

**LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES
BASIS OF PRESENTATION**

Purpose of Trending Schedules

The trending schedules summarize unaudited financial information to facilitate your review and understanding of Lions Gate Entertainment Corp.'s (the "Company," "Lionsgate," "we," "us," and "our") operating results. The trending schedules set forth important financial measures utilized by the Company that are not all financial measures defined by generally accepted accounting principles ("GAAP"). The Company uses non-GAAP financial measures, among other measures, to evaluate the operating performance of our business. These non-GAAP financial measures are in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with U.S. GAAP.

On December 8, 2016, pursuant to the Agreement and Plan of Merger dated June 30, 2016, Lionsgate and Starz consummated the merger whereby Lionsgate acquired Starz for a combination of cash and common stock (the "Starz Merger").

For the periods presented through December 31, 2016, the unaudited trending schedules have been prepared for illustrative purposes to present the Company's new reporting segments and some of its key financial metrics on a combined basis. These amounts were calculated by combining the historical financial information of Lionsgate and Starz for each respective period presented. Among other items, the unaudited combined financial results do not include adjustments related to the application of purchase accounting as a result of the acquisition, the impact of the capital structure and related debt financing associated with the Starz Merger, operating cost synergies as a result of the acquisition, changes in the tax provision, or the elimination of transactions between Lionsgate and Starz. The unaudited combined financial results in the trending schedules are presented solely for informational purposes and are not necessarily indicative of the combined financial results that might have been achieved for the periods or dates indicated, nor are they indicative of the future combined financial results of Lionsgate and Starz. For the periods subsequent to December 31, 2016, the financial information is presented on a consolidated basis.

New Reporting Segments

Lionsgate is now reporting three segments: Motion Pictures, Television Production and Media Networks. The Motion Pictures segment is similar to the previously reported Motion Pictures segment, and now includes the Starz third-party distribution business. The Television Production segment remains similar to the previously reported segment. The Media Networks segment consists of the Starz Networks business, the licensing of Starz original series in ancillary markets, and Lionsgate's legacy direct to consumer streaming services initiatives on its subscription video-on-demand platforms. Appendix 1 to the following schedules include a reconciliation of the historical (Legacy) segment presentations of Lionsgate and Starz to the new combined segment presentation for each of the four quarters in our fiscal year ended March 31, 2017, and the quarters ended June 30, 2017 and September 30, 2017.

New Financial Measures

Lionsgate previously used the non-GAAP measures Adjusted EBITDA, free cash flow, and adjusted earnings per share ("Adjusted EPS") as important financial measures, among other measures, to evaluate the operating performance of our business.

Beginning with the period ending December 31, 2016, Lionsgate will utilize the non-GAAP measures Adjusted OIBDA, free cash flow, and Adjusted net income (loss) attributable to Lions Gate Entertainment Corp. shareholders and Adjusted EPS in addition to its legacy metric of Adjusted EBITDA as important financial measures, among other measures, to evaluate the operating performance of our business (as defined below). Legacy Adjusted EBITDA is presented for historical reference, for comparison to the Company's previous non-GAAP measure and for use in the Adjusted EBITDA leverage ratio. The following schedules also provide additional financial measures the Company believes are useful in evaluating our operating performance. These measures include certain leverage ratios, U.S. theatrical prints and advertising (P&A) expense incurred, amount of investment in content, number of subscribers, and filmed entertainment backlog.

Definitions of the new non-GAAP measures are provided below:

Adjusted OIBDA: Adjusted OIBDA is defined as operating income (loss) before adjusted depreciation and amortization ("OIBDA"), adjusted for adjusted share-based compensation ("adjusted SBC"), purchase accounting and related adjustments, and restructuring and other costs.

