Q2 2016
Investor Call

August 5, 2016

LIBERTY GLOBAL

“Safe Harbor”

Forward-Looking Statements

This contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements with respect to our strategies, future growth prospects and opportunities; expected RGU additions; future revenue and OCF growth; expectations with respect to FCF; property and equipment additions as a percentage of revenue; the development, enhancement and expansion of our superior networks and innovative and advanced products and services, including higher broadband speeds, launches of next-generation video services and set-top boxes; our mobile and B2B strategies; plans and expectations relating to new build and network extension opportunities, including estimated number of homes to be built out and the costs associated therewith; expectations with respect to Liberty Go; the strength of our balance sheet and tenor of our third-party debt; plans and impacts of acquisitions, reorganizations and integrations, including synergies; the pending joint venture in the Netherlands and the anticipated benefits, costs and synergies in connection therewith; the impact of Brexit; expectations regarding our share buyback program; 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; our ability to maintain certain accreditations; 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; the ability of our operating companies to access cash of their respective subsidiaries; the impact of our operating companies' 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 suppliers and vendors (including our third-party wireless network providers under our MVNO arrangements) to timely deliver quality products, equipment, software, services and access; our ability to adequately forecast and plan future network requirements including the costs and benefits associated with network expansions; and other factors detailed from time to time in our filings with the Securities and Exchange Commission, including Liberty Global's most recently filed Form 10-K and Form 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 August 4, 2016 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.


Executive Summary
Financial Results
Appendix

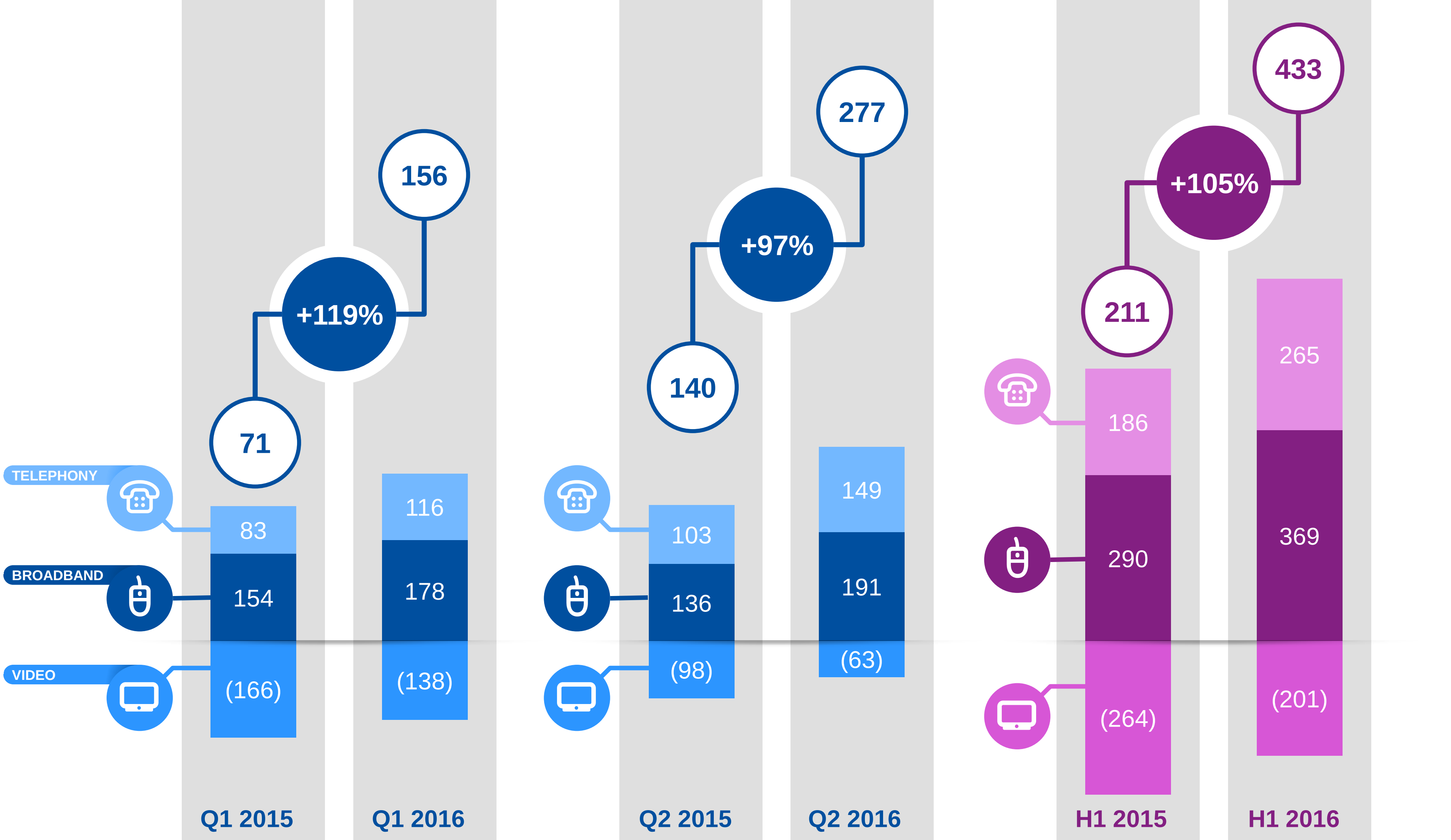
Key Highlights[1]

Subscriber growth accelerating	277,000 in Q2; Double YoY and up 80% vs Q1
New build projects on track	1.5 million homes by YE; U.K. leading the charge
B2B revenue picking up pace	Up 11%[2] YoY in the first half; SoHo up ~40%
Mobile strategy taking shape	New bundles in BE; EU clearance for Dutch JV
Liberty GO investment pays off	Efficiencies emerging; OCF growth to ramp in H2
Balance sheet & FCF strong	Rates and FX hedged; $480m of FCF in Q2
Aggressive buyback plans	Back in market after CWC close; ~$700m in Q2

(1) Please see Appendix for definitions and additional information.
(2) For Liberty Global plc excluding Cable & Wireless. Growth is on a rebased basis.

