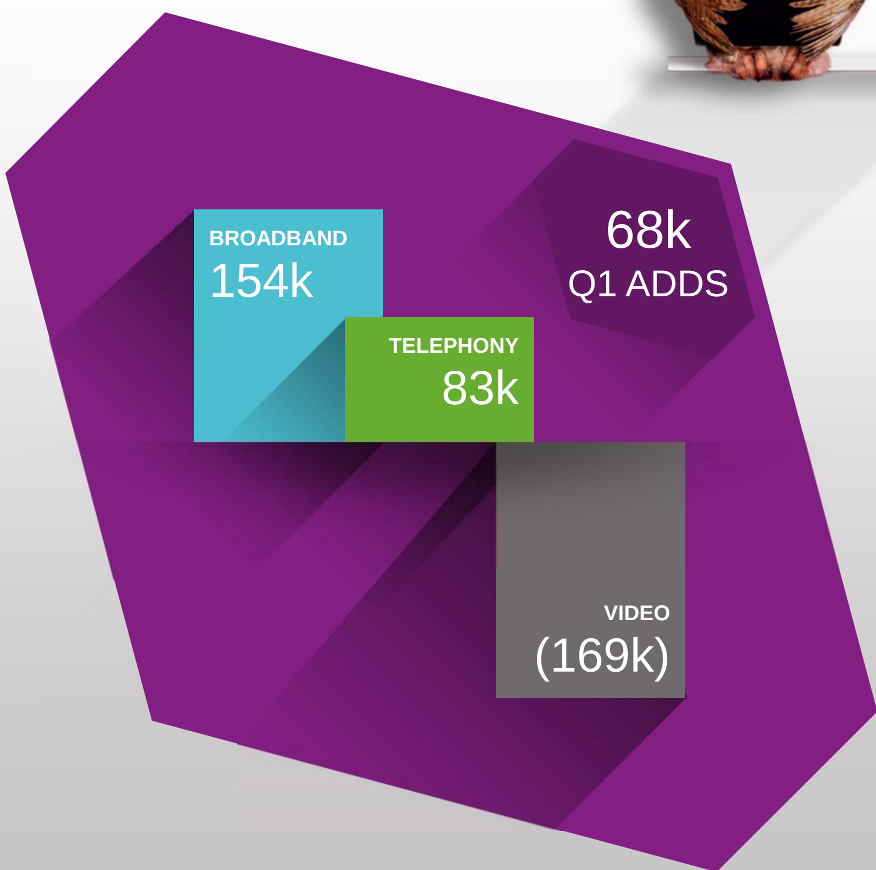
Repurchased ~**$500 mm** of equity in Q1 – target additional **$3.5 bn** before YE16

HORIZON

(1) Please see Appendix for definitions and additional information.

Q1 Net Adds Soft, April Back on Track[1]

Q1 Organic RGU Additions



Drivers of Q1 Results

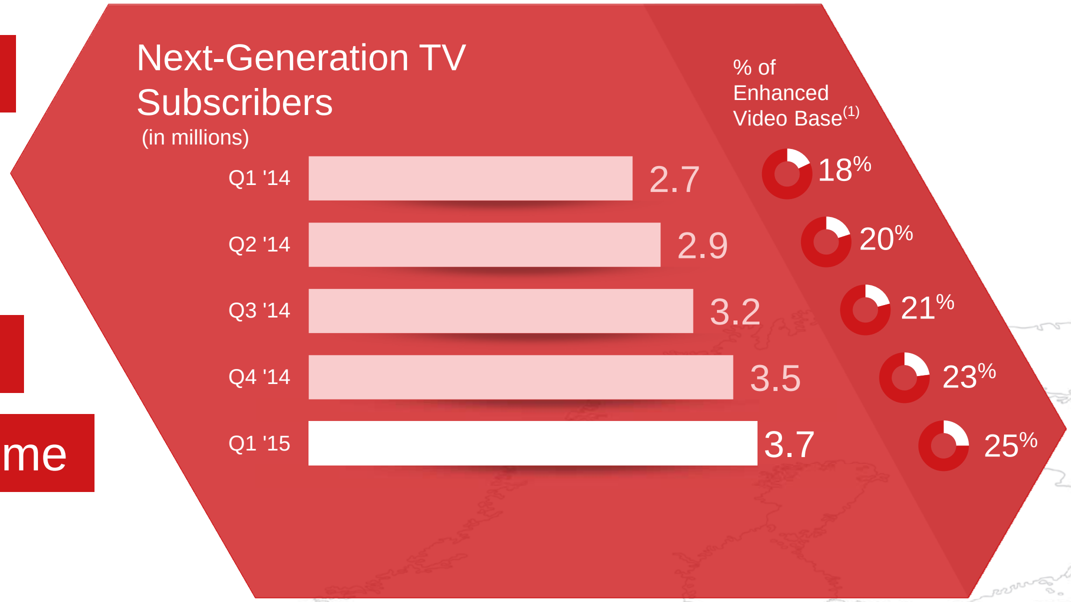
- Lower adds in Germany largely anticipated, also impacted by higher MDU losses of 20k
- Dutch market remains competitive Underperformance in former Ziggo footprint
- Increased competitor discounting in Ireland
- April back on track with organic additions well ahead of April of last year
- Forecast to deliver over 1 million organic RGU additions in 2015
- 154,000 broadband additions and record Horizon subscriber growth in Q1

