UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2016

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-35961

LIBERTY GLOBAL®

Liberty Global plc

(Exact name of Registrant as specified in its charter)

England and Wales	**98-1112770**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
Griffin House, 161 Hammersmith Rd, London, United Kingdom	**W6 8BS**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code:
+44.208.483.6449 or 303.220.6600

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☑ Accelerated Filer ☐

Non-Accelerated Filer (Do not check if a smaller reporting company) ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes ☐ No ☑

The number of outstanding ordinary shares of Liberty Global plc as of July 29, 2016 was:

	Class A	Class B	Class C
Liberty Global ordinary shares	264,369,238	10,805,850	644,760,940
LiLAC ordinary shares	51,008,927	1,888,323	121,161,693

LIBERTY GLOBAL PLC

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LIBERTY GLOBAL PLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

	June 30, 2016	December 31, 2015
	in millions	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,286.3	$ 982.1
Trade receivables, net	1,844.3	1,467.7
Derivative instruments (note 4)	381.3	421.9
Prepaid expenses	312.8	144.2
Other current assets	656.0	341.5
Total current assets	4,480.7	3,357.4
Investments (including $1,961.7 million and $2,591.8 million, respectively, measured at fair value) (note 5)	2,165.3	2,839.6
Property and equipment, net (note 6)	24,705.0	21,684.0
Goodwill (note 6)	32,462.0	27,020.4
Intangible assets subject to amortization, net (note 6)	7,975.0	7,092.5
Other assets, net (note 4)	6,765.6	5,565.1
Total assets	$ 78,553.6	$ 67,559.0

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC
CONDENSED CONSOLIDATED BALANCE SHEETS — (Continued)
(unaudited)

	June 30, 2016	December 31, 2015
	in millions	
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 1,370.0	$ 1,050.1
Deferred revenue and advance payments from subscribers and others	1,511.6	1,393.5
Current portion of debt and capital lease obligations (notes 5 and 7)	2,143.3	2,537.9
Accrued interest	820.0	832.8
Derivative instruments (note 4)	588.2	346.3
Accrued income taxes	502.0	483.5
Accrued capital expenditures	496.5	441.8
Other accrued and current liabilities (note 11)	2,452.1	2,072.0
Total current liabilities	9,883.7	9,157.9
Long-term debt and capital lease obligations (notes 5 and 7)	49,500.7	44,211.2
Other long-term liabilities (notes 4 and 11)	5,154.3	4,015.6
Total liabilities	64,538.7	57,384.7
Commitments and contingencies (notes 3, 4, 7, 8, 13 and 15)		
Equity (note 9):		
Liberty Global shareholders:		
Liberty Global Shares — Class A, $0.01 nominal value. Issued and outstanding 272,572,110 and 252,766,455 shares, respectively	2.7	2.5
Liberty Global Shares — Class B, $0.01 nominal value. Issued and outstanding 10,805,850 and 10,472,517 shares, respectively	0.1	0.1
Liberty Global Shares — Class C, $0.01 nominal value. Issued and outstanding 646,703,723 and 584,044,394 shares, respectively	6.5	5.9
LiLAC Shares — Class A, $0.01 nominal value. Issued and outstanding 16,310,279 and 12,630,580 shares, respectively	0.2	0.1
LiLAC Shares — Class B, $0.01 nominal value. Issued and outstanding 540,089 and 523,423 shares, respectively	—	—
LiLAC Shares — Class C, $0.01 nominal value. Issued and outstanding 39,748,448 and 30,772,874 shares, respectively	0.4	0.3
Additional paid-in capital	18,582.8	14,908.1
Accumulated deficit	(5,427.8)	(5,160.1)
Accumulated other comprehensive earnings (loss), net of taxes	(102.9)	895.9
Treasury shares, at cost	(0.3)	(0.4)
Total Liberty Global shareholders	13,061.7	10,652.4
Noncontrolling interests	953.2	(478.1)
Total equity	14,014.9	10,174.3
Total liabilities and equity	$ 78,553.6	$ 67,559.0

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
	in millions, except per share amounts			
Revenue (note 14)	$ 5,074.1	$ 4,566.5	$ 9,662.1	$ 9,083.4
Operating costs and expenses:				
Operating (other than depreciation and amortization) (including share-based compensation) (note 10)	1,929.5	1,675.3	3,654.6	3,372.5
Selling, general and administrative (**SG&A**) (including share-based compensation) (note 10)	913.5	762.8	1,729.9	1,556.6
Depreciation and amortization	1,553.0	1,477.8	2,988.5	2,929.2
Impairment, restructuring and other operating items, net (notes 3 and 11)	190.3	25.7	214.7	42.7
	4,586.3	3,941.6	8,587.7	7,901.0
Operating income	487.8	624.9	1,074.4	1,182.4
Non-operating income (expense):				
Interest expense	(657.1)	(600.8)	(1,276.4)	(1,216.7)
Realized and unrealized gains (losses) on derivative instruments, net (note 4)	1,052.0	(679.7)	543.3	(61.2)
Foreign currency transaction gains (losses), net	(298.1)	340.4	40.9	(695.2)
Realized and unrealized gains (losses) due to changes in fair values of certain investments and debt, net (notes 5 and 7)	(376.4)	110.8	(644.6)	262.2
Losses on debt modification and extinguishment, net (note 7)	(19.6)	(73.8)	(23.9)	(348.3)
Other income (expense), net (note 13)	(23.5)	(1.7)	29.8	(2.7)
	(322.7)	(904.8)	(1,330.9)	(2,061.9)
Earnings (loss) before income taxes	165.1	(279.9)	(256.5)	(879.5)
Income tax expense (note 8)	(56.0)	(130.0)	(7.1)	(52.1)
Net earnings (loss)	109.1	(409.9)	(263.6)	(931.6)
Net earnings attributable to noncontrolling interests	(7.7)	(54.8)	(4.1)	(70.6)
Net earnings (loss) attributable to Liberty Global shareholders	$ 101.4	$ (464.7)	$ (267.7)	$ (1,002.2)
Basic and diluted earnings (loss) attributable to Liberty Global shareholders per share (notes 1 and 12):				
Liberty Global Shares	$ 0.23		$ (0.15)	
LiLAC Shares	$ (2.04)		$ (3.00)	
Old Liberty Global Shares		$ (0.53)		$ (1.13)

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Net earnings (loss)	$ 109.1	$ (409.9)	$ (263.6)	$ (931.6)
Other comprehensive earnings (loss), net of taxes:				
Foreign currency translation adjustments	(1,010.8)	929.7	(994.2)	238.6
Reclassification adjustments included in net earnings (loss)	0.1	0.9	(0.6)	1.0
Other	(1.7)	0.5	(4.6)	(1.0)
Other comprehensive earnings (loss)	(1,012.4)	931.1	(999.4)	238.6
Comprehensive earnings (loss)	(903.3)	521.2	(1,263.0)	(693.0)
Comprehensive earnings attributable to noncontrolling interests	(7.1)	(54.8)	(3.5)	(70.7)
Comprehensive earnings (loss) attributable to Liberty Global shareholders	$ (910.4)	$ 466.4	$ (1,266.5)	$ (763.7)

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC
CONDENSED CONSOLIDATED STATEMENT OF EQUITY
(unaudited)

	Liberty Global shareholders								
	Liberty Global Shares	LiLAC Shares	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive earnings (loss), net of taxes	Treasury shares, at cost	Total Liberty Global shareholders	Non-controlling interests	Total equity
					in millions				
Balance at January 1, 2016	$ 8.5	$ 0.4	$14,908.1	$ (5,160.1)	$ 895.9	$ (0.4)	$ 10,652.4	$ (478.1)	$10,174.3
Net loss	—	—	—	(267.7)	—	—	(267.7)	4.1	(263.6)
Other comprehensive loss, net of taxes	—	—	—	—	(998.8)	—	(998.8)	(0.6)	(999.4)
Impact of the CWC Acquisition (note 3)	1.1	0.1	4,488.9	—	—	—	4,490.1	1,451.8	5,941.9
Repurchase and cancellation of Liberty Global ordinary shares (note 9)	(0.2)	—	(973.2)	—	—	—	(973.4)	—	(973.4)
Share-based compensation (note 10)	—	—	130.0	—	—	—	130.0	—	130.0
Liberty Global call option contracts	—	—	119.1	—	—	—	119.1	—	119.1
Adjustments due to changes in subsidiaries' equity and other, net	(0.1)	0.1	(90.1)	—	—	0.1	(90.0)	(24.0)	(114.0)
Balance at June 30, 2016	$ 9.3	$ 0.6	$18,582.8	$ (5,427.8)	$ (102.9)	$ (0.3)	$ 13,061.7	$ 953.2	$14,014.9

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIBERTY GLOBAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Six months ended June 30,	
	2016	**2015**
	in millions	
Cash flows from operating activities:		
Net loss	$ (263.6)	$ (931.6)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Share-based compensation expense	143.6	128.0
Depreciation and amortization	2,988.5	2,929.2
Impairment, restructuring and other operating items, net	214.7	42.7
Amortization of deferred financing costs and non-cash interest accretion	39.1	34.2
Realized and unrealized losses (gains) on derivative instruments, net	(543.3)	61.2
Foreign currency transaction losses (gains), net	(40.9)	695.2
Realized and unrealized losses (gains) due to changes in fair values of certain investments and debt, including impact of dividends	644.6	(261.1)
Losses on debt modification and extinguishment, net	23.9	348.3
Deferred income tax benefit	(196.4)	(142.7)
Excess tax benefit from share-based compensation	(3.2)	(17.9)
Changes in operating assets and liabilities, net of the effects of acquisitions and dispositions	(340.4)	(199.7)
Net cash provided by operating activities	2,666.6	2,685.8
Cash flows from investing activities:		
Cash paid in connection with acquisitions, net of cash acquired	(1,325.8)	(279.3)
Capital expenditures	(1,276.1)	(1,262.4)
Investments in and loans to affiliates and others	(44.6)	(161.4)
Other investing activities, net	78.5	11.0
Net cash used by investing activities	$ (2,568.0)	$ (1,692.1)

The accompanying notes are an integral part of these condensed consolidated financial statements.

	Six months ended June 30,	
	2016	2015
	in millions	
Cash flows from financing activities:		
Borrowings of debt	$ 6,174.5	$ 11,192.3
Repayments and repurchases of debt and capital lease obligations	(5,189.0)	(10,717.8)
Repurchase of Liberty Global ordinary shares	(717.5)	(908.1)
Change in cash collateral	117.7	61.8
Payment of financing costs and debt premiums	(89.4)	(356.5)
Net cash paid related to derivative instruments	(43.3)	(303.3)
Net cash received (paid) associated with call option contracts on Liberty Global ordinary shares	9.2	(121.2)
Purchase of additional shares of subsidiaries	—	(142.2)
Other financing activities, net	(94.2)	(37.5)
Net cash provided (used) by financing activities	168.0	(1,332.5)
Effect of exchange rate changes on cash	37.6	(0.2)
Net increase (decrease) in cash and cash equivalents	304.2	(339.0)
Cash and cash equivalents:		
Beginning of period	982.1	1,158.5
End of period	$ 1,286.3	$ 819.5
Cash paid for interest	$ 1,276.8	$ 1,138.2
Net cash paid for taxes	$ 246.7	$ 167.3

The accompanying notes are an integral part of these condensed consolidated financial statements.

(1) Basis of Presentation

Liberty Global plc (**Liberty Global**) is a public limited company organized under the laws of England and Wales. In these notes, the terms "we," "our," "our company" and "us" may refer, as the context requires, to Liberty Global or collectively to Liberty Global and its subsidiaries. We are an international provider of video, broadband internet, fixed-line telephony, mobile and other communications services to consumers and businesses, with consolidated operations at June 30, 2016 in more than 30 countries.

In Europe, we provide consumer and business-to-business (**B2B**) services in (i) the United Kingdom (**U.K.**) and Ireland through Virgin Media Inc. (**Virgin Media**), (ii) the Netherlands through Ziggo Group Holding B.V. (**Ziggo Group Holding**), (iii) Germany through Unitymedia GmbH (**Unitymedia**), (iv) Belgium through Telenet Group Holding N.V. (**Telenet**), a 57.4%-owned subsidiary, and (v) seven other European countries through UPC Holding B.V. (**UPC Holding**). Virgin Media, Ziggo Group Holding, Unitymedia and UPC Holding are each wholly-owned subsidiaries of Liberty Global. The operations of Virgin Media, Ziggo Group Holding, Unitymedia, Telenet and UPC Holding are collectively referred to herein as the "**European Operations Division**."

In addition, we provide consumer and B2B services in (i) 18 countries, predominantly in Latin America and the Caribbean, through our wholly-owned subsidiary Cable & Wireless Communications Limited (formerly known as Cable & Wireless Communications Plc) (**CWC**), (ii) Chile through our wholly-owned subsidiary VTR.com SpA (**VTR**) and (iii) Puerto Rico through Liberty Cablevision of Puerto Rico LLC (**Liberty Puerto Rico**), an entity in which we hold a 60.0% ownership interest. CWC also provides (a) B2B services in certain other countries in Latin America and the Caribbean and (b) wholesale services over its sub-sea and terrestrial networks that connect over 30 markets in that region. CWC owns less than 100% of certain of its consolidated subsidiaries, including Cable & Wireless Panama, SA (**CWC Panama**) (a 49.0%-owned entity that owns most of our operations in Panama), The Bahamas Telecommunications Company Limited (**CWC BTC**) (a 49.0%-owned entity that owns all of our operations in the Bahamas), Cable & Wireless Jamaica Limited (**CWC Jamaica**) (an 82.0%-owned entity that owns the majority of our operations in Jamaica) and Cable & Wireless (Barbados) Limited (an 81.1%-owned entity that owns the majority of our operations in Barbados). The operations of CWC, VTR and Liberty Puerto Rico are collectively referred to herein as the "**LiLAC Division**."

On July 1, 2015, we completed the approved steps of the "**LiLAC Transaction**" whereby we (i) reclassified our then outstanding Class A, Class B and Class C Liberty Global ordinary shares into corresponding classes of new Liberty Global ordinary shares (collectively, the **Liberty Global Shares**) and (ii) capitalized a portion of our share premium account and distributed as a dividend (or a "bonus issue" under U.K. law) our LiLAC Class A, Class B and Class C ordinary shares (collectively, the **LiLAC Shares**). In these notes, the term "**Old Liberty Global Shares**" refers to our previously-outstanding Class A, Class B and Class C Liberty Global ordinary shares. The impact of the LiLAC Transaction on our capitalization and earnings or loss per share (**EPS**) presentation has been reflected in these condensed consolidated financial statements prospectively from July 1, 2015. Accordingly, (a) our net earnings (loss) attributed to Liberty Global Shares and LiLAC Shares relates to the three and six months ended June 30, 2016 and (b) our net loss attributed to Old Liberty Global Shares relates to the three and six months ended June 30, 2015.

The Liberty Global Shares and the LiLAC 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 Shares and the LiLAC Shares are intended to track the economic performance of the Liberty Global Group and the LiLAC Group, respectively (each as defined and described below). While the Liberty Global Group and the LiLAC Group have separate collections of businesses, assets and liabilities attributed to them, neither group is a separate legal entity and therefore cannot own assets, issue securities or enter into legally binding agreements. Holders of tracking shares have no direct claim to the group's assets and are not represented by separate boards of directors. Instead, holders of tracking shares are shareholders of the parent corporation, with a single board of directors, and are subject to all of the risks and liabilities of the parent corporation. We and our subsidiaries each continue to be responsible for our respective liabilities. Holders of Liberty Global Shares, LiLAC Shares and any other of our capital shares designated as ordinary shares from time to time will continue to be subject to risks associated with an investment in our company as a whole, even if a holder does not own both Liberty Global Shares and LiLAC Shares.

The "**LiLAC Group**" comprises our businesses, assets and liabilities in Latin America and the Caribbean and has attributed to it (i) LGE Coral Holdco Limited (**LGE Coral**) and its subsidiaries, which include CWC, (ii) VTR Finance B.V. (**VTR Finance**) and its subsidiaries, which include VTR, (iii) Lila Chile Holding B.V., which is the parent entity of VTR Finance, (iv) LiLAC Holdings Inc. (**LiLAC Holdings**) and its subsidiaries, which include Liberty Puerto Rico, and (v) prior to July 1, 2015, the costs associated with certain corporate employees of Liberty Global that are exclusively focused on the management of the LiLAC Group (the **LiLAC Corporate Costs**). Effective July 1, 2015, these corporate employees were transferred to LiLAC Holdings. The "**Liberty Global Group**" comprises our businesses, assets and liabilities not attributed to the LiLAC Group, including Virgin Media, Ziggo Group Holding, Unitymedia, Telenet, UPC Holding, our corporate entities (excluding the LiLAC Corporate Costs) and certain other less significant entities.

For additional information regarding our tracking share capital structure, including unaudited attributed financial information of the Liberty Global Group and the LiLAC Group, see Exhibit 99.1 to this Quarterly Report on Form 10-Q.

Our unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (**GAAP**) and with the instructions to Form 10-Q and Article 10 of Regulation S-X for interim financial information. Accordingly, these financial statements do not include all of the information required by GAAP or Securities and Exchange Commission rules and regulations for complete financial statements. In the opinion of management, these financial statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the results of operations for the interim periods presented. The results of operations for any interim period are not necessarily indicative of results for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with our 2015 consolidated financial statements and notes thereto included in our 2015 Annual Report on Form 10-K.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of acquisition-related assets and liabilities, allowances for uncollectible accounts, programming and copyright costs, deferred income taxes and related valuation allowances, loss contingencies, fair value measurements, impairment assessments, capitalization of internal costs associated with construction and installation activities, useful lives of long-lived assets, share-based compensation and actuarial liabilities associated with certain benefit plans. Actual results could differ from those estimates.

Unless otherwise indicated, ownership percentages and convenience translations into United States (**U.S.**) dollars are calculated as of June 30, 2016.

Certain prior period amounts have been reclassified to conform to the current period presentation, including the reclassification of deferred financing costs from other long-term assets to long-term debt and capital lease obligations and the reclassification of certain costs between operating and SG&A expenses. For additional information regarding the change in the classification of deferred financing costs, see note 2.

(2) Accounting Changes and Recent Accounting Pronouncements

Accounting Changes

In April 2015, the Financial Accounting Standards Board (**FASB**) issued Accounting Standards Update (**ASU**) No. 2015-03, *Simplifying the Presentation of Debt Issuance Costs* (**ASU 2015-03**), which requires debt issuance costs related to a recognized debt liability to be presented on the balance sheet as a direct deduction from the debt liability, similar to the presentation of debt discounts. For public entities, ASU 2015-03 is effective for annual reporting periods beginning after December 15, 2015. We adopted ASU 2015-03 on January 1, 2016 and, accordingly, deferred financing costs are presented as a reduction of debt in our June 30, 2016 and December 31, 2015 condensed consolidated balance sheets. Prior to the adoption of ASU 2015-03, we presented deferred financing costs in other assets, net.

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (**ASU 2014-09**), which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU 2014-09, as amended by ASU No. 2015-14, will replace existing revenue recognition guidance when it becomes effective for annual and interim reporting periods beginning after December 15, 2017. Early application is permitted for annual and interim reporting periods that begin after December 15, 2016. This new standard permits the use of either the retrospective or cumulative effect transition method. We will adopt ASU 2014-09 effective January 1, 2018, and we are currently evaluating the effect that ASU 2014-09 will have on our consolidated financial statements and related disclosures. We have not yet selected a transition method nor have we determined the effect of the standard on our ongoing financial reporting.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (**ASU 2016-02**), which, for most leases, will result in lessees recognizing lease assets and lease liabilities on the balance sheet with additional disclosures about leasing arrangements. ASU 2016-02 requires lessees and lessors to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The modified retrospective approach also includes a number of optional practical expedients an entity may elect to apply. ASU 2016-02 is effective for annual reporting periods beginning after December 15, 2018, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the effect that ASU 2016-02 will have on our consolidated financial statements and related disclosures.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation — Stock Compensation, Improvements to Employee Share-Based Payment Accounting* (**ASU 2016-09**), which simplifies several aspects of the accounting for share-based payment transactions, including income tax consequences, classification of awards as either equity or liabilities and classification within the statement of cash flows. ASU 2016-09 is effective for annual reporting periods beginning after December 15, 2016, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the effect that ASU 2016-09 will have on our consolidated financial statements and related disclosures.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments — Credit Losses* (**ASU 2016-13**), which changes the way entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net earnings. ASU 2016-13 is effective for annual reporting periods beginning after December 15, 2019, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the effect that ASU 2016-13 will have on our consolidated financial statements and related disclosures.

(3) Acquisition and Joint Venture Transactions

Pending Joint Venture Transaction

On February 15, 2016, we and Liberty Global Europe Holding B.V., our wholly-owned subsidiary, entered into a Contribution and Transfer Agreement (the **Contribution Agreement**) with Vodafone Group plc (**Vodafone**) and one of its wholly-owned subsidiaries. Pursuant to the Contribution Agreement, our company and Vodafone agreed to form a 50:50 joint venture (the **Dutch JV**), which will combine Ziggo Group Holding and our Sport1 premium sports channel with Vodafone's mobile businesses in the Netherlands (**Vodafone NL**) to create a national unified communications provider in the Netherlands with complementary strengths across video, broadband, mobile and B2B services.

At the closing of the transaction contemplated by the Contribution Agreement, Vodafone will pay to our company an equalization payment equal to approximately €1.0 billion ($1.1 billion), as adjusted for the net debt of Ziggo Group Holding and Vodafone NL at the time of closing and certain working capital adjustments. Ziggo Group Holding will be contributed to the Dutch JV together with its outstanding third-party debt, while our Sport1 premium channel and Vodafone's business in the Netherlands will be contributed on a debt and cash free basis.

The parties expect to raise additional debt financing at the Dutch JV to increase the Dutch JV's net leverage ratio to a level that ranges between 4.5 and 5 times EBITDA (as calculated pursuant to Ziggo Group Holding's existing financing arrangements) and to make a pro rata distribution of the net proceeds from the additional debt to our company and Vodafone. The Dutch JV will be required to make regular cash distributions to its shareholders on a pro rata basis equal to the unrestricted cash held by the Dutch JV (subject to the Dutch JV maintaining a minimum amount of cash and complying with the terms of its financing arrangements). As an ongoing operation, it is intended that the Dutch JV will be funded solely from its net cash flow from operations and third-party financing. This transaction will not trigger any of Ziggo Group Holding's requirements under its debt agreements to redeem its outstanding debt pursuant to applicable change in control provisions.

Following completion of the transaction, we expect to account for our 50% interest in the Dutch JV as an equity method investment, and we expect to attribute our 50% interest in the Dutch JV to the Liberty Global Group. Ziggo Group Holding and Sport1 are not considered to be held-for-sale as of June 30, 2016 due to uncertainty surrounding the regulatory review process. When Ziggo Group Holding and Sport1 are considered held-for-sale or are actually contributed to the Dutch JV, we will not present these entities as discontinued operations as this transaction does not represent a strategic shift for Liberty Global.

The consummation of the transaction contemplated by the Contribution Agreement is subject to certain conditions, including competition clearance by the European Commission. On August 3, 2016, the European Commission approved the transaction subject to the divestment by Vodafone of its fixed-line business in the Netherlands. It is anticipated that the transaction contemplated by the Contribution Agreement will close around the end of 2016. The Contribution Agreement also includes customary termination rights, including a right of the parties to terminate the transaction if it has not closed by August 15, 2017.

2016 Acquisitions

CWC. On May 16, 2016, pursuant to a scheme of arrangement and following shareholder approvals, we acquired CWC for shares of Liberty Global (the **CWC Acquisition**). Under the terms of the transaction, CWC shareholders received in the aggregate: 31,607,008 Class A Liberty Global Shares, 77,379,774 Class C Liberty Global Shares, 3,648,513 Class A LiLAC Shares and 8,939,316 Class C LiLAC Shares. Further, in accordance with the scheme of arrangement and immediately prior to the acquisition, CWC declared a special cash dividend (the **Special Dividend**) to its shareholders in the amount of £0.03 ($0.04 at the transaction date) per CWC share. The Special Dividend was paid to CWC shareholders promptly following the closing and the payment, together with fees and expenses related to the acquisition, was funded with CWC liquidity, including incremental debt borrowings, and LiLAC Group corporate liquidity. We acquired CWC in order to achieve certain financial, operational and strategic benefits through the integration of CWC with our existing operations in the LiLAC Group.

The CWC Acquisition triggered regulatory approval requirements in certain jurisdictions in which CWC operates. The regulatory authorities in certain of these jurisdictions, including the Bahamas, Jamaica, Trinidad & Tobago, the Seychelles and the Cayman Islands, have not completed their review of the CWC Acquisition or granted their approval. While we expect to receive all outstanding approvals, such approvals may include binding conditions or requirements that could have an adverse impact on CWC's operations and financial condition.

For accounting purposes, the CWC Acquisition was treated as the acquisition of CWC by Liberty Global. In this regard, the equity and cash consideration paid to acquire CWC is set forth below (in millions):

Class A Liberty Global Shares (a)	$	1,167.2
Class C Liberty Global Shares (a)		2,803.5
Class A LiLAC Shares (a)		144.1
Class C LiLAC Shares (a)		375.3
Special Dividend (b)		193.8
Total	$	4,683.9

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(a) Represents the fair value of the 31,607,008 Class A Liberty Global Shares, 77,379,774 Class C Liberty Global Shares, 3,648,513 Class A LiLAC Shares and 8,939,316 Class C LiLAC Shares issued to CWC shareholders in connection with the CWC Acquisition. These amounts are based on the market price per share at closing on May 16, 2016 of $36.93, $36.23, $39.50 and $41.98, respectively.

(b) Represents the Special Dividend of £0.03 ($0.04 at the transaction date) per CWC share paid pursuant to the scheme of arrangement based on 4,433,222,313 outstanding shares of CWC on May 16, 2016.

We have accounted for the CWC Acquisition using the acquisition method of accounting, whereby the total purchase price was allocated to the acquired identifiable net assets of CWC based on assessments of their respective fair values, and the excess of the purchase price over the fair values of these identifiable net assets was allocated to goodwill. The preliminary opening balance sheet is subject to adjustment based on our final assessment of the fair values of the acquired identifiable assets and liabilities. Most items in the valuation process remain open and are subject to change upon finalization of the valuation process. A summary of the purchase price and the preliminary opening balance sheet of CWC at the May 16, 2016 acquisition date is presented in the following table (in millions):

Cash and cash equivalents	$ 210.8
Other current assets	712.0
Property and equipment, net	2,895.7
Goodwill (a)	5,606.5
Intangible assets subject to amortization, net (b)	1,266.3
Other assets, net	428.0
Current portion of debt and capital lease obligations	(94.4)
Other accrued and current liabilities	(761.0)
Long-term debt and capital lease obligations	(3,280.8)
Other long-term liabilities	(847.4)
Noncontrolling interests (c)	(1,451.8)
Total purchase price (d)	$ 4,683.9

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(a) The goodwill recognized in connection with the CWC Acquisition is primarily attributable to (i) the ability to take advantage of CWC's existing advanced broadband communications and sub-sea and terrestrial networks to gain immediate access to potential customers and (ii) synergies that are expected to be achieved through the integration of CWC with other operations in the LiLAC Group.

(b) Amount primarily includes intangible assets related to customer relationships. At May 16, 2016, the preliminary assessment of the weighted average useful life of CWC's intangible assets was approximately eight years.

(c) Represents the aggregate fair value of the noncontrolling interests in CWC's subsidiaries as of May 16, 2016.

(d) Excludes direct acquisition costs of $116.5 million which are included in impairment, restructuring and other operating items, net, in our condensed consolidated statements of operations.

Following completion of the CWC Acquisition, we attributed CWC to the LiLAC Group, with the Liberty Global Group being granted an inter-group interest in the LiLAC Group representing the fair value (as determined by our board of directors) of the Liberty Global Shares issued as part of the purchase consideration. On July 1, 2016, we distributed (as a bonus issue) 117,425,359 LiLAC Shares to Liberty Global Group shareholders on a pro-rata basis (the **LiLAC Distribution**), thereby eliminating the Liberty Global Group's inter-group interest in the LiLAC Group. The LiLAC Distribution, which will be accounted for prospectively effective July 1, 2016, has not been reflected in our June 30, 2016 condensed consolidated financial statements.

BASE. On February 11, 2016, pursuant to a definitive agreement and following regulatory approval, Telenet acquired Telenet Group BVBA, formerly known as BASE Company NV (**BASE**), for a cash purchase price of €1,321.9 million ($1,497.7 million at the transaction date) (the **BASE Acquisition**). BASE is the third-largest mobile network operator in Belgium. We expect that the BASE Acquisition will provide Telenet with cost-effective long-term mobile access to effectively compete for future growth opportunities in the Belgium mobile market. The BASE Acquisition was funded through a combination of €1.0 billion ($1.1 billion at the transaction date) of new debt facilities and existing liquidity of Telenet. The acquisition was approved by the European Commission subject to Telenet's agreement to divest both the JIM Mobile prepaid customer base and BASE's 50% stake in Viking Co NV (**Viking**) to MEDIALAAN NV. In February 2016, Telenet completed the sale of its stake in Viking. The divestiture of the JIM Mobile prepaid customer base is expected to occur during the third quarter of 2017.

We have accounted for the BASE Acquisition using the acquisition method of accounting, whereby the total purchase price was allocated to the acquired identifiable net assets of BASE based on assessments of their respective fair values, and the excess of the purchase price over the fair values of these identifiable net assets was allocated to goodwill. The preliminary opening balance sheet is subject to adjustment based on our final assessment of the fair values of the acquired identifiable assets and liabilities. Although most items in the valuation process remain open, the items with the highest likelihood of changing upon finalization of the valuation process include property and equipment, goodwill, intangible assets associated with mobile spectrum, customer relationships and trademarks and income taxes. A summary of the purchase price and the preliminary opening balance sheet of BASE at the February 11, 2016 acquisition date is presented in the following table (in millions):

Cash and cash equivalents	$	160.1
Other current assets		176.2
Property and equipment, net		785.8
Goodwill (a)		345.9
Intangible assets subject to amortization, net:		
Mobile spectrum (b)		261.0
Customer relationships (c)		127.0
Trademarks (d)		40.7
Other assets, net		10.7
Other accrued and current liabilities		(311.8)
Other long-term liabilities		(97.9)
Total purchase price (e)	$	1,497.7

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(a) The goodwill recognized in connection with the BASE Acquisition is primarily attributable to (i) the ability to take advantage of BASE's existing mobile network to gain immediate access to potential customers and (ii) synergies that are expected to be achieved through the integration of BASE with Telenet.

(b) As of February 11, 2016, the weighted average useful life of BASE's mobile spectrum was approximately 11 years.

(c) As of February 11, 2016, the weighted average useful life of BASE's customer relationships was approximately six years.

(d) As of February 11, 2016, the weighted average useful life of BASE's trademarks was approximately 20 years.

(e) Excludes direct acquisition costs of $17.1 million, including $7.1 million incurred during 2016, which are included in impairment, restructuring and other operating items, net, in our consolidated statements of operations.

2015 Acquisition

On June 3, 2015, pursuant to a stock purchase agreement with the parent entity of Puerto Rico Cable Acquisition Company Inc., dba Choice Cable TV (**Choice**) and following regulatory approval, one of our subsidiaries, together with investment funds affiliated with Searchlight Capital Partners, L.P. (collectively, **Searchlight**), acquired 100% of Choice (the **Choice Acquisition**). Choice is a cable and broadband services provider in Puerto Rico. We acquired Choice in order to achieve certain financial, operational and strategic benefits through the integration of Choice with Liberty Puerto Rico. The combined business is 60.0%-owned by our company and 40.0%-owned by Searchlight.

