

**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 Picture 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, 2016, and the two quarters ended September 30, 2016.

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 (as defined below), free cash flow, and Adjusted net income (loss) attributable to Lions Gate Entertainment Corp. shareholders and Adjusted EPS (as defined below) in addition to its legacy metric of Adjusted EBITDA as important financial measures, among other measures, to evaluate the operating performance of our business. Legacy Adjusted EBITDA is presented for historical reference and for comparison to the Company's previous non-GAAP measure. 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 stock-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 stock-based compensation represents stock-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 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 costs would generally include restructuring costs, such as severance, contract termination, or asset impairments, transaction related costs, costs associated with certain unusual legal matters, and unusual gains and losses.
- Purchase accounting and related adjustments represent the amortization of non-cash fair value adjustments to the assets and liabilities 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 purchases of property and equipment, plus or minus the net increase or decrease in production loans, and plus or minus excess tax benefits on stock-based compensation awards if applicable. 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 stock-based compensation, purchase accounting and related adjustments, restructuring and other items, loss on extinguishment of debt, cost associated with certain unusual legal matters, 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 Dilutive 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 stock-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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/2016 ⁽²⁾	9/30/2016 ⁽²⁾	12/31/2016 ⁽²⁾	3/31/17	3/31/17
Motion Pictures										
Revenue	\$ 340	\$ 411	\$ 583	\$ 609	\$ 1,942	\$ 408	\$ 505	\$ 473	\$ 654	\$ 2,040
Gross Contribution	90	29	57	39	214	60	23	84	83	250
Segment Profit	66	4	33	3	106	30	(6)	56	52	132
Television Production⁽³⁾										
Revenue	135	124	167	251	677	193	177	231	243	843
Gross Contribution	25	10	20	51	106	19	22	35	22	98
Segment Profit	18	4	14	42	79	10	12	28	13	63
Media Networks										
Revenue	354	348	352	366	1,419	358	369	362	371	1,459
Gross Contribution	145	138	98	149	529	149	112	153	156	570
Segment Profit	120	111	63	113	406	119	82	122	125	447
Eliminations										
Revenue	(1)	-	(2)	(1)	(3)	(1)	(2)	(5)	(11)	(19)
Gross Contribution	-	-	(2)	-	(2)	-	(1)	(3)	(3)	(7)
Segment Profit	-	-	(2)	-	(2)	-	(1)	(3)	(3)	(7)
Corporate and Other										
Corporate G&A	(18)	(20)	(17)	(29)	(84)	(22)	(22)	(25)	(24)	(92)
Adjusted OIBDA	\$ 186	\$ 99	\$ 91	\$ 128	\$ 505	\$ 137	\$ 65	\$ 178	\$ 163	\$ 543
Adjusted Depreciation & Amortization ⁽⁴⁾	(7)	(7)	(8)	(10)	(31)	(10)	(9)	(8)	(10)	(37)
Restructuring and Other Costs ⁽⁵⁾	-	(4)	(13)	(2)	(20)	(17)	(13)	(77)	(16)	(123)
Adjusted Stock-Based Compensation ⁽⁶⁾	(25)	(25)	(21)	(17)	(88)	(20)	(22)	(27)	(27)	(96)
Purchase Accounting and Related Adjustments ⁽⁷⁾	-	-	(4)	(5)	(9)	(6)	(5)	(13)	(38)	(63)
Operating Income	\$ 154	\$ 62	\$ 45	\$ 94	\$ 356	\$ 83	\$ 16	\$ 53	\$ 71	\$ 224

Notes:

The unaudited combined financial results in the trending schedules through March 31, 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, the elimination of transactions between Lionsgate and Starz 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) Certain reclassifications were made in these periods to conform with the current period classification. The third quarter ended December 31, 2016 reflect 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 a recent unfavorable arbitration award. The remaining costs were accrued as Restructuring and Other in the quarter ended March 31, 2017.

(3) Historical results include the acquisition of Pilgrim Media Group from the date of acquisition of November 12, 2015 (F16 Q3).

(4) 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.

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

(6) Adjusted Stock-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.

(7) Represents purchase accounting amortization associated with the acquisition of Pilgrim Media Group, and for the quarters ended December 31, 2016 and March 31, 2017, this includes the preliminary purchase accounting amortization 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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17
Starz Networks										
Revenue	\$ 333	\$ 329	\$ 328	\$ 340	\$ 1,330	\$ 343	\$ 349	\$ 343	\$ 341	\$ 1,375
Gross Contribution	144	136	93	147	519	155	117	158	155	585
Product Line Profit	119	110	60	112	401	128	90	129	127	474
Content and Other⁽²⁾										
Revenue	21	18	24	26	89	14	20	18	29	81
Gross Contribution	1	2	7	6	15	1	-	(1)	8	9
Product Line Profit	1	2	7	6	15	1	-	(1)	8	9
Streaming Services⁽³⁾										
Revenue	-	-	-	-	-	-	-	1	1	3
Gross Contribution	-	-	(1)	(4)	(5)	(7)	(6)	(4)	(7)	(24)
Product Line Profit	-	-	(4)	(5)	(10)	(10)	(9)	(6)	(11)	(36)
Total Media Networks Segment										
Revenue	354	348	352	366	1,419	358	369	362	371	1,459
Gross Contribution	145	138	98	149	529	149	112	153	156	570
Segment Profit	\$ 120	\$ 111	\$ 63	\$ 113	\$ 406	\$ 119	\$ 82	\$ 122	\$ 125	\$ 447

Notes:

(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, the elimination of transactions between Lionsgate and Starz 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) Includes the Starz Animation in Fiscal 2016 for presentational purposes due to its immateriality.