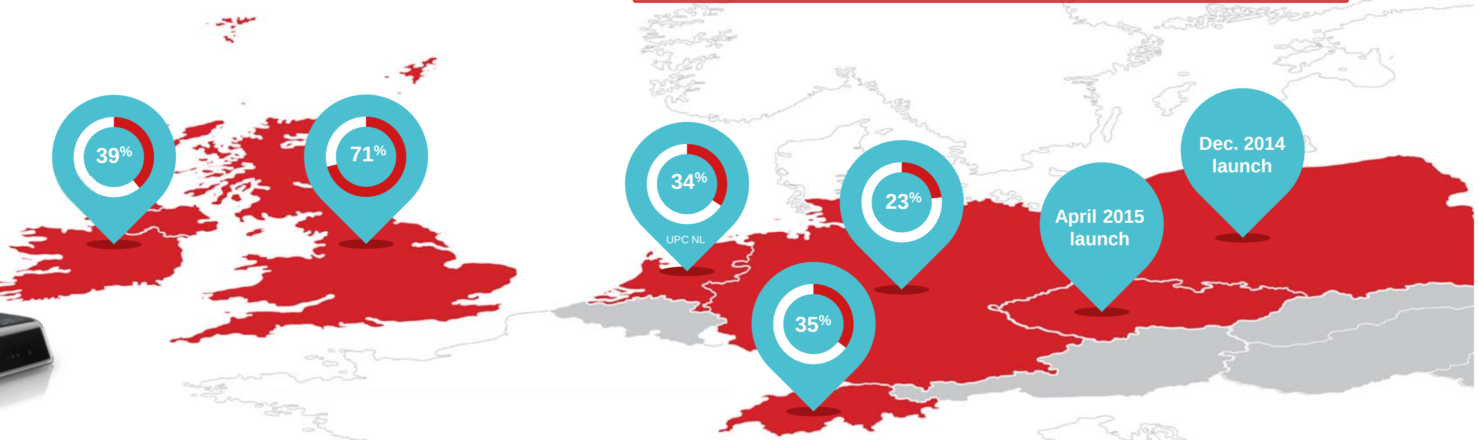
(1) See Appendix for definitions of RGU and organic RGU additions.

Next-Generation Video Adoption Accelerates

Today 39 million households can access our next-generation TV user experience

- Record quarterly Horizon TV adds
- Horizon TV now available across entire Dutch footprint
- Horizon TV launched in CZ in April
- Expanded MyPrime, added Maxdome
- 1.4 million “Go” subscribers[(2)]





(1) Q1 ‘14, Q2 ‘14 and Q3 ‘14 adjusted to include Ziggo enhanced video subscribers and all 2014 periods adjusted for non-organic change to German enhanced video subscribers. See appendix for definition of enhanced video subscribers and nature of non-organic change in Germany.
(2) See appendix for definitions and additional information.

Mobile Update

Focused on innovation & providing ubiquitous connectivity for our customers

BASE Acquisition

Unique and **cost effective** opportunity for Telenet

Will secure **long-term access** to mobile capacity

Substantial synergies result in **attractive** multiple of 4.2x(1)

Full-MVNO Focus

Capital light approach, leveraging **centralized** MVNO hub

Expanding WiFi and preparing for a number of **4G launches**

Expected to generate **superior growth** over the coming years

(1) See appendix for more information on the derivation of the BASE multiple.

Strategic Developments(1)

Steady progress on key future growth drivers of our business

B2B Update

Differentiating through speed, simplicity and service

Q1 **business revenue** growth of 6% (rebased) to $440 million

Germany and The Netherlands driving **SoHo additions**

Project Lightning

Q1 activity mainly consisted of **planning activities**

36,000 two-way homes added in Q1, including East London

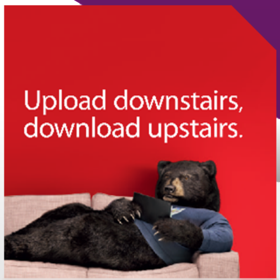
Project will be **ramping** in second half of '15 (~150k HPs)