The purchase price for Choice of $276.4 million was funded through (i) Liberty Puerto Rico's incremental debt borrowings, net of discount and fees, of $259.1 million, (ii) cash of $10.5 million and (iii) an equity contribution from Searchlight of $6.8 million.

We have accounted for the Choice Acquisition using the acquisition method of accounting, whereby the total purchase price was allocated to the acquired identifiable net assets of Choice based on assessments of their respective fair values, and the excess of the purchase price over the fair values of these identifiable net assets was allocated to goodwill. A summary of the purchase price and opening balance sheet of Choice at the June 3, 2015 acquisition date is presented in the following table. The opening balance sheet presented below reflects our final purchase price allocation (in millions):

Cash and cash equivalents	$	3.6
Other current assets		7.8
Property and equipment, net		79.8
Goodwill (a)		51.6
Intangible assets subject to amortization, net (b)		59.1
Franchise rights		147.8
Other assets, net		0.3
Other accrued and current liabilities		(13.2)
Non-current deferred tax liabilities		(60.4)
Total purchase price (c)	$	276.4

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(a) The goodwill recognized in connection with the Choice Acquisition is primarily attributable to (i) the ability to take advantage of Choice's existing advanced broadband communications network to gain immediate access to potential customers and (ii) synergies that are expected to be achieved through the integration of Choice with Liberty Puerto Rico.

(b) Amount primarily includes intangible assets related to customer relationships. As of June 3, 2015, the weighted average useful life of Choice's intangible assets was approximately ten years.

(c) Excludes direct acquisition costs of $8.5 million incurred through December 31, 2015, which were included in impairment, restructuring and other operating items, net, in our consolidated statement of operations for the year ended December 31, 2015.

Pro Forma Information

The following unaudited pro forma condensed consolidated operating results give effect to (i) the CWC Acquisition, (ii) the BASE Acquisition and (iii) the Choice Acquisition, as if they had been completed as of January 1, 2015. These pro forma amounts are not necessarily indicative of the operating results that would have occurred if these transactions had occurred on such date. The pro forma adjustments are based on certain assumptions that we believe are reasonable. In the following table, we present the revenue that is attributed to the Liberty Global Group and the LiLAC Group as if such revenue had been attributed to each group at the beginning of each period presented. However, our presentation of net loss and basic and diluted loss per share attributed to (a) Liberty Global Shares, (b) LiLAC Shares and (c) Old Liberty Global Shares only includes the results of operations for the periods during which these shares were outstanding. Accordingly, (1) our net loss attributed to Liberty Global Shares and LiLAC Shares relates to the period from January 1, 2016 through June 30, 2016 and (2) our net loss attributed to Old Liberty Global Shares relates to the period from January 1, 2015 through June 30, 2015.

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions, except per share amounts			
Revenue:				
Liberty Global Group	$ 4,471.2	$ 4,424.0	$ 8,829.7	$ 8,822.7
LiLAC Group	891.8	909.4	1,800.7	1,829.3
Total	$ 5,363.0	$ 5,333.4	$ 10,630.4	$ 10,652.0
Net earnings (loss) attributable to Liberty Global shareholders:				
Liberty Global Shares	$ 204.2	$ —	$ (129.8)	$ —
LiLAC Shares	21.4	—	131.1	—
Old Liberty Global Shares	—	(516.4)	—	(1,225.3)
Total	$ 225.6	$ (516.4)	$ 1.3	$ (1,225.3)
Basic and diluted earnings (loss) attributable to Liberty Global shareholders per share:				
Liberty Global Shares:				
Basic	$ 0.22		$ (0.14)	
Diluted	$ 0.21		$ (0.14)	
LiLAC Shares:				
Basic	$ 0.38		$ 2.32	
Diluted	$ 0.37		$ 2.30	
Old Liberty Global Shares:				
Basic		$ (0.52)		$ (1.24)
Diluted		$ (0.52)		$ (1.24)

Our condensed consolidated statements of operations for the three and six months ended June 30, 2016 include (i) revenue (after intercompany eliminations) of $285.4 million and net loss of $41.9 million attributable to CWC and (ii) revenue (after intercompany eliminations) of $166.9 million and $256.1 million, respectively, and net loss of $14.3 million and $18.8 million, respectively, attributable to BASE.

(4) Derivative Instruments

In general, we seek to enter into derivative instruments to protect against (i) increases in the interest rates on our variable-rate debt and (ii) foreign currency movements, particularly with respect to borrowings that are denominated in a currency other than the functional currency of the borrowing entity. In this regard, through our subsidiaries, we have entered into various derivative instruments to manage interest rate exposure and foreign currency exposure with respect to the U.S. dollar (**$**), the euro (**€**), the British pound sterling (**£**), the Swiss franc (**CHF**), the Chilean peso (**CLP**), the Czech koruna (**CZK**), the Hungarian forint (**HUF**), the Jamaican dollar (**JMD**), the Polish zloty (**PLN**) and the Romanian lei (**RON**). With the exception of a limited number of our foreign currency forward contracts, we do not apply hedge accounting to our derivative instruments. Accordingly, changes in the fair values of most of our derivative instruments are recorded in realized and unrealized gains or losses on derivative instruments, net, in our condensed consolidated statements of operations.

The following table provides details of the fair values of our derivative instrument assets and liabilities:

	June 30, 2016			December 31, 2015		
	Current	Long-term (a)	Total	Current	Long-term (a)	Total
			in millions			
Assets:						
Cross-currency and interest rate derivative contracts:						
Liberty Global Group	$ 324.0	$ 2,048.1	$ 2,372.1	$ 263.6	$ 1,518.5	$ 1,782.1
LiLAC Group	6.2	200.7	206.9	11.8	291.7	303.5
Total cross-currency and interest rate derivative contracts (b)	330.2	2,248.8	2,579.0	275.4	1,810.2	2,085.6
Equity-related derivative instruments – Liberty Global Group (c)	35.5	926.3	961.8	135.5	273.0	408.5
Foreign currency forward contracts:						
Liberty Global Group	15.2	13.7	28.9	6.2	—	6.2
LiLAC Group	—	—	—	4.2	—	4.2
Total foreign currency forward contracts	15.2	13.7	28.9	10.4	—	10.4
Other – Liberty Global Group	0.4	0.6	1.0	0.6	1.0	1.6
Total assets:						
Liberty Global Group	375.1	2,988.7	3,363.8	405.9	1,792.5	2,198.4
LiLAC Group	6.2	200.7	206.9	16.0	291.7	307.7
Total	$ 381.3	$ 3,189.4	$ 3,570.7	$ 421.9	$ 2,084.2	$ 2,506.1

	June 30, 2016			December 31, 2015		
	Current	Long-term (a)	Total	Current	Long-term (a)	Total
	in millions					
Liabilities:						
Cross-currency and interest rate derivative contracts:						
Liberty Global Group	$ 514.4	$ 1,559.5	$ 2,073.9	$ 304.9	$ 1,194.7	$ 1,499.6
LiLAC Group	21.1	61.2	82.3	—	13.8	13.8
Total cross-currency and interest rate derivative contracts (b)	535.5	1,620.7	2,156.2	304.9	1,208.5	1,513.4
Equity-related derivative instruments – Liberty Global Group (c)	41.7	—	41.7	34.7	39.7	74.4
Foreign currency forward contracts:						
Liberty Global Group	2.1	—	2.1	1.1	—	1.1
LiLAC Group	8.9	0.6	9.5	—	—	—
Total foreign currency forward contracts	11.0	0.6	11.6	1.1	—	1.1
Other – Liberty Global Group	—	0.1	0.1	5.6	0.1	5.7
Total liabilities:						
Liberty Global Group	558.2	1,559.6	2,117.8	346.3	1,234.5	1,580.8
LiLAC Group	30.0	61.8	91.8	—	13.8	13.8
Total	$ 588.2	$ 1,621.4	$ 2,209.6	$ 346.3	$ 1,248.3	$ 1,594.6

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(a) Our long-term derivative assets and liabilities are included in other assets, net, and other long-term liabilities, respectively, in our condensed consolidated balance sheets.

(b) We consider credit risk in our fair value assessments. As of June 30, 2016 and December 31, 2015, (i) the fair values of our cross-currency and interest rate derivative contracts that represented assets have been reduced by credit risk valuation adjustments aggregating $127.1 million and $64.0 million, respectively, and (ii) the fair values of our cross-currency and interest rate derivative contracts that represented liabilities have been reduced by credit risk valuation adjustments aggregating $160.4 million and $86.5 million, respectively. The adjustments to our derivative assets relate to the credit risk associated with counterparty nonperformance, and the adjustments to our derivative liabilities relate to credit risk associated with our own nonperformance. In all cases, the adjustments take into account offsetting liability or asset positions within a given contract. Our determination of credit risk valuation adjustments generally is based on our and our counterparties' credit risks, as observed in the credit default swap market and market quotations for certain of our subsidiaries' debt instruments, as applicable. The changes in the credit risk valuation adjustments associated with our cross-currency and interest rate derivative contracts resulted in a net gain (loss) of ($14.3 million) and $77.2 million during the three months ended June 30, 2016 and 2015, respectively, and net gains of $7.1 million and $60.3 million during the six months ended June 30, 2016 and 2015, respectively. These amounts are included in realized and unrealized gains (losses) on derivative instruments, net, in our condensed consolidated statements of operations. For further information regarding our fair value measurements, see note 5.

(c) Our equity-related derivative instruments primarily include the fair value of (i) the share collar (the **ITV Collar**) with respect to ITV plc (**ITV**) shares held by our company, (ii) the share collar (the **Sumitomo Collar**) with respect to the shares of Sumitomo Corporation (**Sumitomo**) held by our company, (iii) the prepaid forward transaction (the **Lionsgate Forward**) with respect to 2.5 million of the shares of Lions Gate Entertainment Corp (**Lionsgate**) held by our company and (iv) Virgin Media's conversion hedges (the **Virgin Media Capped Calls**) with respect to Virgin Media's 6.50% convertible senior notes. The fair values of the ITV Collar, the Sumitomo Collar and the Lionsgate Forward do not include credit risk valuation adjustments as we assume that any losses incurred by our company in the event of nonperformance by the respective counterparty would be, subject to relevant insolvency laws, fully offset against amounts we owe to such counterparty pursuant to the related secured borrowing arrangements.

The details of our realized and unrealized gains (losses) on derivative instruments, net, are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Cross-currency and interest rate derivative contracts:				
Liberty Global Group	$ 699.8	$ (547.7)	$ 64.4	$ 114.6
LiLAC Group	(43.6)	(0.6)	(181.2)	77.6
Total cross-currency and interest rate derivative contracts	656.2	(548.3)	(116.8)	192.2
Equity-related derivative instruments – Liberty Global Group:				
ITV Collar	308.3	(53.5)	513.7	(158.9)
Sumitomo Collar	66.3	(61.8)	135.0	(71.9)
Lionsgate Forward	3.3	—	22.0	—
Other	0.5	0.5	0.9	1.1
Total equity-related derivative instruments	378.4	(114.8)	671.6	(229.7)
Foreign currency forward contracts:				
Liberty Global Group	19.8	(18.1)	(1.9)	(27.4)
LiLAC Group	(1.8)	1.8	(8.9)	3.0
Total foreign currency forward contracts	18.0	(16.3)	(10.8)	(24.4)
Other – Liberty Global Group	(0.6)	(0.3)	(0.7)	0.7
Total Liberty Global Group	1,097.4	(680.9)	733.4	(141.8)
Total LiLAC Group	(45.4)	1.2	(190.1)	80.6
Total	$ 1,052.0	$ (679.7)	$ 543.3	$ (61.2)

The net cash received or paid related to our derivative instruments is classified as an operating, investing or financing activity in our condensed consolidated statements of cash flows based on the objective of the derivative instrument and the classification of the applicable underlying cash flows. For foreign currency forward contracts that are used to hedge capital expenditures, the net cash received or paid is classified as an adjustment to capital expenditures in our condensed consolidated statements of cash flows. For derivative contracts that are terminated prior to maturity, the cash paid or received upon termination that relates to future periods is classified as a financing activity. The classification of these net cash outflows is as follows:

	Six months ended June 30,	
	2016	2015
	in millions	
Operating activities:		
Liberty Global Group	$ (1.5)	$ (161.3)
LiLAC Group	2.8	(17.7)
Total operating activities	1.3	(179.0)
Investing activities – LiLAC Group	(0.4)	(0.4)
Financing activities – Liberty Global Group	(43.3)	(303.3)
Total cash outflows:		
Liberty Global Group	(44.8)	(464.6)
LiLAC Group	2.4	(18.1)
Total	$ (42.4)	$ (482.7)

Counterparty Credit Risk

We are exposed to the risk that the counterparties to the derivative instruments of our subsidiary borrowing groups will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of, and concentration of risk with, the respective counterparties. In this regard, credit risk associated with our derivative instruments is spread across a relatively broad counterparty base of banks and financial institutions. With the exception of a limited number of instances where we have required a counterparty to post collateral, collateral has not been posted by either party under the derivative instruments of our subsidiary borrowing groups. At June 30, 2016, our exposure to counterparty credit risk included derivative assets with an aggregate fair value of $2,441.3 million.

Details of our Derivative Instruments

In the following tables, we present the details of the various categories of our subsidiaries' derivative instruments. For each subsidiary with multiple derivative instruments that mature within the same calendar month, the notional amounts are shown in the aggregate, and interest rates are presented on a weighted average basis. In addition, for derivative instruments that were in effect as of June 30, 2016, we present a single date that represents the applicable final maturity date. For derivative instruments that become effective subsequent to June 30, 2016, we present a range of dates that represents the period covered by the applicable derivative instruments.

Cross-currency and Interest Rate Derivative Contracts

Cross-currency Swaps:

The terms of our outstanding cross-currency swap contracts at June 30, 2016 are as follows:

Subsidiary / Final maturity date		Notional amount due from counterparty		Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to (from) counterparty
		in millions				
Virgin Media Investment Holdings Limited (**VMIH**), a subsidiary of Virgin Media:						
January 2023	$	400.0	€	339.6	5.75%	4.33%
February 2022 (a)	$	2,208.5	£	1,378.7	3.29%	3.61%
June 2023	$	1,855.0	£	1,198.3	6 mo. LIBOR + 2.75%	6 mo. GBP LIBOR + 3.18%
January 2023	$	1,000.0	£	648.6	5.25%	5.32%
August 2024	$	750.0	£	527.0	5.50%	5.46%
April 2023 (a)	$	480.0	£	299.1	1.55%	1.78%
February 2022 - April 2023	$	475.0	£	295.6	4.88%	5.32%
October 2022	$	450.0	£	272.0	6.00%	6.43%
January 2021	$	447.9	£	276.7	5.25%	6 mo. GBP LIBOR + 2.06%
January 2022	$	425.0	£	255.8	5.50%	4.86%
January 2022 - January 2025	$	425.0	£	255.8	3 mo. LIBOR	4.86%
April 2019	$	191.5	£	122.3	5.38%	5.49%
April 2019 - February 2022	$	191.5	£	122.3	5.38%	5.54%
October 2019	$	100.0	£	65.4	7.19%	7.23%
November 2016 (a)	$	55.0	£	27.7	6.50%	7.03%
October 2019 - October 2022	$	50.0	£	30.7	6.00%	5.75%
October 2019 - April 2023	$	50.0	£	30.3	6.38%	6.84%
October 2019 (a)	£	30.3	$	50.0	2.14%	2.00%
UPC Broadband Holding B.V. (**UPC Broadband Holding**), a subsidiary of UPC Holding:						
January 2023	$	1,140.0	€	1,043.7	5.38%	3.71%
July 2021	$	440.0	€	337.2	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.87%
January 2017 - July 2021	$	262.1	€	194.1	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.51%
November 2019	$	250.0	€	181.5	7.25%	7.74%
November 2021	$	250.0	€	181.4	7.25%	7.50%
January 2022	$	171.6	€	127.7	6 mo. LIBOR + 3.85%	6 mo. EURIBOR + 4.06%
January 2020	$	163.8	€	124.9	6 mo. LIBOR + 4.88%	7.49%
January 2022	$	88.8	€	67.6	6 mo. LIBOR + 5.03%	7.16%

Subsidiary / Final maturity date	Notional amount due from counterparty		Notional amount due to counterparty		Interest rate due from counterparty	Interest rate due to (from) counterparty
	in millions					
January 2020	$	49.4	€	37.7	6 mo. LIBOR + 4.86%	6 mo. EURIBOR + 4.81%
June 2021	$	26.5	€	19.4	6 mo. LIBOR + 3.00%	6 mo. EURIBOR + 3.31%
December 2016	$	340.0	CHF	370.9	6 mo. LIBOR + 3.50%	6 mo. CHF LIBOR + 4.01%
July 2016 (a)	$	225.0	CHF	206.3	6 mo. LIBOR + 4.81%	1.00%
July 2016 - January 2020	$	225.0	CHF	206.3	6 mo. LIBOR + 4.81%	5.44%
July 2021	$	200.0	CHF	186.0	6 mo. LIBOR + 2.50%	6 mo. CHF LIBOR + 2.55%
January 2017 - July 2023	$	200.0	CHF	185.5	6 mo. LIBOR + 2.50%	6 mo. CHF LIBOR + 2.48%
November 2021	$	175.0	CHF	158.7	7.25%	6 mo. CHF LIBOR + 5.01%
January 2017 - July 2021	$	100.0	CHF	92.8	6 mo. LIBOR + 2.50%	6 mo. CHF LIBOR + 2.49%
July 2016 (a)	$	201.5	RON	489.3	6 mo. LIBOR + 3.50%	1.40%
July 2016 - July 2020	$	201.5	RON	489.3	6 mo. LIBOR + 3.50%	11.34%
September 2022	€	435.6	CHF	528.2	6 mo. EURIBOR + 2.62%	6 mo. CHF LIBOR + 2.72%
January 2021	€	398.6	CHF	485.0	6 mo. EURIBOR + 2.50%	6 mo. CHF LIBOR + 2.65%
January 2017 - September 2022	€	383.8	CHF	477.0	6 mo. EURIBOR + 2.00%	6 mo. CHF LIBOR + 2.22%
October 2016	€	285.1	CHF	346.7	10.51%	(0.73)%
October 2016 - January 2020	€	285.1	CHF	346.7	10.51%	9.42%
July 2023	€	200.0	CHF	216.9	—%	(0.51)%
January 2017	€	199.4	CHF	325.0	6 mo. EURIBOR + 3.75%	6 mo. CHF LIBOR + 3.95%
January 2020	€	175.0	CHF	258.6	7.63%	6.76%
January 2020	€	161.0	CHF	264.0	6 mo. EURIBOR + 3.75%	6 mo. CHF LIBOR + 2.88%
July 2023	€	85.3	CHF	95.0	6 mo. EURIBOR + 2.21%	6 mo. CHF LIBOR + 2.65%
January 2017	€	75.0	CHF	110.9	7.63%	6.98%
July 2021	€	70.1	CHF	84.8	6 mo. EURIBOR + 2.50%	6 mo. CHF LIBOR + 2.88%
January 2020	€	318.9	CZK	8,818.7	5.58%	5.44%
January 2022	€	60.0	CZK	1,703.1	5.50%	5.71%
July 2017	€	39.6	CZK	1,000.0	3.00%	3.75%
July 2016 (a)	€	260.0	HUF	75,570.0	5.50%	5.00%
July 2016 - December 2021	€	260.0	HUF	75,570.0	5.50%	8.97%
December 2021	€	150.0	HUF	43,367.5	5.50%	3.75%
July 2018	€	78.0	HUF	19,500.0	5.50%	9.15%
January 2022	€	245.0	PLN	1,000.6	5.50%	9.17%
September 2016	€	200.0	PLN	892.7	6.00%	3.91%
July 2016 - January 2022	€	180.0	PLN	788.2	4.50%	7.14%
January 2020	€	144.6	PLN	605.0	5.50%	7.98%
July 2017	€	82.0	PLN	318.0	3.00%	5.60%

Subsidiary / Final maturity date		Notional amount due from counterparty		Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to (from) counterparty
		in millions				
Amsterdamse Beheer-en Consultingmaatschappij B.V. (**ABC B.V.**), a subsidiary of Ziggo Group Holding:						
January 2022	$	2,350.0	€	1,819.0	6 mo. LIBOR + 2.75%	4.56%
January 2023	$	400.0	€	339.0	5.88%	4.58%
Unitymedia Hessen GmbH & Co. KG (**Unitymedia Hessen**), a subsidiary of Unitymedia:						
January 2023	$	2,450.0	€	1,799.0	5.62%	4.76%
Telenet International Finance S.a.r.l (**Telenet International**), a subsidiary of Telenet:						
June 2024	$	850.0	€	743.3	3 mo. LIBOR + 3.50%	3.47%
Sable International Finance Limited (**Sable**), a subsidiary of CWC:						
July 2016 - December 2022	$	78.3	JMD	10,000.0	—%	8.65%
VTR:						
January 2022	$	1,400.0	CLP	951,390.0	6.88%	6.36%

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(a) Unlike the other cross-currency swaps presented in this table, the identified cross-currency swaps do not involve the exchange of notional amounts at the inception and maturity of the instruments. Accordingly, the only cash flows associated with these derivative instruments are interest payments and receipts.

Interest Rate Swaps:

The terms of our outstanding interest rate swap contracts at June 30, 2016 are as follows:

Subsidiary / Final maturity date		Notional amount	Interest rate due from counterparty	Interest rate due to (from) counterparty
		in millions		
VMIH:				
June 2023	£	1,257.7	6 mo. GBP LIBOR + 0.93%	2.48%
October 2018	£	1,198.3	6 mo. GBP LIBOR	1.52%
October 2018 - June 2023	£	1,198.3	6 mo. GBP LIBOR	2.49%
January 2021	£	905.1	6 mo. GBP LIBOR + 0.71%	2.37%
January 2021	£	628.4	5.50%	6 mo. GBP LIBOR + 1.84%
February 2022	£	140.6	5.83%	6 mo. GBP LIBOR + 4.72%
April 2023	£	108.9	6.85%	6 mo. GBP LIBOR + 5.62%
June 2022	£	100.0	6 mo. GBP LIBOR	1.54%

Subsidiary / Final maturity date		Notional amount	Interest rate due from counterparty	Interest rate due to (from) counterparty
		in millions		
October 2022	£	51.5	6.42%	6 mo. GBP LIBOR + 5.23%
UPC Broadband Holding:				
January 2022	$	675.0	6.88%	6 mo. LIBOR + 4.90%
July 2016	€	503.4	6 mo. EURIBOR	0.20%
July 2020	€	500.0	6.38%	6 mo. EURIBOR + 3.17%
July 2016 - January 2021	€	250.0	6 mo. EURIBOR	2.52%
September 2022	€	250.0	6.38%	6 mo. EURIBOR + 4.05%
July 2016 - January 2023	€	210.0	6 mo. EURIBOR	2.88%
January 2022	€	150.4	6 mo. EURIBOR	2.92%
July 2016	CHF	1,629.8	6 mo. CHF LIBOR	(0.25)%
July 2016 - September 2022	CHF	729.8	6 mo. CHF LIBOR	1.75%
July 2016 - January 2021	CHF	500.0	6 mo. CHF LIBOR	1.65%
July 2016 - January 2018	CHF	400.0	6 mo. CHF LIBOR	2.51%
June 2021	CHF	370.9	6 mo. CHF LIBOR	(0.25)%
November 2016	CHF	226.8	6 mo. CHF LIBOR	(1.27)%
November 2016 - November 2021	CHF	158.7	6 mo. CHF LIBOR + 5.01%	6.34%
November 2016 - June 2021	CHF	68.0	6 mo. CHF LIBOR + 5.01%	6.34%
ABC B.V.:				
January 2022	€	1,566.0	6 mo. EURIBOR	1.66%
January 2017	€	689.0	1 mo. EURIBOR + 3.75%	6 mo. EURIBOR + 3.57%
January 2021	€	500.0	6 mo. EURIBOR	2.61%
July 2016	€	461.3	6 mo. EURIBOR	0.20%
July 2016 - January 2023	€	290.0	6 mo. EURIBOR	2.84%
March 2021	€	175.0	6 mo. EURIBOR	2.32%
July 2016 - January 2022	€	171.3	6 mo. EURIBOR	3.44%
Unitymedia Hessen:				
January 2023	€	268.2	5.01%	6 mo. EURIBOR + 4.82%
Telenet International:				
June 2023	€	1,300.0	3 mo. EURIBOR	0.33%
July 2017	€	800.0	3 mo. EURIBOR	(0.17)%
July 2017 - June 2022	€	420.0	3 mo. EURIBOR	2.08%
July 2017 - June 2023	€	382.0	3 mo. EURIBOR	1.89%
June 2022	€	55.0	3 mo. EURIBOR	1.81%
Sable:				
December 2022	$	800.0	3 mo. LIBOR	1.83%
Liberty Puerto Rico:				
October 2016 - January 2022	$	506.3	3 mo. LIBOR	2.49%
October 2016 - January 2019	$	168.8	3 mo. LIBOR	1.96%

Interest Rate Caps

Our purchased and sold interest rate cap contracts with respect to EURIBOR and LIBOR at June 30, 2016 are detailed below:

Subsidiary / Final maturity date		**Notional amount**	**Cap rate**
		in millions	
Interest rate caps purchased:			
Liberty Global Europe Financing B.V. (**LGE Financing**), the immediate parent of UPC Holding (a):			
January 2020	€	735.0	7.00%
Telenet International (a):			
June 2017	€	50.0	4.50%
Telenet N.V., a subsidiary of Telenet (a):			
December 2017	€	0.4	6.50%
December 2017	€	0.4	5.50%
Liberty Puerto Rico (b):			
October 2016 - January 2022	$	258.8	3.50%
January 2019 - July 2023	$	177.5	3.50%
Interest rate cap sold (c):			
UPC Broadband Holding:			
January 2020	€	735.0	7.00%

(a) These purchased interest rate caps entitle us to receive payments from the counterparty when the relevant EURIBOR exceeds the EURIBOR cap rate during the specified observation periods.

(b) These purchased interest rate caps entitle us to receive payments from the counterparty when the relevant LIBOR exceeds the LIBOR cap rate during the specified observation periods.

(c) Our sold interest rate cap requires that we make payments to the counterparty when the relevant EURIBOR exceeds the EURIBOR cap rate during the specified observation periods.

Interest Rate Collars

Our interest rate collar contracts establish floor and cap rates with respect to EURIBOR on the indicated notional amounts at June 30, 2016, as detailed below:

Subsidiary / Final maturity date		**Notional amount**	**EURIBOR floor rate (a)**	**EURIBOR cap rate (b)**
		in millions		
UPC Broadband Holding:				
July 2016 - January 2020	€	1,135.0	1.00%	3.54%

(a) We make payments to the counterparty when the relevant EURIBOR is less than the EURIBOR floor rate during the specified observation periods.

(b) We receive payments from the counterparty when the relevant EURIBOR is greater than the EURIBOR cap rate during the specified observation periods.

Foreign Currency Forwards

The following table summarizes our outstanding foreign currency forward contracts at June 30, 2016:

Subsidiary	Currency purchased forward		Currency sold forward		Maturity dates
	in millions				
LGE Financing	$	221.5	€	193.0	July 2016 - June 2018
LGE Financing	$	125.5	£	86.0	July 2016 - December 2018
LGE Financing	€	208.7	£	167.4	July 2016 - December 2018
LGE Financing	£	0.9	€	1.1	April 2017 - June 2017
UPC Broadband Holding	$	2.5	CZK	60.0	July 2016 - June 2017
UPC Broadband Holding	€	65.2	CHF	71.1	July 2016 - June 2017
UPC Broadband Holding	€	20.1	CZK	540.0	July 2016 - June 2017
UPC Broadband Holding	€	18.9	HUF	6,000.0	July 2016 - June 2017
UPC Broadband Holding	€	36.0	PLN	158.3	July 2016 - June 2017
UPC Broadband Holding	€	4.6	RON	21.0	July 2016
UPC Broadband Holding	£	2.7	€	3.6	July 2016 - March 2017
UPC Broadband Holding	CZK	320.0	€	11.8	July 2016
UPC Broadband Holding	HUF	3,500.0	€	11.1	July 2016
UPC Broadband Holding	PLN	153.0	€	34.4	July 2016
Telenet N.V.	$	43.6	€	38.9	July 2016 - April 2017
VTR	$	186.0	CLP	131,568.4	July 2016 - September 2017

Equity-related Derivatives

On May 22, 2016, the first tranches of the Sumitomo Collar and related borrowings (the **Sumitomo Collar Loan**) became due and were settled using shares of Sumitomo that were borrowed pursuant to a securities lending arrangement (the **Sumitomo Share Loan**). The aggregate market value of the borrowed Sumitomo shares on the transaction date was $91.4 million. For additional information, see note 7.

(5) Fair Value Measurements

We use the fair value method to account for (i) certain of our investments, (ii) our derivative instruments, (iii) certain instruments that we classify as debt and (iv) the Sumitomo Share Loan. The reported fair values of these investments and instruments as of June 30, 2016 likely will not represent the value that will be paid or received upon the ultimate settlement or disposition of these assets and liabilities. In the case of the investments that we account for using the fair value method, the values we realize upon disposition will be dependent upon, among other factors, market conditions and the forecasted financial performance of the investees at the time of any such disposition. With respect to our derivative and debt instruments, we expect that the values realized generally will be based on market conditions at the time of settlement, which may occur at the maturity of the derivative instrument or at the time of the repayment or refinancing of the underlying debt instrument.

GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. We record transfers of assets or liabilities into or out of Levels 1, 2 or 3 at the beginning of the quarter during which the transfer occurred. During the six months ended June 30, 2016, no such transfers were made.

All of our Level 2 inputs (interest rate futures, swap rates and certain of the inputs for our weighted average cost of capital calculations) and certain of our Level 3 inputs (forecasted volatilities and credit spreads) are obtained from pricing services. These inputs, or interpolations or extrapolations thereof, are used in our internal models to calculate, among other items, yield curves, forward interest and currency rates and weighted average cost of capital rates. In the normal course of business, we receive market value assessments from the counterparties to our derivative contracts. Although we compare these assessments to our internal valuations and investigate unexpected differences, we do not otherwise rely on counterparty quotes to determine the fair values of our derivative instruments. The midpoints of applicable bid and ask ranges generally are used as inputs for our internal valuations.

For our investments in ITV, Sumitomo and Lionsgate, the recurring fair value measurements are based on the quoted closing price of the respective shares at each reporting date. Accordingly, the valuations of these investments fall under Level 1 of the fair value hierarchy. Our other investments that we account for at fair value are privately-held companies, and therefore, quoted market prices are unavailable. The valuation technique we use for such investments is a combination of an income approach (discounted cash flow model based on forecasts) and a market approach (market multiples of similar businesses). With the exception of certain inputs for our weighted average cost of capital calculations that are derived from pricing services, the inputs used to value these investments are based on unobservable inputs derived from our assumptions. Therefore, the valuation of our privately-held investments falls under Level 3 of the fair value hierarchy. Any reasonably foreseeable changes in assumed levels of unobservable inputs for the valuations of our Level 3 investments would not be expected to have a material impact on our financial position or results of operations.

During the second quarter of 2016, we entered into the Sumitomo Share Loan. As the primary input for this recurring fair value measurement is the quoted market price of the borrowed shares of Sumitomo, we believe this valuation falls under Level 1 of the fair value hierarchy.