Net Adds Ramping in 2016[1]

RGU additions in H1 doubled YoY driven by Virgin Media



(1) Please see Appendix for definitions and additional information. Totals may not sum due to rounding

United Kingdom & German Operations[1]

Strong organic growth prospects in both markets

Virgin Media (UK)

Solid execution yields results

Superior bundles, new build & low churn drove

- Record Q2 with 31,000 customer adds
- And 66,000 new RGUs; best Q2 since 2008

Product innovation to support ARPUs

- Continued speed leadership in every bundle
- New EPG launched; new video STB to come

Project Lightning full-steam ahead

- Build plan, costs and penetrations on track
- Lightning and H1 volumes to boost H2 growth

Minimal impact expected from Brexit

- Continued consumer demand for our services
- Non-functional debt hedged for FX
- Non-functional opex & capex spend limited

Unitymedia

Growth momentum continues

Successful Spring campaign in Q2

- Added >100,000 RGUs; best Q in 1.5 years
- 80% of broadband adds on higher-tier bundles

Product superiority

- 400Mbps live: ≥ 4x faster than competition
- Horizon TV and Horizon Go momentum
- Launched ~1mm WiFi spots in August

New initiatives support long-term growth

- Building up our B2B business
- "Fit for Growth"

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

Dutch and Belgian Operations[1]

Creation of leading converged players with substantial synergy opportunities

Ziggo

Investing for return to growth

Customer churn at lowest level since Q2'14

- Lower video churn, helped by Ziggo Sport
- 10,000 broadband adds in Q2, up significantly YoY

Investment in quality paying off

- Nearly 900,000 Horizon customers
- Ziggo Sport exclusive to our base
- Connect Box delivering best WiFi
- Customer service NPS up 10pts YoY

JV with Vodafone on track

- Conditional Phase 1 EU clearance
- CEO and CFO announced
- Pre-integration planning underway

Telenet

Quad-play in focus

Traction across fixed and mobile businesses

- 18,000 RGU adds Q2, up >20% YoY
- 28,000 mobile post-paid adds

Convergence underway

- Launched first all-in-one quad-play product in late June (WIGO)
- New organization in place following acquisition of BASE[2]; integration on track

Continued investment in customers

- 240,000 home visits
- "Play" & "Play More" apps popular, up 50% YoY

(1) Please see Appendix for definitions and additional information.
(2) BASE refers to BASE Company NV (renamed to Telenet Group BVBA), which was acquired on February 11, 2016.

Liberty Global Group Guidance[1]

Fully committed to deliver 7-9% rebased OCF growth over 2015-18

	PREVIOUS GUIDANCE	NEW GUIDANCE	CHANGE IN COMPOSITION
2016 Rebased OCF Growth	5-7%	4-5%	Now includes BASE
2016 P&E Additions as % of revenue	25-27%	26-28%	Now includes BASE and excludes NL
2016 FCF	≥$2bn	$1.8bn	Now includes BASE & updated for latest FX
2015-2018 Rebased OCF Growth	7-9%	7-9%	Now includes BASE

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

LiLAC Group | Leading Regional Player[1]

Platform leveraging the power of sub-sea, fixed-line and mobile networks

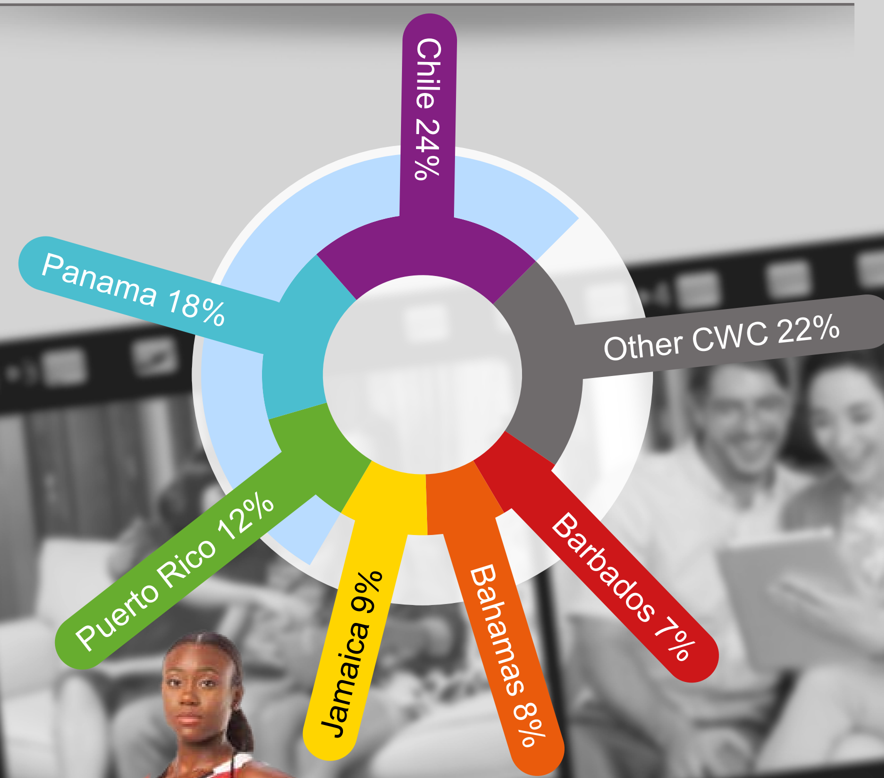
What Are We Doing?