(3) Represents the Lionsgate legacy start-up direct to consumer streaming initiatives on SVOD platforms which are now included in the Media Network 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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17
Free Cash Flow ⁽¹⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 189	<i>nm</i>
Basic EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.30	<i>nm</i>
Basic WAS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	204.4	<i>nm</i>
Diluted EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.28	<i>nm</i>
Diluted WAS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	223.6	<i>nm</i>
Adjusted Basic EPS ⁽¹⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.59	<i>nm</i>
Adjusted Diluted EPS ⁽¹⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.54	<i>nm</i>
Adjusted Diluted WAS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	223.6	<i>nm</i>
Investment in Content ⁽²⁾										
Motion Picture	\$ 289	\$ 132	\$ 145	\$ 149	\$ 715	\$ 137	\$ 83	\$ 141	\$ 135	\$ 496
Television Production	81	90	96	160	427	110	129	106	106	451
Media Network	189	145	117	210	661	157	142	93	191	584
Total	\$ 558	\$ 368	\$ 358	\$ 518	\$ 1,802	\$ 405	\$ 353	\$ 340	\$ 432	\$ 1,531
U.S. Theatrical P&A	\$ 23	\$ 89	\$ 131	\$ 150	\$ 393	\$ 72	\$ 152	\$ 102	\$ 148	\$ 475

	As of				As of			
	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17
Backlog ⁽³⁾	\$ 1,349	\$ 1,232	\$ 1,288	\$ 1,498	\$ 1,522	\$ 1,487	\$ 1,421	\$ 1,426
Subscribers (units in millions at end of period)								
Subscription units - STARZ	23.5	23.3	23.6	24.0	24.2	24.5	24.3	24.2
Adjusted OIBDA Leverage Ratio ⁽⁴⁾	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	5.8x	5.1x
Adjusted EBITDA Leverage Ratio ⁽⁴⁾	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	4.4x	4.3x

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 Merger closing date of December 8, 2016

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

(2) - Represents the investment in films and television programs and program rights payments as presented historically in the statement 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 represents 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
Corporate Debt	\$ 3,520	\$ 3,108
Less: Cash and equivalents	(595)	(322)
Net Corporate Debt	\$ 2,925	\$ 2,786
Corporate Debt excludes capital lease obligations and convertible notes		
<u>Adjusted OIBDA Leverage Ratio</u>		
Net Corporate Debt per above	\$ 2,925	\$ 2,786
Adjusted OIBDA for the trailing twelve months	508	543
Leverage Ratio	5.8x	5.1x
<u>Adjusted EBITDA Leverage Ratio</u>		
Net Corporate Debt per above	\$ 2,925	\$ 2,786
Adjusted EBITDA for the trailing twelve months	666	641
Leverage Ratio	4.4x	4.3x

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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17
Adjusted OIBDA⁽¹⁾	\$ 186	\$ 99	\$ 91	\$ 128	\$ 505	\$ 137	\$ 65	\$ 178	\$ 163	\$ 543
Stock-Based Compensation Bonus Accruals ⁽²⁾	-	-	-	22	22	8	7	7	(22)	-
Backstopped P&A Expense	(4)	(3)	12	(4)	1	-	8	16	(10)	14
Start-up Losses of New Business Initiatives	1	3	7	7	17	10	10	11	16	48
Non-Cash Imputed Interest Charge	-	-	-	5	5	1	-	2	2	5
Gain on Starz Investment	-	-	-	-	-	-	-	20	-	20
Equity Interests Income	11	7	11	15	44	11	2	(2)	(1)	11
Adjusted EBITDA⁽³⁾	\$ 194	\$ 106	\$ 121	\$ 173	\$ 595	\$ 168	\$ 92	\$ 232	\$ 149	\$ 641
Adjusted OIBDA⁽¹⁾ - trailing twelve months						\$ 456	\$ 422	\$ 508	\$ 543	
Adjusted EBITDA⁽³⁾ - trailing twelve months						\$ 569	\$ 554	\$ 666	\$ 641	

Notes:

(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, the elimination of transactions between Lionsgate and Starz 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 stock 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 stock 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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/16	9/30/16	12/31/2016 ⁽⁴⁾	3/31/2017 ⁽⁵⁾	3/31/2017 ^(4,5)
Lionsgate Legacy Adjusted EBITDA	\$ 71	\$ (8)	\$ 54	\$ 46	\$ 162	\$ 41	\$ 3	\$ 140	\$ 149	\$ 332
Starz Legacy Adjusted OIBDA	123	115	68	127	433	127	90	92	n/a	309
Total	\$ 194	\$ 106	\$ 121	\$ 173	\$ 595	\$ 168	\$ 92	\$ 232	\$ 149	\$ 641

(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. These amounts include the application of the preliminary purchase accounting adjustments (related to the Starz Merger) from December 8, 2016 through December 31, 2016.