Liberty 3.0

Entering our **3rd phase of growth** following substantial M&A activity

Focus on **customers, operational excellence** & **operating model**

Expecting to drive even faster revenue and OCF growth

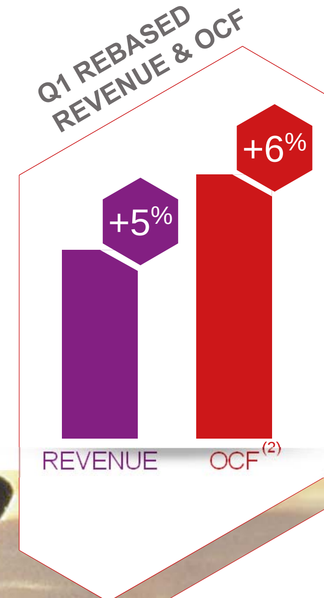


(1) See appendix for definitions and additional information, including information on the calculation of the B2B rebased revenue growth rate.

LiLAC Update – Set for Launch[1]

Latin American region delivers strong Q1 results

- Solid Q1 financial & operating performance
- Mid-single digit OCF growth & limited FCF in 2015
- Tracker set to launch in early July
- Expect to close Choice deal shortly



(1) See appendix for definitions and additional information.
(2) LiLAC OCF growth rate includes certain stewardship costs incurred at the corporate level.

Agenda

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Q1 2015 Financial Results(*)

Rebased revenue growth improved in 5 out of 7 Western European countries

REVENUE GROWTH

Q1 '14	$4,534
Q1 '15	$4,517
Rebased Growth	3%

OCF GROWTH

Q1 '14	$2,128
Q1 '15	$2,097
Rebased Growth	1%

REGIONAL REVENUE BREAKDOWN

Europe(2)	$4,224	3%
Latin America(3)	$288	5%

REGIONAL OCF BREAKDOWN

Europe(2)	$2,041	1%
Latin America(3)	$110	7%

(*) Amounts are in millions of dollars where applicable. See appendix for additional information.

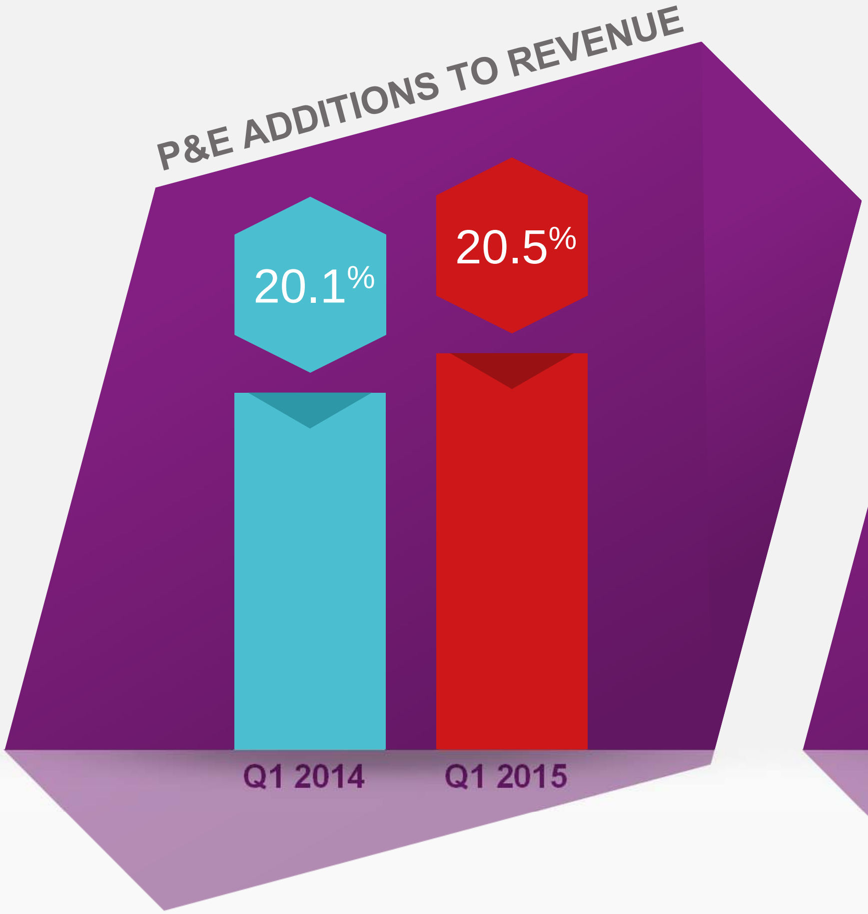
Q1 2015 “Big 5” Revenue Results[1]