The recurring fair value measurement of our equity-related derivative instruments are based on binomial option pricing models, which require the input of observable and unobservable variables such as exchange-traded equity prices, risk-free interest rates, dividend yields and forecasted volatilities of the underlying equity securities. The valuations of our equity-related derivative instruments are based on a combination of Level 1 inputs (exchange-traded equity prices), Level 2 inputs (interest rate futures and swap rates) and Level 3 inputs (forecasted volatilities). As changes in volatilities could have a significant impact on the overall valuations, we have determined that these valuations fall under Level 3 of the fair value hierarchy. At June 30, 2016, the valuations of the ITV Collar, the Sumitomo Collar, the Virgin Media Capped Calls and the Lionsgate Forward were not significantly impacted by forecasted volatilities.

In order to manage our interest rate and foreign currency exchange risk, we have entered into (i) various derivative instruments and (ii) certain instruments that we classify as debt, as further described in note 4. The recurring fair value measurements of these instruments are determined using discounted cash flow models. With the exception of the inputs for the cross-currency swap held by Sable (the **Sable Currency Swap**), most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these instruments. This observable data includes most interest rate futures and swap rates, which are retrieved or derived from available market data. Although we may extrapolate or interpolate this data, we do not otherwise alter this data in performing our valuations. We incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own nonperformance risk and the nonperformance risk of our counterparties. Our and our counterparties' credit spreads represent our most significant Level 3 inputs, and these inputs are used to derive the credit risk valuation adjustments with respect to these instruments. As we would not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these instruments, we have determined that these valuations (other than the Sable Currency Swap valuation) fall under Level 2 of the fair value hierarchy. Due to the lack of Level 2 inputs for the Sable Currency Swap valuation, we believe this valuation falls under Level 3 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our cross-currency and interest rate swaps are quantified and further explained in note 4.

Fair value measurements are also used in connection with nonrecurring valuations performed in connection with impairment assessments and acquisition accounting. These nonrecurring valuations include the valuation of reporting units, customer relationship intangible assets, property and equipment and the implied value of goodwill. The valuation of private reporting units is based at least in part on discounted cash flow analyses. With the exception of certain inputs for our weighted average cost of capital and discount rate calculations that are derived from pricing services, the inputs used in our discounted cash flow analyses, such as forecasts of future cash flows, are based on our assumptions. The valuation of customer relationships is primarily based on an excess earnings methodology, which is a form of a discounted cash flow analysis. The excess earnings methodology requires us to estimate the specific cash flows expected from the customer relationship, considering such factors as estimated customer life, the revenue expected to be generated over the life of the customer, contributory asset charges, and other factors. Tangible assets are typically valued using a replacement or reproduction cost approach, considering factors such as current prices of the same or similar equipment, the age of the equipment and economic obsolescence. The implied value of goodwill is determined by allocating the fair value of a reporting unit to all of the assets and liabilities of that unit as if the reporting unit had been acquired in a business combination, with the residual amount allocated to goodwill. All of our nonrecurring valuations use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy. During the six months ended June 30, 2016, we performed nonrecurring valuations for the purpose of determining the acquisition accounting for the CWC Acquisition and BASE Acquisition. The weighted average discount rates used to value the customer relationships acquired as a result of the CWC Acquisition ranged from 8.8% to 12.8%. None of the valuations for the BASE Acquisition had a significant impact on our consolidated balance sheet. For additional information, see note 3.

A summary of our assets and liabilities that are measured at fair value on a recurring basis is as follows:

		Fair value measurements at June 30, 2016 using:		
Description	**June 30, 2016**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
	in millions			
Assets:				
Derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 2,579.0	$ —	$ 2,578.8	$ 0.2
Equity-related derivative instruments	961.8	—	—	961.8
Foreign currency forward contracts	28.9	—	28.9	—
Other	1.0	—	1.0	—
Total derivative instruments	3,570.7	—	2,608.7	962.0
Investments	1,961.7	1,504.6	—	457.1
Total assets	$ 5,532.4	$ 1,504.6	$ 2,608.7	$ 1,419.1
Liabilities:				
Derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 2,156.2	$ —	$ 2,150.7	$ 5.5
Equity-related derivative instruments	41.7	—	—	41.7
Foreign currency forward contracts	11.6	—	11.6	—
Other	0.1	—	0.1	—
Total derivative liabilities	2,209.6	—	2,162.4	47.2
Debt	275.8	90.8	185.0	—
Total liabilities	$ 2,485.4	$ 90.8	$ 2,347.4	$ 47.2

Description	December 31, 2015	Fair value measurements at December 31, 2015 using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	in millions			
Assets:				
Derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 2,085.6	$ —	$ 2,085.6	$ —
Equity-related derivative instruments	408.5	—	—	408.5
Foreign currency forward contracts	10.4	—	10.4	—
Other	1.6	—	1.6	—
Total derivative instruments	2,506.1	—	2,097.6	408.5
Investments	2,591.8	2,257.2	—	334.6
Total assets	$ 5,097.9	$ 2,257.2	$ 2,097.6	$ 743.1
Liabilities - derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 1,513.4	$ —	$ 1,513.4	$ —
Equity-related derivative instruments	74.4	—	—	74.4
Foreign currency forward contracts	1.1	—	1.1	—
Other	5.7	—	5.7	—
Total liabilities	$ 1,594.6	$ —	$ 1,520.2	$ 74.4

A reconciliation of the beginning and ending balances of our assets and liabilities measured at fair value on a recurring basis using significant unobservable, or Level 3, inputs is as follows:

	Investments	Cross-currency and interest rate derivative contracts	Equity-related derivative instruments	Total
	in millions			
Balance of net assets at January 1, 2016	$ 334.6	$ —	$ 334.1	$ 668.7
Gains included in net earnings (loss) (a):				
Realized and unrealized gains on derivative instruments, net	—	(5.3)	671.6	666.3
Realized and unrealized gains due to changes in fair values of certain investments and debt, net	95.0	—	—	95.0
Partial settlement of Sumitomo Collar (b)	—	—	(83.2)	(83.2)
Additions	25.2	—	—	25.2
Foreign currency translation adjustments and other, net	2.3	—	(2.4)	(0.1)
Balance of net assets at June 30, 2016	$ 457.1	$ (5.3)	$ 920.1	$ 1,371.9

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(a) Most of these net gains relate to assets and liabilities that we continue to carry on our condensed consolidated balance sheet as of June 30, 2016.

(b) For additional information regarding the partial settlement of the Sumitomo Collar, see note 4.

(6) Long-lived Assets

Property and Equipment, Net

The details of our property and equipment and the related accumulated depreciation are set forth below:

	June 30, 2016	December 31, 2015
	in millions	
Distribution systems:		
Liberty Global Group	$ 25,062.1	$ 24,447.2
LiLAC Group	3,507.5	1,037.8
Total	28,569.6	25,485.0
Customer premises equipment:		
Liberty Global Group	5,816.6	5,651.1
LiLAC Group	971.8	801.4
Total	6,788.4	6,452.5
Support equipment, buildings and land:		
Liberty Global Group	4,808.3	4,461.4
LiLAC Group	896.1	341.0
Total	5,704.4	4,802.4
Total property and equipment, gross:		
Liberty Global Group	35,687.0	34,559.7
LiLAC Group	5,375.4	2,180.2
Total	41,062.4	36,739.9
Accumulated depreciation:		
Liberty Global Group	(14,804.1)	(13,719.2)
LiLAC Group	(1,553.3)	(1,336.7)
Total	(16,357.4)	(15,055.9)
Total property and equipment, net:		
Liberty Global Group	20,882.9	20,840.5
LiLAC Group	3,822.1	843.5
Total	$ 24,705.0	$ 21,684.0

During the six months ended June 30, 2016 and 2015, we recorded non-cash increases to our property and equipment related to vendor financing arrangements of $946.4 million and $675.9 million, respectively, which exclude related value-added taxes (**VAT**) of $128.5 million and $89.2 million, respectively, that were also financed by our vendors under these arrangements. In addition, during the six months ended June 30, 2016 and 2015, we recorded non-cash increases to our property and equipment related to assets acquired under capital leases of $41.8 million and $74.5 million, respectively.

Goodwill

Changes in the carrying amount of our goodwill during the six months ended June 30, 2016 are set forth below:

	January 1, 2016	Acquisitions and related adjustments	Foreign currency translation adjustments and other	June 30, 2016
		in millions		
Liberty Global Group:				
European Operations Division:				
U.K./Ireland	$ 8,790.7	$ 0.2	$ (844.1)	$ 7,946.8
The Netherlands	7,851.3	—	149.6	8,000.9
Germany	3,104.4	—	59.1	3,163.5
Belgium	1,777.1	345.9	26.0	2,149.0
Switzerland/Austria	3,500.4	—	77.7	3,578.1
Total Western Europe	25,023.9	346.1	(531.7)	24,838.3
Central and Eastern Europe	1,186.9	0.1	11.6	1,198.6
Total European Operations Division	26,210.8	346.2	(520.1)	26,036.9
Corporate and other	34.0	—	—	34.0
Total Liberty Global Group	26,244.8	346.2	(520.1)	26,070.9
LiLAC Group:				
LiLAC Division:				
CWC	—	5,606.5	(18.2)	5,588.3
Chile	377.0	—	27.2	404.2
Puerto Rico	277.7	—	—	277.7
Total LiLAC Division	654.7	5,606.5	9.0	6,270.2
Corporate and other (a)	120.9	—	—	120.9
Total LiLAC Group	775.6	5,606.5	9.0	6,391.1
Total	$ 27,020.4	$ 5,952.7	$ (511.1)	$ 32,462.0

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(a) Represents enterprise-level goodwill that is allocated to our Puerto Rico segment for purposes of our impairment tests.

The market values of our Liberty Global Group publicly-traded equity securities declined significantly immediately following the results of the U.K. referendum in which voters approved, on an advisory basis, an exit from the European Union (**E.U.**), commonly referred to as "**Brexit**." In addition, we continue to experience significant competition in substantially all of our markets. If, among other factors, (i) the equity values of Liberty Global Group declined further or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill and, to a lesser extent, other long-lived assets. In particular, a decline in the fair value of our reporting unit in the Netherlands could result in the need to record a goodwill impairment charge based on the relatively high carrying value of this reporting unit.

Intangible Assets Subject to Amortization, Net

The details of our intangible assets subject to amortization are set forth below:

	June 30, 2016			December 31, 2015		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	in millions					
Customer relationships:						
Liberty Global Group	$ 10,163.3	$ (3,908.9)	$ 6,254.4	$ 10,285.3	$ (3,410.7)	$ 6,874.6
LiLAC Group	1,303.0	(61.0)	1,242.0	149.0	(31.7)	117.3
Total	11,466.3	(3,969.9)	7,496.4	10,434.3	(3,442.4)	6,991.9
Other:						
Liberty Global Group	503.5	(130.4)	373.1	205.3	(104.8)	100.5
LiLAC Group	105.7	(0.2)	105.5	0.2	(0.1)	0.1
Total	609.2	(130.6)	478.6	205.5	(104.9)	100.6
Total intangible assets subject to amortization, net:						
Liberty Global Group	10,666.8	(4,039.3)	6,627.5	10,490.6	(3,515.5)	6,975.1
LiLAC Group	1,408.7	(61.2)	1,347.5	149.2	(31.8)	117.4
Total	$ 12,075.5	$ (4,100.5)	$ 7,975.0	$ 10,639.8	$ (3,547.3)	$ 7,092.5

(7) Debt and Capital Lease Obligations

The U.S. dollar equivalents of the components of our consolidated third-party debt and capital lease obligations are as follows:

	June 30, 2016						
	Weighted average interest rate (a)	Unused borrowing capacity (b)		Estimated fair value (c)		Principal amount	
		Borrowing currency	U.S. $ equivalent	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
				in millions			
Liberty Global Group:							
VM Notes	5.60%	—	$ —	$ 10,711.0	$ 10,594.1	$ 10,750.2	$ 10,551.5
VM Credit Facility (d)	3.79%	(e)	895.6	3,159.2	3,413.7	3,225.4	3,471.1
Ziggo Credit Facilities (f)	3.68%	€ 800.0	885.8	5,140.2	5,161.0	5,217.0	5,272.0
Ziggo SPE Notes	4.47%	—	—	1,680.8	1,582.7	1,728.8	1,703.9
Ziggo Notes	6.82%	—	—	992.4	955.1	902.3	885.4
Unitymedia Notes	5.00%	—	—	7,809.1	7,631.6	7,667.0	7,682.0
Unitymedia Revolving Credit Facilities	—%	€ 500.0	553.6	—	—	—	—
UPCB SPE Notes (g)	5.81%	—	—	3,185.9	3,131.7	3,154.4	3,142.0
UPC Holding Senior Notes	6.59%	—	—	1,627.6	1,601.4	1,520.8	1,491.1
UPC Broadband Holding Bank Facility (g)	3.34%	€ 990.1	1,096.3	1,278.6	1,284.3	1,305.0	1,305.0
Telenet Credit Facility (h)	3.41%	€ 381.0	421.9	3,327.4	1,443.0	3,371.4	1,474.5
Telenet SPE Notes	5.76%	—	—	1,439.3	2,155.8	1,362.0	2,097.2
Vendor financing (i)	3.33%	—	—	1,671.8	1,688.9	1,671.8	1,688.9
ITV Collar Loan	1.35%	—	—	1,421.0	1,547.9	1,436.1	1,594.7
Sumitomo Collar Loan (j)	1.88%	—	—	750.2	805.6	734.8	787.6
Other (k)	5.51%	—	—	716.7	395.0	633.8	291.8
Total Liberty Global Group	4.66%		3,853.2	44,911.2	43,391.8	44,680.8	43,438.7
LiLAC Group:							
CWC Notes	7.31%	—	—	2,275.4	—	2,194.6	—
CWC Credit Facilities	4.71%	$ 310.0	310.0	1,356.9	—	1,364.5	—
VTR Finance Senior Secured Notes	6.88%	—	—	1,403.5	1,301.1	1,400.0	1,400.0
VTR Credit Facility	—	(l)	193.3	—	—	—	—
Liberty Puerto Rico Bank Facility	5.11%	$ 40.0	40.0	899.2	913.0	942.5	942.5
Vendor financing (i)	6.00%	—	—	17.5	—	17.5	—
Total LiLAC Group	6.25%		543.3	5,952.5	2,214.1	5,919.1	2,342.5
Total debt before unamortized premiums, discounts and deferred financing costs	4.85%		$ 4,396.5	$ 50,863.7	$ 45,605.9	$ 50,599.9	$ 45,781.2

The following table provides a reconciliation of total debt before unamortized premiums, discounts and deferred financing costs to total debt and capital lease obligations:

	June 30, 2016	December 31, 2015
	in millions	
Total debt before unamortized premiums, discounts and deferred financing costs	$ 50,599.9	$ 45,781.2
Unamortized premiums (discounts), net	70.2	(46.7)
Unamortized deferred financing costs	(337.6)	(308.2)
Total carrying amount of debt	50,332.5	45,426.3
Capital lease obligations (m)	1,311.5	1,322.8
Total debt and capital lease obligations	51,644.0	46,749.1
Current maturities of debt and capital lease obligations	(2,143.3)	(2,537.9)
Long-term debt and capital lease obligations	$ 49,500.7	$ 44,211.2

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(a) Represents the weighted average interest rate in effect at June 30, 2016 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin. The interest rates presented represent stated rates and do not include the impact of derivative instruments, deferred financing costs, original issue premiums or discounts and commitment fees, all of which affect our overall cost of borrowing. Including the effects of derivative instruments, original issue premiums or discounts and commitment fees, but excluding the impact of financing costs, our weighted average interest rate on our aggregate variable- and fixed-rate indebtedness was 4.9% (including 4.7% for the Liberty Global Group and 6.5% for the LiLAC Group) at June 30, 2016. For information regarding our derivative instruments, see note 4.

(b) Unused borrowing capacity represents the maximum availability under the applicable facility at June 30, 2016 without regard to covenant compliance calculations or other conditions precedent to borrowing. At June 30, 2016, based on the applicable leverage covenants, the full amount of unused borrowing capacity was available to be borrowed under each of the respective subsidiary facilities, and there were no restrictions on the respective subsidiary's ability to make loans or distributions from this availability to other Liberty Global subsidiaries or Liberty Global, except as shown in the table below. In the following table, for each facility that is subject to limitations on borrowing availability, we present (i) the actual borrowing availability under the respective facility and (ii) for each subsidiary where the ability to make loans or distributions from this availability is limited, the amount that can be loaned or distributed to other Liberty Global subsidiaries or to Liberty Global. The amounts presented below assume no changes from June 30, 2016 borrowing levels and are based on the applicable covenant and other limitations in effect within each borrowing group at June 30, 2016, both before and after considering the impact of the completion of the June 30, 2016 compliance requirements.

	Limitation on availability			
	June 30, 2016		Upon completion of relevant June 30, 2016 compliance reporting requirements	
	Borrowing currency	U.S. $ equivalent	Borrowing currency	U.S. $ equivalent
	in millions			
Limitation on availability to be borrowed under:				
Ziggo Credit Facilities	€ 438.1	$ 485.1	€ —	$ —
Unitymedia Revolving Credit Facilities	€ 500.0	$ 553.6	€ 470.1	$ 520.5
UPC Broadband Holding Bank Facility	€ 685.3	$ 758.8	€ 624.0	$ 691.0
CWC Credit Facilities	$ 177.3	$ 177.3	$ 177.3	$ 177.3
Limitation on availability to be loaned or distributed by:				
Virgin Media	£ 549.0	$ 728.4	£ 457.5	$ 607.0
Ziggo Group Holding	€ 95.2	$ 105.4	€ —	$ —
Unitymedia	€ 99.7	$ 110.4	€ 52.6	$ 58.2

(c) The estimated fair values of our debt instruments are determined using the average of applicable bid and ask prices (mostly Level 1 of the fair value hierarchy) or, when quoted market prices are unavailable or not considered indicative of fair value, discounted cash flow models (mostly Level 2 of the fair value hierarchy). The discount rates used in the cash flow models are based on the market interest rates and estimated credit spreads of the applicable entity, to the extent available, and other relevant factors. For additional information regarding fair value hierarchies, see note 5.

(d) On March 31, 2016, VMIH entered into (i) a €75.0 million ($83.0 million) term loan facility, which matures on January 15, 2022, bears interest at a rate of EURIBOR plus 3.0% and has a EURIBOR floor of 0.75% and (ii) a €25.0 million ($27.7 million) term loan facility, which matures on March 31, 2021, bears interest at a rate of EURIBOR plus 3.75% and has a EURIBOR floor of 0.0%.

(e) Unused borrowing capacity under the VM Credit Facility relates to a multi-currency revolving facility (the **VM Revolving Facility**) with maximum borrowing capacity equivalent to £675.0 million ($895.6 million).

(f) On March 31, 2016, certain subsidiaries of Ziggo Group Holding purchased from a third-party lender certain loans receivable aggregating €100.0 million ($110.7 million) that were owed by (i) another subsidiary of Ziggo Group Holding and (ii) Ziggo Secured Finance B.V. (**Ziggo Secured Finance**). Ziggo Secured Finance, which is 100% owned by a third-party, is a special purpose financing entity that was created for the primary purpose of offering certain senior secured debt. Ziggo Secured Finance is consolidated by Ziggo Group Holding and Liberty Global.

(g) For information regarding a transaction completed subsequent to June 30, 2016 impacting the UPCB SPE Notes and the UPC Broadband Holding Bank Facility, see note 15.

(h) In connection with the closing of the BASE Acquisition, Telenet borrowed (i) the full €200.0 million ($221.5 million) amount under Telenet Facility Z, a revolving credit facility that bears interest at EURIBOR plus a margin of 2.25%, (ii) the full €800.0 million ($885.8 million) amount under Telenet Facility AA, a term loan facility that bears interest at EURIBOR plus a margin of 3.5% and (iii) €217.0 million ($240.3 million) under Telenet Facility X, a revolving credit facility that bears interest at EURIBOR plus a margin of 2.75%. For information concerning the BASE Acquisition, see note 3.

(i) Represents amounts owed pursuant to interest-bearing vendor financing arrangements that are used to finance certain of our property and equipment additions and, to a lesser extent, certain of our operating expenses. These obligations are generally due within one year and include VAT that was paid on our behalf by the vendor. Repayments of vendor financing obligations are included in repayments and repurchases of debt and capital lease obligations in our condensed consolidated statements of cash flows.

(j) For information regarding the partial settlement of the Sumitomo Collar Loan, see note 4.

(k) The June 30, 2016 balance includes $185.0 million associated with certain derivative-related borrowing instruments and $90.8 million associated with the Sumitomo Share Loan. All of these instruments are carried at fair value. For additional information, see note 5.

(l) The VTR Credit Facility is the senior secured credit facility of VTR and certain of its subsidiaries and comprises a $160.0 million U.S. dollar facility and a CLP 22.0 billion ($33.3 million) Chilean peso facility, each of which were undrawn at June 30, 2016.

(m) The U.S. dollar equivalents of our consolidated capital lease obligations are as follows:

	June 30, 2016	December 31, 2015
	in millions	
Liberty Global Group:		
Unitymedia	$ 703.3	$ 703.1
Telenet	388.9	371.1
Virgin Media	116.7	159.5
Other subsidiaries	88.8	88.2
Total Liberty Global Group	1,297.7	1,321.9
LiLAC Group:		
CWC	13.1	—
Liberty Puerto Rico	0.3	0.6
VTR	0.4	0.3
Total LiLAC Group	13.8	0.9
Total capital lease obligations	$ 1,311.5	$ 1,322.8

Refinancing Transactions - General Information

We have completed various refinancing transactions during the first six months of 2016, as further described below. Unless otherwise noted, the terms and conditions of the notes and credit facilities entered into are largely consistent with those of our existing notes and credit facilities with regard to covenants, events of default and change of control provisions, among other items. For information concerning the general terms and conditions of our debt, see note 10 to the consolidated financial statements included in our 2015 Annual Report on Form 10-K.

Virgin Media Refinancing Transaction

In April 2016, Virgin Media Secured Finance PLC (**Virgin Media Secured Finance**), a wholly-owned subsidiary of Virgin Media, issued $750.0 million principal amount of 5.5% senior secured notes due August 15, 2026 (the **August 2026 VM Senior Secured Notes**). The net proceeds from the August 2026 VM Senior Secured Notes were used to repay in full the outstanding amount under the VM Revolving Facility and for general corporate purposes.

Subject to the circumstances described below, the August 2026 VM Senior Secured Notes are non-callable until August 15, 2021. At any time prior to August 15, 2021, Virgin Media Secured Finance may redeem some or all of the August 2026 VM Senior Secured Notes by paying a “make-whole” premium, which is the present value of all remaining scheduled interest payments to August 15, 2021 using the discount rate (as specified in the indenture) as of the redemption date plus 50 basis points.

Virgin Media Secured Finance may redeem some or all of the August 2026 VM Senior Secured Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the indenture), if any, to the applicable redemption date, as set forth below:

	Redemption price
12-month period commencing August 15:	
2021	102.750%
2022	101.375%
2023	100.688%
2024 and thereafter	100.000%

Unitymedia Refinancing Transaction

In December 2015, Unitymedia Hessen and Unitymedia NRW GmbH, each a wholly-owned subsidiary of Unitymedia, issued €420.0 million ($465.1 million) of 4.625% senior secured notes due February 15, 2026 (the **2026 UM Senior Secured Notes**). A portion of the net proceeds from the 2026 UM Senior Secured Notes, which were held in escrow at December 31, 2015 as cash collateral, were used in January 2016 to redeem 10% of the principal amount of each of the following series of notes: (i) the €585.0 million ($647.8 million) outstanding principal amount of 5.5% senior secured notes due September 15, 2022 and (ii) the €450.0 million ($498.3 million) outstanding principal amount of 5.125% senior secured notes due January 21, 2023, each at a redemption price equal to 103% of the applicable redeemed principal amount in accordance with the indentures governing each of the notes. In connection with these transactions, we recognized a loss on debt modification and extinguishment, net, of $4.3 million. This loss includes (a) the payment of $3.4 million of redemption premium and (b) the write-off of $0.9 million of deferred financing costs.

Telenet Refinancing Transaction

In May 2016, Telenet Financing USD LLC, a wholly-owned subsidiary of Telenet, entered into a new $850.0 million term loan facility (**Telenet Facility AD**). Telenet Facility AD was issued at 99.5% of par, matures on June 30, 2024, bears interest at a rate of LIBOR plus 3.50% and has a LIBOR floor of 0.75%. The net proceeds from Telenet Facility AD were used to repay in full (i) the €400.0 million ($442.9 million) principal amount of Telenet Facility P, together with accrued and unpaid interest and the related prepayment premium, to Telenet Finance IV Luxembourg S.C.A. (**Telenet Finance IV**) and, in turn, Telenet Finance IV used such proceeds to fully redeem the €400.0 million ($442.9 million) principal amount of its senior secured floating rate notes and (ii) the €300.0 million ($332.2 million) principal amount of Telenet Facility O, together with accrued and unpaid interest and the related prepayment premium, to Telenet Finance III Luxembourg S.C.A. (**Telenet Finance III**) and, in turn, Telenet Finance III used such proceeds to fully redeem the €300.0 million ($332.2 million) principal amount of its 6.625% senior secured notes. In connection with these transactions, we recognized a loss on debt modification and extinguishment, net, of $18.9 million. This loss includes (a) the payment of $11.1 million of redemption premium and (b) the write-off of $7.8 million of deferred financing costs.

CWC Notes

The details of the outstanding notes of CWC as of June 30, 2016 are summarized in the following table:

CWC Notes	Maturity	Interest rate	Outstanding principal amount: Borrowing currency	Outstanding principal amount: U.S. $ equivalent	Estimated fair value	Carrying value (a)
				in millions		
Columbus Senior Notes (b)	March 30, 2021	7.375%	$ 1,250.0	$ 1,250.0	$ 1,319.6	$ 1,330.8
Sable Senior Notes (c)	August 1, 2022	6.875%	$ 750.0	750.0	752.3	771.6
CWC Senior Notes (d)	March 25, 2019	8.625%	£ 146.7	194.6	203.5	213.3
Total				$ 2,194.6	$ 2,275.4	$ 2,315.7

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(a) Amounts include the impact of premiums recorded in connection with the acquisition accounting for the CWC Acquisition.

(b) The Columbus Senior Notes were issued by Columbus Cable (Barbados) Limited (**Columbus**), formerly known as Columbus International Inc., a wholly-owned subsidiary of CWC.

(c) The Sable Senior Notes were issued by Sable.

(d) The CWC Senior Notes, which are non-callable, were issued by Cable & Wireless International Finance B.V., a wholly-owned subsidiary of CWC.

The CWC Notes contain certain covenants, events of default and change of control provisions, in addition to other terms and conditions, that are broadly consistent with the general terms and conditions of other Liberty Global notes. For information concerning the general terms and conditions of our notes, see note 10 to the consolidated financial statements included in our 2015 Annual Report on Form 10-K.

Subject to the circumstances described below, the Columbus Senior Notes are non-callable until March 30, 2018 and the Sable Senior Notes are non-callable until August 1, 2018. At any time prior to March 30, 2018, in the case of the Columbus Senior Notes and August 1, 2018, in the case of the Sable Senior Notes, Columbus and Sable may redeem some or all of the applicable notes by paying a "make-whole" premium, which is generally based on the present value of all scheduled interest payments until March 30, 2018 or August 1, 2018 (as applicable) using the discount rate (as specified in the applicable indenture) as of the redemption date, plus 50 basis points, and in the case of the Sable Senior Notes is subject to a minimum 1% of the principal amount outstanding at any redemption date prior to August 1, 2018.

Columbus and Sable (as applicable) may redeem some or all of the Columbus Senior Notes and Sable Senior Notes, respectively, at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the redemption date, as set forth below:

	Redemption price	
	Columbus Senior Notes	**Sable Senior Notes**
12-month period commencing	March 30	August 1
2018	103.688%	105.156%
2019	101.844%	103.438%
2020	100.000%	101.719%
2021 and thereafter	N.A.	100.000%

CWC Credit Facilities

The CWC Credit Facilities are the senior secured credit facilities of certain subsidiaries of CWC. The details of our borrowings under the CWC Credit Facilities as of June 30, 2016 are summarized in the following table:

CWC Credit Facility	**Maturity**	**Interest rate**	**Facility amount (in borrowing currency)**	**Unused borrowing capacity**	**Carrying value (a)**
				in millions	
CWC Term Loans	December 31, 2022	LIBOR + 4.75% (b)	$ 800.0	$ —	$ 776.9
CWC Revolving Credit Facility	July 31, 2021	LIBOR + 3.50% (c)	$ 570.0	310.0	260.0
CWC Regional Facilities (d)	various dates ranging from 2016 to 2038	3.33% (e)	$ 304.5	—	304.5
Total				$ 310.0	$ 1,341.4

(a) Amounts include the impact of discounts and deferred financing costs, where applicable.

(b) The CWC Term Loans have a LIBOR floor of 0.75%.

(c) The CWC Revolving Credit Facility has a fee on unused commitments of 0.5% per year.

(d) Represents certain amounts borrowed by CWC Panama, CWC BTC and CWC Jamaica.

(e) Represents a blended weighted average rate for all CWC Regional Facilities.

On May 17, 2016, Sable and Coral-US Co-Borrower LLC (**Coral-US**), a wholly-owned subsidiary of CWC, acceded as borrowers and assumed obligations under the credit agreement dated May 16, 2016, pursuant to which (i) Coral-US entered into the CWC Term Loans and (ii) Sable and Coral-US entered into the CWC Revolving Credit Facility.

A portion of the proceeds from the CWC Term Loans and amounts drawn under the CWC Revolving Credit Facility were used to (i) repay amounts outstanding under the then existing revolving credit facility and (ii) redeem certain senior secured notes issued by Sable. In connection with these transactions, we recognized a gain on debt modification and extinguishment, net, of $1.5 million. This gain includes (a) the write-off of $19.0 million of unamortized premium and (b) the payment of $17.5 million of redemption premium.

The CWC Credit Facilities contain certain covenants, events of default and change of control provisions, in addition to other terms and conditions, that are largely consistent with the general terms and conditions of other Liberty Global credit facilities. For information concerning the general terms of our credit facilities, see note 10 to the consolidated financial statements included in our 2015 Annual Report on Form 10-K.