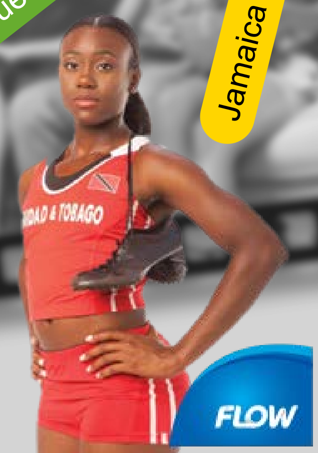
C&W Communications   vtr.com   Liberty

- Delivered 46,000 LiLAC RGU adds in Q2
- Rebalancing capital investment to drive both fixed & mobile network superiority
- Focusing commercial strategies on broadband & convergence
- Columbus synergies on track; updated synergy target before year-end
- Expecting LiLAC to generate rebased OCF growth of 5-7% in 2016, including CWC
  - 2015 to 2018 Rebased OCF growth guidance: 7-9%, excluding CWC

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

Annualized revenue of $3.6 billion by country[1]



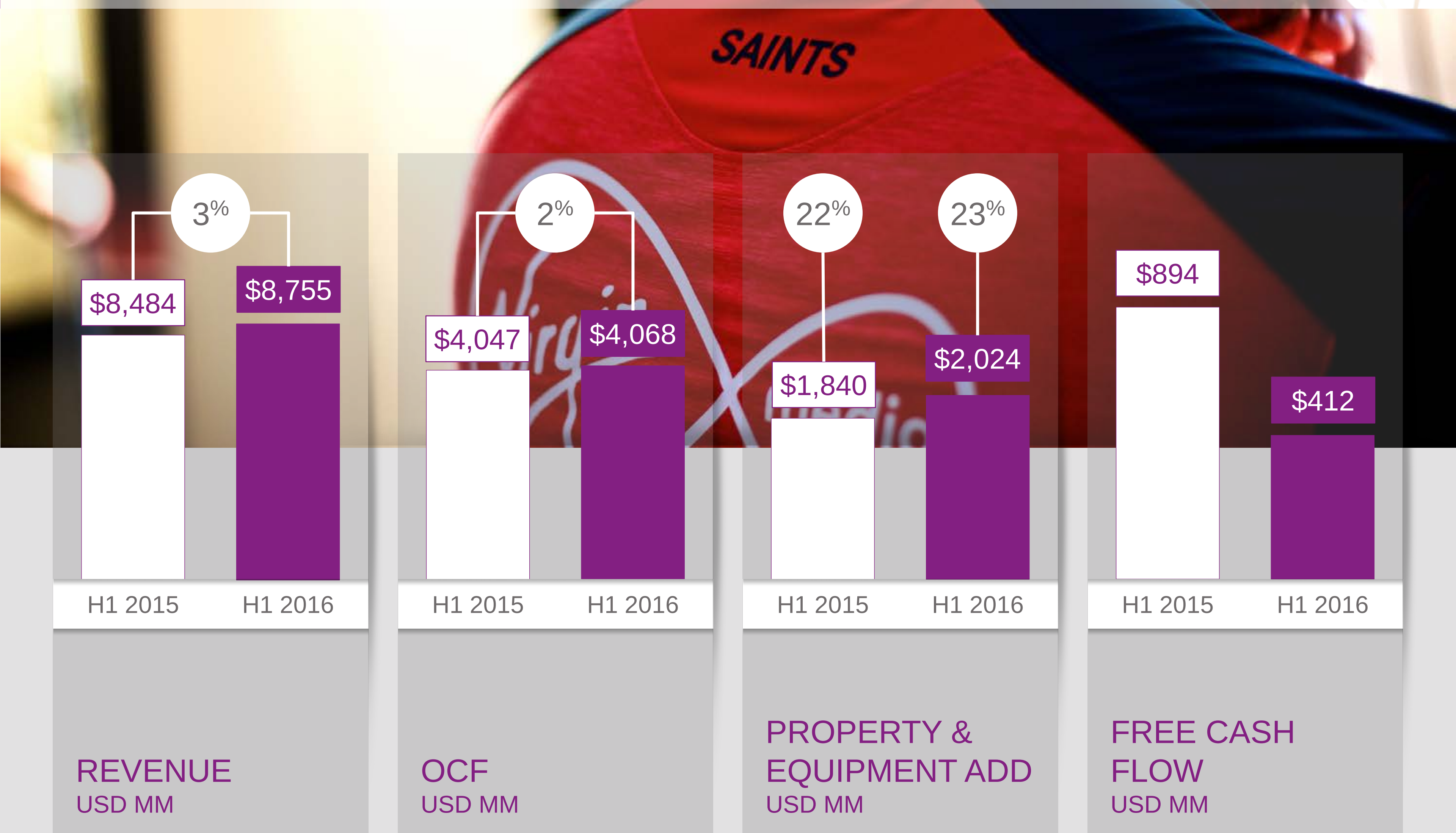


(1) Figures based on full quarter Q2 basis including a combination of pre- and post-CWC acquisition revenue.


Executive Summary
Financial Results
Appendix

Liberty Global Group | H1 2016 Financial Results[1,2]