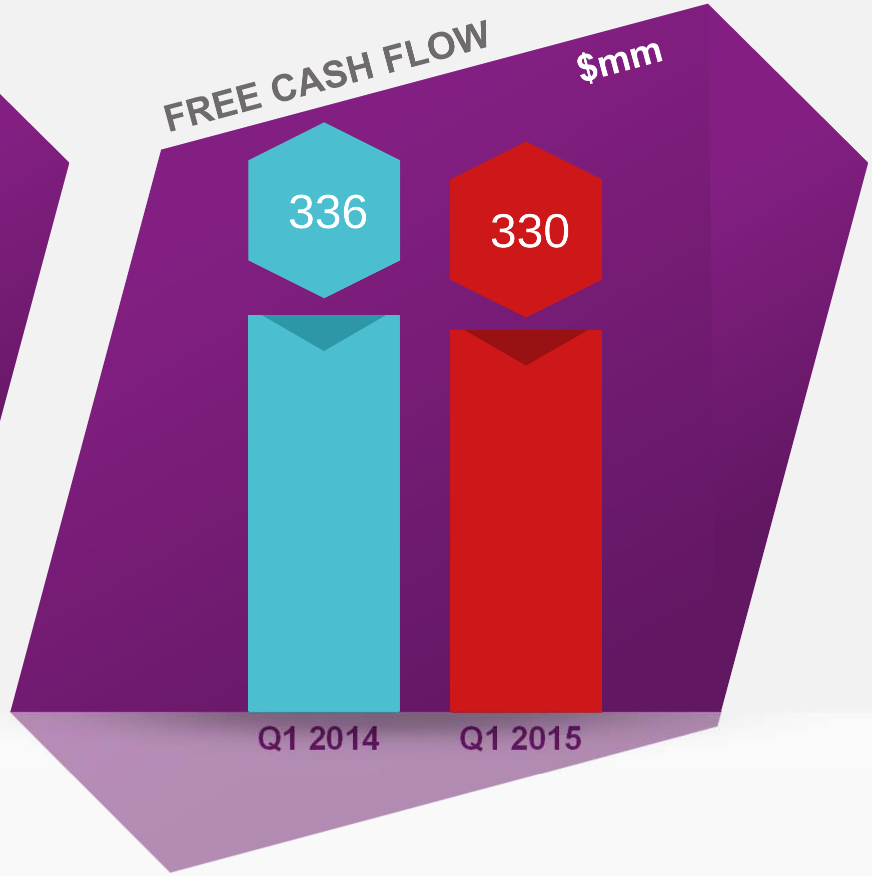
Growth supported by Q1 2015 price increases and continued subscriber growth

(1) See appendix for definitions and additional information.
(2) Q1 2014 rebased revenue growth rate for the Netherlands excludes Ziggo.

Solid Free Cash Flow Generation(*)