Maturities of Debt and Capital Lease Obligations

Maturities of our debt and capital lease obligations as of June 30, 2016 are presented below for the named entity and its subsidiaries, unless otherwise noted. Amounts presented below represent U.S. dollar equivalents based on June 30, 2016 exchange rates:

Debt:

	Liberty Global Group						
	Virgin Media	Ziggo Group Holding (a)	Unitymedia	UPC Holding (b)	Telenet (c)	Other	Total Liberty Global Group
	in millions						
Year ending December 31:							
2016 (remainder of year)	$ 185.7	$ 95.5	$ 95.7	$ 318.9	$ 141.1	$ 28.2	$ 865.1
2017	407.9	146.2	76.6	345.5	8.2	375.3	1,359.7
2018	0.8	—	2.4	—	8.2	1,186.0	1,197.4
2019	0.8	—	2.4	—	18.7	322.4	344.3
2020	0.9	79.4	2.5	—	12.4	27.6	122.8
2021	3,523.7	735.5	2.6	1,980.0	11.0	458.9	6,711.7
Thereafter	10,545.9	7,033.1	7,807.2	4,000.3	4,680.9	27.6	34,095.0
Total debt maturities	14,665.7	8,089.7	7,989.4	6,644.7	4,880.5	2,426.0	44,696.0
Unamortized premiums (discounts), net	13.9	26.2	—	(8.1)	(6.8)	(52.3)	(27.1)
Unamortized deferred financing costs	(119.8)	(28.6)	(54.7)	(35.6)	(55.3)	(1.1)	(295.1)
Total debt	$ 14,559.8	$ 8,087.3	$ 7,934.7	$ 6,601.0	$ 4,818.4	$ 2,372.6	$ 44,373.8
Current portion	$ 593.6	$ 241.7	$ 171.4	$ 664.4	$ 141.1	$ 43.6	$ 1,855.8
Noncurrent portion	$ 13,966.2	$ 7,845.6	$ 7,763.3	$ 5,936.6	$ 4,677.3	$ 2,329.0	$ 42,518.0

	Total Liberty Global Group	LiLAC Group				Total Liberty Global
		CWC	VTR	Liberty Puerto Rico	Total LiLAC Group	
				in millions		
Year ending December 31:						
2016 (remainder of year)	$ 865.1	$ 74.4	$ —	$ —	$ 74.4	$ 939.5
2017	1,359.7	87.3	17.5	—	104.8	1,464.5
2018	1,197.4	40.2	—	—	40.2	1,237.6
2019	344.3	230.5	—	—	230.5	574.8
2020	122.8	28.4	—	—	28.4	151.2
2021	6,711.7	1,533.0	—	—	1,533.0	8,244.7
Thereafter	34,095.0	1,565.3	1,400.0	942.5	3,907.8	38,002.8
Total debt maturities	44,696.0	3,559.1	1,417.5	942.5	5,919.1	50,615.1
Unamortized premiums (discounts), net	(27.1)	105.3	—	(8.0)	97.3	70.2
Unamortized deferred financing costs	(295.1)	(8.2)	(25.9)	(8.4)	(42.5)	(337.6)
Total debt	$ 44,373.8	$ 3,656.2	$ 1,391.6	$ 926.1	$ 5,973.9	$ 50,347.7
Current portion	$ 1,855.8	$ 123.5	$ 17.5	$ —	$ 141.0	$ 1,996.8
Noncurrent portion	$ 42,518.0	$ 3,532.7	$ 1,374.1	$ 926.1	$ 5,832.9	$ 48,350.9

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(a) Amounts include certain senior and senior secured notes issued by special purpose financing entities that are consolidated by Ziggo Group Holding and Liberty Global.

(b) Amounts include certain senior and senior secured notes issued by special purpose financing entities that are consolidated by UPC Holding and Liberty Global.

(c) Amounts include certain senior and senior secured notes issued by special purpose financing entities that are consolidated by Telenet and Liberty Global.

Capital lease obligations:

	Liberty Global Group						
	Unitymedia	**Telenet**	**Virgin Media**	**Other**	**Total Liberty Global Group**	**Total LiLAC Group**	**Total**
	in millions						
Year ending December 31:							
2016 (remainder of year)	$ 40.5	$ 40.2	$ 33.0	$ 13.5	$ 127.2	$ 3.4	$ 130.6
2017	81.2	63.9	33.6	21.3	200.0	5.3	205.3
2018	81.2	62.5	12.4	15.1	171.2	3.2	174.4
2019	81.2	52.7	6.7	10.2	150.8	1.5	152.3
2020	81.2	49.8	4.4	6.6	142.0	1.3	143.3
2021	81.1	47.9	3.8	5.8	138.6	0.1	138.7
Thereafter	721.5	201.1	181.6	39.5	1,143.7	—	1,143.7
Total principal and interest payments	1,167.9	518.1	275.5	112.0	2,073.5	14.8	2,088.3
Amounts representing interest	(464.6)	(129.2)	(158.8)	(23.2)	(775.8)	(1.0)	(776.8)
Present value of net minimum lease payments	$ 703.3	$ 388.9	$ 116.7	$ 88.8	$ 1,297.7	$ 13.8	$ 1,311.5
Current portion	$ 27.9	$ 42.7	$ 48.1	$ 20.0	$ 138.7	$ 7.8	$ 146.5
Noncurrent portion	$ 675.4	$ 346.2	$ 68.6	$ 68.8	$ 1,159.0	$ 6.0	$ 1,165.0

Non-cash Refinancing Transactions

During the six months ended June 30, 2016 and 2015, certain of our refinancing transactions included non-cash borrowings and repayments of debt aggregating $205.2 million and $3,586.5 million, respectively.

(8) Income Taxes

Income tax expense attributable to our earnings (loss) before income taxes differs from the amounts computed using the applicable income tax rate as a result of the following factors:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Computed “expected” tax benefit (expense) (a)	$ (33.0)	$ 56.0	$ 51.3	$ 175.9
Change in valuation allowances (b):				
Decrease	(1.5)	(160.3)	(235.1)	(386.3)
Increase	(119.8)	42.8	13.9	43.8
Non-deductible or non-taxable foreign currency exchange results (b):				
Increase	103.5	(67.3)	122.1	2.2
Decrease	(1.0)	(21.2)	(2.3)	(29.9)
Tax effect of intercompany financing	47.0	38.5	85.1	76.7
Basis and other differences in the treatment of items associated with investments in subsidiaries and affiliates (b):				
Decrease	(74.7)	(26.7)	(98.4)	(27.7)
Increase	7.5	(2.7)	18.8	11.8
International rate differences (b) (c):				
Increase	41.8	31.4	77.0	125.3
Decrease	(16.4)	(21.0)	(23.0)	(34.5)
Non-deductible or non-taxable interest and other expenses (b):				
Decrease	(23.1)	(15.3)	(45.2)	(49.0)
Increase	12.0	12.1	21.9	23.3
Recognition of previously unrecognized tax benefits	2.9	4.7	17.9	13.6
Other, net	(1.2)	(1.0)	(11.1)	2.7
Total income tax expense	$ (56.0)	$ (130.0)	$ (7.1)	$ (52.1)

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(a) The statutory or “expected” tax rate is the U.K. rate of 20.0%. During 2015, the U.K. enacted legislation that will change the corporate income tax rate from the current rate of 20.0% to 19.0% in April 2017 and 18.0% in April 2020. Substantially all of the impact of these rate changes on our deferred tax balances was recorded in the fourth quarter of 2015 when the change in law was enacted.

(b) Country jurisdictions giving rise to increases within the six-month period are grouped together and shown separately from country jurisdictions giving rise to decreases within the six-month period.

(c) Amounts reflect adjustments (either an increase or a decrease) to “expected” tax benefit (expense) for statutory rates in jurisdictions in which we operate outside of the U.K.

At June 30, 2016, our unrecognized tax benefits of $729.7 million included $364.5 million of tax benefits that would have a favorable impact on our effective income tax rate if ultimately recognized, after considering amounts that we would expect to be offset by valuation allowances and other factors.

We are currently undergoing income tax audits in Chile, the Czech Republic, Germany, Hungary, the Netherlands, Panama, Poland, Slovakia, Switzerland, Trinidad & Tobago, the U.S. and certain other jurisdictions within the Caribbean and Latin America.

Except as noted below, any adjustments that might arise from the foregoing examinations are not expected to have a material impact on our consolidated financial position or results of operations. In the U.S., we have received notices of adjustment from the Internal Revenue Service with respect to our 2010 and 2009 income tax returns, as well as a proposed adjustment to our 2013 withholding tax return. We have entered into the appeals process with respect to the 2013, 2010 and 2009 matters. While we believe that the ultimate resolution of these proposed adjustments will not have a material impact on our consolidated financial position, results of operations or cash flows, no assurance can be given that this will be the case given the amounts involved and the complex nature of the related issues. During the next 12 months, it is reasonably possible that the resolution of ongoing examinations by tax authorities as well as expiration of statutes of limitation could result in significant reductions to our unrecognized tax benefits related to tax positions taken as of June 30, 2016. The amount of any such reductions could range up to $250 million. Other than the potential impacts of these ongoing examinations and the expected expiration of certain statutes of limitation, we do not expect any material changes to our unrecognized tax benefits during the next 12 months. No assurance can be given as to the nature or impact of any changes in our unrecognized tax positions during the next 12 months.

(9) Equity

Liberty Global Shareholders

A summary of the changes in our share capital during the six months ended June 30, 2016 is set forth in the table below:

	Liberty Global Shares				LiLAC Shares			
	Class A	Class B	Class C	Total	Class A	Class B	Class C	Total
	in millions							
Balance at January 1, 2016	$ 2.5	$ 0.1	$ 5.9	$ 8.5	$ 0.1	$ —	$ 0.3	$ 0.4
Impact of CWC Acquisition (a)	0.3	—	0.8	1.1	—	—	0.1	0.1
Repurchase and cancellation of Liberty Global ordinary shares	(0.1)	—	(0.1)	(0.2)	—	—	—	—
Adjustments due to changes in subsidiaries’ equity and other, net	—	—	(0.1)	(0.1)	0.1	—	—	0.1
Balance at June 30, 2016	$ 2.7	$ 0.1	$ 6.5	$ 9.3	$ 0.2	$ —	$ 0.4	$ 0.6

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(a) For information regarding the issuance of LiLAC Shares to Liberty Global Group shareholders subsequent to June 30, 2016, see note 3.

Share Repurchases

During the six months ended June 30, 2016, we purchased a total of 12,431,322 Class A Liberty Global Shares at a weighted average price of $33.64 and 16,244,889 Class C Liberty Global Shares at a weighted average price of $34.18 for an aggregate purchase price of $973.4 million, including direct acquisition costs and the effects of derivative instruments. At June 30, 2016, the remaining amount authorized for share repurchases was $3,031.9 million.

(10) Share-based Compensation

Our share-based compensation expense primarily relates to the share-based incentive awards issued by Liberty Global to its employees and employees of its subsidiaries. A summary of the aggregate share-based compensation expense that is included in our operating and SG&A expenses is set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global:				
Performance-based incentive awards (a)	$ 35.8	$ 28.5	$ 76.9	$ 70.6
Other share-based incentive awards	33.1	25.1	58.5	50.5
Total Liberty Global	68.9	53.6	135.4	121.1
Telenet share-based incentive awards	3.6	2.4	4.6	5.6
Other	2.1	0.6	3.6	1.3
Total	$ 74.6	$ 56.6	$ 143.6	$ 128.0
Included in:				
Operating expense:				
Liberty Global Group	$ 1.1	$ 1.1	$ 1.6	$ 1.8
LiLAC Group	0.3	0.3	0.5	0.3
Total operating expense	1.4	1.4	2.1	2.1
SG&A expense:				
Liberty Global Group	70.3	53.9	137.0	125.7
LiLAC Group	2.9	1.3	4.5	0.2
Total SG&A expense	73.2	55.2	141.5	125.9
Total	$ 74.6	$ 56.6	$ 143.6	$ 128.0

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(a) Includes share-based compensation expense related to (i) Liberty Global performance-based restricted share units (**PSUs**), including amounts resulting from the 2016 PSUs, as described and defined below, (ii) a challenge performance award plan for certain executive officers and key employees (the **Challenge Performance Awards**) and (iii) the May 2014 grant of performance grant units (**PGUs**) to our Chief Executive Officer. The Challenge Performance Awards include performance-based share appreciation rights (**PSARs**) and PSUs.

The following table provides certain information related to share-based compensation not yet recognized for share-based incentive awards related to Liberty Global ordinary shares as of June 30, 2016:

	Non-performance-based awards (a)	Performance-based awards (a) (b)
Total compensation expense not yet recognized (in millions)	$ 236.6	$ 209.4
Weighted average period remaining for expense recognition (in years)	2.9	2.7

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(a) Amounts relate to awards granted or assumed by Liberty Global under (i) the Liberty Global 2014 Incentive Plan (as amended and restated effective February 24, 2015), (ii) the Liberty Global 2014 Nonemployee Director Incentive Plan, (iii) the Liberty Global, Inc. 2005 Incentive Plan (as amended and restated effective June 7, 2013), (iv) the Liberty Global, Inc. 2005 Nonemployee Director Incentive Plan (as amended and restated effective June 7, 2013) and (v) certain other incentive plans of Virgin Media, including Virgin Media's 2010 stock incentive plan. All new awards are granted under the Liberty Global 2014 Incentive Plan or the Liberty Global 2014 Nonemployee Director Incentive Plan.

(b) Amounts relate to (i) PSUs, including $180.8 million related to the 2016 PSUs, and (ii) the PGUs.

The following table summarizes certain information related to the incentive awards granted and exercised with respect to Liberty Global ordinary shares:

	Six months ended June 30,	
	2016	**2015**
Assumptions used to estimate fair value of options and share appreciation rights (**SARs**) granted:		
Risk-free interest rate	1.01 - 1.46%	0.96 - 1.89%
Expected life	3.2 - 5.5 years	3.0 - 5.5 years
Expected volatility	27.4 - 37.4%	23.1 - 30.1%
Expected dividend yield	none	none
Weighted average grant-date fair value per share of awards granted:		
Options	$ 10.31	$ 14.73
SARs	$ 8.67	$ 10.78
Restricted share units (**RSUs**)	$ 37.93	$ 51.97
PSUs	$ 34.09	$ 51.69
Total intrinsic value of awards exercised (in millions):		
Options	$ 3.1	$ 93.5
SARs	$ 34.2	$ 40.1
PSARs	$ —	$ 0.2
Cash received from exercise of options (in millions)	$ 14.4	$ 37.0
Income tax benefit related to share-based compensation (in millions)	$ 29.0	$ 28.0

2016 PSUs

In February 2016, the compensation committee of our board of directors approved the grant of PSUs to executive officers and key employees (the **2016 PSUs**) pursuant to a performance plan that is based on the achievement of a specified Adjusted OIBDA CAGR during the three-year period ended December 31, 2018. The 2016 PSUs require delivery of a compound annual growth rate of our consolidated operating cash flow (**OCF CAGR**) of 6.0% during the three-year performance period ending December 31, 2018, with over- and under-performance payout opportunities should the OCF CAGR exceed or fail to meet the target, as applicable. A performance range of 75% to 167.5% of the target OCF CAGR will generally result in award recipients earning 75% to 300% of their target 2016 PSUs, subject to reduction or forfeiture based on individual performance. The earned 2016 PSUs will vest 50% each on April 1, 2019 and October 1, 2019.

Share-based Award Activity — Liberty Global Ordinary Shares

The following tables summarize the share-based award activity during 2016 with respect to awards issued by Liberty Global:

Liberty Global Shares

Options — Class A ordinary shares	Number of shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	873,333	$ 22.85		
Granted	79,899	$ 36.06		
Forfeited	(9,328)	$ 34.59		
Exercised	(207,034)	$ 20.99		
Outstanding at June 30, 2016	736,870	$ 24.66	4.5	$ 6.0
Exercisable at June 30, 2016	499,248	$ 20.58	3.7	$ 5.4

Options — Class C ordinary shares	Number of shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	2,738,536	$ 23.98		
Granted	159,798	$ 35.15		
Forfeited	(51,787)	$ 35.07		
Exercised	(541,147)	$ 19.40		
Outstanding at June 30, 2016	2,305,400	$ 25.58	5.3	$ 16.4
Exercisable at June 30, 2016	1,304,011	$ 19.05	3.5	$ 14.6

SARs — Class A ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	7,693,152	$ 34.89		
Granted	2,641,914	$ 37.73		
Forfeited	(123,302)	$ 43.48		
Exercised	(336,732)	$ 11.64		
Outstanding at June 30, 2016	9,875,032	$ 36.34	4.9	$ 18.2
Exercisable at June 30, 2016	4,136,581	$ 30.20	3.4	$ 18.2

Liberty Global Shares — continued:

SARs — Class C ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	18,685,347	$ 31.70		
Granted	5,283,828	$ 36.60		
Forfeited	(256,622)	$ 41.60		
Exercised	(995,103)	$ 11.66		
Outstanding at June 30, 2016	22,717,450	$ 33.61	4.6	$ 55.6
Exercisable at June 30, 2016	10,937,013	$ 27.51	3.2	$ 55.5

PSARs — Class A ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	2,889,457	$ 31.93		
Forfeited	(657)	$ 31.87		
Outstanding at June 30, 2016	2,888,800	$ 31.93	4.0	$ —
Exercisable at June 30, 2016	2,888,800	$ 31.93	4.0	$ —

PSARs — Class C ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	8,629,481	$ 30.52		
Forfeited	(1,961)	$ 30.46		
Outstanding at June 30, 2016	8,627,520	$ 30.52	4.0	$ —
Exercisable at June 30, 2016	8,672,520	$ 30.52	4.0	$ —

Liberty Global Shares — continued:

RSUs — Class A ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	564,976	$ 44.06	
Granted	268,427	$ 37.72	
Forfeited	(23,233)	$ 46.22	
Released from restrictions	(101,374)	$ 41.30	
Outstanding at June 30, 2016	708,796	$ 41.98	3.4

RSUs — Class C ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	1,194,182	$ 41.64	
Granted	536,854	$ 36.59	
Forfeited	(50,385)	$ 44.29	
Released from restrictions	(236,244)	$ 38.06	
Outstanding at June 30, 2016	1,444,407	$ 40.26	3.3

PSUs and PGUs — Class A ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	1,690,200	$ 42.61	
Granted	2,075,660	$ 34.70	
Performance adjustment (a)	17,499	$ 39.33	
Forfeited	(16,719)	$ 45.12	
Released from restrictions	(696,341)	$ 39.51	
Outstanding at June 30, 2016	3,070,299	$ 37.93	2.5

PGUs — Class B ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	666,667	$ 42.43	
Released from restriction	(333,333)	$ 42.43	
Outstanding at June 30, 2016	333,334	$ 42.43	0.7

Liberty Global Shares — continued:

PSUs — Class C ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	2,158,351	$ 41.30	
Granted	4,151,320	$ 33.63	
Performance adjustment (a)	35,000	$ 38.08	
Forfeited	(33,508)	$ 43.47	
Released from restrictions	(837,276)	$ 35.58	
Outstanding at June 30, 2016	5,473,887	$ 36.32	2.7

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(a) Represents the increase in PSUs associated with the first quarter 2016 determination that 103.6% of the PSUs that were granted in 2014 (the **2014 PSUs**) had been earned. Half of the earned 2014 PSUs were released from restrictions on April 1, 2016 and, subject to forfeitures, the remainder will be released on October 1, 2016.

LiLAC Shares

Options — Class A ordinary shares	Number of shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	21,233	$ 24.29		
Granted	3,995	$ 37.16		
Forfeited	(238)	$ 43.84		
Exercised	(1,312)	$ 9.56		
Outstanding at June 30, 2016	23,678	$ 27.08	4.1	$ 0.2
Exercisable at June 30, 2016	16,388	$ 21.45	3.2	$ 0.2

Options — Class C ordinary shares	Number of shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	57,742	$ 22.42		
Granted	7,990	$ 38.67		
Forfeited	(474)	$ 43.91		
Exercised	(4,439)	$ 9.86		
Outstanding at June 30, 2016	60,819	$ 25.30	3.8	$ 0.6
Exercisable at June 30, 2016	46,224	$ 20.43	3.1	$ 0.6

LiLAC Shares — continued:

SARs — Class A ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	233,192	$ 31.07		
Granted	71,990	$ 37.53		
Forfeited	(1,963)	$ 39.57		
Exercised	(6,852)	$ 7.84		
Outstanding at June 30, 2016	296,367	$ 33.12	4.7	$ 1.0
Exercisable at June 30, 2016	140,195	$ 26.72	3.2	$ 1.0

SARs — Class C ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	579,273	$ 29.73		
Granted	143,980	$ 40.61		
Forfeited	(4,173)	$ 39.81		
Exercised	(19,413)	$ 8.01		
Outstanding at June 30, 2016	699,667	$ 32.51	4.4	$ 3.1
Exercisable at June 30, 2016	377,302	$ 25.79	3.0	$ 3.1

PSARs — Class A ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	140,127	$ 30.08		
Forfeited	(33)	$ 30.02		
Outstanding at June 30, 2016	140,094	$ 30.08	4.0	$ 0.3
Exercisable at June 30, 2016	140,094	$ 30.08	4.0	$ 0.3

LiLAC Shares — continued:

PSARs — Class C ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2016	418,492	$ 30.30		
Forfeited	(99)	$ 30.23		
Outstanding at June 30, 2016	418,393	$ 30.30	4.0	$ —
Exercisable at June 30, 2016	418,393	$ 30.30	4.0	$ —

RSUs — Class A ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	1,713	$ 45.12	
Granted (a)	52,349	$ 40.79	
Released from restrictions	(301)	$ 48.09	
Outstanding at June 30, 2016	53,761	$ 40.89	1.8

RSUs — Class C ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	3,428	$ 43.97	
Granted (a)	128,186	$ 42.79	
Released from restrictions	(606)	$ 44.03	
Outstanding at June 30, 2016	131,008	$ 42.82	1.8

PSUs and PGUs — Class A ordinary shares	Number of shares	Weighted average grant date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2016	86,303	$ 42.56	
Granted	72,848	$ 35.46	
Performance adjustment (b)	870	$ 39.33	
Forfeited	(755)	$ 46.11	
Released from restrictions	(34,413)	$ 39.57	
Outstanding at June 30, 2016	124,853	$ 39.20	2.2

LiLAC Shares — continued:

PGUs — Class B ordinary shares	**Number of shares**		**Weighted average grant date fair value per share**	**Weighted average remaining contractual term**
				in years
Outstanding at January 1, 2016	33,333	$	42.43	
Released from restriction	(16,666)	$	42.43	
Outstanding at June 30, 2016	16,667	$	42.43	0.7

PSUs — Class C ordinary shares	**Number of shares**		**Weighted average grant date fair value per share**	**Weighted average remaining contractual term**
				in years
Outstanding at January 1, 2016	111,215	$	41.36	
Granted	145,696	$	37.70	
Performance adjustment (b)	1,741	$	38.08	
Forfeited	(1,518)	$	44.44	
Released from restrictions	(40,692)	$	35.69	
Outstanding at June 30, 2016	216,442	$	39.91	2.5

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(a) Includes 52,306 of LiLAC Class A and 128,100 of LiLAC Class C share-based incentive awards granted to CWC employees following the CWC Acquisition. These awards include 8,370 LiLAC Class A and 20,506 LiLAC Class C awards that will vest on June 1, 2017 and 43,936 LiLAC Class A and 107,594 LiLAC Class C awards that will vest on June 1, 2018. The weighted average grant-date fair values for the LiLAC Class A and LiLAC Class C awards granted to CWC employees were $40.79 and $42.79, respectively.

(b) Represents the increase in PSUs associated with the first quarter 2016 determination that 103.6% of the 2014 PSUs had been earned. Half of the earned 2014 PSUs were released from restrictions on April 1, 2016, and, subject to forfeitures, the remainder will be released on October 1, 2016.

(11) Restructuring Liability

A summary of the changes in our restructuring liability during the six months ended June 30, 2016 is set forth in the table below:

	Employee severance and termination	Office closures	Contract termination and other	Total
	in millions			
Restructuring liability as of January 1, 2016	$ 68.5	$ 7.3	$ 70.7	$ 146.5
Restructuring charges	78.7	1.4	4.2	84.3
Cash paid	(49.0)	(1.2)	(33.3)	(83.5)
CWC and BASE liability at acquisition date	13.7	—	1.4	15.1
Foreign currency translation adjustments and other	(1.6)	—	1.9	0.3
Restructuring liability as of June 30, 2016	$ 110.3	$ 7.5	$ 44.9	$ 162.7
Current portion	$ 90.5	$ 2.8	$ 9.6	$ 102.9
Noncurrent portion	19.8	4.7	35.3	59.8
Total	$ 110.3	$ 7.5	$ 44.9	$ 162.7

Our restructuring charges during the six months ended June 30, 2016 include employee severance and termination costs related to certain reorganization and integration activities of $35.7 million in Germany, $13.2 million in U.K./Ireland, $10.8 million in the European Operations Division's central operations, $7.6 million in the Netherlands and $6.6 million in Chile.

We expect to continue to record significant restructuring charges over the next 12 months, due largely to our ongoing company-wide effort to optimize our operating model. In addition, we expect to undertake further restructuring programs in certain of our operating segments, including programs in connection with the integration of acquired entities.

(12) Earnings or Loss per Share

Basic EPS is computed by dividing net earnings or loss by the weighted average number of shares outstanding for the period. Diluted EPS presents the dilutive effect, if any, on a per share basis of potential shares (e.g., options, SARs, PSARs, RSUs and convertible securities) as if they had been exercised, vested or converted at the beginning of the periods presented.

The details of our net earnings (loss) attributable to holders of Liberty Global Shares, LiLAC Shares and Old Liberty Global Shares are set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Net earnings (loss) attributable to holders of:				
Liberty Global Shares	$ 204.2	$ —	$ (126.4)	$ —
LiLAC Shares	(102.8)	—	(141.3)	—
Old Liberty Global Shares	—	(464.7)	—	(1,002.2)
Net earnings (loss) attributable to Liberty Global shareholders	$ 101.4	$ (464.7)	$ (267.7)	$ (1,002.2)

The details of our weighted average ordinary shares outstanding are set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
Weighted average ordinary shares outstanding:				
Liberty Global Shares:				
Basic	892,530,351		868,011,483	
Diluted	900,686,305		868,011,483	
LiLAC Shares:				
Basic	50,357,803		47,145,780	
Diluted	50,357,803		47,145,780	
Old Liberty Global Shares:				
Basic		880,850,801		884,040,481
Diluted		880,850,801		884,040,481

Liberty Global Shares

The details of the calculation of EPS with respect to Liberty Global Shares for the three months ended June 30, 2016 are set forth in the following table:

Numerator:	
Net earnings attributable to holders of Liberty Global Shares (basic and diluted EPS computation) (in millions)	$ 204.2
Denominator:	
Weighted average ordinary shares (basic EPS computation)	892,530,351
Incremental shares attributable to the assumed exercise of outstanding options, SARs and PSARs and the release of share units upon vesting (treasury stock method)	8,155,954
Weighted average ordinary shares (diluted EPS computation)	900,686,305

A total of 24.3 million options, SARs, PSARs and RSUs and 2.7 million shares issuable upon conversion of the VM Convertible Notes were excluded from the calculation of diluted earnings per share during the three months ended June 30, 2016 because their effect would have been anti-dilutive.

We reported a loss attributable to holders of Liberty Global Shares for the six months ended June 30, 2016. Therefore, the potentially dilutive effect at June 30, 2016 of the following items was not included in the computation of diluted loss per share attributable to holders of Liberty Global Shares because their inclusion would have been anti-dilutive to the computation or, in the case of certain PSUs and PGUs, because such awards had not yet met the applicable performance criteria: (i) the aggregate number of shares issuable pursuant to outstanding options, SARs, PSARs and RSUs of approximately 49.3 million, (ii) the aggregate number of shares issuable pursuant to PSUs and PGUs of approximately 8.9 million and (iii) the aggregate number of shares issuable pursuant to obligations that may be settled in cash or shares of approximately 2.7 million.

LiLAC Shares

We reported losses attributable to holders of LiLAC Shares for the three and six months ended June 30, 2016. Therefore, the potentially dilutive effect at June 30, 2016 of the following items was not included in the computation of diluted loss per share attributable to holders of LiLAC Shares because their inclusion would have been anti-dilutive to the computation or, in the case of certain PSUs and PGUs, because such awards had not yet met the applicable performance criteria: (i) the aggregate number of shares issuable pursuant to outstanding options, SARs, PSARs and RSUs of approximately 1.8 million and (ii) the aggregate number of shares issuable pursuant to PSUs and PGUs of approximately 0.4 million.

For information concerning additional LiLAC Shares issued on July 1, 2016, see note 3.

Old Liberty Global Shares

We reported losses attributable to holders of Old Liberty Global Shares for the three and six months ended June 30, 2015. Therefore, the potentially dilutive effect at June 30, 2015 of the following items was not included in the computation of diluted loss per share attributable to holders of Old Liberty Global Shares because their inclusion would have been anti-dilutive to the computation or, in the case of certain PSUs and PGUs, because such awards had not yet met the applicable performance criteria: (i) the aggregate number of shares issuable pursuant to outstanding options, SARs, PSARs and RSUs of approximately 42.0 million, (ii) the number of shares issuable pursuant to PSUs and PGUs of approximately 5.3 million and (iii) the aggregate number of shares issuable pursuant to obligations that may be settled in cash or shares of approximately 2.6 million.

(13) Commitments and Contingencies

Commitments

In the normal course of business, we have entered into agreements that commit our company to make cash payments in future periods with respect to programming contracts, network and connectivity commitments, purchases of customer premises and other equipment and services, non-cancellable operating leases and other items. The following table sets forth the U.S. dollar equivalents of such commitments as of June 30, 2016. The commitments of CWC have been excluded from the table pending our verification of the amounts. These excluded commitments are not expected to be material in relation to our total commitments.

	Payments due during:							
	Remainder of 2016	2017	2018	2019	2020	2021	Thereafter	Total
	in millions							
Programming commitments	$ 577.3	$ 1,040.9	$ 872.0	$ 429.1	$ 164.9	$ 7.4	$ 0.8	$ 3,092.4
Network and connectivity commitments	729.5	313.7	171.1	96.9	61.5	52.9	875.9	2,301.5
Purchase commitments	767.0	288.8	142.7	85.8	67.7	18.3	61.3	1,431.6
Operating leases	80.3	144.4	121.9	95.2	73.9	60.5	245.0	821.2
Other commitments	68.4	57.5	36.7	32.4	16.3	14.2	16.5	242.0
Total (a)	$ 2,222.5	$ 1,845.3	$ 1,344.4	$ 739.4	$ 384.3	$ 153.3	$ 1,199.5	$ 7,888.7

(a) The commitments included in this table do not reflect any liabilities that are included in our June 30, 2016 condensed consolidated balance sheet.

Programming commitments consist of obligations associated with certain of our programming, studio output and sports rights contracts that are enforceable and legally binding on us as we have agreed to pay minimum fees without regard to (i) the actual number of subscribers to the programming services, (ii) whether we terminate service to a portion of our subscribers or dispose of a portion of our distribution systems or (iii) whether we discontinue our premium sports services. In addition, programming commitments do not include increases in future periods associated with contractual inflation or other price adjustments that are not fixed. Accordingly, the amounts reflected in the above table with respect to these contracts are significantly less than the amounts we expect to pay in these periods under these contracts. Historically, payments to programming vendors have represented a significant portion of our operating costs, and we expect that this will continue to be the case in future periods. In this regard, our total programming and copyright costs aggregated $1,249.6 million (including $1,104.7 million for the Liberty Global Group and $144.9 million for the LiLAC Group) and $1,131.9 million (including $1,010.0 million for the Liberty Global Group and $121.9 million for the LiLAC Group) during the six months ended June 30, 2016 and 2015, respectively.

Network and connectivity commitments include (i) Telenet's commitments for certain operating costs associated with its leased network, (ii) service commitments associated with our network extension projects, primarily in the U.K., (iii) commitments associated with our mobile virtual network operator (**MVNO**) agreements and (iv) certain repair and maintenance, fiber capacity and energy commitments of Unitymedia. Telenet's commitments for certain operating costs are subject to adjustment based on changes in the network operating costs incurred by Telenet with respect to its own networks. These potential adjustments are not subject to reasonable estimation and, therefore, are not included in the above table. The amounts reflected in the above table with respect to certain of our MVNO commitments represent fixed minimum amounts payable under these agreements and, therefore, may be significantly less than the actual amounts we ultimately pay in these periods.