(5) Lionsgate Legacy Adjusted EBITDA represents the Lionsgate and Starz's consolidated results for the quarter ended March 31, 2017. These amounts include the application of the preliminary purchase accounting adjustments (related to the Starz Merger) for the quarter ended March 31, 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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/16	9/30/16	12/31/2016 ⁽²⁾	3/31/2017 ⁽³⁾	3/31/2017 ^(2,3)
Lionsgate Legacy										
Net Income	\$ 41	\$ (42)	\$ 33	\$ 11	\$ 43	\$ 1	\$ (17)	\$ (31)	\$ 62	\$ 15
Adjusted Depreciation & Amortization	2	3	3	6	13	6	4	4	10	23
Interest, Net	12	12	14	15	53	14	15	26	54	109
Income Tax Provision (Benefit)	3	(2)	(45)	(32)	(77)	(26)	(54)	(12)	(57)	(149)
Stock-Based Compensation	17	17	13	31	78	22	22	29	5	77
Restructuring and Other	-	4	13	2	20	8	11	54	16	89
Non-Cash Imputed Interest Charge	-	-	-	5	5	1	-	2	2	5
Purchase Accounting and Related Adjustments	-	-	4	4	8	6	5	13	38	63
Start-up Losses of New Business Initiatives ⁽¹⁾	1	3	7	7	17	10	10	11	16	48
Loss on Extinguishment of Debt	-	-	-	-	-	-	-	28	12	40
Backstopped P&A Expense	(4)	(3)	12	(4)	1	-	8	16	(10)	14
Lionsgate Adjusted EBITDA	\$ 71	\$ (8)	\$ 54	\$ 46	\$ 162	\$ 41	\$ 3	\$ 140	\$ 149	\$ 332
Starz Legacy										
Operating Income	\$ 111	\$ 102	\$ 55	\$ 114	\$ 381	\$ 105	\$ 74	\$ 60	n/a	239
Stock Based Compensation	8	8	8	8	33	7	8	5	n/a	20
Depreciation & Amortization	5	5	5	5	19	5	6	4	n/a	15
Merger Related	-	-	-	-	-	10	2	23	n/a	35
Starz Adjusted OIBDA	\$ 123	\$ 115	\$ 68	\$ 127	\$ 433	\$ 127	\$ 90	\$ 92	\$	\$ 309

Notes:

(1) Start-up Losses on 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. These amounts include the application of the preliminary purchase accounting adjustments (related to the Starz Merger) from December 8, 2016 through December 31, 2016.

(3) Lionsgate Legacy Adjusted EBITDA represents the Lionsgate and Starz's consolidated results for the quarter ended March 31, 2017. These amounts include the application of the preliminary purchase accounting adjustments (related to the Starz Merger) for the quarter ended March 31, 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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17
Free Cash Flow										
Net Cash Flows Provided By (Used In) Operating Activities	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 143	<i>nm</i>
Capital expenditures	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	(10)	<i>nm</i>
Net borrowings under and (repayment) of production loans	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	56	<i>nm</i>
Free Cash Flow	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 189	<i>nm</i>

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				Fiscal Year Ended
	6/30/15	9/30/15	12/31/15	3/31/16	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17	3/31/17
Reported Net Income (Loss) Attributable to Lions Gate Entertainment Corp. Shareholders	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 62	<i>nm</i>
Adjusted share-based compensation expense	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	27	<i>nm</i>
Restructuring and other	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	16	<i>nm</i>
Purchase accounting and related adjustments	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	38	<i>nm</i>
Loss on extinguishment of debt	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	12	<i>nm</i>
Tax impact of above items ⁽¹⁾	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	(33)	<i>nm</i>
Noncontrolling interest impact of above items	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	(2)	<i>nm</i>
Adjusted Net Income Attributable to Lions Gate Entertainment Corp. Shareholders	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 120	<i>nm</i>
Reported Basic EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.30	<i>nm</i>
Impact of adjustments on basic earnings (loss) per share	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	0.29	<i>nm</i>
Adjusted Basic EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.59	<i>nm</i>
Reported Diluted EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.28	<i>nm</i>
Impact of adjustments on basic earnings (loss) per share	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	0.26	<i>nm</i>
Adjusted Diluted EPS	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	\$ 0.54	<i>nm</i>
Adjusted Weighted Average number of common shares outstanding:										
Basic	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	204.4	<i>nm</i>
Diluted	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	223.6	<i>nm</i>

Notes:

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

(1) 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