- Adjusted depreciation and amortization represents depreciation as presented on our consolidated statement of operations, less the depreciation and amortization related to the amortization of purchase accounting and related adjustments associated with the acquisition of Starz and Pilgrim Media Group. Accordingly, the full impact of the purchase accounting is included in the adjustment for "purchase accounting and related adjustments", described below.
- Adjusted share-based compensation represents share-based compensation excluding immediately vested stock awards granted as part of the Company's annual bonus program issued in lieu of cash bonuses (which are, when granted, included in segment and corporate general administrative expense) and excluding the impact of the acceleration of certain vesting schedules for equity awards pursuant to certain severance arrangements, which are included in restructuring and other expenses when applicable.
- Restructuring and other includes restructuring and severance costs, certain transaction related costs, and certain unusual items, when applicable.
- Purchase accounting and related adjustments represent the amortization of non-cash fair value adjustments to certain assets acquired in the acquisition of Starz and Pilgrim Media Group.

Adjusted OIBDA is calculated similar to how the Company defines segment profit and manages and evaluates its segment operations. Segment profit also excludes corporate general and administrative expense.

Free Cash Flow: Free cash flow is defined as net cash flows provided by (used in) operating activities, less capital expenditures, plus or minus the net increase or decrease in production loans. The adjustment for the production loans is made because the GAAP based cash flows from operations reflects a non-cash reduction of cash flows for the cost of films and television programs associated with production loans prior to the time the Company actually pays for the film or television program. The Company believes that it is more meaningful to reflect the impact of the payment for these films and television programs in its free cash flow when the payments are actually made.

Adjusted Net Income (Loss) Attributable to Lions Gate Entertainment Corp. Shareholders: Adjusted net income (loss) attributable to Lions Gate Entertainment Corp. shareholders is defined as net income (loss) attributable to Lions Gate Entertainment Corp. shareholders, adjusted for share-based compensation, purchase accounting and related adjustments, restructuring and other items, loss on extinguishment of debt, and unusual gains or losses, net of the tax effect of the adjustments at the applicable statutory rate and net of the impact of the adjustments on non-controlling interest.

Adjusted Basic and Diluted EPS: Adjusted basic earnings (loss) per share is defined as adjusted net income (loss) attributable to Lions Gate Entertainment Corp. shareholders divided by the weighted average shares outstanding. Diluted EPS is similar to basic EPS but is adjusted for the effects of securities that are diluted based on the level of adjusted net income (loss), similar to GAAP.

Legacy Adjusted EBITDA: Represents earnings before interest, income tax provision or benefit, and depreciation and amortization, adjusted for all share-based compensation, purchase accounting and related adjustments, restructuring and other items, non-cash imputed interest charge, start-up losses of new business initiatives, loss on extinguishment of debt and backstopped prints and advertising expense. Legacy Adjusted EBITDA was a non-GAAP measure used by the Company prior to the Starz Merger. This measure is presented for historical reference and for comparison to the Company's previous non-GAAP measure.

- Start-up losses of new business initiatives represent losses associated with the Company's direct to consumer initiatives including its subscription video-on-demand ("SVOD") platforms and equity method investees, Atom Tickets, Playco, and Laugh Out Loud. Certain of these initiatives are equity method investees, while the others are consolidated entities.
- Backstopped prints and advertising expense ("P&A") represents the amount of theatrical marketing expense for third party titles that the Company funded and expensed for which a third party provides a first dollar loss guarantee (subject to a cap) that such expense will be recouped from the performance of the film (which results in minimal risk of loss to the Company). The amount represents the P&A expense incurred and expensed net of the impact of expensing the P&A cost over the revenue streams similar to a participation expense (i.e., the P&A under these arrangements are being expensed similar to a participation cost for purposes of the adjusted measure).
- Non-cash imputed interest charge represents a charge associated with the interest cost of long-term accounts receivable for Television Production licensed product that become due beyond one-year.

Adjusted OIBDA Leverage Ratios: Adjusted OIBDA Leverage Ratio is defined as Net Corporate Debt, divided by Adjusted OIBDA for the trailing twelve months on a combined (Starz and Lionsgate) basis. Net Corporate Debt represents total Corporate debt minus cash and equivalents. Corporate Debt excludes capital leases, convertible notes and production loans.