Purchase commitments include unconditional and legally binding obligations related to (i) the purchase of customer premises and other equipment and (ii) certain service-related commitments, including call center, information technology and maintenance services.

Commitments arising from acquisition agreements are not reflected in the above table. For information regarding our commitments under acquisition agreements, see note 3.

In addition to the commitments set forth in the table above, we have significant commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during the six months ended June 30, 2016 and 2015, see note 4.

We also have commitments pursuant to agreements with, and obligations imposed by, franchise authorities and municipalities, which may include obligations in certain markets to move aerial cable to underground ducts or to upgrade, rebuild or extend portions of our broadband communication systems. Such amounts are not included in the above table because they are not fixed or determinable.

Guarantees and Other Credit Enhancements

In the ordinary course of business, we may provide (i) indemnifications to our lenders, our vendors and certain other parties and (ii) performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

Legal and Regulatory Proceedings and Other Contingencies

Interkabel Acquisition. On November 26, 2007, Telenet and four associations of municipalities in Belgium, which we refer to as the pure intercommunales or the "**PICs**," announced a non-binding agreement-in-principle to transfer the analog and digital television activities of the PICs, including all existing subscribers to Telenet. Subsequently, Telenet and the PICs entered into a binding agreement (the **2008 PICs Agreement**), which closed effective October 1, 2008. Beginning in December 2007, Proximus NV/SA (**Proximus**), the incumbent telecommunications operator in Belgium, instituted several proceedings seeking to block implementation of these agreements. Proximus lodged summary proceedings with the President of the Court of First Instance of Antwerp to obtain a provisional injunction preventing the PICs from effecting the agreement-in-principle and initiated a civil procedure on the merits claiming the annulment of the agreement-in-principle. In March 2008, the President of the Court of First Instance of Antwerp ruled in favor of Proximus in the summary proceedings, which ruling was overturned by the Court of Appeal of Antwerp in June 2008. Proximus brought this appeal judgment before the Cour de Cassation (the **Belgian Supreme Court**), which confirmed the appeal judgment in September 2010. On April 6, 2009, the Court of First Instance of Antwerp ruled in favor of the PICs and Telenet in the civil procedure on the merits, dismissing Proximus's request for the rescission of the agreement-in-principle and the 2008 PICs Agreement. On June 12, 2009, Proximus appealed this judgment with the Court of Appeal of Antwerp. In this appeal, Proximus is now also seeking compensation for damages should the 2008 PICs Agreement not be rescinded. While these proceedings were suspended indefinitely, other proceedings were initiated, which resulted in a ruling by the Belgian Council of State in May 2014 annulling (i) the decision of the PICs not to organize a public market consultation and (ii) the decision from the PICs' board of directors to approve the 2008 PICs Agreement. In December 2015, Proximus resumed the civil proceedings pending with the Court of Appeal of Antwerp seeking to have the 2008 PICs Agreement annulled and claiming damages of €1.4 billion ($1.6 billion).

Telenet intends to defend itself vigorously in the resumed proceedings and does not expect an outcome before the end of 2017. No assurance can be given as to the outcome of these or other proceedings. However, an unfavorable outcome of existing or future proceedings could potentially lead to the annulment of the 2008 PICs Agreement and/or to an obligation of Telenet to pay compensation for damages, subject to the relevant provisions of the 2008 PICs Agreement, which stipulate that Telenet is responsible for damages in excess of €20.0 million ($22.1 million). We do not expect the ultimate resolution of this matter to have a material impact on our results of operations, cash flows or financial position. No amounts have been accrued by us with respect to this matter as the likelihood of loss is not considered to be probable.

Deutsche Telekom Litigation. On December 28, 2012, Unitymedia filed a lawsuit against Telekom Deutschland GmbH (**Deutsche Telekom**), an operating subsidiary of Deutsche Telekom AG, in which Unitymedia asserts that it pays excessive prices for the co-use of Deutsche Telekom's cable ducts in Unitymedia's footprint. The Federal Network Agency approved rates for the co-use of certain ducts of Deutsche Telekom in March 2011. Based in part on these approved rates, Unitymedia is seeking a reduction of the annual lease fees (approximately €76 million ($84 million) for 2012) by approximately two-thirds and the return of similarly calculated overpayments from 2009 through the ultimate settlement date, plus accrued interest. While we expect a decision by the court of first instance by the end of 2016, the resolution of this matter may take several years and no assurance can be given that Unitymedia's claims will be successful. Any recovery by Unitymedia will not be reflected in our consolidated financial statements until such time as the final disposition of this matter has been reached.

Vivendi Litigation. A wholly-owned subsidiary of our company was a plaintiff in certain litigation titled Liberty Media Corporation, et. al. v. Vivendi S.A. and Universal Studios. A predecessor of Liberty Global was a subsidiary of Liberty Media Corporation (**Liberty Media**) through June 6, 2004. In connection with Liberty Media's prosecution of the action, our subsidiary assigned its rights to Liberty Media in exchange for a contingent payout in the event Liberty Media recovered any amounts as a result of the action. In February 2016, Vivendi S.A. (**Vivendi**) and Liberty Media settled the litigation and, as a result of such settlement, our subsidiary received a cash payment of $69.8 million, which is included in other income (expense), net, in our condensed consolidated statement of operations and other investing activities, net, in our condensed consolidated statement of cash flows. We consider this matter to be closed.

Liberty Puerto Rico Matter. In November 2012, we completed a business combination that resulted in, among other matters, the combination of our then operating subsidiary in Puerto Rico with San Juan Cable, LLC dba OneLink Communications (**OneLink**). In connection with this transaction (the **OneLink Acquisition**), Liberty Puerto Rico, as the surviving entity, became a party to certain claims previously asserted by the incumbent telephone operator (**PRTC**) against OneLink based on alleged conduct of OneLink that occurred prior to the OneLink Acquisition (the **PRTC Claim**). The PRTC Claim includes an allegation that OneLink acted in an anticompetitive manner in connection with a series of legal and regulatory proceedings it initiated against the incumbent telephone operator in Puerto Rico beginning in 2009. In March 2014, a separate class action claim was filed in Puerto Rico (the **Class Action Claim**) containing allegations substantially similar to those asserted in the PRTC Claim, but alleging ongoing injury on behalf of a consumer class (as opposed to harm to a competitor). In July 2016, the judge presiding over the PRTC Claim in the United States District Court for the District of Maine (the **District Court**) granted OneLink summary judgment that dismissed the PRTC Claim in its entirety, subject to appeal. We are currently unable to predict whether the District Court's decision will be appealed or the outcome of any such appeal. The former owners of OneLink have partially indemnified us through November 8, 2016 for any losses we may incur in connection with the PRTC Claim up to a specified maximum amount. However, the indemnity does not cover any potential losses resulting from the Class Action Claim. Liberty Puerto Rico has recorded a provision and a related indemnification asset representing its best estimate of the net loss that it may incur upon the ultimate resolution of the PRTC Claim. Notwithstanding the July 2016 summary judgment mentioned above, we do not anticipate reversing the provision or any unclaimed portion of the indemnification asset until such time as the final disposition of this matter has been reached.

Belgium Regulatory Developments. In December 2010, the Belgisch Instituut voor Post en Telecommunicatie and the regional regulators for the media sectors (together, the **Belgium Regulatory Authorities**) published their respective draft decisions reflecting the results of their joint analysis of the broadcasting market in Belgium.

The Belgium Regulatory Authorities adopted a final decision on July 1, 2011 (the **July 2011 Decision**) with some minor revisions. The regulatory obligations imposed by the July 2011 Decision include (i) an obligation to make a resale offer at "retail minus'' of the cable analog package available to third-party operators (including Proximus), (ii) an obligation to grant third-party operators (except Proximus) access to digital television platforms (including the basic digital video package) at "retail minus" and (iii) an obligation to make a resale offer at "retail minus'' of broadband internet access available to beneficiaries of the digital television access obligation that wish to offer bundles of digital video and broadband internet services to their customers (except Proximus).

In February 2012, Telenet submitted draft reference offers regarding the obligations described above, and the Belgium Regulatory Authorities published the final decision on September 9, 2013. Telenet has implemented the access obligations as described in its reference offers and, on March 1, 2016, Orange Belgium NV (**Orange Belgium**), formerly known as Mobistar SA, launched a commercial offer combining a cable TV package and broadband internet access for certain of their mobile customers. In addition, as a result of the November 2014 decision by the Brussels Court of Appeal described below, on November 14, 2014, Proximus submitted a request to Telenet to commence access negotiations. Telenet contests this request and has asked the Belgium Regulatory Authorities to assess the reasonableness of the Proximus request. The timing for a decision regarding this assessment by the Belgium Regulatory Authorities is not known, but is expected before the end of 2016.

On December 14, 2015, the Belgium Regulatory Authorities published a draft decision, which amended previously-issued decisions and sets forth the “retail minus” tariffs of minus 26% for basic television (basic analog and digital video package) and minus 18% for the bundle of basic television and broadband internet services during an initial two-year period. Following this two-year period, the tariffs would change to minus 15% and 7%, respectively. The draft decision was notified to the European Commission and a final decision was adopted on February 19, 2016. On April 25, 2016, Telenet filed an appeal challenging this decision with Court of Appeals in Brussels. A “retail minus” method of pricing involves a wholesale tariff calculated as the retail price for the offered service by Telenet, excluding VAT and copyrights, and further deducting the retail costs avoided by offering the wholesale service (such as costs for billing, franchise, consumer service, marketing and sales).

Telenet filed an appeal against the July 2011 Decision with the Brussels Court of Appeal. On November 12, 2014, the Brussels Court of Appeal rejected Telenet’s appeal of the July 2011 Decision and accepted Proximus’s claim that Proximus should be allowed access to Telenet’s, among other operators, digital television platform and the resale of bundles of digital video and broadband internet services. On November 30, 2015, Telenet filed an appeal of this decision with the Belgian Supreme Court. In 2015, Telenet and wireless operator Orange Belgium each filed an appeal with the Brussels Court of Appeal against the decision regarding the quantitative aspects of the reference offers. A decision with respect to these appeals is expected during 2016. There can be no certainty that Telenet’s appeals will be successful.

The July 2011 Decision aims to, and in its application may, strengthen Telenet’s competitors by granting them resale access to Telenet’s network to offer competing products and services notwithstanding Telenet’s substantial historical financial outlays in developing the infrastructure. In addition, any resale access granted to competitors could (i) limit the bandwidth available to Telenet to provide new or expanded products and services to the customers served by its network and (ii) adversely impact Telenet’s ability to maintain or increase its revenue and cash flows. The extent of any such adverse impacts ultimately will be dependent on the extent that competitors take advantage of the resale access ultimately afforded to Telenet’s network and other competitive factors or market developments.

Financial Transactions Tax. Certain countries in the E.U., including Germany, Austria and Slovakia, are participating in an enhanced cooperation procedure to introduce a financial transactions tax (the **FTT**). Under the draft language of the FTT proposal, a wide range of financial transactions could be taxed at rates of at least 0.01% for derivative transactions based on the notional amount and 0.1% for other covered financial transactions based on the underlying transaction price. Each of the individual countries would be permitted to determine an exact rate, which could be higher than the proposed rates of 0.01% and 0.1%. Any implementation of the FTT could have a global impact because it would apply to all financial transactions where a financial institution is involved (including unregulated entities that engage in certain types of covered activity) and either of the parties (whether the financial institution or its counterparty) is in one of the participating countries. Although there continues to be ongoing discussions in the relevant countries around the FTT, uncertainty remains as to if and when the FTT will be implemented and the breadth of its application. Based on our understanding of the current status of the potential FTT, we do not expect that any implementation of the FTT would occur before January 2017. Any imposition of the FTT could increase banking fees and introduce taxes on internal transactions that we currently perform. Due to the uncertainty regarding the FTT, we are currently unable to estimate the financial impact that the FTT could have on our results of operations, cash flows or financial position.

Virgin Media VAT Matters. Virgin Media’s application of VAT with respect to certain revenue generating activities has been challenged by the U.K. tax authorities. Virgin Media has estimated its maximum exposure in the event of an unfavorable outcome to be £46.3 million ($61.4 million) as of June 30, 2016. No portion of this exposure has been accrued by Virgin Media as the likelihood of loss is not considered to be probable. A court hearing was held at the end of September 2014 in relation to the U.K. tax authorities’ challenge and the timing of the court’s decision is uncertain.

On March 19, 2014, the U.K. government announced a change in legislation with respect to the charging of VAT in connection with prompt payment discounts such as those that we offer to our fixed-line telephony customers. This change, which took effect on May 1, 2014, impacted our company and some of our competitors. The U.K. tax authority issued a decision in the fourth quarter of 2015 challenging our application of the prompt payment discount rules prior to the May 1, 2014 change in legislation. We have appealed this decision. As part of the appeal process, we were required to make aggregate payments of £67.0 million ($99.1 million at the respective transaction dates), which included the challenged amount of £63.7 million and related interest of £3.3 million. The aggregate amount paid does not include penalties, which could be significant in the unlikely event that penalties were to be assessed. This matter will likely be subject to court proceedings that could delay the ultimate resolution for an extended period of time. No portion of this potential exposure has been accrued by our company as the likelihood of loss is not considered to be probable.

Hungary VAT Matter. In February 2016, our direct-to-home satellite (**DTH**) operations in Luxembourg received a second instance decision from the Hungarian tax authorities as a result of an audit with respect to VAT payments that the Hungarian tax authorities conducted for the years 2010 through 2012. The Hungarian tax authorities have assessed our DTH operations with an obligation to pay VAT for the years audited of HUF 5,413.2 million ($19.0 million), excluding interest and penalties, which could be significant. We believe that our DTH operations have operated in compliance with all applicable rules, regulations and interpretations thereof, including a binding tax ruling that we received from the Hungarian government in 2010. Although, under applicable law, the full amount of the assessment was due on March 1, 2016, we filed a request for suspension of payment, which was denied in May 2016. In June 2016, we filed an appeal against the negative decision for suspension of payment. Accordingly, no payment has been made. We expect a decision on our appeal for suspension of payment in the coming months, at which time we may be required to make a payment equal to the assessed amount. No portion of this exposure has been accrued by us as the likelihood of loss is not considered to be probable.

Telenet MVNO Matter. Telenet and Orange Belgium were in dispute over amounts payable to Orange Belgium with respect to certain provisions of their MVNO agreement, and Orange Belgium initiated legal proceedings against Telenet claiming, among other things, that the migration period after termination or expiration of the MVNO agreement should be shortened from 24 months to six months. In May 2016, the parties reached an agreement settling all outstanding legal disputes between both companies and defining the terms and conditions of the MVNO arrangement including the future termination date of the MVNO agreement. We consider this matter closed.

Other Regulatory Issues. Video distribution, broadband internet, fixed-line telephony, mobile and content businesses are regulated in each of the countries in which we operate. The scope of regulation varies from country to country, although in some significant respects regulation in European markets is harmonized under the regulatory structure of the E.U. Adverse regulatory developments could subject our businesses to a number of risks. Regulation, including conditions imposed on us by competition or other authorities as a requirement to close acquisitions or dispositions, could limit growth, revenue and the number and types of services offered and could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing restrictions, interconnect and other access obligations, and restrictions or controls on content, including content provided by third parties. Failure to comply with current or future regulation could expose our businesses to various penalties.

The Valuation Office Agency in the U.K. has indicated its intention to significantly increase charges for network infrastructure in the U.K. effective April 1, 2017. Although we do not believe that the potential increases are warranted, we cannot predict whether the increased charges will be implemented, or if implemented, what the amount of the increased charges will be. Nevertheless, any significant increase in network infrastructure charges in the U.K. could have an adverse impact on our and Virgin Media’s results of operations.

We have security accreditations across a range of B2B products and services in order to increase our offerings to public sector organizations in the U.K. These accreditations are granted subject to periodic reviews of our policies and procedures by U.K. governmental authorities. If we were to fail to maintain these accreditations or obtain new accreditations when required, it could impact our ability to provide certain offerings to the public sector.

In addition to the foregoing items, we have contingent liabilities related to matters arising in the ordinary course of business, including (i) legal proceedings, (ii) issues involving VAT and wage, property, withholding and other tax issues and (iii) disputes over interconnection, programming, copyright and channel carriage fees. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our results of operations, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

(14) Segment Reporting

We generally identify our reportable segments as those consolidated subsidiaries that represent 10% or more of our revenue, Adjusted OIBDA (as defined below) or total assets. In certain cases, we may elect to include an operating segment in our segment disclosure that does not meet the above-described criteria for a reportable segment. We evaluate performance and make decisions about allocating resources to our operating segments based on financial measures such as revenue and Adjusted OIBDA. In addition, we review non-financial measures such as subscriber growth, as appropriate.

Adjusted operating income before depreciation and amortization (**Adjusted OIBDA**) is the primary measure used by our chief operating decision maker to evaluate segment operating performance. Adjusted OIBDA 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, Adjusted OIBDA 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 Adjusted OIBDA 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. A reconciliation of total segment Adjusted OIBDA to our earnings (loss) before income taxes is presented below.

As of June 30, 2016, our reportable segments are as follows:

- European Operations Division:
  - U.K./Ireland
  - The Netherlands
  - Germany
  - Belgium
  - Switzerland/Austria
  - Central and Eastern Europe

- LiLAC Division:
  - CWC
  - Chile
  - Puerto Rico

All of the reportable segments set forth above derive their revenue primarily from consumer and B2B services, including video, broadband internet and fixed-line telephony services and, with the exception of Puerto Rico, mobile services. At June 30, 2016, our operating segments in the European Operations Division provided consumer and B2B services in 12 European countries and DTH services to customers in the Czech Republic, Hungary, Romania and Slovakia through a Luxembourg-based organization that we refer to as "**UPC DTH**." In addition to UPC DTH, our Central and Eastern Europe segment includes our broadband communications operations in the Czech Republic, Hungary, Poland, Romania and Slovakia. The European Operations Division's central and other category includes (i) costs associated with certain centralized functions, including billing systems, network operations, technology, marketing, facilities, finance and other administrative functions, and (ii) intersegment eliminations within the European Operations Division. In addition, our LiLAC Division provides consumer and B2B services in (a) 18 countries, all but one of which are located in Latin America and the Caribbean, through CWC, (b) Chile through VTR and (c) Puerto Rico through Liberty Puerto Rico. CWC also provides (1) B2B services in certain other countries in Latin America and the Caribbean and (2) wholesale services over its sub-sea and terrestrial networks that connect over 30 markets in that region. The corporate and other category for the Liberty Global Group includes less significant consolidated operating segments that provide programming and other services. Intersegment eliminations primarily represent the elimination of intercompany transactions between our broadband communications and programming operations.

Performance Measures of Our Reportable Segments

The amounts presented below represent 100% of each of our reportable segment's revenue and Adjusted OIBDA. As we have the ability to control Telenet, Liberty Puerto Rico and certain subsidiaries of CWC that are not wholly owned, we consolidate 100% of the revenue and expenses of these entities in our condensed consolidated statements of operations despite the fact that third parties own significant interests in these entities. The noncontrolling owners' interests in the operating results of Telenet, Liberty Puerto Rico, certain subsidiaries of CWC and other less significant majority-owned subsidiaries are reflected in net earnings or loss attributable to noncontrolling interests in our condensed consolidated statements of operations. For additional information, see note 1.

	Revenue			
	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global Group:				
European Operations Division:				
U.K./Ireland	$ 1,717.7	$ 1,759.6	$ 3,404.2	$ 3,471.0
The Netherlands	678.8	683.9	1,348.6	1,391.3
Germany	643.5	591.0	1,260.6	1,188.9
Belgium (a)	707.3	500.3	1,317.5	1,003.0
Switzerland/Austria	447.0	448.8	880.4	888.1
Total Western Europe	4,194.3	3,983.6	8,211.3	7,942.3
Central and Eastern Europe	274.0	267.2	540.1	535.4
Central and other	(0.9)	(1.0)	(3.3)	(3.8)
Total European Operations Division	4,467.4	4,249.8	8,748.1	8,473.9
Corporate and other	15.2	12.8	29.8	25.6
Intersegment eliminations (b)	(11.4)	(7.5)	(22.6)	(15.3)
Total Liberty Global Group	4,471.2	4,255.1	8,755.3	8,484.2
LiLAC Group:				
LiLAC Division:				
CWC (c)	285.6	—	285.6	—
Chile	210.6	220.8	410.6	429.6
Puerto Rico (d)	106.9	90.6	210.8	169.6
Total LiLAC Division	603.1	311.4	907.0	599.2
Intersegment eliminations	(0.2)	—	(0.2)	—
Total LiLAC Group	602.9	311.4	906.8	599.2
Total	$ 5,074.1	$ 4,566.5	$ 9,662.1	$ 9,083.4

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(a) The amounts presented for the 2016 periods include the post-acquisition revenue of BASE, which was acquired on February 11, 2016.

(b) Amounts are primarily related to transactions between our European Operations Division and our programming operations.

(c) The amounts presented for the 2016 periods reflect the post-acquisition revenue of CWC, which was acquired on May 16, 2016.

(d) The amounts presented for the 2015 periods exclude the pre-acquisition revenue of Choice, which was acquired on June 3, 2015.

	Adjusted OIBDA			
	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global Group:				
European Operations Division:				
U.K./Ireland	$ 765.5	$ 805.6	$ 1,510.1	$ 1,568.9
The Netherlands	364.1	371.0	732.0	738.9
Germany	400.3	366.9	779.7	730.9
Belgium (a)	311.3	260.8	581.1	507.8
Switzerland/Austria	263.6	259.7	521.7	508.5
Total Western Europe	2,104.8	2,064.0	4,124.6	4,055.0
Central and Eastern Europe	114.6	118.4	225.5	236.5
Central and other	(82.1)	(72.7)	(166.4)	(140.6)
Total European Operations Division	2,137.3	2,109.7	4,183.7	4,150.9
Corporate and other	(62.7)	(52.3)	(115.5)	(104.4)
Total Liberty Global Group	2,074.6	2,057.4	4,068.2	4,046.5
LiLAC Group:				
LiLAC Division:				
CWC (b)	101.0	—	101.0	—
Chile	81.8	87.6	158.1	163.6
Puerto Rico (c)	50.0	40.8	96.8	74.3
Total LiLAC Division	232.8	128.4	355.9	237.9
Corporate and other	(1.7)	(0.8)	(2.9)	(2.1)
Total LiLAC Group	231.1	127.6	353.0	235.8
Total	$ 2,305.7	$ 2,185.0	$ 4,421.2	$ 4,282.3

(a) The amounts presented for the 2016 periods include the post-acquisition Adjusted OIBDA of BASE, which was acquired on February 11, 2016.

(b) The amounts presented for the 2016 periods reflect the post-acquisition Adjusted OIBDA of CWC, which was acquired on May 16, 2016.

(c) The amounts presented for the 2015 periods exclude the pre-acquisition Adjusted OIBDA of Choice, which was acquired on June 3, 2015.

The following table provides a reconciliation of total segment Adjusted OIBDA to earnings (loss) before income taxes:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Total segment Adjusted OIBDA	$ 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
Interest expense	(657.1)	(600.8)	(1,276.4)	(1,216.7)
Realized and unrealized gains (losses) on derivative instruments, net	1,052.0	(679.7)	543.3	(61.2)
Foreign currency transaction gains (losses), net	(298.1)	340.4	40.9	(695.2)
Realized and unrealized gains (losses) due to changes in fair values of certain investments and debt, net	(376.4)	110.8	(644.6)	262.2
Losses on debt modification and extinguishment, net	(19.6)	(73.8)	(23.9)	(348.3)
Other income (expense), net	(23.5)	(1.7)	29.8	(2.7)
Earnings (loss) before income taxes	$ 165.1	$ (279.9)	$ (256.5)	$ (879.5)

Property and Equipment Additions of our Reportable Segments

The property and equipment additions of our reportable segments (including capital additions financed under vendor financing or capital lease arrangements) are presented below and reconciled to the capital expenditure amounts included in our condensed consolidated statements of cash flows. For additional information concerning capital additions financed under vendor financing and capital lease arrangements, see note 7.

	Six months ended June 30,	
	2016	**2015**
	in millions	
Liberty Global Group:		
European Operations Division:		
U.K./Ireland	$ 771.9	$ 723.2
The Netherlands	283.0	251.9
Germany	284.1	268.1
Belgium (a)	225.4	139.9
Switzerland/Austria	144.2	139.3
Total Western Europe	1,708.6	1,522.4
Central and Eastern Europe	142.3	113.3
Central and other	166.8	162.2
Total European Operations Division	2,017.7	1,797.9
Corporate and other	6.3	41.7
Total Liberty Global Group	2,024.0	1,839.6
LiLAC Group:		
CWC (b)	53.6	—
Chile	109.5	89.6
Puerto Rico (c)	41.8	36.3
Total LiLAC Group	204.9	125.9
Total property and equipment additions	2,228.9	1,965.5
Assets acquired under capital-related vendor financing arrangements	(946.4)	(675.9)
Assets acquired under capital leases	(41.8)	(74.5)
Changes in current liabilities related to capital expenditures	35.4	47.3
Total capital expenditures	$ 1,276.1	$ 1,262.4

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(a) The amount presented for the 2016 period includes the post-acquisition property and equipment additions of BASE, which was acquired on February 11, 2016.

(b) The amount presented for the 2016 period reflects the post-acquisition property and equipment additions of CWC, which was acquired on May 16, 2016.

(c) The amount presented for the 2015 period excludes the pre-acquisition property and equipment additions of Choice, which was acquired on June 3, 2015.

Revenue by Major Category

Our revenue by major category is set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
	in millions			
Subscription revenue (a):				
Video	$ 1,614.0	$ 1,605.0	$ 3,181.7	$ 3,210.8
Broadband internet	1,361.8	1,271.0	2,642.7	2,503.9
Fixed-line telephony	781.4	798.8	1,533.5	1,595.0
Cable subscription revenue	3,757.2	3,674.8	7,357.9	7,309.7
Mobile (b)	435.3	261.2	728.5	512.9
Total subscription revenue	4,192.5	3,936.0	8,086.4	7,822.6
B2B revenue (c)	502.7	385.0	890.5	762.9
Other revenue (b) (d)	378.9	245.5	685.2	497.9
Total	$ 5,074.1	$ 4,566.5	$ 9,662.1	$ 9,083.4

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(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service. As a result, changes in the standalone pricing of our cable and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(b) Mobile subscription revenue excludes mobile interconnect revenue of $77.7 million and $53.1 million during the three months ended June 30, 2016 and 2015, respectively, and $142.7 million and $107.5 million during the six months ended June 30, 2016 and 2015, respectively. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(c) B2B revenue includes revenue from business broadband internet, video, voice, mobile and data services offered to medium to large enterprises and, on a wholesale basis, to other operators. We also provide services to certain small or home office (**SOHO**) subscribers. SOHO subscribers pay a premium price to receive expanded service levels along with video, broadband internet, fixed-line telephony or mobile services that are the same or similar to the mass marketed products offered to our residential subscribers. Revenue from SOHO subscribers, which is included in cable subscription revenue, aggregated $93.8 million and $67.4 million during the three months ended June 30, 2016 and 2015, respectively, and $180.6 million and $130.0 million during the six months ended June 30, 2016 and 2015, respectively.

(d) Other revenue includes, among other items, interconnect, mobile handset sales, channel carriage fee and installation revenue.

Geographic Segments

The revenue of our geographic segments is set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
	in millions			
Liberty Global Group:				
European Operations Division:				
U.K.	$ 1,605.6	$ 1,662.4	$ 3,184.1	$ 3,274.4
The Netherlands	678.8	683.9	1,348.6	1,391.3
Belgium (a)	707.3	500.3	1,317.5	1,003.0
Germany	643.5	591.0	1,260.6	1,188.9
Switzerland	350.5	357.3	689.8	704.1
Ireland	112.1	97.2	220.1	196.6
Poland	99.4	101.2	196.0	202.2
Austria	96.5	91.5	190.6	184.0
Hungary	68.0	65.2	133.4	130.2
The Czech Republic	45.3	43.8	89.5	88.2
Romania	42.9	38.7	84.3	77.6
Slovakia	15.0	14.8	29.7	30.0
Other	2.5	2.5	3.9	3.4
Total European Operations Division	4,467.4	4,249.8	8,748.1	8,473.9
Other, including intersegment eliminations	3.8	5.3	7.2	10.3
Total Liberty Global Group	4,471.2	4,255.1	8,755.3	8,484.2
LiLAC Group:				
LiLAC Division:				
CWC (b):				
Panama	83.2	—	83.2	—
Jamaica	40.4	—	40.4	—
Bahamas	37.2	—	37.2	—
Barbados	26.6	—	26.6	—
Trinidad & Tobago	20.1	—	20.1	—
Other (c)	78.1	—	78.1	—
Total CWC	285.6	—	285.6	—
Chile	210.6	220.8	410.6	429.6
Puerto Rico (d)	106.9	90.6	210.8	169.6
Total LiLAC Division	603.1	311.4	907.0	599.2
Intersegment eliminations	(0.2)	—	(0.2)	—
Total LiLAC Group	602.9	311.4	906.8	599.2
Total	$ 5,074.1	$ 4,566.5	$ 9,662.1	$ 9,083.4

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(a) The amounts presented for the 2016 periods include the post-acquisition revenue of BASE, which was acquired on February 11, 2016.

(b) The amounts presented for the 2016 periods reflect the post-acquisition revenue of CWC, which was acquired on May 16, 2016.

(c) Amounts for the 2016 periods include revenue from CWC's other consumer and B2B operations, primarily in other countries in the Caribbean and Latin America, as well as intercompany eliminations.

(d) The amounts presented for the 2015 periods exclude the pre-acquisition revenue of Choice, which was acquired on June 3, 2015.

(15) Subsequent Event

UPC Broadband Holding Refinancing Transaction

In July 2016, UPC Broadband Holding entered into a new $2,150.0 million term loan facility (**UPC Facility AN**). UPC Facility AN was issued at 99.5% of par, matures on August 31, 2024, bears interest at a rate of LIBOR plus 3.0% and has a LIBOR floor of 0.0%. The net proceeds from UPC Facility AN will be used to prepay (i) the $1,305.0 million outstanding principal amount of UPC Facility AH, (ii) the $675.0 million outstanding principal amount of UPC Facility AC, together with accrued and unpaid interest and the related prepayment premium, to UPCB Finance V Limited (**UPCB Finance V**) and, in turn, UPCB Finance V will use such proceeds to fully redeem the $675.0 million principal amount of its 7.250% senior secured notes and (iii) 10% of the $750.0 million original principal amount of UPC Facility AD, together with accrued and unpaid interest and the related prepayment premium, to UPCB Finance VI Limited (**UPCB Finance VI**) and, in turn, UPCB Finance VI will use such proceeds to redeem 10% of its $750.0 million original principal amount of 6.875% senior secured notes (the **UPCB Finance VI Notes**). The redemption price for the UPCB Finance VI Notes is 103% of the applicable redeemed principal amount.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis, which should be read in conjunction with our condensed consolidated financial statements and the discussion and analysis included in our 2015 Annual Report on Form 10-K, is intended to assist in providing an understanding of our financial condition, changes in financial condition and results of operations and is organized as follows:

- *Forward-looking Statements.* This section provides a description of certain factors that could cause actual results or events to differ materially from anticipated results or events.
- *Overview.* This section provides a general description of our business and recent events.
- *Material Changes in Results of Operations.* This section provides an analysis of our results of operations for the three and six months ended June 30, 2016 and 2015.
- *Material Changes in Financial Condition.* This section provides an analysis of our corporate and subsidiary liquidity, condensed consolidated statements of cash flows and contractual commitments.
- *Quantitative and Qualitative Disclosures about Market Risk.* This section provides discussion and analysis of the foreign currency, interest rate and other market risk that our company faces.