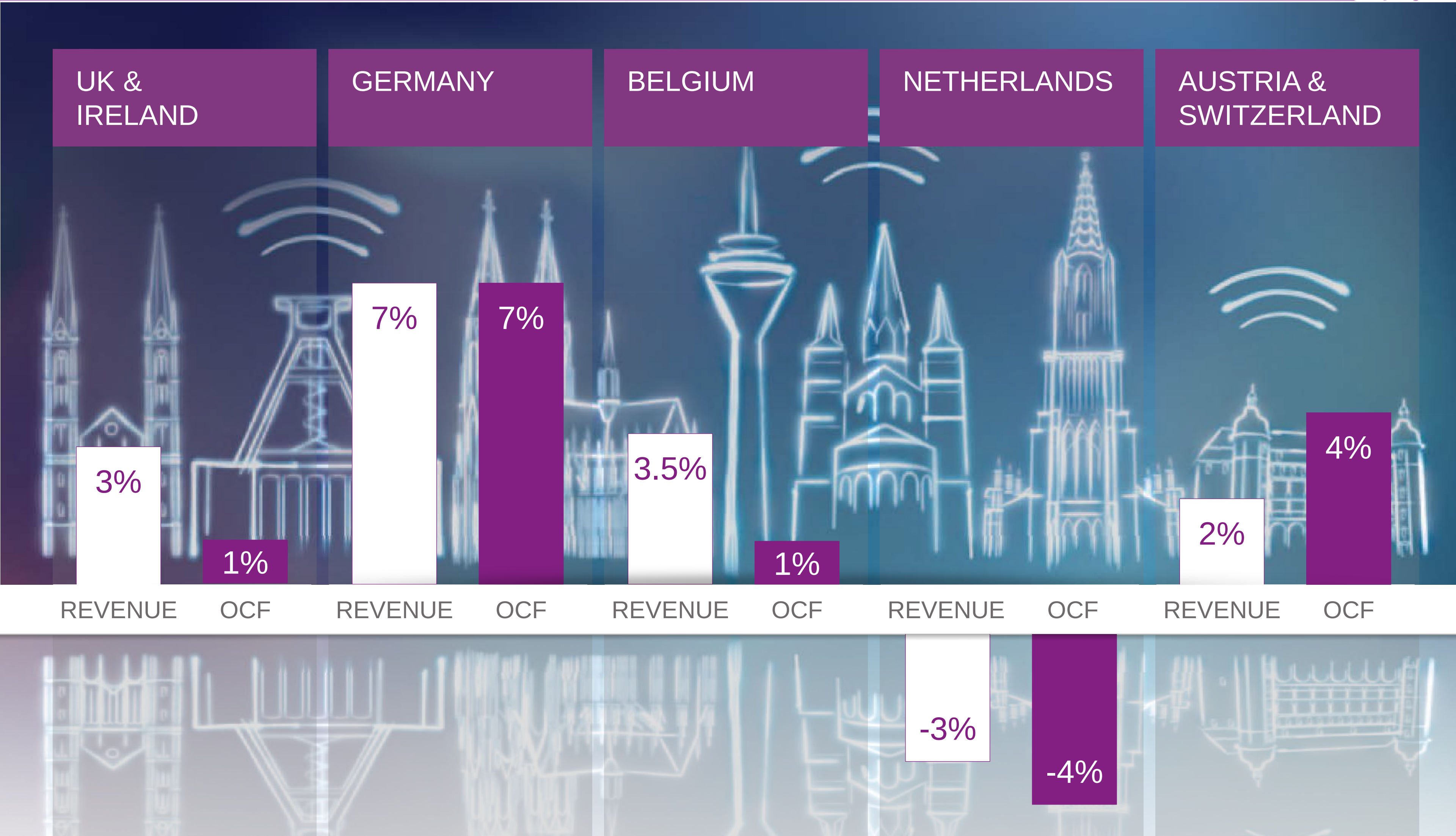
Balanced revenue result as Western Europe & CEE deliver 3% growth each



(1) Amounts are in millions, except for % amounts. Growth rate figures are rebased, except for Property and Equipment additions, which are as a percentage of revenue.
(2) Please see Appendix for definitions and additional information.

Q2 2016 Rebased Results | Western Europe[1,2]

Rebased growth supported by over 560,000 broadband additions LTM

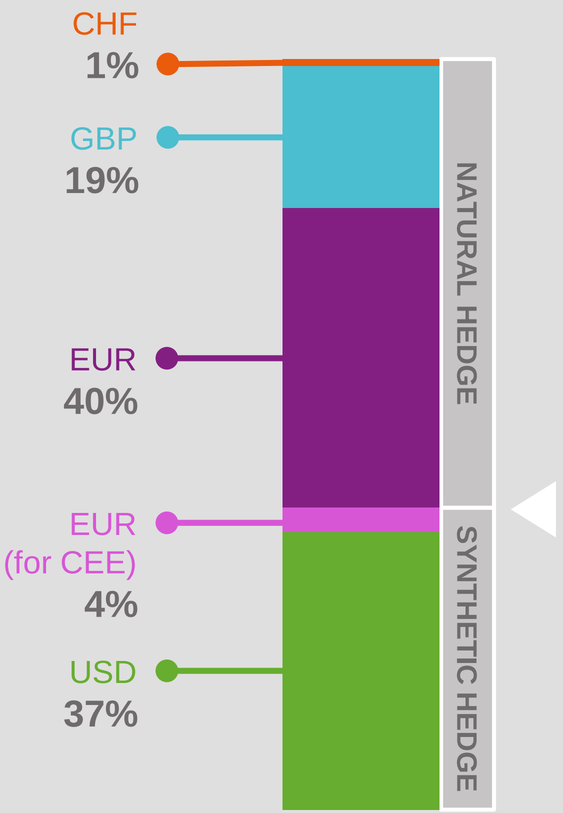


(1) Growth rate figures are rebased.
(2) Please see Appendix for definitions and additional information.

Liberty Global Group | Balance Sheet[1]

Fully hedged debt position with extended maturities

DEBT BREAKDOWN BY CURRENCY[2]



FX RISK MANAGEMENT TECHNIQUES

- Active capital management drives continued balance sheet strength
- FX hedges in place through maturity or until the first par call date
- Non-functional FX spend (Opex & Capex) ranges between 3-5% and 5-7%, respectively
- Opex and Capex exposures typically hedged out over a 12 months rolling period