Confirming 2015 Free Cash Flow guidance of $2.5 billion despite FX headwinds

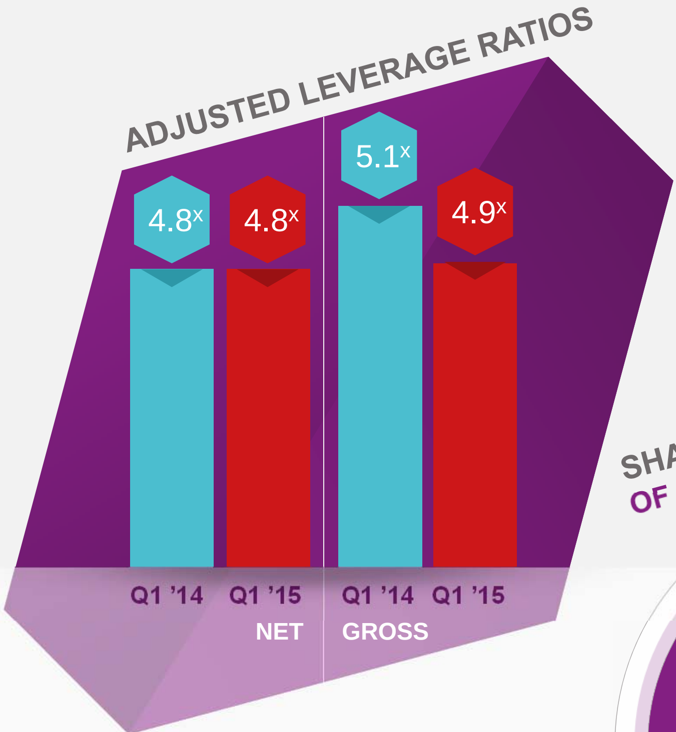


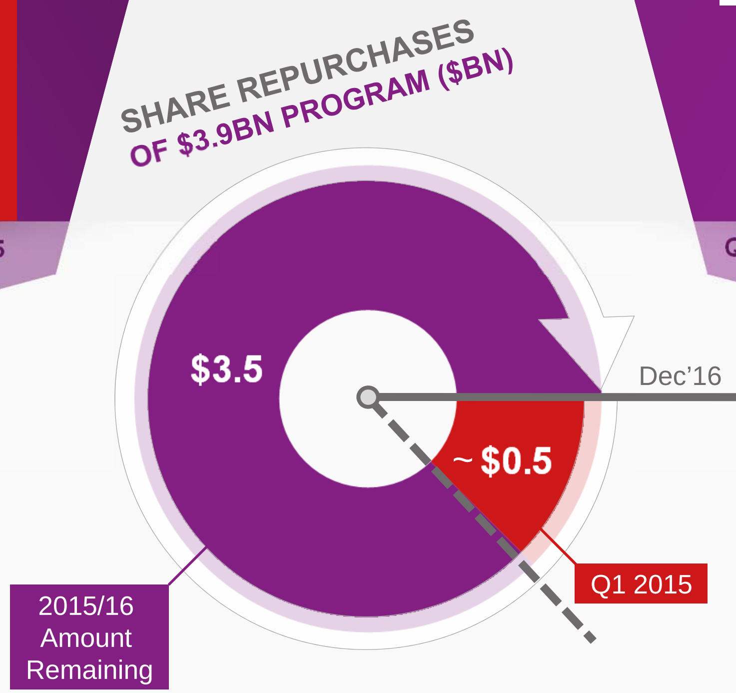


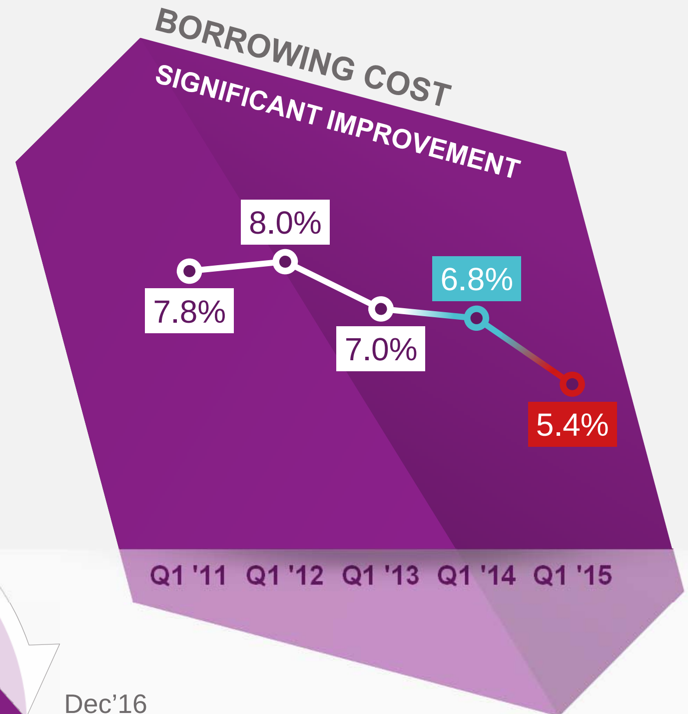
* Please see Appendix for the definition of P&E Additions and the definition and reconciliation of FCF.

FCF and Leverage Fuel Buybacks(*)

Liquidity of $4.3 bn | Committed to repurchase an additional ~$3.5bn through YE'16







* See appendix for definitions and additional information.

Conclusions

All 2015 guidance targets confirmed

Next-generation TV reach expanding

Project Lightning expected to ramp in H2 2015

LiLAC tracking stock to launch in early July 2015

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Definitions and Additional Information

GAAP are accounting principles generally accepted in the United States.

Revenue Generating Unit ("RGU") is separately a Basic Video Subscriber, Enhanced Video Subscriber, DTH Subscriber, MMDS Subscriber, Internet Subscriber or Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer in our Austrian system subscribed to our enhanced video service, telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Basic Video, Enhanced Video, DTH, MMDS, Internet and Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g., a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled cable, internet or telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers, free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our March 31, 2015 RGU counts exclude our separately reported postpaid and prepaid mobile subscribers.

Customer Relationships are the number of customers who receive at least one of our video, internet or telephony services that we count as Revenue Generating Units ("RGUs"), without regard to which or to how many services they subscribe. To the extent that RGU counts include equivalent billing unit ("EBU") adjustments, we reflect corresponding adjustments to our Customer Relationship counts. For further information regarding our EBU calculation, see our Q1 2015 Press Release. Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two Customer Relationships. We exclude mobile-only customers from Customer Relationships. For Belgium, Customer Relationships only include customers who subscribe to an analog or digital cable service due to billing system limitations.

Average Revenue Per Unit ("ARPU") refers to the average monthly subscription revenue per average customer relationship and is calculated by dividing the average monthly subscription revenue (excluding mobile services, B2B services, interconnect, channel carriage fees, mobile handset sales and installation fees) for the indicated period, by the average of the opening and closing balances for customer relationships for the period. Customer relationships of entities acquired during the period are normalized. Unless otherwise indicated, ARPU per customer relationship for the Liberty Global Consolidated, the European Operations Division and Other Europe are not adjusted for currency impacts.