Adjusted EBITDA Leverage Ratios: Adjusted EBITDA Leverage Ratio is defined as Net Corporate Debt, divided by Adjusted EBITDA for the trailing twelve months on a combined (Starz and Lionsgate) basis.

These measures are non-GAAP financial measures as defined in Regulation G promulgated by the Securities and Exchange Commission and are in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with U.S. GAAP.

We use these non-GAAP measures, among other measures, to evaluate the operating performance of our business. We believe these measures provide useful information to investors regarding our results of operations and cash flows before non-operating items. Adjusted OIBDA is considered an important measure of the Company's performance because this measure eliminates amounts that, in management's opinion, do not necessarily reflect the fundamental performance of the Company's businesses, are infrequent in occurrence, and in some cases are non-cash expenses. Free Cash Flow is considered an important measure of the Company's liquidity because it provides information about the ability of the Company to reduce net corporate debt, make strategic investments, dividends and share repurchases. Adjusted EPS is considered an important measure of the Company's business operations as, similar to Adjusted OIBDA, this measure eliminates amounts that, in management's opinion, do not necessarily reflect the fundamental performance of the Company's businesses. The Company utilizes these measures, among others, to evaluate the performance of its business relative to its peers and the broader market. These non-GAAP measures are commonly used in the entertainment industry and by financial analysts and others who follow the industry to measure operating performance. However, not all companies calculate these measures in the same manner and the measures as presented may not be comparable to similarly titled measures presented by other companies.

These measures should be reviewed in conjunction with the relevant GAAP financial measures and are not presented as alternative measures of operating income, cash flow, net income (loss), or earnings (loss) per share as determined in accordance with GAAP.

LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES
UNAUDITED HISTORICAL COMBINED FINANCIAL INFORMATION⁽¹⁾

<i>(in millions)</i>	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended
	6/30/2016 ⁽²⁾	9/30/2016 ⁽²⁾	12/31/2016 ⁽²⁾	3/31/17	3/31/17	6/30/17	9/30/17	9/30/17
Motion Pictures								
Revenue	\$ 408	\$ 505	\$ 473	\$ 654	\$ 2,040	\$ 472	\$ 386	\$ 858
Gross Contribution	60	23	84	83	250	114	35	149
Segment Profit	30	(6)	56	52	132	87	9	96
Television Production								
Revenue	193	177	231	243	843	157	169	325
Gross Contribution	19	22	35	22	98	22	19	41
Segment Profit	10	12	28	13	63	13	9	21
Media Networks								
Revenue	358	369	362	371	1,459	391	393	784
Gross Contribution	149	112	153	156	570	135	141	276
Segment Profit	119	82	122	125	447	110	117	226
Eliminations								
Revenue	(1)	(2)	(5)	(11)	(19)	(14)	(7)	(21)
Gross Contribution	-	(1)	(3)	(3)	(7)	(2)	(0)	(2)
Segment Profit	-	(1)	(3)	(3)	(7)	(2)	(0)	(2)
Corporate and Other								
Corporate G&A	(22)	(22)	(25)	(24)	(92)	(26)	(25)	(51)
Adjusted OIBDA	\$ 137	\$ 65	\$ 178	\$ 163	\$ 543	\$ 182	\$ 109	\$ 290
Adjusted Depreciation & Amortization ⁽³⁾	(10)	(9)	(8)	(10)	(37)	(10)	(9)	(19)
Restructuring and Other ⁽⁴⁾	(17)	(13)	(77)	(16)	(123)	(11)	(4)	(14)
Adjusted Share-Based Compensation ⁽⁵⁾	(20)	(22)	(27)	(27)	(96)	(24)	(24)	(47)
Purchase Accounting and Related Adjustments ⁽⁶⁾	(6)	(5)	(13)	(38)	(63)	(47)	(42)	(89)
Operating Income	\$ 83	\$ 16	\$ 53	\$ 71	\$ 224	\$ 90	\$ 30	\$ 120

Notes:

The unaudited combined financial results in the trending schedules through September 30, 2017 are presented solely for informational purposes and are not necessarily indicative of the combined financial results that might have been achieved for the periods or dates indicated, nor are they indicative of the future combined financial results of Lionsgate and Starz. See reconciliation of the new metric of Adjusted OIBDA to the historical metric of Adjusted EBITDA and the reconciliation of the legacy segment presentation to the new presentation on the following schedules.