Interest Fixed
99%

Blended Cost of Debt
4.7%

Average Maturity
7 years

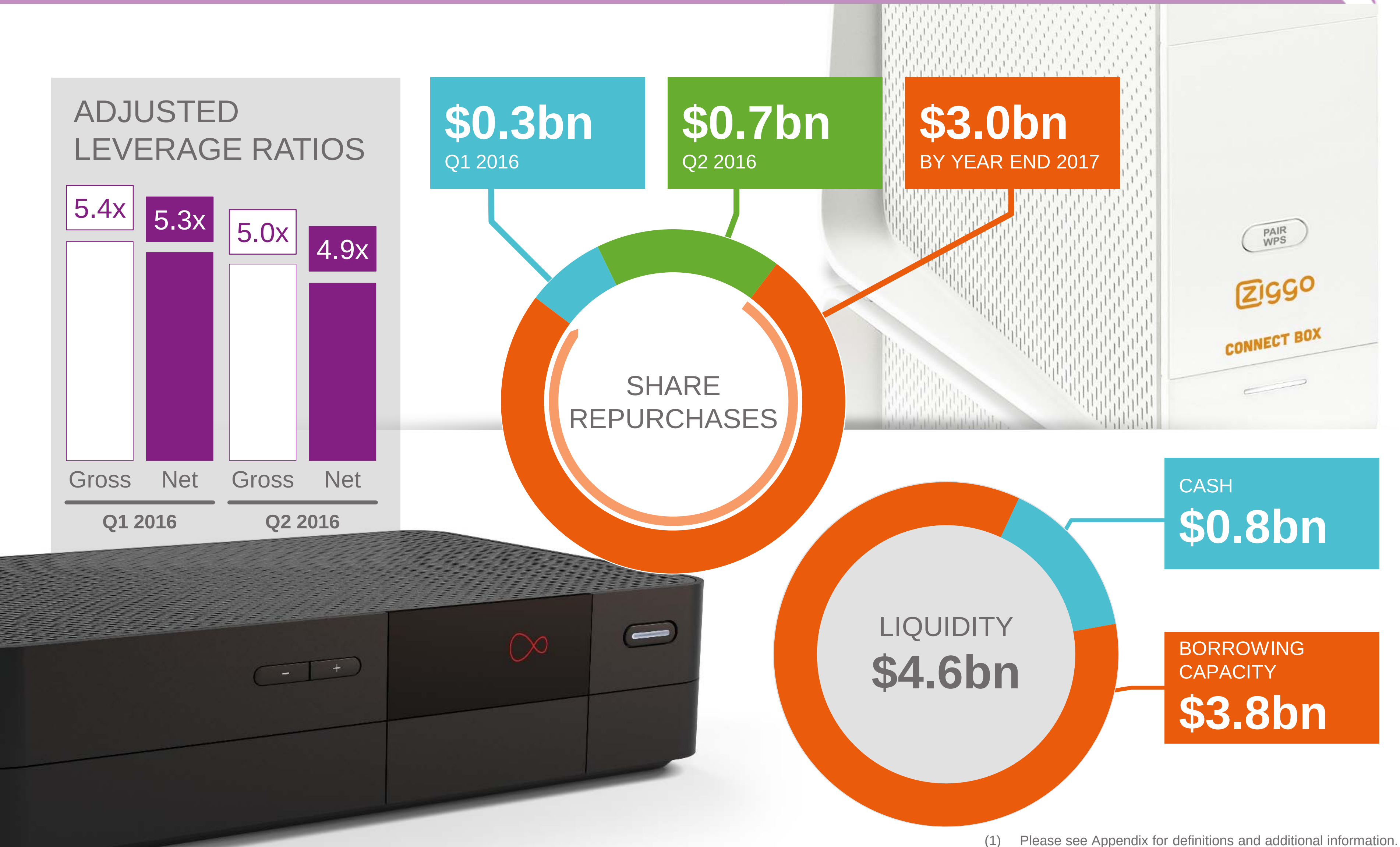
Due in 2021 & beyond
91%

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

(2) Percentages based on U.S. dollar equivalent principal amounts. Totals may not sum due to rounding.

Liberty Global Group | Leverage & Buybacks[(1)]

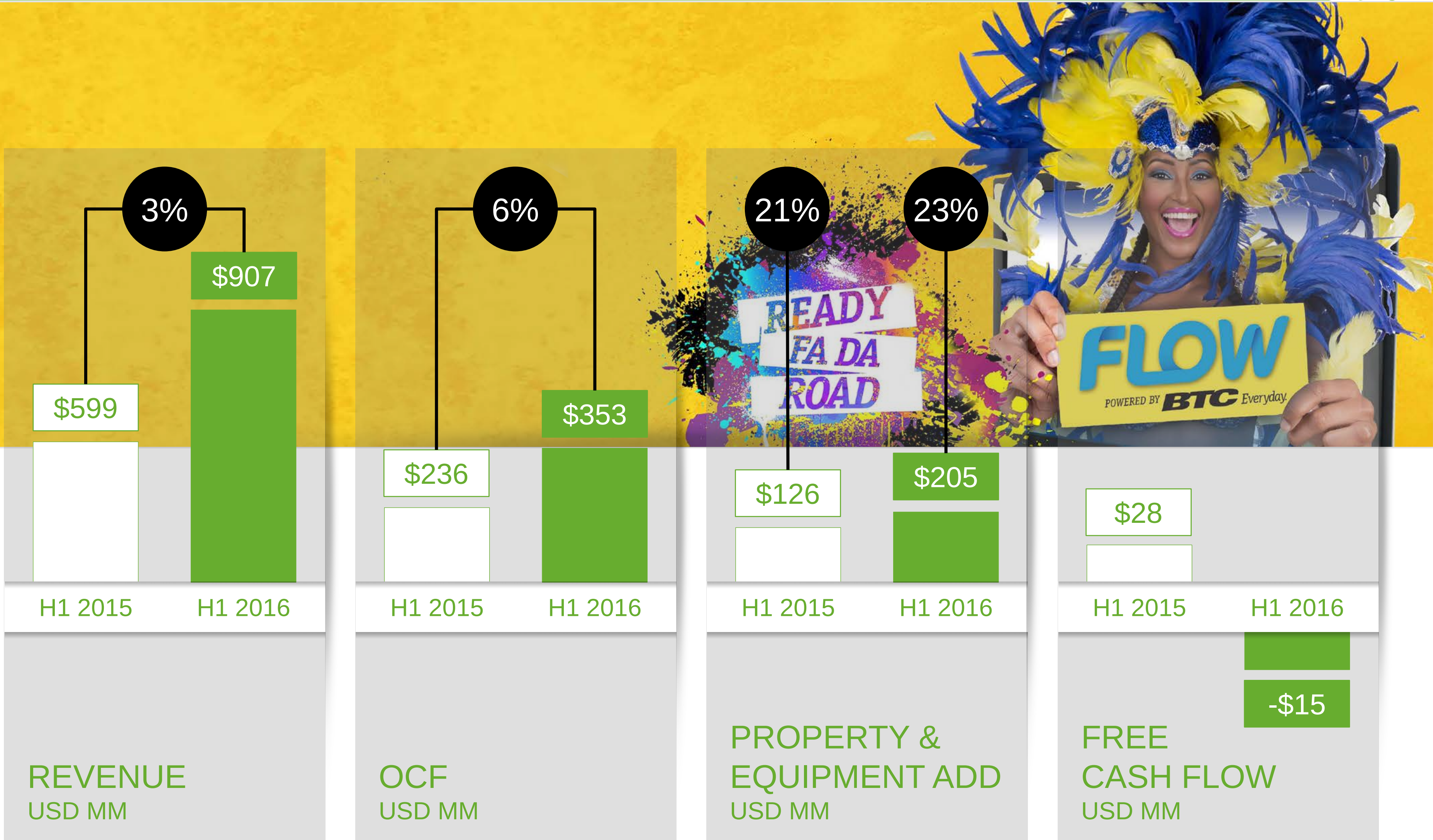
Aggressive share repurchases in June; leverage ratios declining



