

Information related to Regulation G

LGI:

Operating cash flow and free cash flow are non-GAAP measures as contemplated by the U.S. Securities and Exchange Commission's Regulation G. A reconciliation of historical operating cash flow and free cash flow to the most directly comparable GAAP financial measure is presented below:

	Three months ended December 31,		Year ended December 31,	
	2008	2007	2008	2007
	in millions			
Total segment operating cash flow	\$ 1,109.5	\$ 964.6	\$ 4,533.1	\$ 3,567.8
Stock-based compensation expense.....	(28.2)	(52.1)	(153.5)	(193.4)
Depreciation and amortization	(697.7)	(673.5)	(2,857.7)	(2,493.1)
Provision for litigation	—	(25.0)	—	(171.0)
Impairment, restructuring and other operating charges, net.....	<u>(155.3)</u>	<u>(26.0)</u>	<u>(158.5)</u>	<u>(43.5)</u>
Operating income	228.3	188.0	1,363.4	666.8
Interest expense	(283.7)	(275.7)	(1,147.4)	(982.1)
Interest and dividend income	16.4	30.7	91.8	115.3
Share of results of affiliates, net	0.2	4.7	5.4	33.7
Realized and unrealized gains (losses) on financial and derivative instruments, net	(10.3)	143.6	78.9	72.4
Foreign currency transaction gains (losses), net	(648.4)	68.2	(552.1)	109.4
Unrealized gains (losses) due to changes in fair values of certain investments and debt, net.....	77.4	30.1	(7.0)	(200.0)
Other-than-temporary declines in fair values of investments.....	—	(206.6)	—	(212.6)
Losses on extinguishment of debt, net	—	(90.4)	—	(112.1)
Gains on disposition of assets, net	1.8	4.5	—	557.6
Other income (expense), net	<u>(1.8)</u>	<u>(1.1)</u>	<u>—</u>	<u>1.3</u>
Earnings (loss) before income taxes and minority interests	<u>\$ (620.1)</u>	<u>\$ (104.0)</u>	<u>\$ (167.0)</u>	<u>\$ 49.7</u>
Net cash provided by operating activities	\$ 913.9	\$ 777.3	\$ 3,138.0	\$ 2,453.2
Capital expenditures	<u>(695.9)</u>	<u>(583.3)</u>	<u>(2,375.0)</u>	<u>(2,034.5)</u>
Free cash flow (b)	<u>\$ 218.0</u>	<u>\$ 194.0</u>	<u>\$ 763.0</u>	<u>\$ 418.7</u>
Free cash flow	\$ 218.0	\$ 194.0	\$ 763.0	\$ 418.7
Capital lease additions	<u>(57.5)</u>	<u>(46.0)</u>	<u>(166.5)</u>	<u>(185.2)</u>
Adjusted free cash flow	<u>\$ 160.5</u>	<u>\$ 148.0</u>	<u>\$ 596.5</u>	<u>\$ 233.5</u>

(a) LGI defines operating cash flow as revenue less operating and SG&A expenses (excluding stock-based compensation, depreciation and amortization, provisions for litigation, and impairment, restructuring and other operating charges or credits).

(b) LGI defines free cash flow as net cash provided by operating activities less capital expenditures.