(1) Combined financial results through March 31, 2017 do not include adjustments for the full periods presented related to the application of purchase accounting as a result of the acquisition of Starz, the elimination of transactions between Lionsgate and Starz prior to the acquisition date (December 8, 2016) or any operating cost synergies as a result of the acquisition. These items, among others, will change significantly in the future as a result of the transaction.

(2) During the quarter ended March 31, 2017, certain reclassifications were made in these periods to conform with the current period classification. The third quarter ended December 31, 2016 reflects the reclassification from direct operating expense of \$1 million and a reclassification from Corporate G&A of \$1 million to Restructuring and Other. The quarters ended June 30, 2016 and September 30, 2016 reflect the reclassification of amounts less than \$1 million from Corporate G&A to Restructuring and Other. These costs represent a portion of legal expenses associated with an unfavorable arbitration award. The remaining costs were accrued as Restructuring and Other in the quarter ended March 31, 2017.

(3) Adjusted Depreciation and Amortization represents depreciation and amortization as presented on our unaudited condensed consolidated statement of operations less the depreciation and amortization related to amortization of the non-cash fair value adjustments to property and equipment and intangible assets acquired in the acquisition of Starz and Pilgrim Media Group which are included in the purchase accounting and related adjustments line item below.

(4) Restructuring and other includes restructuring and severance costs, certain transaction related costs, and certain unusual items, when applicable.

(5) Adjusted Share-Based Compensation represents stock-based compensation excluding immediately vested stock awards granted as part of our annual bonus program issued in lieu of cash bonuses. The immediately vested stock awards from the bonus program are included in Adjusted OIBDA at the segment and corporate level.

(6) Represents purchase accounting amortization associated with the acquisition of Pilgrim Media Group, and for the quarters ended December 31, 2016, March 31, 2017, June 30, 2017 and September 30, 2017 this includes the preliminary purchase accounting amortization related to the acquisition of Starz from December 8, 2016 (date of acquisition of Starz). Such amounts are subject to change as final appraisals and valuations are obtained.

* Amounts may not add precisely due to rounding

**LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES
HISTORICAL COMBINED MEDIA NETWORK SEGMENT DETAIL ADJUSTED FOR CHANGES IN SEGMENT PRESENTATION⁽¹⁾**

<i>(in millions)</i>	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended
	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17	6/30/17	9/30/17	9/30/17
Starz Networks								
Revenue	\$ 343	\$ 349	\$ 343	\$ 341	\$ 1,375	\$ 343	\$ 359	\$ 702
Gross Contribution	155	117	158	155	585	118	139	257
Product Line Profit	128	90	129	127	474	95	117	211
Content and Other								
Revenue	14	20	18	29	81	46	34	\$ 80
Gross Contribution	1	-	(1)	8	9	21	13	34
Product Line Profit	1	-	(1)	8	9	21	13	34
Streaming Services⁽²⁾								
Revenue	-	-	1	1	3	1	1	\$ 3
Gross Contribution	(7)	(6)	(4)	(7)	(24)	(4)	(11)	(15)
Product Line Profit	(10)	(9)	(6)	(11)	(36)	(6)	(13)	(19)
Total Media Networks Segment								
Revenue	358	369	362	371	1,459	391	393	784
Gross Contribution	149	112	153	156	570	135	141	276
Segment Profit	\$ 119	\$ 82	\$ 122	\$ 125	\$ 447	\$ 110	\$ 117	\$ 226

Notes:

(1) Combined financial results through September 30, 2017 do not include adjustments for the full periods presented related to the application of purchase accounting as a result of the acquisition, the elimination of transactions between Lionsgate and Starz prior to the acquisition date (December 8, 2016) or any operating cost synergies as a result of the acquisition. These items, among others, will change significantly in the future as a result of the transaction.