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

LiLAC Group | H1 2016 Financial Results(1,2)

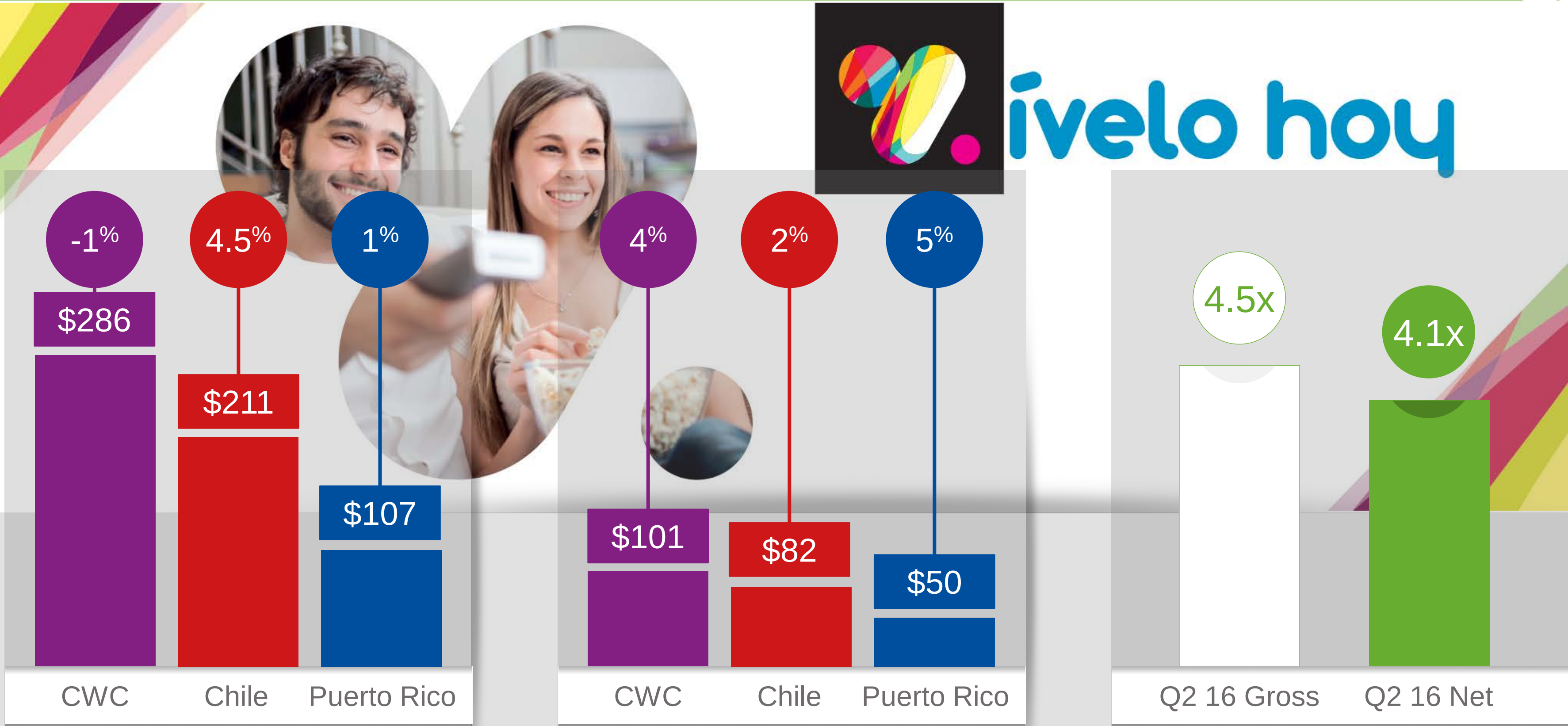
YTD financial results include CWC for six-week stub period



(1) Amounts are in millions, except for % amounts. Growth rate figures are rebased, except for Property and Equipment additions, which are as a percentage of revenue.
(2) Please see Appendix for definitions and additional information.

LiLAC Group | Q2 2016 Financial Results[1,2]

Rebased OCF growth led by 5% result in Puerto Rico and 4% at CWC



REVENUE GROWTH BREAKDOWN
USD MM

OCF GROWTH BREAKDOWN
USD MM

ADJUSTED LEVERAGE RATIOS

(1) Growth rate figures are rebased.
(2) Please see Appendix for definitions and additional information.

Conclusions

Guidance targets now include BASE and Cable & Wireless

New build program beginning to deliver material results in U.K.

Rebased OCF growth expected to ramp significantly in H2 2016

C&W integration in full-swing, synergy update expected at Q3

Aggressive buybacks in Q2 and we will remain opportunistic

Executive Summary

Financial Results

Appendix

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, Internet Subscriber or Telephony Subscriber (each as defined and described below). A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer in our Austrian market subscribed to our enhanced video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Basic Video, Enhanced Video, DTH, 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 June 30, 2016 RGU counts exclude our separately reported postpaid and prepaid mobile subscribers.

Historical periods adjusted to remove our multi-channel multi-point (microwave) distribution system subscribers in Ireland that have disconnected since we announced the switch-off of this service effective April 2016. Totals may not sum due to rounding.