FX-neutral ARPU change represents the percentage change on a year-over-year basis adjusted for FX impacts and is calculated by adjusting the prior year figures to reflect translation at the foreign currency rates used to translate the current year amounts. Liberty Global's consolidated ARPU and the Netherlands' ARPU for Q1'15 include Ziggo, while the corresponding amounts for Q1'14 do not. If Ziggo were excluded from the Q1'15 ARPU calculation, the year-over-year increase in ARPU on an FX neutral basis would decline to 3.3%.

Organic RGU additions exclude RGUs of acquired entities at the date of acquisition, but include the impact of changes in RGUs from the date of acquisition. All subscriber/RGU additions or losses refer to net organic changes, unless otherwise noted.

Mobile Subscriber count represents the number of active subscriber identification module ("SIM") cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from our mobile telephony subscriber counts after periods of inactivity ranging from 30 to 90 days, based on industry standards within the respective country. Our March 31, 2015 mobile subscriber counts for the U.K. and Chile include 879,100 and 12,800 prepaid mobile subscribers, respectively.

Go Subscribers include users of our multi-screen service Horizon Go, Yelo TV and Virgin TV Everywhere.

Definitions and Additional Information

Enhanced penetration is calculated by dividing the number of Enhanced video RGUs by the total number of video RGUs.

Broadband and telephony penetration are calculated by dividing the number of broadband internet RGUs or telephony RGUs, respectively, by the number of two-way homes passed.

Bundling penetration is calculated by dividing the total number of double- and triple- and quad-play customers by the total number of customers.

OCF margin is calculated by dividing OCF by total revenue for the applicable period.

Subscription Revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees.

Next-Generation TV Subscribers includes our Horizon TV and TiVo set-top box subscribers.

Information on Rebased Growth For purposes of calculating rebased growth rates on a comparable basis for all businesses that we owned during 2015, we have adjusted our historical revenue and OCF for the three months ended March 31, 2014 to (i) include the pre-acquisition revenue and OCF of certain entities acquired during 2014 and 2015 in our rebased amounts for the three months ended March 31, 2014 to the same extent that the revenue and OCF of such entities are included in our results for the three months ended March 31, 2015, (ii) remove intercompany eliminations for the applicable periods in 2014 to conform to the presentation during the 2015 periods following the disposal of the Chellomedia operations, which resulted in previously eliminated intercompany costs becoming third-party costs, (iii) exclude the pre-disposition revenue and OCF of offnet subscribers in the U.K. that were disposed in the fourth quarter of 2014 and the first quarter of 2015 from our rebased amounts for the three months ended March 31, 2014 to the same extent that the revenue and OCF of these disposed subscribers is excluded from our results for the three months ended March 31, 2015, (iv) exclude the revenue and OCF related to a partner network agreement that was terminated shortly after the Ziggo acquisition from our rebased amounts for the three months ended March 31, 2014 to the same extent that the revenue and OCF from this partner network is excluded from our results for the three months ended March 31, 2015 and (v) reflect the translation of our rebased amounts for the three months ended March 31, 2014 at the applicable average foreign currency exchange rates that were used to translate our results for the three months ended March 31, 2015. We have included Ziggo and three small entities in whole or in part in the determination of our rebased revenue and OCF for the three months ended March 31, 2014. We have reflected the revenue and OCF of the acquired entities in our 2014 rebased amounts based on what we believe to be the most reliable information that is currently available to us (generally pre-acquisition financial statements), as adjusted for the estimated effects of (a) any significant differences between Generally Accepted Accounting Principles in the United States (“GAAP”) and local generally accepted accounting principles, (b) any significant effects of acquisition accounting adjustments, (c) any significant differences between our accounting policies and those of the acquired entities and (d) other items we deem appropriate. We do not adjust pre-acquisition periods to eliminate nonrecurring items or to give retroactive effect to any changes in estimates that might be implemented during post-acquisition periods. As we did not own or operate the acquired businesses during the pre-acquisition periods, no assurance can be given that we have identified all adjustments necessary to present the revenue and OCF of these entities on a basis that is comparable to the corresponding post-acquisition amounts that are included in our historical results or that the pre-acquisition financial statements we have relied upon do not contain undetected errors. The adjustments reflected in our rebased amounts have not been prepared with a view towards complying with Article 11 of Regulation S-X. In addition, the rebased growth percentages are not necessarily indicative of the revenue and OCF that would have occurred if these transactions had occurred on the dates assumed for purposes of calculating our rebased amounts or the revenue and OCF that will occur in the future. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis, and are not presented as a measure of our pro forma financial performance. Therefore, we believe our rebased data is not a non-GAAP financial measure as contemplated by Regulation G or Item 10 of Regulation S-K.