(2) Represents the Lionsgate legacy start-up direct to consumer streaming initiatives on SVOD platforms which are now included in the Media Networks segment.

* Amounts may not add precisely due to rounding

**LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES
NEW KPIs ON A COMBINED BASIS**

<i>(in millions, except per share data)</i>	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended
	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17	6/30/17	9/30/17	9/30/17
Free Cash Flow ⁽¹⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 189	<i>nm</i>	\$ (110)	\$ 347	\$ 236
Basic EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.30	<i>nm</i>	\$ 0.84	\$ 0.07	\$ 0.91
Basic WAS	<i>nm</i>	<i>nm</i>	<i>nm</i>	204.4	<i>nm</i>	206.8	207.8	207.3
Diluted EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.28	<i>nm</i>	\$ 0.80	\$ 0.07	\$ 0.87
Diluted WAS	<i>nm</i>	<i>nm</i>	<i>nm</i>	223.6	<i>nm</i>	217.9	219.8	218.7
Adjusted Basic EPS ⁽¹⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.59	<i>nm</i>	\$ 0.52	\$ 0.30	\$ 0.82
Investment in Content ⁽²⁾								
Motion Pictures	\$ 137	\$ 83	\$ 141	\$ 135	\$ 496	\$ 63	\$ 170	\$ 233
Television Production	110	129	106	106	451	130	141	271
Media Networks	157	142	93	191	584	96	80	176
Total	\$ 405	\$ 353	\$ 340	\$ 432	\$ 1,531	\$ 289	\$ 392	\$ 681
U.S. Theatrical P&A	\$ 72	\$ 152	\$ 102	\$ 148	\$ 475	\$ 38	\$ 96	\$ 134

	As of				As of	
	6/30/16	9/30/16	12/31/16	3/31/17	6/30/17	9/30/17
Backlog ⁽³⁾	\$ 1,522	\$ 1,487	\$ 1,421	\$ 1,426	\$ 1,426	\$ 1,310
Subscribers (units in millions at end of period)						
Subscription units - STARZ	24.2	24.5	24.3	24.2	24.1	24.5
Adjusted OIBDA Leverage Ratio ⁽⁴⁾	<i>n/a</i>	<i>n/a</i>	5.8x	5.1x	4.3x	3.5x
Adjusted EBITDA Leverage Ratio ⁽⁴⁾	<i>n/a</i>	<i>n/a</i>	4.4x	4.3x	3.9x	3.2x

Notes:

nm - Not applicable historically (amounts to be presented when Starz has been consolidated for the full period presented)

n/a - Leverage ratios not applicable for periods preceding the Starz Merger closing date of December 8, 2016

(1) - See appendix for reconciliation to the nearest GAAP measure. Prior periods are not presented since Starz was not consolidated for a full period historically.

(2) - Represents the investment in films and television programs and program rights payments as presented historically in the statements of cash flows and does not include the borrowing and repayments under production loans as presented in the financing activities within the statements of cash flows.

(3) - Backlog represents the amount of future revenue not yet recorded from contracts for the licensing of films and television product for television exhibition and in international markets.

(4) - The leverage ratios represent net corporate debt divided by the trailing twelve months of Adjusted OIBDA and Adjusted EBITDA as set forth below:

<u>Net Corporate Debt</u>	12/31/16	3/31/17	6/30/17	9/30/17
Corporate Debt	\$ 3,520	\$ 3,108	\$ 2,670	\$ 2,408
Less: Cash and equivalents	(595)	(322)	(157)	(226)
Net Corporate Debt	\$ 2,925	\$ 2,786	\$ 2,514	\$ 2,182
Corporate Debt excludes capital lease obligations and convertible notes				
<u>Adjusted OIBDA Leverage Ratio</u>				
Net Corporate Debt per above	\$ 2,925	\$ 2,786	\$ 2,514	\$ 2,182
Adjusted OIBDA for the trailing twelve months	508	543	587	630
Leverage Ratio	5.8x	5.1x	4.3x	3.5x
<u>Adjusted EBITDA Leverage Ratio</u>				
Net Corporate Debt per above	\$ 2,925	\$ 2,786	\$ 2,514	\$ 2,182
Adjusted EBITDA for the trailing twelve months	666	641	651	686
Leverage Ratio	4.4x ^(A)	4.3x	3.9x	3.2x