Average Revenue Per Unit ("ARPU") refers to the average monthly subscription revenue per average customer relationship or mobile subscriber, as applicable, and is calculated by dividing the average monthly cable subscription revenue (excluding mobile services, B2B services, interconnect, channel carriage fees, mobile handset sales and installation fees) or mobile subscription revenue, as applicable, for the indicated period, by the average of the opening and closing balances for customer relationships or mobile subscribers, as applicable, for the period. Customer relationships of entities acquired during the period are normalized. Unless otherwise indicated, ARPU per customer relationship or mobile subscriber, as applicable, for the Liberty Global Group and LiLAC Group are not adjusted for currency impacts. ARPU per RGU refers to average monthly subscription revenue per average RGU, which is calculated by dividing the average monthly cable subscription revenue for the indicated period, by the average of the opening and closing balances of RGUs for the period. Unless otherwise noted, ARPU in this release is considered to be ARPU per average customer relationship or mobile subscriber, as applicable.

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.

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

Liberty 3.0 ("Liberty GO") During 2015, we initiated our Liberty GO program, which is a comprehensive plan to drive top-line growth while maintaining tight cost controls. The Liberty GO program seeks to capitalize on revenue opportunities associated with extensions of our network, mobile and B2B, together with the realization of greater efficiencies by leveraging our scale more effectively. Underpinning this program is a commitment to customer centricity, which we believe is key to succeeding in an ever more demanding consumer market. We expect this transformation to occur over the next several years and, as with any program of this magnitude, the benefits are expected to materialize over time. We believe that the successful implementation of Liberty GO will, beginning in 2017, lead to consolidated organic growth rates for revenue and OCF that are meaningfully higher than our recent consolidated organic growth rates.

2015 to 2018 Rebased OCF Growth Our three-year OCF guidance of 7% to 9% growth for Liberty Global Group excludes Ziggo, while the three-year OCF guidance of 7% to 9% for LiLAC Group excludes CWC. It is intended to be calculated as a compound annual growth rate in 2018 with 2015 as the base year, after adjusting for acquisitions, dispositions, FX and other factors that may affect the comparability of 2018 and 2015 results.

2016 FCF Guidance Our Liberty Global Group FCF guidance of over $2.0 billion for 2016 has been revised to include BASE and updated FX rates. Our new guidance for Liberty Global Group of $1.8 billion continues to include the Netherlands for all of 2016 and is based on FX rates as of August 2, 2016. Our LiLAC Group FCF guidance for 2016 continues to be "limited FCF" after revising to include CWC and update FX rates to August 2, 2016. Reconciliations of our FCF guidance for 2016 to a GAAP measure are not provided as not all elements of the reconciliation are projected as part of our forecasting process.

Definitions and Additional Information

Total B2B 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 B2B deferred revenue is accounting for $4.4 million and $8.8 million of the increase in Liberty Global Group's total B2B revenue for the three and six months ended June 30, 2016, respectively.

Total RGU Additions (page 5) Historical periods adjusted to remove our multi-channel multi-point (microwave) distribution system subscribers in Ireland that have disconnected since we announced the switch-off of this service effective April 2016.

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 150,200 “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.

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.

DTH Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our video programming broadcast directly via a geosynchronous satellite.

Internet Subscriber is a home, residential multiple dwelling unit or commercial unit that receives internet services over our networks, or that we service through a partner network. Our Internet Subscribers exclude 49,300 digital subscriber line (“DSL”) subscribers within Austria that are not serviced over our networks. Our Internet Subscribers do not include customers that receive services from dial-up connections. In Switzerland, we offer a 2 Mbps internet service to our Basic and Enhanced Video Subscribers without an incremental recurring fee. Our Internet Subscribers in Switzerland include 100,800 subscribers who have requested and received this service.

Telephony Subscriber is a home, residential multiple dwelling unit or commercial unit that receives voice services over our networks, or that we service through a partner network. Telephony Subscribers exclude mobile telephony subscribers. Our Telephony Subscribers exclude 38,100 subscribers within Austria that are not serviced over our networks. In Switzerland, we offer a basic phone service to our Basic and Enhanced Video Subscribers without an incremental recurring fee. Our Telephony Subscribers in Switzerland include 64,200 subscribers who have requested and received this service.

Mobile Subscriber 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.

Definitions and Additional Information

Next-Generation Video Base in this presentation consists of Horizon TV, TiVo (in the U.K.), Digital TV with a Horizon-like user interface (Yelo in Belgium) as well as Horizon-Lite set-top boxes.

Homes Passed are homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant, except for DTH homes. Our Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results. We do not count homes passed for DTH. Due to the fact that we do not own the partner networks used in Switzerland and the Netherlands we do not report homes passed for Switzerland's and the Netherlands' partner networks.

Information on Rebased Growth For purposes of calculating rebased growth rates on a comparable basis for all businesses that we owned during 2016, we have adjusted our historical revenue and OCF for the three and six months ended June 30, 2015 to (i) include the pre-acquisition revenue and OCF of certain entities acquired during 2015 and 2016 in our rebased amounts for the three and six months ended June 30, 2015 to the same extent that the revenue and OCF of such entities are included in our results for the three and six months ended June 30, 2016, (ii) 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 half of 2015 from our rebased amounts for the three and six months ended June 30, 2015 to the same extent that the revenue and OCF of these disposed subscribers is excluded from our results for the three and six months ended June 30, 2016, (iii) 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 six months ended June 30, 2015 to the same extent that the revenue and OCF from this partner network is excluded from our results for the six months ended June 30, 2016, (iv) exclude the pre-disposition revenue, OCF and associated intercompany eliminations of Film1, which was disposed in the third quarter of 2015, from our rebased amounts for the three and six months ended June 30, 2015 to the same extent that the revenue, OCF and associated intercompany eliminations are excluded from our results for the three and six months ended June 30, 2016, (v) exclude the revenue and OCF of multi-channel multi-point (microwave) distribution system subscribers in Ireland that have disconnected since we announced the switch-off of this service effective April 2016 for the three and six months ended June 30, 2015 to the same extent that the revenue and OCF of these subscribers is excluded from our results for the three and six months ended June 30, 2016 and (vi) reflect the translation of our rebased amounts for the three and six months ended June 30, 2015 at the applicable average foreign currency exchange rates that were used to translate our results for the three and six months ended June 30, 2016. We have included CWC, BASE, Choice and two small entities in whole or in part in the determination of our rebased revenue and OCF for the three and six months ended June 30, 2015. We have reflected the revenue and OCF of the acquired entities in our 2015 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 growth rates are not a non-GAAP financial measure as contemplated by Regulation G or Item 10 of Regulation S-K.