Information of Rebased Business Revenue Growth

Total B2B revenue includes subscription (SOHO) and non-subscription revenue. Non-subscription revenue includes the amortization of deferred upfront installation fees and deferred nonrecurring fees received on B2B contracts where we maintain ownership of the installed equipment. Most of this deferred revenue relates to Virgin Media's B2B contracts, and in connection with the application of the Virgin Media acquisition accounting, we eliminated all of Virgin Media's B2B deferred revenue as of the June 7, 2013 acquisition date. Due primarily to this acquisition accounting, the amortization of Virgin Media's deferred B2B revenue is accounting for $7 million of the rebased increase from Q1 2014 to Q1 2015 in our total B2B revenue.

Definitions and Additional Information

Enhanced Video Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network or through a partner network via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Enhanced Video Subscribers that are not counted on an EBU basis are counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives our video service in one premises is generally counted as just one subscriber. An Enhanced Video Subscriber is not counted as a Basic Video Subscriber. As we migrate customers from basic to enhanced video services, we report a decrease in our Basic Video Subscribers equal to the increase in our Enhanced Video Subscribers. Subscribers to enhanced video services provided by our operations in Switzerland and the Netherlands over partner networks receive basic video services from the partner networks as opposed to our operations. During the first quarter of 2015, we modified certain video subscriber definitions to better align these definitions with the underlying services received by our subscribers and have replaced our "Digital Cable" and "Analog Cable" subscriber definitions with "Enhanced Video" and "Basic Video," respectively. In connection with the implementation of the new definitions, we reclassified 138,400 Basic Video Subscribers in Belgium to Enhanced Video Subscribers as these subscribers use purchased set-top boxes to receive an encrypted digital video signal. Additionally, we reclassified 916,900 Enhanced Video Subscribers in Germany to Basic Video Subscribers, representing video subscribers who either pay a recurring rental fee for a leased set-top box or pay a recurring access fee, but do not subscribe to any recurring encrypted video content.

Basic Video Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network either via an analog video signal or via a digital video signal without subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Encryption-enabling technology includes smart cards, or other integrated or virtual technologies that we use to provide our enhanced service offerings. With the exception of RGUs that we count on an EBU basis, we count RGUs on a unique premises basis. In other words, a subscriber with multiple outlets in one premises is counted as one RGU and a subscriber with two homes and a subscription to our video service at each home is counted as two RGUs. In Europe, we have approximately 110,400 "lifeline" customers that are counted on a per connection basis, representing the least expensive regulated tier of video cable service, with only a few channels.

Video Losses is calculated by dividing the net loss of video RGUs during the period by average video RGUs. Average video RGUs are calculated using the number of video RGUs at the beginning of the period and the number of video RGUs at the end of each quarter during the respective periods.

Big 5 includes U.K., Belgium, Switzerland, Germany and the Netherlands.

Two-way Homes Passed are Homes Passed by those sections of our networks that are technologically capable of providing two-way services, including video, internet and telephony services.

Operating Cash Flow Definition and Reconciliation

OCF is the primary measure used by our chief operating decision maker to evaluate segment operating performance. OCF is also a key factor that is used by our internal decision makers to (i) determine how to allocate resources to segments and (ii) evaluate the effectiveness of our management for purposes of annual and other incentive compensation plans. As we use the term, operating cash flow is defined as revenue less operating and selling, general and administrative expenses (excluding share-based compensation, depreciation and amortization, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items). Other operating items include (a) gains and losses on the disposition of long-lived assets, (b) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (c) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Our internal decision makers believe operating cash flow is a meaningful measure and is superior to available GAAP measures because it represents a transparent view of our recurring operating performance that is unaffected by our capital structure and allows management to (1) readily view operating trends, (2) perform analytical comparisons and benchmarking between segments and (3) identify strategies to improve operating performance in the different countries in which we operate. We believe our OCF measure is useful to investors because it is one of the bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other public companies. OCF should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, operating income, net earnings or loss, cash flow from operating activities and other GAAP measures of income or cash flows. A reconciliation of total segment operating cash flow to our operating income is presented below.