^(A) The Adjusted EBITDA Leverage Ratio at 12/31/16 excluding \$450 million of cash on hand initially reserved for the Starz dissenting shareholders was 5.1x.

LIONS GATE ENTERTAINMENT CORP.
RECONCILIATION OF COMBINED ADJUSTED OIBDA (NEW MEASURE) TO ADJUSTED EBITDA (LEGACY MEASURE)

<i>(in millions)</i>	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended	Trailing 12 Months
	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17	6/30/17	9/30/17	9/30/17	9/30/17
Adjusted OIBDA⁽¹⁾	\$ 137	\$ 65	\$ 178	\$ 163	\$ 543	\$ 182	\$ 109	\$ 290	\$ 630
Share-Based Compensation Bonus Accruals ⁽²⁾	8	7	7	(22)	-	-	-	-	(15)
Backstopped P&A Expense	-	8	16	(10)	14	(7)	9	3	9
Start-up Losses of New Business Initiatives	10	10	11	16	48	10	22	32	60
Non-Cash Imputed Interest Charge	1	-	2	2	5	1	1	2	6
Gain on Starz Investment	-	-	20	-	20	-	-	-	20
Equity Interests Income (Loss)	11	2	(2)	(1)	11	(8)	(13)	(21)	(24)
Adjusted EBITDA⁽³⁾	\$ 168	\$ 92	\$ 232	\$ 149	\$ 641	\$ 178	\$ 128	\$ 306	\$ 686
Adjusted OIBDA⁽¹⁾ - trailing twelve months	\$ 456	\$ 422	\$ 508	\$ 543		\$ 587	\$ 630		
Adjusted EBITDA⁽³⁾ - trailing twelve months	\$ 569	\$ 554	\$ 666	\$ 641		\$ 651	\$ 686		

Notes:

(1) Combined financial results through September 30, 2017 do not include adjustments for the full periods presented related to the application of purchase accounting as a result of the acquisition, the elimination of transactions between Lionsgate and Starz prior to the acquisition date (December 8, 2016) or any operating cost synergies as a result of the acquisition. These items will change significantly in the future as a result of the transaction.

(2) Represents share-based compensation for immediately vested stock awards granted as part of our annual bonus program and are included in Adjusted OIBDA and segment and corporate G&A expense and which are excluded from Adjusted EBITDA. During the quarter ended March 31, 2017, the Company determined it would pay its annual Fiscal 2017 bonus in cash instead of immediately vested stock awards as previously intended and accrued. Accordingly, the negative amount in the quarter ended March 31, 2017 represents the reversal of share-based compensation bonus recorded in previous periods which are now reflected as a cash based bonus expense.

(3) Represents the sum of Lionsgate's Adjusted EBITDA and Starz's Adjusted OIBDA as previously reported and as set forth below (see Appendix for GAAP reconciliation):

	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended
	6/30/16	9/30/16	12/31/2016 ⁽⁴⁾	3/31/2017 ⁽⁵⁾	3/31/2017 ^(4,5)	6/30/2017 ⁽⁵⁾	9/30/2017 ⁽⁵⁾	9/30/2017 ⁽⁵⁾
Lionsgate Legacy Adjusted EBITDA	\$ 41	\$ 3	\$ 140	\$ 149	\$ 332	\$ 178	\$ 128	\$ 306
Starz Legacy Adjusted OIBDA	127	90	92	n/a	309	n/a	n/a	n/a
Total	\$ 168	\$ 92	\$ 232	\$ 149	\$ 641	\$ 178	\$ 128	\$ 306

(4) Lionsgate Legacy Adjusted EBITDA is based on Lionsgate's consolidated results for the quarter ended December 31, 2016, which include Starz from December 8, 2016 through December 31, 2016.