The capitalized terms used below have been defined in the notes to our condensed consolidated financial statements. In the following text, the terms "we," "our," "our company" and "us" may refer, as the context requires, to Liberty Global or collectively to Liberty Global and its subsidiaries.

Unless otherwise indicated, convenience translations into U.S. dollars are calculated as of June 30, 2016.

Forward-looking Statements

Certain statements in this Quarterly Report on Form 10-Q constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. To the extent that statements in this Quarterly Report are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In particular, statements under *Management's Discussion and Analysis of Financial Condition and Results of Operations* and *Quantitative and Qualitative Disclosures About Market Risk* may contain forward-looking statements, including statements regarding our business, product, foreign currency and finance strategies, our property and equipment additions (including with respect to network extensions), subscriber growth and retention rates, competitive, regulatory and economic factors, the timing and impacts of proposed transactions, the maturity of our markets, the anticipated impacts of new legislation (or changes to existing rules and regulations), anticipated changes in our revenue, costs or growth rates, our liquidity, credit risks, foreign currency risks, target leverage levels, our future projected contractual commitments and cash flows and other information and statements that are not historical fact. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. In addition to the risk factors described in our 2015 Annual Report on Form 10-K and updated herein under *Item 1A, Risk Factors* in Part II, the following are some but not all of the factors that could cause actual results or events to differ materially from anticipated results or events:

- economic and business conditions and industry trends in the countries in which we operate;
- the competitive environment in the industries in the countries in which we operate, including competitor responses to our products and services;
- fluctuations in currency exchange rates and interest rates;
- instability in global financial markets, including sovereign debt issues and related fiscal reforms;
- consumer disposable income and spending levels, including the availability and amount of individual consumer debt;
- changes in consumer television viewing preferences and habits;

- consumer acceptance of our existing service offerings, including our cable television, broadband internet, fixed-line telephony, mobile and business service offerings, and of new technology, programming alternatives and other products and services that we may offer in the future;
- our ability to manage rapid technological changes;
- our ability to maintain or increase the number of subscriptions to our cable television, broadband internet, fixed-line telephony and mobile service offerings and our average revenue per household;
- our ability to provide satisfactory customer service, including support for new and evolving products and services;
- our ability to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers;
- the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital;
- changes in, or failure or inability to comply with, government regulations in the countries in which we operate and adverse outcomes from regulatory proceedings;
- government intervention that opens our broadband distribution networks to competitors, such as the obligations imposed in Belgium;
- our ability to obtain regulatory approval and satisfy other conditions necessary to close acquisitions and dispositions, and the impact of conditions imposed by competition and other regulatory authorities in connection with acquisitions;
- our ability to successfully acquire new businesses and, if acquired, to integrate, realize anticipated efficiencies from and implement our business plan with respect to the businesses we have acquired, such as Ziggo Holding B.V. (**Ziggo**), Choice, BASE and CWC, or we expect to acquire;
- changes in laws or treaties relating to taxation, or the interpretation thereof, in the U.K., U.S. or in other countries in which we operate;
- changes in laws and government regulations that may impact the availability and cost of capital and the derivative instruments that hedge certain of our financial risks;
- 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;
- the availability of attractive programming for our video services and the costs associated with such programming, including retransmission and copyright fees payable to public and private broadcasters;
- uncertainties inherent in the development and integration of new business lines and business strategies;
- our ability to adequately forecast and plan future network requirements, including the costs and benefits associated with our network extension programs;
- the availability of capital for the acquisition and/or development of telecommunications networks and services;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire;
- the leakage of sensitive customer data;
- the outcome of any pending or threatened litigation;
- the loss of key employees and the availability of qualified personnel;
- changes in the nature of key strategic relationships with partners and joint venturers;
- our equity capital structure; and

- events that are outside of our control, such as political unrest in international markets, terrorist attacks, malicious human acts, natural disasters, pandemics and other similar events.

The broadband distribution and mobile service industries are changing rapidly and, therefore, the forward-looking statements of expectations, plans and intent in this Quarterly Report are subject to a significant degree of risk. These forward-looking statements and the above-described risks, uncertainties and other factors speak only as of the date of this Quarterly Report, and 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 other change in events, conditions or circumstances on which any such statement is based. Readers are cautioned not to place undue reliance on any forward-looking statement.

Overview

We are an international provider of video, broadband internet, fixed-line telephony, mobile and other communications services to consumers and businesses, with consolidated operations at June 30, 2016 in more than 30 countries. We provide consumer and B2B services in (i) the U.K. and Ireland through Virgin Media, (ii) the Netherlands through Ziggo Group Holding, (iii) Germany through Unitymedia, (iv) Belgium through Telenet and (v) seven other European countries through UPC Holding. The operations of Virgin Media, Ziggo Group Holding, Unitymedia, Telenet and UPC Holding are collectively referred to herein as the “European Operations Division.” In addition, we provide consumer and B2B services in (a) 18 countries, predominantly in Latin America or the Caribbean, through CWC, (b) Chile through VTR and (c) Puerto Rico through Liberty Puerto Rico. CWC also provides (1) B2B services in certain other countries in Latin America and the Caribbean and (2) wholesale services over its sub-sea and terrestrial networks that connect over 30 markets in that region. The operations of CWC, VTR and Liberty Puerto Rico are collectively referred to herein as the “LiLAC Division.”

On July 1, 2015, we completed the LiLAC Transaction, pursuant to which we (i) reclassified our then outstanding Old Liberty Global Shares into Liberty Global Shares and (ii) distributed LiLAC Shares to holders of our Old Liberty Global Shares. The Liberty Global Shares and the LiLAC Shares are intended to reflect or “track” the economic performance of the Liberty Global Group and the LiLAC Group, respectively. For additional information, see note 1 to our condensed consolidated financial statements.

We have completed a number of transactions that impact the comparability of our 2016 and 2015 results of operations, including the CWC Acquisition on May 16, 2016, the BASE Acquisition on February 11, 2016 and the Choice Acquisition on June 3, 2015. For further information regarding our acquisitions and a pending joint venture transaction, see note 3 to our condensed consolidated financial statements.

Through our subsidiaries and affiliates, we are the largest international broadband communications operator in terms of customers. At June 30, 2016, we owned and operated networks that passed 55,805,100 homes and served 59,314,200 revenue generating units (**RGU**s), consisting of 24,247,600 video subscribers, 19,119,400 broadband internet subscribers and 15,947,200 fixed-line telephony subscribers. In addition, at June 30, 2016, we served 10,576,600 mobile subscribers.

Including the effect of acquisitions, we added a total of 2,152,800 and 2,323,500 RGUs during the three and six months ended June 30, 2016, respectively. Excluding the effect of acquisitions (RGUs added on the acquisition date), but including post-acquisition date changes in RGUs, we added 277,000 and 432,900 RGUs on an organic basis during the three and six months ended June 30, 2016, respectively, as compared to 138,300 and 206,700 RGUs added on an organic basis during the corresponding prior-year periods. The organic RGU growth during the three and six months ended June 30, 2016 is primarily attributable to the net effect of (i) increases of 191,000 and 369,200 broadband internet RGUs, respectively, (ii) decreases of 116,600 and 277,600 basic video RGUs, respectively, (iii) increases of 148,500 and 264,500 fixed-line telephony RGUs, respectively, and (iv) increases of 52,700 and 79,100 enhanced video RGUs, respectively.

Including the effect of acquisitions, we added 3,759,700 and 5,789,600 mobile subscribers during the three and six months ended June 30, 2016, respectively. Excluding the effect of acquisitions, we added 61,800 and 94,100 mobile subscribers on an organic basis during the three and six months ended June 30, 2016, respectively, as compared to 95,800 and 137,900 added on an organic basis during the corresponding prior-year periods. The organic growth during the three and six months ended June 30, 2016 includes (i) increases in postpaid mobile subscribers of 119,100 and 218,900, respectively, and (ii) decreases in prepaid mobile subscribers of 57,300 and 124,800, respectively.

We are experiencing significant competition from incumbent telecommunications operators (particularly in the Netherlands and, to a lesser extent, Switzerland, where the incumbent telecommunications operators are overbuilding our networks with fiber-to-the-home, -cabinet, -building or -node and advanced digital subscriber line technologies), DTH operators and/or other providers in substantially all of our markets. In the Bahamas, where CWC is currently the only provider of mobile services, we expect to experience a significant increase in competition later this year when a broadband communications operator is expected to begin offering mobile services. In addition, in certain of CWC's markets, CWC is experiencing increased regulatory intervention that would, if implemented, facilitate increased competition. In certain of our markets, this significant competition, together with the maturation of these markets, has contributed to organic declines in revenue, RGUs and/or average monthly subscription revenue per average cable RGU or mobile subscriber, as applicable (**ARPU**), the more notable of which include:

(i) organic declines in (a) cable subscription in the Netherlands and Switzerland and (b) overall revenue in the Netherlands during the second quarter of 2016, as compared to the second quarter of 2015;

(ii) organic declines during the second quarter of 2016 in (a) video RGUs in the majority of our markets, as declines in our basic video RGUs generally exceeded additions to our enhanced video RGUs (including migrations from basic video) in these markets, (b) fixed-line telephony RGUs in the Netherlands, Chile and Switzerland, (c) broadband internet RGUs in Switzerland and (d) total RGUs in the Netherlands and Switzerland; and

(iii) organic declines in overall cable ARPU in the Netherlands and many of our other markets during the second quarter of 2016, as compared to the second quarter of 2015.

On June 23, 2016, the U.K. held a referendum in which voters approved, on an advisory basis, Brexit. Although the vote is non-binding, it is expected that the referendum will be passed into law and the British government will commence negotiations to determine the terms of the U.K.'s withdrawal from the E.U. A withdrawal could, among other outcomes, disrupt the free movement of goods, services and people between the U.K. and the E.U., undermine bilateral cooperation in key geographic areas and significantly disrupt trade between the U.K. and the E.U. or other nations (including the U.S.) as the U.K. pursues independent trade relations. The initial impact of the announcement of Brexit caused significant volatility in global stock markets, including in the prices of our shares, as well as significant currency fluctuations that resulted in the strengthening of the U.S. dollar (our reporting currency) against foreign currencies in which we conduct business, namely the British pound sterling and the euro. As further described under *Item 1A. Risk Factors* in Part II of this Quarterly Report, the effects of Brexit could adversely affect our business, results of operations and financial condition.

We are also facing a challenging economic environment in Puerto Rico due in part to the government's liquidity issues. In this regard, the Puerto Rico government has failed to make significant portions of its scheduled debt payments during 2016. Although the Puerto Rico government has implemented tax increases and other measures to improve its solvency and the U.S. has implemented legislation designed to help manage Puerto Rico's debt crisis, it remains possible, if not likely, that Puerto Rico will be required to restructure its debt obligations. If the fiscal and economic conditions in Puerto Rico were to worsen, the population of Puerto Rico could continue to decline and the demand and ability of customers to pay for Liberty Puerto Rico's services could be impaired, both of which could have a negative impact on Liberty Puerto Rico's results of operations, cash flows and financial condition.

Material Changes in Results of Operations

As noted under *Overview* above, the comparability of our operating results during 2016 and 2015 is affected by acquisitions. In the following discussion, we quantify the estimated impact of acquisitions on our operating results. The acquisition impact represents our estimate of the difference between the operating results of the periods under comparison that is attributable to an acquisition. In general, we base our estimate of the acquisition impact on an acquired entity's operating results during the first three months following the acquisition date, as adjusted to remove integration costs and any other material nonrecurring or nonoperational items, such that changes from those operating results in subsequent periods are considered to be organic changes. Accordingly, in the following discussion, variances attributed to an acquired entity during the first 12 months following the acquisition date represent differences between the estimated acquisition impact and the actual results. Our organic growth percentages may be impacted by the fact that the numerator for the organic growth percentages includes the organic growth of the acquired entity, while the denominator may not include any amounts related to the acquired entity.

Changes in foreign currency exchange rates have a significant impact on our reported operating results as all of our operating subsidiaries, except for Puerto Rico, CWC and certain of CWC's subsidiaries, have functional currencies other than the U.S. dollar. Our primary exposure to foreign currency translation effects (**FX**) risk during the three months ended June 30, 2016 was to the euro and British pound sterling as 44.8% and 31.6% of our U.S. dollar revenue during the period was derived from subsidiaries whose functional currencies are the euro and British pound sterling, respectively. In addition, our reported operating results are impacted by changes in the exchange rates for the Swiss franc and other local currencies in Europe, as well as the Chilean peso. The portions of the changes in the various components of our results of operations that are attributable to changes in FX are highlighted under *Discussion and Analysis of our Reportable Segments* and *Discussion and Analysis of our Consolidated Operating Results* below. For information concerning applicable foreign currency exchange rates in effect for the periods covered by this Quarterly Report, see *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Exchange Rates* below.

The amounts presented and discussed below represent 100% of each operating segment's revenue and Adjusted OIBDA. As we have the ability to control Telenet, Liberty Puerto Rico and certain subsidiaries of CWC that are not wholly owned, we consolidate 100% of the revenue and expenses of these entities in our condensed consolidated statements of operations despite the fact that third parties own significant interests in these entities. The noncontrolling owners' interests in the operating results of Telenet, Liberty Puerto Rico, certain subsidiaries of CWC and other less significant majority-owned subsidiaries are reflected in net earnings or loss attributable to noncontrolling interests in our condensed consolidated statements of operations. For additional information, see note 1 to our condensed consolidated financial statements.

Discussion and Analysis of our Reportable Segments

General

All of the reportable segments set forth below derive their revenue primarily from (i) broadband communications services, including video, broadband internet and fixed-line telephony services, (ii) B2B services and (iii) with the exception of Puerto Rico, mobile services. For detailed information regarding the composition of our reportable segments, see note 14 to our condensed consolidated financial statements.

The tables presented below in this section provide a separate analysis of each of the line items that comprise Adjusted OIBDA, as further discussed in note 14 to our condensed consolidated financial statements, as well as an analysis of Adjusted OIBDA by reportable segment for the three and six months ended June 30, 2016 and 2015. These tables present (i) the amounts reported by each of our reportable segments for the current and comparative periods, (ii) the U.S. dollar change and percentage change from period to period and (iii) the organic percentage change from period to period (percentage change after removing FX and the estimated impacts of acquisitions and dispositions). The comparisons that exclude FX assume that exchange rates remained constant at the prior-year rate during the comparative periods that are included in each table. We also provide a table showing the Adjusted OIBDA margins of our reportable segments for the three and six months ended June 30, 2016 and 2015 at the end of this section.

The revenue of our reportable segments includes revenue earned from (i) subscribers to our broadband communications and mobile services and (ii) B2B services, interconnect fees, mobile handset sales, channel carriage fees, installation fees, late fees and advertising revenue. Consistent with the presentation of our revenue categories in note 14 to our condensed consolidated financial statements, we use the term "subscription revenue" in the following discussion to refer to amounts received from subscribers for ongoing services, excluding installation fees and late fees. In the following tables, mobile subscription revenue excludes the related interconnect revenue.

In the U.K., Belgium and Switzerland/Austria, we now offer our customers the option to purchase a mobile handset pursuant to a contract that is independent of a mobile airtime services contract (a **Split-contract Program**). Revenue associated with handsets sold under a Split-contract Program is recognized upfront and included in other non-subscription revenue. We generally recognize the full sales price for the mobile handset upon delivery, regardless of whether the sales price is received upfront or in installments. Prior to the Split-contract Programs, all revenue from handset sales that was contingent upon delivering future airtime services was recognized over the life of the customer contract as part of the monthly fee and included in subscription revenue.

Most of our revenue is derived from jurisdictions that administer VAT or similar revenue-based taxes. Any increases in these taxes could have an adverse impact on our ability to maintain or increase our revenue to the extent that we are unable to pass such tax increases on to our customers. In the case of revenue-based taxes for which we are the ultimate taxpayer, we will also experience increases in our operating expenses and corresponding declines in our Adjusted OIBDA and Adjusted OIBDA margins to the extent of any such tax increases.

We pay interconnection fees to other telephony providers when calls or text messages from our subscribers terminate on another network, and we receive similar fees from such providers when calls or text messages from their customers terminate on our networks or networks that we access through MVNO or other arrangements. The amounts we charge and incur with respect to fixed-line telephony and mobile interconnection fees are subject to regulatory oversight in many of our markets. To the extent that regulatory authorities introduce fixed-line or mobile termination rate changes, we would experience prospective changes and, in very limited cases, we could experience retroactive changes in our interconnect revenue and/or costs. The ultimate impact of any such changes in termination rates on our Adjusted OIBDA would be dependent on the call or text messaging patterns that are subject to the changed termination rates.

Revenue of our Reportable Segments

	Three months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 1,717.7	$ 1,759.6	$ (41.9)	(2.4)	3.3
The Netherlands	678.8	683.9	(5.1)	(0.7)	(2.8)
Germany	643.5	591.0	52.5	8.9	6.7
Belgium (a)	707.3	500.3	207.0	41.4	6.0
Switzerland/Austria	447.0	448.8	(1.8)	(0.4)	1.6
Total Western Europe	4,194.3	3,983.6	210.7	5.3	2.9
Central and Eastern Europe	274.0	267.2	6.8	2.5	3.2
Central and other	(0.9)	(1.0)	0.1	N.M.	N.M.
Total European Operations Division	4,467.4	4,249.8	217.6	5.1	2.9
Corporate and other	15.2	12.8	2.4	18.8	58.3
Intersegment eliminations	(11.4)	(7.5)	(3.9)	N.M.	N.M.
Total Liberty Global Group	4,471.2	4,255.1	216.1	5.1	3.0
LiLAC Group:					
LiLAC Division:					
CWC (b)	285.6	—	285.6	N.M.	N.M.
Chile	210.6	220.8	(10.2)	(4.6)	4.5
Puerto Rico (c)	106.9	90.6	16.3	18.0	1.4
Total LiLAC Division	603.1	311.4	291.7	93.7	3.6
Intersegment eliminations	(0.2)	—	(0.2)	N.M.	N.M.
Total LiLAC Group	602.9	311.4	291.5	93.6	3.5
Total	$ 5,074.1	$ 4,566.5	$ 507.6	11.1	3.1

	Six months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 3,404.2	$ 3,471.0	$ (66.8)	(1.9)	3.5
The Netherlands	1,348.6	1,391.3	(42.7)	(3.1)	(3.0)
Germany	1,260.6	1,188.9	71.7	6.0	6.1
Belgium (a)	1,317.5	1,003.0	314.5	31.4	5.8
Switzerland/Austria	880.4	888.1	(7.7)	(0.9)	2.0
Total Western Europe	8,211.3	7,942.3	269.0	3.4	2.9
Central and Eastern Europe	540.1	535.4	4.7	0.9	2.9
Central and other	(3.3)	(3.8)	0.5	N.M.	N.M.
Total European Operations Division	8,748.1	8,473.9	274.2	3.2	2.9
Corporate and other	29.8	25.6	4.2	16.4	60.1
Intersegment eliminations	(22.6)	(15.3)	(7.3)	N.M.	N.M.
Total Liberty Global Group	8,755.3	8,484.2	271.1	3.2	3.0
LiLAC Group:					
LiLAC Division:					
CWC (b)	285.6	—	285.6	N.M.	N.M.
Chile	410.6	429.6	(19.0)	(4.4)	6.0
Puerto Rico (c)	210.8	169.6	41.2	24.3	2.1
Total LiLAC Division	907.0	599.2	307.8	51.4	4.9
Intersegment eliminations	(0.2)	—	(0.2)	N.M.	N.M.
Total LiLAC Group	906.8	599.2	307.6	51.3	4.9
Total	$ 9,662.1	$ 9,083.4	$ 578.7	6.4	3.1

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(a) The amounts presented for the 2016 periods include the post-acquisition revenue of BASE, which was acquired on February 11, 2016.

(b) The amounts presented for the 2016 periods reflect the post-acquisition revenue of CWC, which was acquired on May 16, 2016.

(c) The amounts presented for the 2015 periods exclude the pre-acquisition revenue of Choice, which was acquired on June 3, 2015.

N.M. — Not Meaningful.

General. While not specifically discussed in the below explanations of the changes in the revenue of our reportable segments, we are experiencing significant competition in substantially all of our markets. This competition has an adverse impact on our ability to increase or maintain our RGUs and/or ARPU. For a description of the more notable recent impacts of this competition on our broadband communications markets, see *Overview* above.

Variances in the subscription revenue that we receive from our customers are a function of (i) changes in the number of RGUs or mobile subscribers outstanding during the period and (ii) changes in ARPU. Changes in ARPU can be attributable to (a) price increases, (b) changes in bundling or promotional discounts, (c) changes in the tier of services selected, (d) variances in subscriber usage patterns and (e) the overall mix of cable and mobile products within a segment during the period. In the following discussion, we discuss ARPU changes in terms of the net impact of the above factors on the ARPU that is derived from our video, broadband internet, fixed-line telephony and mobile products.

U.K./Ireland. The decreases in U.K./Ireland's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic increases of $57.9 million or 3.3% and $120.6 million or 3.5%, respectively, (ii) the impact of an acquisition, (iii) the impact of disposals and (iv) the impact of FX, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue	Non-subscription revenue	Total	Subscription revenue	Non-subscription revenue	Total
	in millions					
Increase in cable subscription revenue due to change in:						
Average number of RGUs (a)	$ 29.2	$ —	$ 29.2	$ 50.7	$ —	$ 50.7
ARPU (b)	3.3	—	3.3	18.9	—	18.9
Total increase in cable subscription revenue	32.5	—	32.5	69.6	—	69.6
Decrease in mobile subscription revenue (c)	(19.4)	—	(19.4)	(32.5)	—	(32.5)
Total increase in subscription revenue	13.1	—	13.1	37.1	—	37.1
Increase in B2B revenue (d)	—	13.6	13.6	—	23.7	23.7
Increase in other revenue (e)	—	31.2	31.2	—	59.8	59.8
Total organic increase	13.1	44.8	57.9	37.1	83.5	120.6
Impact of an acquisition	—	12.1	12.1	—	24.4	24.4
Impact of disposals (f)	(3.3)	(0.7)	(4.0)	(5.1)	(5.1)	(10.2)
Impact of FX	(84.9)	(23.0)	(107.9)	(159.6)	(42.0)	(201.6)
Total	$ (75.1)	$ 33.2	$ (41.9)	$ (127.6)	$ 60.8	$ (66.8)

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(a) The increases in cable subscription revenue related to changes in the average numbers of RGUs are primarily attributable to increases in the average numbers of (i) broadband internet RGUs in the U.K. and, for the six-month comparison, in Ireland and (ii) fixed-line telephony RGUs that were only partially offset by declines in (a) the average number of enhanced video RGUs and (b) the average number of basic video RGUs in Ireland.

(b) The increases in cable subscription revenue related to changes in ARPU are primarily attributable to the net effect of (i) net increases primarily due to (a) higher ARPU from broadband internet services, (b) lower ARPU from fixed-line telephony services in the U.K., (c) lower ARPU resulting from the impact of a change in the regulations governing certain fees Virgin Media charges to its customers in the U.K., which reduced revenue by $7.7 million and $9.5 million, respectively, and (d) for the six-month comparison, higher ARPU from video services, as an increase in the U.K. was only partially offset by a decrease in Ireland and (ii) adverse changes in RGU mix in Ireland. In addition, the three-month comparison includes lower ARPU from video services.

(c) The decreases in mobile subscription revenue relate to the net effect of (i) lower ARPU in the U.K., including declines of $25.4 million and $46.8 million, respectively, in postpaid mobile services revenue due to the continued growth of the Split-contract Program, (ii) increases in the average number of postpaid mobile subscribers and (iii) declines in the average number of prepaid mobile subscribers in the U.K.

(d) The increases in B2B revenue are primarily due to the net effect of (i) increases in data revenue, primarily attributable to (a) higher volumes and (b) increases of $4.4 million and $8.8 million, respectively, in the U.K.'s amortization of deferred upfront fees on B2B contracts, (ii) lower voice revenue in the U.K., largely attributable to declines in usage, and (iii) increases in low-margin equipment sales in the U.K.

(e) The increases in other revenue are primarily due to the net effect of (i) increases in mobile handset sales, primarily attributable to increases of $28.4 million and $57.5 million, respectively, associated with the Split-contract Program in the U.K., (ii) decreases in interconnect revenue in the U.K. of $4.4 million and $8.3 million, respectively, primarily due to (a) declines in mobile short message service (or **SMS**) termination volumes, (b) lower fixed-line telephony termination volumes and (c) for the six-month comparison, lower mobile termination rates and (iii) increases in broadcasting revenue in Ireland. The increases in revenue from the Split-contract Program are due to the net effect of (1) increased volume associated with the continued growth of the program and (2) lower average revenue per handset sold.

(f) Represents the estimated impact of (i) the non-cable subscribers in the U.K. that we sold in the fourth quarter of 2014 (the **U.K. Non-Cable Disposal**) and (ii) the 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. The non-cable subscribers were migrated to a third party during the first nine months of 2015.

As discussed above, Virgin Media has reduced certain fees it charges to customers in the U.K. as a result of a change in the regulations governing these fees, with the largest reduction effective April 1, 2016. We estimate that these reduced charges will result in a £10 million ($13 million) reduction of the U.K.'s cable subscription revenue and operating income for the last six months of 2016 when compared to the corresponding prior-year period.

The Netherlands. The decreases in the Netherlands' revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic decreases of $18.8 million or 2.8% and $42.0 million or 3.0%, respectively, and (ii) the impact of FX, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue	Non-subscription revenue	Total	Subscription revenue	Non-subscription revenue	Total
	in millions					
Decrease in cable subscription revenue due to change in:						
Average number of RGUs (a)	$ (10.5)	$ —	$ (10.5)	$ (22.5)	$ —	$ (22.5)
ARPU (b)	(8.9)	—	(8.9)	(19.8)	—	(19.8)
Total decrease in cable subscription revenue	(19.4)	—	(19.4)	(42.3)	—	(42.3)
Increase in mobile subscription revenue (c)	1.0	—	1.0	2.5	—	2.5
Total decrease in subscription revenue	(18.4)	—	(18.4)	(39.8)	—	(39.8)
Increase (decrease) in B2B revenue	—	0.1	0.1	—	(0.6)	(0.6)
Decrease in other revenue (d)	—	(0.5)	(0.5)	—	(1.6)	(1.6)
Total organic decrease	(18.4)	(0.4)	(18.8)	(39.8)	(2.2)	(42.0)
Impact of FX	10.2	3.5	13.7	(0.5)	(0.2)	(0.7)
Total	$ (8.2)	$ 3.1	$ (5.1)	$ (40.3)	$ (2.4)	$ (42.7)

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(a) The decreases in cable subscription revenue related to changes in the average numbers of RGUs are attributable to declines in the average numbers of basic video, enhanced video and fixed-line telephony RGUs that were only partially offset by increases in the average number of broadband internet RGUs.

(b) The decreases in cable subscription revenue related to changes in ARPU are attributable to the net effect of (i) net decreases due to (a) lower ARPU from fixed-line telephony services and broadband internet services and (b) higher ARPU from video services and (ii) improvements in RGU mix.

(c) The increases in mobile subscription revenue are due to the net effect of (i) increases in the average number of mobile subscribers and (ii) lower ARPU.

(d) The decrease in other revenue for the six-month comparison includes the net effect of (i) an increase due to the favorable impact of $3.3 million of nonrecurring revenue recorded during the first quarter of 2016 following the settlement of prior period amounts and (ii) a decrease in revenue of $1.6 million resulting from the termination of a partner network agreement in the Netherlands shortly after the November 2014 acquisition of Ziggo. The remaining decreases in other revenue for both comparative periods are due to net decreases resulting from individually insignificant changes in other non-subscription revenue categories.

Germany. The increases in Germany's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic increases of $39.7 million or 6.7% and $72.1 million or 6.1%, respectively, and (ii) the impact of FX, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue (a)	**Non-subscription revenue (b)**	**Total**	**Subscription revenue (a)**	**Non-subscription revenue (b)**	**Total**
	in millions					
Increase in cable subscription revenue due to change in:						
Average number of RGUs (c)	$ 14.6	$ —	$ 14.6	$ 29.2	$ —	$ 29.2
ARPU (d)	20.8	—	20.8	42.7	—	42.7
Total increase in cable subscription revenue	35.4	—	35.4	71.9	—	71.9
Increase in mobile subscription revenue	1.1	—	1.1	1.8	—	1.8
Total increase in subscription revenue	36.5	—	36.5	73.7	—	73.7
Increase in B2B revenue	—	0.9	0.9	—	1.0	1.0
Increase (decrease) in other revenue (e)	—	2.3	2.3	—	(2.6)	(2.6)
Total organic increase	36.5	3.2	39.7	73.7	(1.6)	72.1
Impact of FX	12.9	(0.1)	12.8	—	(0.4)	(0.4)
Total	$ 49.4	$ 3.1	$ 52.5	$ 73.7	$ (2.0)	$ 71.7

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(a) Subscription revenue includes revenue from multi-year bulk agreements with landlords or housing associations or with third parties that operate and administer the in-building networks on behalf of housing associations. These bulk agreements, which generally allow for the procurement of the basic video signals at volume-based discounts, provide access to approximately two-thirds of Germany's video subscribers. Germany's bulk agreements are, to a significant extent, medium- and long-term contracts. As of June 30, 2016, bulk agreements covering approximately 36% of the video subscribers that Germany serves expire by the end of 2017 or are terminable on 30-days notice. During the three months ended June 30, 2016, Germany's 20 largest bulk agreement accounts generated approximately 9% of its total revenue (including estimated amounts billed directly to the building occupants for digital video, broadband internet and fixed-line telephony services). No assurance can be given that Germany's bulk agreements will be renewed or extended on financially equivalent terms, or at all.

(b) Other revenue includes fees received for the carriage of certain channels included in Germany's basic and enhanced video offerings. This channel carriage fee revenue is subject to contracts that expire or are otherwise terminable by either party on various dates ranging from 2016 through 2018. The aggregate amount of revenue related to these channel carriage contracts represented approximately 4% of Germany's total revenue during the three months ended June 30, 2016. No assurance can be given that these contracts will be renewed or extended on financially equivalent terms, or at all. Also, our ability to increase the aggregate channel carriage fees that Germany receives for each channel is limited through the end of 2016 by certain commitments we made to regulators in connection with the acquisition of Unitymedia BW GmbH. In June 2017, we plan to discontinue our analog video service. We estimate that the discontinuance of this service will reduce Germany's channel carriage revenue and operating income by approximately €30 million ($33 million) annually.

(c) The increases in cable subscription revenue related to changes in the average numbers of RGUs are attributable to increases in the average numbers of broadband internet, fixed-line telephony and enhanced video RGUs that were only partially offset by declines in the average number of basic video RGUs.

(d) The increases in cable subscription revenue related to changes in ARPU are attributable to (i) net increases due to (a) higher ARPU from broadband internet and video services and (b) lower ARPU from fixed-line telephony services and (ii) improvements in RGU mix.

(e) The changes in other revenue are due to the net effect of (i) decreases due to legislative developments that have reduced the fees we can charge our late-paying customers, (ii) increases in installation revenue and (iii) for the six-month comparison, a net decrease resulting from individually insignificant changes in other non-subscription categories.