	Three months ended March 31,	
	2015	2014
	in millions	
Total segment operating cash flow	$ 2,097.3	$ 2,127.5
Share-based compensation expense	(71.4)	(55.1)
Depreciation and amortization	(1,451.4)	(1,377.1)
Impairment, restructuring and other operating items, net	(17.0)	(113.6)
Operating income	$ 557.5	$ 581.7

Free Cash Flow and Free Cash Flow Definitions and Reconciliations(*)

We define free cash flow ("FCF") as net cash provided by our operating activities, plus (i) excess tax benefits related to the exercise of share-based incentive awards and (ii) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and dispositions and (iii) expenses financed by an intermediary, less (a) capital expenditures, as reported in our consolidated statements of cash flows, (b) principal payments on amounts financed by vendors and intermediaries and (c) principal payments on capital leases (exclusive of the portions of the network lease in Belgium and the duct leases in Germany that we assumed in connection with certain acquisitions), with each item excluding any cash provided or used by our discontinued operations. We believe that our presentation of FCF provides useful information to our investors because this measure can be used to gauge our ability to service debt and fund new investment opportunities. FCF should not be understood to represent our ability to fund discretionary amounts, as we have various mandatory and contractual obligations, including debt repayments, which are not deducted to arrive at this amount. Investors should view free cash flow as a supplement to, and not a substitute for, GAAP measures of liquidity included in our consolidated statements of cash flows. The following table provides the reconciliation of our continuing operations' net cash provided by operating activities to FCF for the indicated periods:

	Three months ended March 31, 2015	Three months ended March 31, 2014
	in millions	
Net cash provided by operating activities of continuing operations	$ 1,373.9	$ 1,320.4
Excess tax benefits from share-based compensation[1]	20.0	—
Cash payments for direct acquisition and disposition costs [2]	7.6	11.2
Expenses financed by an intermediary [3]	9.1	6.9
Capital expenditures	(661.2)	(735.0)
Principal payments on capital-related vendor financing obligations	(381.7)	(220.8)
Principal payments on certain capital leases	(37.7)	(46.4)
FCF	$ 330.0	$ 336.3

(*) Please see next slide for accompanying footnotes.

Definitions and Additional Information

Mobile Update

1) For purposes of the multiple calculation, we use Telenet management's estimate of BASE Company's FY 2015 EBITDA of €165 million, as adjusted by Telenet to exclude BASE Company's discontinued operations and estimated reorganization costs and to include estimated annual run-rate opex savings of €145 million based on Telenet management's assumptions, including estimated annual run-rate savings on FY 2017 MVNO-related expenses and other estimated annual run-rate opex savings to be achieved by FY 2019. This multiple does not adjust the Enterprise Value to include approximately €240 million of projected one-off investments and integration costs. When the Enterprise Value is adjusted to include approximately €240 million of projected one-off investments and integration costs, the synergy adjusted multiple increases to 5.0x. The Adjusted EBITDA figure is based on International Financial Reporting Standards, as adopted by the European Union ("EU-IFRS").

Q1 2015 Financial Results

1) Please see Appendix for information on rebased growth and the definition and reconciliation of OCF.

2) Consolidated figures of Europe include the Central and other category with revenue eliminations of $3 mm and OCF deficit of $68 mm for Q1 2015.

3) Latin America consists of VTR and Liberty Puerto Rico.

Free Cash Flow

1) Excess tax benefits from share-based compensation represent the excess of tax deductions over the related financial reporting share-based compensation expense. The hypothetical cash flows associated with these excess tax benefits are reported as an increase to cash flows from financing activities and a corresponding decrease to cash flows from operating activities in our consolidated statements of cash flows.

2) Represents costs paid during the period to third parties directly related to acquisitions and dispositions.

3) For purposes of our consolidated statements of cash flows, expenses financed by an intermediary are treated as hypothetical operating cash outflows and hypothetical financing cash inflows when the expenses are incurred. When we pay the financing intermediary, we record financing cash outflows in our consolidated statements of cash flows. For purposes of our free cash flow definition, we add back the hypothetical operating cash outflow when these financed expenses are incurred and deduct the financing cash outflows when we pay the financing intermediary. The inclusion of this adjustment represents a change in our definition of free cash flow that we implemented effective January 1, 2015. The free cash flow reported for the 2014 period has been revised to calculate free cash flow on a basis that is consistent with the new definition.

Definitions and Additional Information

P&E Additions and CapEx

1) Property and equipment additions include our capital expenditures on an accrual basis and amounts financed under vendor financing or capital lease arrangements.

2) Capital expenditures refer to capital expenditures on a cash basis, as reported in our condensed consolidated statements of cash flows.

3) The capital expenditures that we report in our condensed consolidated statements of cash flows do not include amounts that are financed under vendor financing or capital lease arrangements. Instead, these expenditures are reflected as non-cash additions to our property and equipment when the underlying assets are delivered, and as repayments of debt when the related principal is repaid.

Leverage and Liquidity

1) Our gross and net debt ratios are defined as total debt and net debt to annualized OCF of the latest quarter. Net debt is defined as total debt less cash and cash equivalents. For purposes of these calculations, debt excludes the loans backed by the shares we hold in Sumitomo Corp. and ITV plc and is measured using swapped foreign currency rates, consistent with the covenant calculation requirements of our subsidiary debt agreements.

2) Liquidity refers to our consolidated cash and cash equivalents plus the maximum undrawn commitments under our subsidiaries' borrowing facilities without regard to covenant compliance calculations.