Starz Legacy Adjusted OIBDA represents Starz's amounts not previously reported for the period from October 1, 2016 through December 8, 2016 as computed by Lionsgate.

(5) Lionsgate Legacy Adjusted EBITDA represents Lionsgate and Starz's consolidated results for the quarters ended March 31, 2017, June 30, 2017 and September 30, 2017.

* Amounts may not add precisely due to rounding

APPENDIX 1
RECONCILIATION OF LIONSGATE'S NET INCOME TO ADJUSTED EBITDA AND
STARZ'S OPERATING INCOME TO ADJUSTED OIBDA

<i>(in millions)</i>	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended
	6/30/16	9/30/16	12/31/2016 ⁽²⁾	3/31/2017 ⁽³⁾	3/31/2017 ^(2,3)	6/30/2017 ⁽³⁾	9/30/2017 ⁽³⁾	9/30/2017 ⁽³⁾
Lionsgate Legacy								
Net Income	\$ 1	\$ (17)	\$ (31)	\$ 62	\$ 15	\$ 175	\$ 13	\$ 187
Adjusted Depreciation & Amortization	6	4	4	10	23	10	9	19
Interest, Net	14	15	26	54	109	50	46	96
Income Tax Provision (Benefit)	(26)	(54)	(12)	(57)	(149)	47	(48)	(1)
Share-Based Compensation	22	22	29	5	77	24	24	47
Restructuring and Other	8	11	54	16	89	11	4	14
Non-Cash Imputed Interest Charge	1	-	2	2	5	1	1	2
Purchase Accounting and Related Adjustments	6	5	13	38	63	47	42	89
Start-up Losses of New Business Initiatives ⁽¹⁾	10	10	11	16	48	10	22	32
Loss on Extinguishment of Debt	-	-	28	12	40	12	6	18
Gain on sale of equity interest in EPIX	-	-	-	-	-	(201)	-	(201)
Backstopped P&A Expense	-	8	16	(10)	14	(7)	9	3
Lionsgate Adjusted EBITDA	\$ 41	\$ 3	\$ 140	\$ 149	\$ 332	\$ 178	\$ 128	\$ 306
Starz Legacy								
Operating Income	\$ 105	\$ 74	\$ 60	n/a	239	n/a	n/a	n/a
Stock Based Compensation	7	8	5	n/a	20	n/a	n/a	n/a
Depreciation & Amortization	5	6	4	n/a	15	n/a	n/a	n/a
Merger Related	10	2	23	n/a	35	n/a	n/a	n/a
Starz Adjusted OIBDA	\$ 127	\$ 90	\$ 92	n/a	\$ 309	n/a	n/a	n/a

Notes:

(1) Start-up losses of new business initiatives predominantly represent the Lionsgate legacy start-up direct to consumer streaming initiatives on SVOD platforms and equity method investees, Atom Tickets, Playco, and Laugh Out Loud.

(2) Lionsgate Legacy Adjusted EBITDA is based on Lionsgate's consolidated results for the quarter ended December 31, 2016, which include Starz from December 8, 2016 through December 31, 2016. Starz Legacy Adjusted OIBDA represents Starz's amounts not previously reported for the period October 1, 2016 through December 8, 2016 as computed by Lionsgate.

(3) Lionsgate Legacy Adjusted EBITDA represents Lionsgate and Starz's consolidated results for the quarters ended March 31, 2017, June 30, 2017 and September 30, 2017.