Belgium. The increases in Belgium's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic increases of $30.1 million or 6.0% and $58.3 million or 5.8%, respectively, (ii) the impact of the BASE Acquisition and (iii) the impact of FX, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue	Non-subscription revenue	Total	Subscription revenue	Non-subscription revenue	Total
	in millions					
Increase in cable subscription revenue due to change in:						
Average number of RGUs (a)	$ 5.8	$ —	$ 5.8	$ 12.0	$ —	$ 12.0
ARPU (b)	14.0	—	14.0	21.3	—	21.3
Total increase in cable subscription revenue	19.8	—	19.8	33.3	—	33.3
Increase in mobile subscription revenue (c)	2.6	—	2.6	6.0	—	6.0
Total increase in subscription revenue	22.4	—	22.4	39.3	—	39.3
Increase (decrease) in B2B revenue (d)	—	(0.4)	(0.4)	—	4.8	4.8
Increase in other revenue (e)	—	8.1	8.1	—	14.2	14.2
Total organic increase	22.4	7.7	30.1	39.3	19.0	58.3
Impact of the BASE Acquisition	98.0	64.7	162.7	153.2	101.6	254.8
Impact of FX	10.3	3.9	14.2	1.3	0.1	1.4
Total	$ 130.7	$ 76.3	$ 207.0	$ 193.8	$ 120.7	$ 314.5

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(a) The increases in cable subscription revenue related to changes in the average numbers of RGUs are attributable to increases in the average numbers of fixed-line telephony, broadband internet and enhanced video RGUs that were only partially offset by declines in the average number of basic video RGUs.

(b) The increases in cable subscription revenue related to changes in ARPU are attributable to (i) higher ARPU from video, broadband internet and fixed-line telephony services and (ii) improvements in RGU mix.

(c) The increases in mobile subscription revenue are due to the net effect of (i) increases in the average number of mobile subscribers, (ii) lower ARPU due to (a) declines of $2.9 million and $5.4 million, respectively, in mobile services revenue due to the June 2015 introduction of a Split-contract Program, and (b) declines in usage.

(d) The changes in B2B revenue are primarily due to the net impact of (i) higher revenue from (a) information technology security services and related equipment sales and (b) data services and (ii) for the three-month comparison, a net decrease resulting from individually insignificant changes in other B2B categories.

(e) The increases in other revenue are primarily due to (i) increases in mobile handset sales of $5.0 million and $9.3 million, respectively, (ii) increases in tablet sales of $1.5 million and $3.7 million, respectively, and (iii) increases in interconnect revenue, primarily attributable to the net effect of (a) growth in mobile call volumes and (b) lower SMS usage. The increases in Belgium's mobile handset sales, which typically generate relatively low margins, include the net impact of (1) increases of $6.2 million and $13.1 million, respectively, in non-subsidized handset sales, including increases of $3.2 million and $6.1 million, respectively, associated with the June 2015 introduction of a Split-contract Program, and (2) decreases of $0.6 million and $3.1 million, respectively, in subsidized handset sales.

For information concerning certain regulatory developments that could have an adverse impact on our revenue in Belgium, see note 13 to our condensed consolidated financial statements.

Switzerland/Austria. The decreases in Switzerland/Austria's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic increases of $7.1 million or 1.6% and $17.4 million or 2.0%, respectively, and (ii) the impact of FX, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue	Non-subscription revenue	Total	Subscription revenue	Non-subscription revenue	Total
	in millions					
Increase (decrease) in cable subscription revenue due to change in:						
Average number of RGUs (a)	$ (5.0)	$ —	$ (5.0)	$ (2.7)	$ —	$ (2.7)
ARPU (b)	2.5	—	2.5	5.1	—	5.1
Total increase (decrease) in cable subscription revenue	(2.5)	—	(2.5)	2.4	—	2.4
Increase in mobile subscription revenue (c)	3.5	—	3.5	7.1	—	7.1
Total increase in subscription revenue	1.0	—	1.0	9.5	—	9.5
Increase (decrease) in B2B revenue	—	(0.1)	(0.1)	—	0.1	0.1
Increase in other revenue (d)	—	6.2	6.2	—	7.8	7.8
Total organic increase	1.0	6.1	7.1	9.5	7.9	17.4
Impact of FX	(6.1)	(2.8)	(8.9)	(20.3)	(4.8)	(25.1)
Total	$ (5.1)	$ 3.3	$ (1.8)	$ (10.8)	$ 3.1	$ (7.7)

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(a) The decreases in cable subscription revenue related to changes in the average numbers of RGUs are attributable to declines in the average number of basic video RGUs and, in Switzerland, the average number of enhanced video RGUs that were mostly offset by increases in the average numbers of fixed-line telephony and broadband internet RGUs.

(b) The increases in cable subscription revenue related to changes in ARPU are attributable to (i) net increases due to (a) higher ARPU from video services, (b) lower ARPU from fixed-line telephony services and (c) for the six-month comparison, higher ARPU from broadband internet services and (ii) improvements in RGU mix, as favorable changes in Switzerland were mostly offset by adverse changes in Austria. For the three-month comparison, ARPU from broadband internet services was relatively unchanged as higher ARPU in Austria was primarily offset by lower ARPU in Switzerland.

(c) The increases in mobile subscription revenue are primarily due to increases in the average number of mobile subscribers.

(d) The increases in other revenue are primarily due to increases in mobile handset sales in Switzerland, including increases of $1.5 million and $2.1 million, respectively, associated with the September 2015 introduction of a Split-contract Program.

Central and Eastern Europe. The increases in Central and Eastern Europe's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic increases of $8.5 million or 3.2% and $15.3 million or 2.9%, respectively, (ii) the impact of an acquisition and (iii) the impact of FX, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue	Non-subscription revenue	Total	Subscription revenue	Non-subscription revenue	Total
			in millions			
Increase (decrease) in cable subscription revenue due to change in:						
Average number of RGUs (a)	$ 11.9	$ —	$ 11.9	$ 22.4	$ —	$ 22.4
ARPU (b)	(5.3)	—	(5.3)	(10.2)	—	(10.2)
Total increase in cable subscription revenue	6.6	—	6.6	12.2	—	12.2
Increase in mobile subscription revenue	1.1	—	1.1	1.9	—	1.9
Total increase in subscription revenue	7.7	—	7.7	14.1	—	14.1
Increase in B2B revenue	—	0.5	0.5	—	0.4	0.4
Increase in other revenue	—	0.3	0.3	—	0.8	0.8
Total organic increase	7.7	0.8	8.5	14.1	1.2	15.3
Impact of an acquisition	0.8	0.1	0.9	1.6	0.1	1.7
Impact of FX	(3.0)	0.4	(2.6)	(11.5)	(0.8)	(12.3)
Total	$ 5.5	$ 1.3	$ 6.8	$ 4.2	$ 0.5	$ 4.7

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(a) The increases in cable subscription revenue related to changes in the average numbers of RGUs are primarily attributable to the net effect of (i) increases in the average numbers of fixed-line telephony, broadband internet and enhanced video RGUs in Romania, Hungary and Poland, (ii) declines in the average numbers of basic video RGUs in Hungary, Poland, Romania and Slovakia, (iii) increases in the average number of DTH RGUs, (iv) increases in the average numbers of basic video and broadband internet RGUs in the Czech Republic, (v) declines in the average numbers of fixed-line telephony and enhanced video RGUs in the Czech Republic and (vi) increases in the average numbers of broadband internet, fixed-line telephony and, for the six-month comparison, enhanced video RGUs in Slovakia.

(b) The decreases in cable subscription revenue related to changes in ARPU are attributable to (i) net decreases due to (a) lower ARPU from fixed-line telephony and broadband internet services and (b) higher ARPU from video services, primarily in Poland, and (ii) adverse changes in RGU mix, as adverse changes in Romania were mostly offset by improvements in Hungary.

CWC. The increases in CWC's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, are entirely attributable to the May 16, 2016 CWC Acquisition. Accordingly, we do not separately discuss the changes in the revenue for the CWC segment. CWC is experiencing significant competition in substantially all of its markets. For additional information, see discussion under *Overview* above.

Effective April 1, 2016, CWC began recognizing revenue on a cash, rather than accrual, basis with respect to two of its more significant B2B customers due primarily to unfavorable collection experience and unfavorable macroeconomic factors. The aggregate amount charged to these customers during the three months ended June 30, 2016 was in excess of $3.5 million.

Chile. The decreases in Chile's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic increases of $9.9 million or 4.5% and $25.8 million or 6.0%, respectively, and (ii) the impact of FX, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue	**Non-subscription revenue**	**Total**	**Subscription revenue**	**Non-subscription revenue**	**Total**
			in millions			
Increase in cable subscription revenue due to change in:						
Average number of RGUs (a)	$ 5.3	$ —	$ 5.3	$ 11.0	$ —	$ 11.0
ARPU (b)	4.7	—	4.7	10.4	—	10.4
Total increase in cable subscription revenue	10.0	—	10.0	21.4	—	21.4
Increase in mobile subscription revenue (c)	1.4	—	1.4	3.3	—	3.3
Total increase in subscription revenue	11.4	—	11.4	24.7	—	24.7
Increase (decrease) in other revenue (d)	—	(1.5)	(1.5)	—	1.1	1.1
Total organic increase (decrease)	11.4	(1.5)	9.9	24.7	1.1	25.8
Impact of FX	(19.1)	(1.0)	(20.1)	(42.4)	(2.4)	(44.8)
Total	$ (7.7)	$ (2.5)	$ (10.2)	$ (17.7)	$ (1.3)	$ (19.0)

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(a) The increases in cable subscription revenue related to changes in the average numbers of RGUs are attributable to increases in the average numbers of broadband internet and enhanced video RGUs that were only partially offset by declines in the average numbers of fixed-line telephony and basic video RGUs.

(b) The increases in cable subscription revenue related to changes in ARPU are attributable to (i) net increases due to (a) higher ARPU from video and broadband internet services and (b) lower ARPU from fixed-line telephony services and (ii) improvements in RGU mix. In addition, Chile's cable subscription revenue includes adjustments to reflect the retroactive application of a tariff on ancillary services provided directly to customers for the period from July 2013 through February 2014, including (1) an increase in revenue due to the impact of a $2.2 million unfavorable adjustment recorded during the first quarter of 2015 and (2) decreases in revenue during the three and six months ended June 30, 2016 of $2.1 million and $4.2 million, respectively, due to the impact of unfavorable adjustments recorded during the first and second quarters of 2016.

(c) The increases in mobile subscription revenue are due to (i) increases in the average number of mobile subscribers, as increases in the average number of postpaid mobile subscribers more than offset the decreases in the average number of prepaid mobile subscribers, and (ii) higher ARPU, primarily due to higher proportions of mobile subscribers on postpaid plans, which generate higher ARPU than prepaid plans.

(d) The increase in other revenue during the six-month period includes (i) an increase in interconnect revenue due to the impact of a $1.3 million unfavorable adjustment recorded during the first quarter of 2015 to reflect the retroactive application of a tariff reduction to June 2012 and (ii) a net decrease resulting from individually insignificant changes in other items.

Puerto Rico. The increases in Puerto Rico's revenue during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, include (i) organic increases of $1.3 million or 1.4% and $3.6 million or 2.1%, respectively, and (ii) the impact of the Choice Acquisition, as set forth below:

	Three-month period			Six-month period		
	Subscription revenue	**Non-subscription revenue**	**Total**	**Subscription revenue**	**Non-subscription revenue**	**Total**
	in millions					
Increase (decrease) in cable subscription revenue due to change in:						
Average number of RGUs (a)	$ (0.4)	$ —	$ (0.4)	$ 4.0	$ —	$ 4.0
ARPU (b)	(0.2)	—	(0.2)	(3.5)	—	(3.5)
Total increase (decrease) in cable subscription revenue	(0.6)	—	(0.6)	0.5	—	0.5
Increase in B2B revenue (c)	—	1.9	1.9	—	3.7	3.7
Decrease in other revenue	—	—	—	—	(0.6)	(0.6)
Total organic increase (decrease)	(0.6)	1.9	1.3	0.5	3.1	3.6
Impact of the Choice Acquisition	13.5	1.5	15.0	33.7	3.9	37.6
Total	$ 12.9	$ 3.4	$ 16.3	$ 34.2	$ 7.0	$ 41.2

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(a) The changes in cable subscription revenue related to changes in the average numbers of RGUs are primarily attributable to the net effect of (i) increases in the average number of fixed-line telephony RGUs, (ii) for the six-month comparison, an increase in the average number of broadband internet RGUs and (iii) declines in the average number of enhanced video RGUs.

(b) The decreases in cable subscription revenue related to changes in ARPU are attributable to the net effect of (i) adverse changes in RGU mix and (ii) net increases due to (a) higher ARPU from broadband internet services and (b) lower ARPU from fixed-line telephony and video services.

(c) The increases in B2B revenue are primarily due to higher revenue from broadband internet services.

Operating Expenses of our Reportable Segments

	Three months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 752.8	$ 737.0	$ 15.8	2.1	7.3
The Netherlands	221.5	215.5	6.0	2.8	0.7
Germany	147.3	134.9	12.4	9.2	7.0
Belgium (a)	288.7	185.5	103.2	55.6	1.8
Switzerland/Austria	127.0	127.6	(0.6)	(0.5)	1.4
Total Western Europe	1,537.3	1,400.5	136.8	9.8	5.0
Central and Eastern Europe	114.5	107.6	6.9	6.4	6.7
Central and other	33.0	27.1	5.9	21.8	20.6
Total European Operations Division	1,684.8	1,535.2	149.6	9.7	5.4
Corporate and other	14.8	13.6	1.2	8.8	26.7
Intersegment eliminations	(11.5)	(7.7)	(3.8)	N.M.	N.M.
Total Liberty Global Group	1,688.1	1,541.1	147.0	9.5	5.4
LiLAC Group:					
LiLAC Division:					
CWC (b)	107.9	—	107.9	N.M.	N.M.
Chile	88.5	93.1	(4.6)	(4.9)	4.2
Puerto Rico (c)	43.8	39.7	4.1	10.3	(6.5)
Total LiLAC Division (d)	240.2	132.8	107.4	80.9	3.6
Intersegment eliminations	(0.2)	—	(0.2)	N.M.	N.M.
Total LiLAC Group	240.0	132.8	107.2	80.7	3.4
Total operating expenses excluding share-based compensation expense	1,928.1	1,673.9	254.2	15.2	5.2
Share-based compensation expense	1.4	1.4	—	—	
Total	$ 1,929.5	$ 1,675.3	$ 254.2	15.2	

	Six months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 1,475.4	$ 1,469.5	$ 5.9	0.4	5.3
The Netherlands	433.2	444.5	(11.3)	(2.5)	(2.5)
Germany	291.2	277.6	13.6	4.9	5.0
Belgium (a)	539.6	389.0	150.6	38.7	1.0
Switzerland/Austria	245.2	254.5	(9.3)	(3.7)	(1.0)
Total Western Europe	2,984.6	2,835.1	149.5	5.3	2.9
Central and Eastern Europe	225.9	217.5	8.4	3.9	5.7
Central and other	60.7	48.0	12.7	26.5	26.3
Total European Operations Division	3,271.2	3,100.6	170.6	5.5	3.5
Corporate and other	29.7	27.5	2.2	8.0	34.3
Intersegment eliminations	(22.5)	(15.8)	(6.7)	N.M.	N.M.
Total Liberty Global Group	3,278.4	3,112.3	166.1	5.3	3.6
LiLAC Group:					
LiLAC Division:					
CWC (b)	107.9	—	107.9	N.M.	N.M.
Chile	178.1	182.8	(4.7)	(2.6)	8.1
Puerto Rico (c)	88.3	75.3	13.0	17.3	(4.9)
Total LiLAC Division (d)	374.3	258.1	116.2	45.0	5.6
Intersegment eliminations	(0.2)	—	(0.2)	N.M.	N.M.
Total LiLAC Group	374.1	258.1	116.0	44.9	5.5
Total operating expenses excluding share-based compensation expense	3,652.5	3,370.4	282.1	8.4	3.7
Share-based compensation expense	2.1	2.1	—	—	
Total	$ 3,654.6	$ 3,372.5	$ 282.1	8.4	

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(a) The amounts presented for the 2016 periods include the post-acquisition operating expenses of BASE, which was acquired on February 11, 2016.

(b) The amounts presented for the 2016 periods reflect the post-acquisition operating expenses of CWC, which was acquired on May 16, 2016.

(c) The amounts presented for the 2015 periods exclude the pre-acquisition operating expenses of Choice, which was acquired on June 3, 2015.

(d) As further described under *Results of Operations* above, our estimate of the impact of an acquisition may be adjusted for certain items to arrive at organic growth. In this regard, the organic increases in the operating expenses of the LiLAC Division include the impact of CWC's integration costs, as described below. Excluding the impact of CWC, the organic increase in the LiLAC Division's operating expenses for the three and six months ended June 30, 2016 would have been 1.0% and 4.3%, respectively.

N.M. — Not Meaningful.

General. Operating expenses include programming and copyright, network operations, mobile access and interconnect, customer operations, customer care, share-based compensation and other costs related to our operations. We do not include share-based compensation in the following discussion and analysis of the operating expenses of our reportable segments as share-based compensation expense is not included in the performance measures of our reportable segments. Share-based compensation expense is discussed under *Discussion and Analysis of our Consolidated Operating Results* below. Programming and copyright costs, which represent a significant portion of our operating costs, are expected to rise in future periods as a result of (i) higher costs associated with the expansion of our digital video content, including rights associated with ancillary product offerings and rights that provide for the broadcast of live sporting events, (ii) rate increases and (iii) growth in the number of our enhanced video subscribers. In addition, we are subject to inflationary pressures with respect to our labor and other costs and foreign currency exchange risk with respect to costs and expenses that are denominated in currencies other than the respective functional currencies of our operating segments (**non-functional currency expenses**). Any cost increases that we are not able to pass on to our subscribers through rate increases would result in increased pressure on our operating margins.

European Operations Division. The European Operations Division's operating expenses (exclusive of share-based compensation expense**)** increased $149.6 million or 9.7% and $170.6 million or 5.5% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases include (i) increases of $104.7 million and $169.2 million, respectively, attributable to the impact of the BASE Acquisition and other less significant acquisitions and (ii) decreases of $2.0 million and $7.6 million, respectively, attributable to the U.K. Non-Cable Disposal and another less significant disposition. Excluding the effects of acquisitions, dispositions and FX, the European Operations Division's operating expenses increased $82.9 million or 5.4% and $107.6 million or 3.5%, respectively. These increases include the following factors:

- Increases in programming and copyright costs of $64.9 million or 12.6% and $122.2 million or 11.9%, respectively, primarily due to increases in U.K./Ireland and, to a lesser extent, the Netherlands, Belgium and Germany. These increases are primarily due to higher costs for certain premium and/or basic content, including increases of (i) $23.9 million and $46.3 million, respectively, associated with a sports programming contract entered into in August 2015 in U.K./Ireland and (ii) $9.6 million during each period (including $4.8 million related to the first quarter of 2016) associated with a new Europe-wide programming contract that was entered into in June 2016 with retroactive impact to January 1, 2016. In addition, growth in the number of enhanced video subscribers contributed to the increases in Germany and Belgium;

- Decreases in mobile access and interconnect costs of $12.8 million or 4.7% and $26.1 million or 4.7%, respectively, primarily due to the net effect of (i) declines resulting from lower rates, primarily in U.K./Ireland, (ii) lower fixed-line telephony call volumes in U.K./Ireland and, to a lesser extent, the Netherlands, (iii) increases primarily attributable to the net effect of (a) higher mobile usage in U.K./Ireland and (b) lower mobile usage in Belgium and (iv) decreases of $7.3 million and $6.6 million, respectively, due to the release of an accrual during the second quarter of 2016 related to the settlement of an operational contingency in Belgium;

- Increases in mobile handset costs of $16.5 million and $17.4 million, respectively, primarily due to the net impact of (i) higher mobile handset sales volume, primarily due to increases in the number of handsets sold in U.K./Ireland and Switzerland/Austria, and (ii) lower average cost per handset sold in U.K./Ireland. In addition, the higher mobile handset costs for the six-month comparison were partially offset by the impact of a lower number of handsets sold in Belgium, primarily attributable to a reduction in subsidized handset promotions;

- Decreases in personnel costs of $8.4 million or 3.4% and $16.5 million or 3.4%, respectively, due primarily to the net effect of (i) decreased staffing levels in the Netherlands, U.K./Ireland and Switzerland/Austria that were only partially offset by increases in Belgium, (ii) annual wage increases, (iii) decreased costs in U.K./Ireland resulting from higher proportions of capitalized labor costs associated with the network extension project in the U.K. and (iv) lower incentive compensation costs primarily in U.K./Ireland;

- Increases in network-related expenses of $14.7 million or 8.7% and $15.7 million or 4.5%, respectively, due primarily to the net effect of (i) increases due to the impact of a reduction in local authority charges for certain elements of network infrastructure in the U.K. resulting in nonrecurring benefits during the first and second quarters of 2015 of $7.3 million and $10.8 million, respectively, (ii) for the six-month comparison, a $6.2 million decrease in U.K./Ireland associated with the settlement of an operational contingency during the first quarter of 2016, (iii) lower outsourced labor costs associated with customer-facing activities in U.K./Ireland and Switzerland/Austria, (iv) aggregate net increases of $2.3 million and $3.1 million, respectively, associated with the reassessment of accruals in U.K./Ireland recorded during the second quarters of 2016 and 2015, (v) increases in network maintenance costs, primarily in Belgium and, for the six-month comparison, Germany, that were only partially offset by decreases in Switzerland/Austria and (vi) decreases of $0.8 million and $2.5 million, respectively, related to network harmonization activities following the acquisition of Ziggo. For information regarding the potential for increased charges for network infrastructure in the U.K. effective April 1, 2017, see note 13 to our condensed consolidated financial statements;

- Increases in outsourced labor and professional fees of $6.6 million or 7.8% and $1.7 million or 0.9%, respectively, primarily due to the net effect of (i) higher consulting costs in the European Operations Division's central operations and Belgium that were only partially offset by decreases in U.K./Ireland and (ii) an increase for the three-month comparison and a decrease for the six-month comparison for call center costs. The changes in call center costs include (a) lower costs in the Netherlands and (b) higher costs in U.K./Ireland. The lower call center costs in the Netherlands include decreases of $2.7 million and $12.4 million, respectively, associated with the impact of third-party costs recorded in 2015 and 2016 related to network and product harmonization activities and certain other third-party customer care costs following the acquisition of Ziggo; and

- An increase of $3.2 million during each period due to an accrual release recorded in U.K./Ireland during the second quarter of 2015 related to the settlement of an operational contingency.

LiLAC Division. The LiLAC Division's operating expenses (exclusive of share-based compensation expense) increased $107.4 million or 80.9% and $116.2 million or 45.0% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases include increases of $111.2 million and $121.2 million, respectively, attributable to the impact of the CWC Acquisition and the Choice Acquisition. Excluding the effects of these acquisitions and FX, the LiLAC Division's operating expenses increased $4.7 million or 3.6% and $14.5 million or 5.6%, respectively. These increases include the following factors:

- Increases in programming and copyright costs of $4.9 million or 7.8% and $10.1 million or 8.3%, respectively, primarily associated with (i) growth in the number of enhanced video subscribers in Chile, (ii) increases arising from foreign currency exchange rate fluctuations, after giving effect to the application of hedge accounting for certain derivative instruments that are used to mitigate a portion of our foreign currency exchange rate risk with respect to Chile's U.S. dollar denominated programming contracts, and (iii) increased costs for certain content. A significant portion of Chile's programming contracts are denominated in U.S. dollars. During the third quarter of 2016, CWC will begin to broadcast live Premier League games in a number of its markets pursuant to a new multi-year agreement. The cost of the rights to broadcast these games is expected to result in a significant increase to CWC's programming costs beginning in August 2016;

- An increase in integration costs of $3.4 million incurred during the second quarter of 2016 to integrate Columbus (acquired by CWC on March 31, 2015) with CWC's operations. These costs are excluded from the CWC Acquisition effect and, accordingly, are included in our organic increases;

- Increases in mobile access charges in Chile of $0.7 million and $2.3 million, respectively, related to a nonrecurring adjustment that was recorded in the prior year periods for a February 2015 tariff decline that was retroactive to May 2014;

- Increases in network-related expenses of $0.6 million or 6.6% and $1.2 million or 5.3%, respectively, primarily due to increased energy costs in Chile; and

- Decreases in bad debt and collection expenses of $1.4 million or 17.2% and $1.1 million or 5.3%, respectively.

SG&A Expenses of our Reportable Segments

	Three months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 199.4	$ 217.0	$ (17.6)	(8.1)	(3.8)
The Netherlands	93.2	97.4	(4.2)	(4.3)	(5.7)
Germany	95.9	89.2	6.7	7.5	5.3
Belgium (a)	107.3	54.0	53.3	98.7	22.9
Switzerland/Austria	56.4	61.5	(5.1)	(8.3)	(7.2)
Total Western Europe	552.2	519.1	33.1	6.4	(0.2)
Central and Eastern Europe	44.9	41.2	3.7	9.0	9.5
Central and other	48.2	44.6	3.6	8.1	5.6
Total European Operations Division	645.3	604.9	40.4	6.7	0.9
Corporate and other	63.1	51.5	11.6	22.5	22.8
Intersegment eliminations	0.1	0.2	(0.1)	N.M.	N.M.
Total Liberty Global Group	708.5	656.6	51.9	7.9	2.6
LiLAC Group:					
LiLAC Division:					
CWC (b)	76.7	—	76.7	N.M.	N.M.
Chile	40.3	40.1	0.2	0.5	9.9
Puerto Rico (c)	13.1	10.1	3.0	29.7	7.8
Total LiLAC Division (d)	130.1	50.2	79.9	159.2	12.2
Corporate and other	1.7	0.8	0.9	112.5	112.5
Total LiLAC Group	131.8	51.0	80.8	158.4	13.8
Total SG&A expenses excluding share-based compensation expense	840.3	707.6	132.7	18.8	3.4
Share-based compensation expense	73.2	55.2	18.0	32.6	
Total	$ 913.5	$ 762.8	$ 150.7	19.8	

	Six months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 418.7	$ 432.6	$ (13.9)	(3.2)	1.0
The Netherlands	183.4	207.9	(24.5)	(11.8)	(11.8)
Germany	189.7	180.4	9.3	5.2	5.3
Belgium (a)	196.8	106.2	90.6	85.3	27.8
Switzerland/Austria	113.5	125.1	(11.6)	(9.3)	(7.4)
Total Western Europe	1,102.1	1,052.2	49.9	4.7	0.9
Central and Eastern Europe	88.7	81.4	7.3	9.0	11.1
Central and other	102.4	88.8	13.6	15.3	15.6
Total European Operations Division	1,293.2	1,222.4	70.8	5.8	2.7
Corporate and other	115.6	102.5	13.1	12.8	12.8
Intersegment eliminations	(0.1)	0.5	(0.6)	N.M.	N.M.
Total Liberty Global Group	1,408.7	1,325.4	83.3	6.3	3.4
LiLAC Group:					
LiLAC Division:					
CWC (b)	76.7	—	76.7	N.M.	N.M.
Chile	74.4	83.2	(8.8)	(10.6)	(1.0)
Puerto Rico (c)	25.7	20.0	5.7	28.5	0.8
Total LiLAC Division (d)	176.8	103.2	73.6	71.3	0.7
Corporate and other	2.9	2.1	0.8	38.1	38.1
Total LiLAC Group	179.7	105.3	74.4	70.7	1.5
Total SG&A expenses excluding share-based compensation expense	1,588.4	1,430.7	157.7	11.0	3.3
Share-based compensation expense	141.5	125.9	15.6	12.4	
Total	$ 1,729.9	$ 1,556.6	$ 173.3	11.1	

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(a) The amounts presented for the 2016 periods include the post-acquisition SG&A expenses of BASE, which was acquired on February 11, 2016.

(b) The amounts presented for the 2016 periods reflect the post-acquisition SG&A expenses of CWC, which was acquired on May 16, 2016.

(c) The amounts presented for the 2015 periods exclude the pre-acquisition SG&A expenses of Choice, which was acquired on June 3, 2015.

(d) As further described under *Results of Operations* above, our estimate of the impact of an acquisition may be adjusted for certain items to arrive at organic growth. In this regard, the organic increases in the SG&A expenses of the LiLAC Division include the impact of CWC's integration costs, as described below. Excluding the impact of CWC, the organic increase (decrease) in the LiLAC Divisions's SG&A expenses for the three and six months ended June 30, 2016 would have been 9.4% and (0.6%), respectively.

N.M. — Not Meaningful.

General. SG&A expenses include human resources, information technology, general services, management, finance, legal, sales and marketing, share-based compensation and other general expenses. We do not include share-based compensation in the following discussion and analysis of the SG&A expenses of our reportable segments as share-based compensation expense is not included in the performance measures of our reportable segments. Share-based compensation expense is discussed under *Discussion and Analysis of our Consolidated Operating Results* below. As noted under *Operating Expenses of our Reportable Segments* above, we are subject to inflationary pressures with respect to our labor and other costs and foreign currency exchange risk with respect to non-functional currency expenses.

European Operations Division. The European Operations Division's SG&A expenses (exclusive of share-based compensation expense) increased $40.4 million or 6.7% and $70.8 million or 5.8% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases include increases of $42.3 million and $67.6 million, respectively, attributable to the impact of the BASE Acquisition and other less significant acquisitions. Excluding the effects of acquisitions and FX, the European Operations Division's SG&A expenses increased $5.3 million or 0.9% and $32.5 million or 2.7%, respectively. These increases include the following factors:

- Increases in personnel costs of $8.7 million or 3.5% and $19.9 million or 4.0%, respectively, primarily due to the net effect of (i) increased staffing levels, primarily in U.K./Ireland, Germany, Belgium and, for the six-month comparison, the European Operations Division's central operations, that were only partially offset by decreased staffing levels in the Netherlands and (ii) for the six-month comparison, lower incentive compensation costs in the European Operations Division's central operations;

- An increase of $8.4 million during each period due to the release of an accrual recorded during the second quarter of 2015 related to the resolution of a contingency associated with universal service obligations in Belgium;

- Increases in outsourced labor and professional fees of $0.9 million or 3.7% and $4.4 million or 7.4%, respectively, primarily due to increased consulting costs, including (i) increases of $2.2 million and $5.3 million, respectively, associated with the integration of BASE with our operations in Belgium, (ii) decreases of $1.0 million and $2.0 million, respectively, associated with integration costs incurred during the 2015 periods following the acquisition of Ziggo, (iii) decreased costs associated with strategic initiatives in U.K./Ireland and (iv) for the six-month comparison, an increase in the European Operations Division's central operations associated with scale initiatives in the areas of information technology and finance;

- An increase (decrease) in information technology-related expenses of ($1.0 million) or (3.5%) and $2.6 million or 4.4%, respectively, primarily due to higher software and other information technology related maintenance costs in the European Operations Division's central operations that were partially offset by lower costs in Germany and, for the three-month comparison, Belgium and the Netherlands;

- Decreases in sales and marketing costs of $7.2 million or 3.2% and $1.6 million or 0.4%, respectively, primarily due to the net effect of (i) lower costs associated with advertising campaigns, including (a) for the three-month comparison, lower costs primarily in U.K./Ireland and Switzerland/Austria that were only partially offset by increases in the Netherlands and the European Operations Division's central operations and (b) for the six-month comparison, lower costs primarily in the Netherlands, Switzerland/Austria and U.K./Ireland that were only partially offset by an increase in Belgium, (ii) lower third-party costs in the Netherlands of $2.8 million and $4.0 million, respectively, related to the impact of rebranding costs incurred during the 2015 periods following the acquisition of Ziggo and (iii) higher third-party sales commissions, as increases in Germany and U.K./Ireland more than offset declines in the Netherlands; and

- Net decreases resulting from individually insignificant changes in other SG&A categories.