Operating Cash Flow Definition and Reconciliation

As used herein, OCF has the same meaning as the term "Adjusted OIBDA" that is referenced in our 10-Q. 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, OCF is defined as operating income before depreciation and amortization, share-based compensation, 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 OCF is a meaningful measure 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 OCF to our operating income is presented below.

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Consolidated Liberty Global	in millions		in millions	
Total segment OCF	$ 2,305.7	$ 2,185.0	$ 4,421.2	$ 4,282.3
Share-based compensation expense	(74.6)	(56.6)	(143.6)	(128.0)
Depreciation and amortization	(1,553.0)	(1,477.8)	(2,988.5)	(2,929.2)
Impairment, restructuring and other operating items, net	(190.3)	(25.7)	(214.7)	(42.7)
Operating income	$ 487.8	$ 624.9	$ 1,074.4	$ 1,182.4

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

We define free cash flow as net cash provided by our operating activities, plus (i) excess tax benefits related to the exercise of share-based incentive awards, (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 condensed 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 free cash flow provides useful information to our investors because this measure can be used to gauge our ability to service debt and fund new investment opportunities. Free cash flow 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 condensed consolidated statements of cash flows. The following table provides the reconciliation of our net cash provided by operating activities to FCF for the indicated periods:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Consolidated Liberty Global				
Net cash provided by operating activities	$ 1,577.7	$ 1,311.9	$ 2,666.6	$ 2,685.8
Excess tax benefits from share-based compensation[1]	1.4	(2.1)	3.2	17.9
Cash payments for direct acquisition and disposition costs	77.8	231.2	86.0	238.8
Expenses financed by an intermediary[2]	239.7	42.6	393.2	51.7
Capital expenditures	(639.0)	(601.2)	(1,276.1)	(1,262.4)
Principal payments on amounts financed by vendors and intermediaries	(748.0)	(350.4)	(1,420.9)	(732.1)
Principal payments on certain capital leases	(28.5)	(39.7)	(55.9)	(77.4)
FCF	$ 481.1	$ 592.3	$ 396.1	$ 922.3
Liberty Global Group				
Net cash provided by operating activities	$ 1,541.8	$ 1,198.2	$ 2,560.8	$ 2,552.1
Excess tax benefits from share-based compensation	1.4	(0.8)	3.2	16.0
Cash payments for direct acquisition and disposition costs	16.8	228.2	24.9	234.8
Expenses financed by an intermediary	239.7	42.6	393.2	51.7
Capital expenditures	(507.4)	(539.6)	(1,094.5)	(1,151.0)
Principal payments on amounts financed by vendors and intermediaries	(748.0)	(350.4)	(1,420.9)	(732.1)
Principal payments on certain capital leases	(27.9)	(39.6)	(55.2)	(77.2)
FCF	$ 516.4	$ 538.6	$ 411.5	$ 894.3
LiLAC Group				
Net cash provided by operating activities	$ 35.9	$ 113.7	$ 105.8	$ 133.7
Excess tax benefits from share-based compensation	—	(1.3)	—	1.9
Cash payments for direct acquisition and disposition costs	61.0	3.0	61.1	4.0
Capital expenditures	(131.6)	(61.6)	(181.6)	(111.4)
Principal payments on certain capital leases	(0.6)	(0.1)	(0.7)	(0.2)
FCF	$ (35.3)	$ 53.7	$ (15.4)	$ 28.0

(*) Please see next slide for accompanying footnotes.

Definitions and Additional Information

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 condensed consolidated statements of cash flows.

2. For purposes of our condensed 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 condensed 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.

Property & Equipment Additions and Capex

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

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

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

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 is measured using swapped foreign currency rates, consistent with the covenant calculation requirements of our subsidiary debt agreements, and, in the case of the Liberty Global Group, excludes the loans backed or secured by the shares we hold in ITV plc, Sumitomo Corporation and Lions Gate Entertainment Corp. For Liberty Global plc and LiLAC Group, our ratios are adjusted to reflect the Q2 2016 pre-acquisition OCF of CWC.

Liquidity refers to cash and cash equivalents plus the maximum undrawn commitments under subsidiary borrowing facilities, without regard to covenant compliance calculations.

Definitions and Additional Information

LiLAC Transaction

On July 1, 2015, Liberty Global completed the "LiLAC Transaction" pursuant to which each holder of Liberty Global's then-outstanding ordinary shares remained a holder of the same amount and class of new Liberty Global ordinary shares and received one share of the corresponding class of LiLAC ordinary shares for each 20 then-outstanding Liberty Global ordinary shares held as of the record date for such distribution, with cash issued in lieu of fractional LiLAC ordinary shares. The Liberty Global ordinary shares following the LiLAC Transaction and the LiLAC ordinary shares are tracking shares. Tracking shares are intended by the issuing company to reflect or "track" the economic performance of a particular business or "group," rather than the economic performance of the company as a whole. The Liberty Global ordinary shares and the LiLAC ordinary shares are intended to reflect or "track" the economic performance of the Liberty Global Group and the LiLAC Group (each as defined and described below), respectively. For more information regarding the tracking shares, see note 1 to our condensed consolidated financial statements included in our quarterly report on Form 10-Q filed on August 4, 2016 (the "10-Q").

"Liberty Global Group" does not represent a separate legal entity, rather it represents those businesses, assets and liabilities that have been attributed to that group. The Liberty Global Group comprises our businesses, assets and liabilities not attributed to the LiLAC Group, including Virgin Media, Unitymedia, UPC Holding BV, Telenet and Ziggo Group Holding.

"LiLAC Group" does not represent a separate legal entity, rather it represents those businesses, assets and liabilities that have been attributed to that group. The LiLAC Group comprises our operations in Latin America and the Caribbean and has attributed to it CWC, VTR and Liberty Puerto Rico.