* Amounts may not add precisely due to rounding

**APPENDIX 2
RECONCILIATION OF FREE CASH FLOW TO NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES**

<i>(in millions)</i>	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended
	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17	6/30/17	9/30/17	9/30/17
Free Cash Flow								
Net Cash Flows Provided By (Used In) Operating Activities	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 143	<i>nm</i>	\$ 70	\$ 270	\$ 339
Capital expenditures	<i>nm</i>	<i>nm</i>	<i>nm</i>	(10)	<i>nm</i>	(9)	(12)	(21)
Net borrowings under and (repayment) of production loans	<i>nm</i>	<i>nm</i>	<i>nm</i>	56	<i>nm</i>	(171)	89	(82)
Free Cash Flow	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 189	<i>nm</i>	\$ (110)	\$ 347	\$ 236

RECONCILIATION OF NET INCOME (LOSS) ATTRIBUTABLE TO LIONS GATE ENTERTAINMENT CORP. SHAREHOLDERS TO ADJUSTED NET INCOME (LOSS) ATTRIBUTABLE TO LIONS GATE ENTERTAINMENT CORP. SHAREHOLDERS, AND ADJUSTED BASIC AND DILUTED EPS

<i>(in millions)</i>	Three Months Ended				Fiscal Year Ended	Three Months Ended		Six Months Ended
	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17	6/30/17	9/30/17	9/30/17
Reported Net Income (Loss) Attributable to Lions Gate Entertainment Corp. Shareholders	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 62	<i>nm</i>	\$ 174	\$ 16	\$ 189
Adjusted share-based compensation expense	<i>nm</i>	<i>nm</i>	<i>nm</i>	27	<i>nm</i>	24	24	47
Restructuring and other	<i>nm</i>	<i>nm</i>	<i>nm</i>	16	<i>nm</i>	11	4	14
Purchase accounting and related adjustments ⁽¹⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	38	<i>nm</i>	47	41	88
Loss on extinguishment of debt	<i>nm</i>	<i>nm</i>	<i>nm</i>	12	<i>nm</i>	12	6	18
Gain on sale of equity interest in EPIX	<i>nm</i>	<i>nm</i>	<i>nm</i>	-	<i>nm</i>	(201)	-	(201)
Tax impact of above items ⁽²⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	(33)	<i>nm</i>	44	(26)	19
Noncontrolling interest impact of above items	<i>nm</i>	<i>nm</i>	<i>nm</i>	(2)	<i>nm</i>	(2)	(2)	(5)
Adjusted Net Income Attributable to Lions Gate Entertainment Corp. Shareholders	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 120	<i>nm</i>	\$ 108	\$ 63	\$ 170
Reported Basic EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.30	<i>nm</i>	\$ 0.84	\$ 0.07	\$ 0.91
Impact of adjustments on basic earnings (loss) per share	<i>nm</i>	<i>nm</i>	<i>nm</i>	0.29	<i>nm</i>	(0.32)	0.23	(0.09)
Adjusted Basic EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.59	<i>nm</i>	\$ 0.52	\$ 0.30	\$ 0.82
Reported Diluted EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.28	<i>nm</i>	\$ 0.80	\$ 0.07	\$ 0.87
Impact of adjustments on basic earnings (loss) per share	<i>nm</i>	<i>nm</i>	<i>nm</i>	0.26	<i>nm</i>	(0.31)	0.22	(0.09)
Adjusted Diluted EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.54	<i>nm</i>	\$ 0.49	\$ 0.29	\$ 0.78
Adjusted Weighted Average number of common shares outstanding:								
Basic	<i>nm</i>	<i>nm</i>	<i>nm</i>	204.4	<i>nm</i>	206.8	207.8	207.3
Diluted	<i>nm</i>	<i>nm</i>	<i>nm</i>	223.6	<i>nm</i>	217.9	219.8	218.7

Notes:

nm - Not applicable historically (amounts to be presented when Starz has been consolidated for the full period presented)

(1) Represents the amounts included in Adjusted OIBDA net of interest income on the amortization of non-cash fair value adjustments to capital lease obligations acquired in the acquisition of Starz.

(2) Represents the tax impact of the adjustments to net income (loss) attributable to Lions Gate Entertainment Corp. shareholders, calculated using the statutory tax rate applicable to each adjustment.