LiLAC Division. The LiLAC Division's SG&A expenses (exclusive of share-based compensation expense) increased $79.9 million or 159.2% and $73.6 million or 71.3% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases include increases of $77.5 million and $80.9 million, respectively, attributable to the impact of the CWC Acquisition and the Choice Acquisition. Excluding the effects of these acquisitions and FX, the LiLAC Division's SG&A expenses increased $6.1 million or 12.2% and $0.7 million or 0.7%, respectively. These increases include the following factors:

- Decreases in facilities-related costs of $0.2 million or 2.4% and $1.6 million or 8.9%, respectively, primarily due to the net effect of (i) lower facilities maintenance in Chile and (ii) for the three-month comparison, an increase of $0.6 million related to the national gross receipts tax implemented in Puerto Rico. During the second quarter of 2015, Liberty Puerto Rico reversed the $0.6 million impact of this tax that was recorded during the first quarter of 2015 after it was determined that the tax would not be continued beyond 2014;

- An increase in integration costs of $1.4 million incurred during the second quarter of 2016 to integrate Columbus (acquired by CWC on March 31, 2015) with CWC's operations. These costs are excluded from the CWC Acquisition effect and, accordingly, are included in our organic increases;

- Increases in personnel costs of $0.9 million or 5.5% and $1.2 million or 3.8%, respectively, primarily due to increased wages; and

- For the three-month comparison, a net increase from individually insignificant changes in other SG&A expense categories.

Adjusted OIBDA of our Reportable Segments

Adjusted OIBDA is the primary measure used by our chief operating decision maker to evaluate segment operating performance. For the definition of this performance measure and for a reconciliation of total segment Adjusted OIBDA to our earnings (loss) from continuing operations before income taxes, see note 14 to our condensed consolidated financial statements.

	Three months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 765.5	$ 805.6	$ (40.1)	(5.0)	1.5
The Netherlands	364.1	371.0	(6.9)	(1.9)	(4.0)
Germany	400.3	366.9	33.4	9.1	7.0
Belgium (a)	311.3	260.8	50.5	19.4	5.5
Switzerland/Austria	263.6	259.7	3.9	1.5	3.8
Total Western Europe	2,104.8	2,064.0	40.8	2.0	2.3
Central and Eastern Europe	114.6	118.4	(3.8)	(3.2)	(2.2)
Central and other	(82.1)	(72.7)	(9.4)	(12.9)	(10.0)
Total European Operations Division	2,137.3	2,109.7	27.6	1.3	1.8
Corporate and other	(62.7)	(52.3)	(10.4)	(19.9)	(18.5)
Total Liberty Global Group	2,074.6	2,057.4	17.2	0.8	1.2
LiLAC Group:					
LiLAC Division:					
CWC (b)	101.0	—	101.0	N.M.	N.M.
Chile	81.8	87.6	(5.8)	(6.6)	2.4
Puerto Rico (c)	50.0	40.8	9.2	22.5	7.5
Total LiLAC Division (d)	232.8	128.4	104.4	81.3	0.2
Corporate and other	(1.7)	(0.8)	(0.9)	(112.5)	(112.5)
Total LiLAC Group	231.1	127.6	103.5	81.1	(0.5)
Total	$ 2,305.7	$ 2,185.0	$ 120.7	5.5	1.1

	Six months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Liberty Global Group:					
European Operations Division:					
U.K./Ireland	$ 1,510.1	$ 1,568.9	$ (58.8)	(3.7)	2.4
The Netherlands	732.0	738.9	(6.9)	(0.9)	(0.9)
Germany	779.7	730.9	48.8	6.7	6.7
Belgium (a)	581.1	507.8	73.3	14.4	4.9
Switzerland/Austria	521.7	508.5	13.2	2.6	5.8
Total Western Europe	4,124.6	4,055.0	69.6	1.7	3.3
Central and Eastern Europe	225.5	236.5	(11.0)	(4.7)	(2.6)
Central and other	(166.4)	(140.6)	(25.8)	(18.3)	(17.9)
Total European Operations Division	4,183.7	4,150.9	32.8	0.8	2.5
Corporate and other	(115.5)	(104.4)	(11.1)	(10.6)	(7.7)
Total Liberty Global Group	4,068.2	4,046.5	21.7	0.5	2.3
LiLAC Group:					
LiLAC Division:					
CWC (b)	101.0	—	101.0	N.M.	N.M.
Chile	158.1	163.6	(5.5)	(3.4)	7.3
Puerto Rico (c)	96.8	74.3	22.5	30.3	9.6
Total LiLAC Division (d)	355.9	237.9	118.0	49.6	6.0
Corporate and other	(2.9)	(2.1)	(0.8)	(38.1)	(38.1)
Total LiLAC Group	353.0	235.8	117.2	49.7	5.7
Total	$ 4,421.2	$ 4,282.3	$ 138.9	3.2	2.5

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(a) The amounts presented for the 2016 periods include the post-acquisition Adjusted OIBDA of BASE, which was acquired on February 11, 2016.

(b) The amounts presented for the 2016 periods reflect the post-acquisition Adjusted OIBDA of CWC, which was acquired on May 16, 2016.

(c) The amounts presented for the 2015 periods exclude the pre-acquisition Adjusted OIBDA of Choice, which was acquired on June 3, 2015.

(d) As further described under *Results of Operations* above, our estimate of the impact of an acquisition may be adjusted for certain items to arrive at organic growth. In this regard, the organic increases in the Adjusted OIBDA of the LiLAC Division include the impact of CWC's integration costs. Excluding the impact of CWC, the organic increase in the LiLAC Division's Adjusted OIBDA for the three and six months ended June 30, 2016 would have been 4.0% and 8.0%, respectively.

N.M. — Not Meaningful.

Adjusted OIBDA Margin

The following table sets forth the Adjusted OIBDA margins (Adjusted OIBDA divided by revenue) of each of our reportable segments:

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
		%		
Liberty Global Group:				
European Operations Division:				
U.K./Ireland	44.6	45.8	44.4	45.2
The Netherlands	53.6	54.2	54.3	53.1
Germany	62.2	62.1	61.9	61.5
Belgium	44.0	52.1	44.1	50.6
Switzerland/Austria	59.0	57.9	59.3	57.3
Total Western Europe	50.2	51.8	50.2	51.1
Central and Eastern Europe	41.8	44.3	41.8	44.2
Total European Operations Division	47.8	49.6	47.8	49.0
LiLAC Group:				
LiLAC Division:				
CWC	35.4	N.M.	35.4	N.M.
Chile	38.8	39.7	38.5	38.1
Puerto Rico	46.8	45.0	45.9	43.8
Total LiLAC Division	38.6	41.2	39.2	39.7

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N.M. — Not Meaningful.

In addition to organic changes in the revenue, operating expenses and SG&A expenses of our reportable segments, the Adjusted OIBDA margins presented above include the impact of acquisitions, the most significant of which are the CWC Acquisition, the BASE Acquisition and the Choice Acquisition. In this regard, the Adjusted OIBDA margins of Belgium during 2016 were adversely impacted by the inclusion of BASE, while the 2016 Adjusted OIBDA margins of our Puerto Rico operation were positively impacted by realized synergies with respect to the Choice Acquisition. For discussion of the factors contributing to other changes in the Adjusted OIBDA margins of our reportable segments, see the above analyses of the revenue, operating expenses and SG&A expenses of our reportable segments.

Discussion and Analysis of our Consolidated Operating Results

General

For more detailed explanations of the changes in our revenue, operating expenses and SG&A expenses, including the impacts of nonrecurring and nonoperational items, see the *Discussion and Analysis of our Reportable Segments* above.

Revenue

Our revenue by major category is set forth below:

	Three months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Subscription revenue (a):					
Video	$ 1,614.0	$ 1,605.0	$ 9.0	0.6	0.5
Broadband internet	1,361.8	1,271.0	90.8	7.1	7.0
Fixed-line telephony	781.4	798.8	(17.4)	(2.2)	(1.8)
Cable subscription revenue	3,757.2	3,674.8	82.4	2.2	2.2
Mobile (b)	435.3	261.2	174.1	66.7	(3.4)
Total subscription revenue	4,192.5	3,936.0	256.5	6.5	1.8
B2B revenue (c)	502.7	385.0	117.7	30.6	4.3
Other revenue (b) (d)	378.9	245.5	133.4	54.3	20.3
Total	$ 5,074.1	$ 4,566.5	$ 507.6	11.1	3.1

	Six months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
Subscription revenue (a):					
Video	$ 3,181.7	$ 3,210.8	$ (29.1)	(0.9)	0.6
Broadband internet	2,642.7	2,503.9	138.8	5.5	7.0
Fixed-line telephony	1,533.5	1,595.0	(61.5)	(3.9)	(1.7)
Cable subscription revenue	7,357.9	7,309.7	48.2	0.7	2.3
Mobile (b)	728.5	512.9	215.6	42.0	(1.9)
Total subscription revenue	8,086.4	7,822.6	263.8	3.4	2.0
B2B revenue (c)	890.5	762.9	127.6	16.7	4.4
Other revenue (b) (d)	685.2	497.9	187.3	37.6	17.5
Total	$ 9,662.1	$ 9,083.4	$ 578.7	6.4	3.1

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(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service. As a result, changes in the standalone pricing of our cable and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(b) Mobile subscription revenue excludes mobile interconnect revenue of $77.7 million and $53.1 million during the three months ended June 30, 2016 and 2015, respectively, and $142.7 million and $107.5 million during the six months ended

June 30, 2016 and 2015, respectively. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(c) B2B revenue includes revenue from business broadband internet, video, voice, mobile and data services offered to medium to large enterprises and, on a wholesale basis, to other operators. We also provide services to certain SOHO subscribers. SOHO subscribers pay a premium price to receive expanded service levels along with video, broadband internet, fixed-line telephony or mobile services that are the same or similar to the mass marketed products offered to our residential subscribers. Revenue from SOHO subscribers, which is included in cable subscription revenue, aggregated $93.8 million and $67.4 million during the three months ended June 30, 2016 and 2015, respectively, and $180.6 million and $130.0 million during the six months ended June 30, 2016 and 2015, respectively. On an organic basis, our total B2B revenue, including revenue from SOHO subscribers, increased 9.1% and 9.3% for the three and six months ended June 30, 2016, respectively, as compared to the corresponding prior-year periods. A portion of the increase in our SOHO revenue is attributable to the conversion of our residential subscribers to SOHO subscribers.

(d) Other revenue includes, among other items, interconnect, mobile handset sales, channel carriage fee and installation revenue.

Total revenue. Our consolidated revenue increased $507.6 million and $578.7 million during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases include (i) increases of $476.3 million and $604.1 million, respectively, attributable to the impact of acquisitions and (ii) decreases of $9.1 million and $21.3 million, respectively, attributable to the U.K. Non-Cable Disposal and other less significant dispositions. Excluding the effects of acquisitions, dispositions and FX, our consolidated revenue increased $139.3 million or 3.1% and $279.5 million or 3.1%, respectively.

Subscription revenue. The details of the changes in our consolidated subscription revenue for the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, are as follows:

	Three-month period	Six-month period
	in millions	
Increase in cable subscription revenue due to change in:		
Average number of RGUs	$ 51.0	$ 104.3
ARPU	30.5	64.8
Total increase in cable subscription revenue	81.5	169.1
Decrease in mobile subscription revenue	(8.8)	(9.8)
Total organic increase in subscription revenue	72.7	159.3
Impact of acquisitions	266.9	343.1
Impact of a disposal	(3.3)	(5.1)
Impact of FX	(79.8)	(233.5)
Total	$ 256.5	$ 263.8

Excluding the effects of acquisitions, dispositions and FX, our consolidated cable subscription revenue increased $81.5 million or 2.2% and $169.1 million or 2.3% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases are attributable to the net effect of (i) increases from broadband internet services of $88.3 million or 7.0% and $176.1 million or 7.0%, respectively, attributable to increases in the average number of broadband internet RGUs and higher ARPU from broadband internet services, (ii) decreases from fixed-line telephony services of $14.2 million or 1.8% and $27.4 million or 1.7%, respectively, attributable to the net effect of (a) lower ARPU from fixed-line telephony services and (b) increases in the average number of fixed-line telephony RGUs, and (iii) increases from video services of $7.4 million or 0.5% and $20.4 million or 0.6%, respectively, attributable to the net effect of (1) higher ARPU from video services and (2) declines in the average number of video RGUs.

Excluding the effects of acquisitions and FX, our consolidated mobile subscription revenue decreased $8.8 million or 3.4% and $9.8 million or 1.9% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These decreases are primarily due to the net effect of (i) declines in the U.K., largely associated with the continued growth of the Split-contract Program, and (ii) increases in Belgium and Switzerland.

B2B revenue. Excluding the effects of acquisitions and FX, our consolidated B2B revenue increased $16.7 million or 4.3% and $33.3 million or 4.4% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases are primarily due to increases in the U.K., Belgium and Puerto Rico.

Other revenue. Excluding the effects of acquisitions, dispositions and FX, our consolidated other revenue increased $49.9 million or 20.3% and $86.9 million or 17.5% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases are primarily attributable to increases in mobile handset sales, primarily associated with the continued growth of the Split-contract Program in the U.K.

For additional information concerning the changes in our subscription, B2B and other revenue, see *Discussion and Analysis of our Reportable Segments* above. For information regarding the competitive environment in certain of our markets, see *Overview* and *Discussion and Analysis of our Reportable Segments* above.

Supplemental revenue information

Our revenue by major category for the Liberty Global Group is set forth below:

	Three months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	**2015**	**$**	**%**	**%**
	in millions				
Liberty Global Group:					
Subscription revenue:					
Video	$ 1,456.2	$ 1,470.0	$ (13.8)	(0.9)	0.2
Broadband internet	1,224.7	1,170.3	54.4	4.6	6.6
Fixed-line telephony	729.8	754.8	(25.0)	(3.3)	(1.1)
Cable subscription revenue	3,410.7	3,395.1	15.6	0.5	2.1
Mobile (a)	333.0	252.0	81.0	32.1	(4.1)
Total subscription revenue	3,743.7	3,647.1	96.6	2.6	1.7
B2B revenue (b)	399.1	383.3	15.8	4.1	3.9
Other revenue	328.4	224.7	103.7	46.2	23.0
Total Liberty Global Group	$ 4,471.2	$ 4,255.1	$ 216.1	5.1	3.0

	Six months ended June 30,		Increase (decrease)		Organic increase (decrease)
	2016	**2015**	**$**	**%**	**%**
	in millions				
Liberty Global Group:					
Subscription revenue:					
Video	$ 2,894.0	$ 2,948.6	$ (54.6)	(1.9)	0.4
Broadband internet	2,398.4	2,309.8	88.6	3.8	6.7
Fixed-line telephony	1,446.3	1,509.4	(63.1)	(4.2)	(1.2)
Cable subscription revenue	6,738.7	6,767.8	(29.1)	(0.4)	2.2
Mobile (a)	617.3	495.6	121.7	24.6	(2.6)
Total subscription revenue	7,356.0	7,263.4	92.6	1.3	1.8
B2B revenue (b)	783.1	759.8	23.3	3.1	3.9
Other revenue	616.2	461.0	155.2	33.7	18.8
Total Liberty Global Group	$ 8,755.3	$ 8,484.2	$ 271.1	3.2	3.0

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(a) Mobile subscription revenue excludes mobile interconnect revenue of $65.1 million and $52.1 million during the three months ended June 30, 2016 and 2015, respectively, and $129.2 million and $105.7 million during the six months ended June 30, 2016 and 2015, respectively. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(b) Revenue from SOHO subscribers, which is included in cable subscription revenue, aggregated $86.5 million and $62.4 million during the three months ended June 30, 2016 and 2015, respectively, and $167.7 million and $120.5 million during the six months ended June 30, 2016 and 2015, respectively. On an organic basis, Liberty Global Group's total B2B revenue, including revenue from SOHO subscribers, increased 8.8% and 9.0% for the three and six months ended June 30, 2016, respectively, as compared to the corresponding prior-year periods.

Our revenue by major category for the LiLAC Group is set forth below:

	Three months ended June 30,		Increase		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
LiLAC Group:					
Subscription revenue:					
Video	$ 157.8	$ 135.0	$ 22.8	16.9	3.0
Broadband internet	137.1	100.7	36.4	36.1	10.9
Fixed-line telephony	51.6	44.0	7.6	17.3	(12.6)
Cable subscription revenue	346.5	279.7	66.8	23.9	3.4
Mobile (a)	102.3	9.2	93.1	N.M.	15.6
Total subscription revenue	448.8	288.9	159.9	55.3	3.8
B2B revenue (b)	103.6	1.7	101.9	N.M.	107.3
Other revenue	50.5	20.8	29.7	142.8	(8.7)
Total LiLAC Group	$ 602.9	$ 311.4	$ 291.5	93.6	3.5

	Six months ended June 30,		Increase		Organic increase (decrease)
	2016	2015	$	%	%
	in millions				
LiLAC Group:					
Subscription revenue:					
Video	$ 287.7	$ 262.2	$ 25.5	9.7	3.5
Broadband internet	244.3	194.1	50.2	25.9	11.1
Fixed-line telephony	87.2	85.6	1.6	1.9	(10.2)
Cable subscription revenue	619.2	541.9	77.3	14.3	4.0
Mobile (a)	111.2	17.3	93.9	N.M.	19.3
Total subscription revenue	730.4	559.2	171.2	30.6	4.5
B2B revenue (b)	107.4	3.1	104.3	N.M.	118.0
Other revenue	69.0	36.9	32.1	87.0	0.8
Total LiLAC Group	$ 906.8	$ 599.2	$ 307.6	51.3	4.9

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(a) Mobile subscription revenue excludes mobile interconnect revenue of $12.6 million and $1.0 million during the three months ended June 30, 2016 and 2015, respectively, and $13.5 million and $1.8 million during the six months ended June

30, 2016 and 2015, respectively. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(b) Revenue from SOHO subscribers, which is included in cable subscription revenue, aggregated $7.3 million and $5.0 million during the three months ended June 30, 2016 and 2015, respectively, and $12.9 million and $9.5 million during the six months ended June 30, 2016 and 2015, respectively. On an organic basis, LiLAC Group's total B2B revenue, including revenue from SOHO subscribers, increased 31.9% and 29.5% for the three and six months ended June 30, 2016, respectively, as compared to the corresponding prior-year periods.

Operating expenses

Our operating expenses increased $254.2 million and $282.1 million during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases include (i) increases of $215.9 million and $290.4 million, respectively, attributable to the impact of the CWC Acquisition, the BASE Acquisition, the Choice Acquisition and other less significant acquisitions and (ii) decreases of $6.2 million and $16.1 million, respectively, attributable to the U.K. Non-Cable Disposal and other less significant dispositions. Our operating expenses include share-based compensation expense, which remained relatively unchanged during the three and six months ended June 30, 2016. For additional information, see the discussion under *Share-based compensation expense* below. Excluding the effects of acquisitions, dispositions, FX and share-based compensation expense, our operating expenses increased $87.6 million or 5.2% and $124.9 million or 3.7% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases are primarily attributable to the net effect of (a) increases in programming and copyright costs, (b) decreases in mobile access and interconnect costs, (c) increases in mobile handset costs, (d) increases in network-related expenses and (e) decreases in personnel costs. Certain of these changes include (1) decreases in integration-related costs in the Netherlands that aggregate to $3.5 million and $14.9 million, respectively, and (2) increases in integration-related costs of $3.4 million in each period that were incurred by CWC in connection with the integration of Columbus with CWC's operations. For additional information regarding the changes in our operating expenses, see *Discussion and Analysis of our Reportable Segments — Operating Expenses of our Reportable Segments* above.

SG&A expenses

Our SG&A expenses increased $150.7 million and $173.3 million during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases include increases of $119.8 million and $148.5 million, respectively, attributable to the impact of the CWC Acquisition, the BASE Acquisition, the Choice Acquisition and other less significant acquisitions. Our SG&A expenses include share-based compensation expense, which increased $18.0 million and $15.6 million during the three and six months ended June 30, 2016, respectively. For additional information, see the discussion under *Share-based compensation expense* below. Excluding the effects of acquisitions, FX and share-based compensation expense, our SG&A expenses increased $24.1 million or 3.4% and $46.6 million or 3.3% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases are primarily attributable to the net effect of (i) increases in personnel costs, (ii) increases in outsourced labor and professional fees, (iii) for the six-month comparison, an increase in information technology-related expenses and (iv) decreases in sales and marketing costs. These changes include (a) decreases in integration-related costs in the Netherlands that aggregate to $4.7 million and $7.8 million, respectively, (b) increases in integration-related costs in Belgium that aggregate to $2.8 million and $6.6 million, respectively, and (c) increases in integration-related costs associated with CWC that aggregate to $2.3 million in each period, including $1.4 million incurred by CWC in connection with the integration of Columbus with CWC's operations. For additional information regarding the changes in our SG&A expenses, see *Discussion and Analysis of our Reportable Segments — SG&A Expenses of our Reportable Segments* above.

Share-based compensation expense (included in operating and SG&A expenses)

Our share-based compensation expense primarily relates to the share-based incentive awards issued by Liberty Global to its employees and employees of its subsidiaries. A summary of the aggregate share-based compensation expense that is included in our operating and SG&A expenses is set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global:				
Performance-based incentive awards (a)	$ 35.8	$ 28.5	$ 76.9	$ 70.6
Other share-based incentive awards	33.1	25.1	58.5	50.5
Total Liberty Global	68.9	53.6	135.4	121.1
Telenet share-based incentive awards	3.6	2.4	4.6	5.6
Other	2.1	0.6	3.6	1.3
Total	$ 74.6	$ 56.6	$ 143.6	$ 128.0
Included in:				
Operating expense:				
Liberty Global Group	$ 1.1	$ 1.1	$ 1.6	$ 1.8
LiLAC Group	0.3	0.3	0.5	0.3
Total operating expense	1.4	1.4	2.1	2.1
SG&A expense:				
Liberty Global Group	70.3	53.9	137.0	125.7
LiLAC Group	2.9	1.3	4.5	0.2
Total SG&A expense	73.2	55.2	141.5	125.9
Total	$ 74.6	$ 56.6	$ 143.6	$ 128.0

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(a) Includes share-based compensation expense related to (i) Liberty Global PSUs, including the 2016 PSUs, (ii) the Challenge Performance Awards and (iii) the PGUs.

For additional information regarding our share-based compensation, see note 10 to our condensed consolidated financial statements.

Depreciation and amortization expense

The details of our depreciation and amortization expense are as follows:

	Three months ended June 30,		Increase	
	2016	2015	$	%
	in millions			
Liberty Global Group	$ 1,426.9	$ 1,423.5	$ 3.4	0.2
LiLAC Group	126.1	54.3	71.8	132.2
Total	$ 1,553.0	$ 1,477.8	$ 75.2	5.1

	Six months ended June 30,		Increase (decrease)	
	2016	2015	$	%
	in millions			
Liberty Global Group	$ 2,810.1	$ 2,822.7	$ (12.6)	(0.4)
LiLAC Group	178.4	106.5	71.9	67.5
Total	$ 2,988.5	$ 2,929.2	$ 59.3	2.0

Excluding the effects of FX, depreciation and amortization expense increased $104.1 million or 7.0% and $143.2 million or 4.9% during the three and six months ended June 30, 2016, respectively, as compared to the corresponding periods in 2015. These increases are primarily due to the net effect of (i) increases associated with property and equipment additions related to the installation of customer premises equipment, the expansion and upgrade of our networks and other capital initiatives, (ii) decreases associated with certain assets becoming fully depreciated, primarily in U.K./Ireland, the Netherlands and, to a lesser extent, Switzerland/Austria, Belgium, Germany and Chile, and (iii) increases associated with acquisitions, primarily as a result of the BASE Acquisition and CWC Acquisition.

Impairment, restructuring and other operating items, net

The details of our impairment, restructuring and other operating items, net, are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global Group	$ 69.7	$ 19.9	$ 88.4	$ 31.8
LiLAC Group	120.6	5.8	126.3	10.9
Total	$ 190.3	$ 25.7	$ 214.7	$ 42.7

The total 2016 amounts include (i) direct acquisition costs of $119.3 million and $133.4 million, respectively, primarily related to the CWC Acquisition and, to a lesser extent, the BASE Acquisition and the Dutch JV, and (ii) restructuring charges of $66.5 million and $84.3 million, respectively, including $63.0 million and $78.7 million, respectively, of employee severance and termination costs related to certain reorganization activities, primarily in Germany, U.K./Ireland, the European Operations Division’s central operations, the Netherlands and Chile.

The total 2015 amount for the three-month period includes (i) restructuring charges of $15.7 million, including $13.3 million of employee severance and termination costs related to certain reorganization activities, predominantly in U.K./Ireland, and (ii) direct acquisition costs of $9.6 million, primarily related to the BASE Acquisition and the Choice Acquisition.

The total 2015 amount for the six-month period includes (i) restructuring charges of $31.3 million, including $26.7 million of employee severance and termination costs related to certain reorganization activities, predominantly in U.K./Ireland, Switzerland/Austria, Puerto Rico and the Netherlands, (ii) gains from the disposition of assets of $19.8 million, primarily in U.K./Ireland, (iii) impairment charges of $16.5 million, primarily in U.K./Ireland, the Netherlands and Switzerland/Austria, and (iv) direct acquisition costs of $14.7 million, largely related to the BASE Acquisition and the Choice Acquisition.

We expect to continue to record significant restructuring charges over the next 12 months, due largely to our ongoing company-wide effort to optimize our operating model. In addition, we expect to undertake further restructuring programs in certain of our operating segments, including programs in connection with the integration of acquired entities.

For information regarding the CWC Acquisition, the BASE Acquisition and the Dutch JV, see note 3 to our condensed consolidated financial statements.

For additional information regarding our restructuring charges, see note 11 to our condensed consolidated financial statements.

The market values of our Liberty Global Group publicly-traded equity securities declined significantly immediately following the approval of Brexit. For additional information regarding Brexit, see *Item 1A, Risk Factors* in Part II of this Quarterly Report on Form 10-Q. In addition, we continue to experience significant competition in substantially all of our markets. If, among other factors, (i) the equity values of Liberty Global Group declined further or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill and, to a lesser extent, other long-lived assets. In particular, a decline in the fair value of our reporting unit in the Netherlands could result in the need to record a goodwill impairment charge based on the relatively high carrying value of this reporting unit.

Interest expense

The details of our interest expense are as follows:

	Three months ended June 30,		Increase	
	2016	2015	$	%
	in millions			
Liberty Global Group	$ 580.8	$ 560.6	$ 20.2	3.6
LiLAC Group	76.4	40.3	36.1	89.6
Inter-group eliminations	(0.1)	(0.1)	—	N.M.
Total	$ 657.1	$ 600.8	$ 56.3	9.4

	Six months ended June 30,		Increase	
	2016	2015	$	%
	in millions			
Liberty Global Group	$ 1,146.0	$ 1,138.2	$ 7.8	0.7
LiLAC Group	130.5	78.8	51.7	65.6
Inter-group eliminations	(0.1)	(0.3)	0.2	N.M.
Total	$ 1,276.4	$ 1,216.7	$ 59.7	4.9

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N.M. — Not Meaningful.

Excluding the effects of FX, interest expense increased $12.5 million or 2.1% and $35.3 million or 2.9%, respectively. These increases are primarily attributable to the net effect of (i) higher average outstanding debt balances, largely due to debt incurred in connection with the CWC Acquisition and the BASE Acquisition, and (ii) lower weighted average interest rates related to the completion of certain financing transactions that resulted in extended maturities and decreases to certain of our interest rates. For additional information regarding our outstanding indebtedness, see note 7 to our condensed consolidated financial statements.

It is possible that the interest rates on (i) any new borrowings could be higher than the current interest rates on our existing indebtedness and (ii) our variable-rate indebtedness could increase in future periods. As further discussed in note 4 to our condensed consolidated financial statements and under *Qualitative and Quantitative Disclosures about Market Risk* below, we use derivative instruments to manage our interest rate risks.

Realized and unrealized gains (losses) on derivative instruments, net

Our realized and unrealized gains or losses on derivative instruments include (i) unrealized changes in the fair values of our derivative instruments that are non-cash in nature until such time as the derivative contracts are fully or partially settled and (ii) realized gains or losses upon the full or partial settlement of the derivative contracts. The details of our realized and unrealized gains (losses) on derivative instruments, net, are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Cross-currency and interest rate derivative contracts:				
Liberty Global Group	$ 699.8	$ (547.7)	$ 64.4	$ 114.6
LiLAC Group	(43.6)	(0.6)	(181.2)	77.6
Total cross-currency and interest rate derivative contracts (a)	656.2	(548.3)	(116.8)	192.2
Equity-related derivative instruments – Liberty Global Group:				
ITV Collar	308.3	(53.5)	513.7	(158.9)
Sumitomo Collar	66.3	(61.8)	135.0	(71.9)
Lionsgate Forward	3.3	—	22.0	—
Other	0.5	0.5	0.9	1.1
Total equity-related derivative instruments (b)	378.4	(114.8)	671.6	(229.7)
Foreign currency forward contracts:				
Liberty Global Group	19.8	(18.1)	(1.9)	(27.4)
LiLAC Group	(1.8)	1.8	(8.9)	3.0
Total foreign currency forward contracts	18.0	(16.3)	(10.8)	(24.4)
Other – Liberty Global Group	(0.6)	(0.3)	(0.7)	0.7
Total Liberty Global Group	1,097.4	(680.9)	733.4	(141.8)
Total LiLAC Group	(45.4)	1.2	(190.1)	80.6
Total	$ 1,052.0	$ (679.7)	$ 543.3	$ (61.2)

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(a) The gain during the 2016 three-month period is primarily attributable to the net effect of (i) gains associated with decreases in the values of the British pound sterling and euro relative to the U.S. dollar, (ii) losses associated with decreases in market interest rates in the British pound sterling and euro markets and (iii) gains associated with decreases in market interest rates in the U.S. dollar market. The loss during the 2016 six-month period is primarily attributable to the net effect of (a) losses associated with decreases in market interest rates in the British pound sterling, euro and Chilean peso markets, (b) gains associated with a decrease in the value of the British pound sterling relative to the U.S. dollar, (c) gains associated with decreases in market interest rates in the U.S. dollar market and (d) losses associated with increases in the values of the Chilean peso and euro relative to the U.S. dollar. In addition, the gain (loss) during the 2016 periods include a net gain (loss) of ($14.3 million) and $7.1 million, respectively, resulting from changes in our credit risk valuation adjustments. The loss during the 2015 three-month period is primarily attributable to the net effect of (1) losses associated with increases in the values of the euro and British pound sterling relative to the U.S. dollar, (2) gains associated with increases in market interest rates in the euro and British pound sterling markets and (3) losses associated with increases in market interest rates in the U.S. dollar market. The gain during the 2015 six-month period is primarily attributable to the net effect of (I) gains associated with decreases in the values of the euro, Chilean peso and British pound sterling relative to the U.S. dollar, (II) losses associated with decreases in the values of the euro and U.S. dollar relative to the Swiss franc and (III) gains associated with increases in market interest rates in the euro and British pound sterling markets. In addition, the gain (loss) during the 2015 periods include net gains of $77.2 million and $60.3 million, respectively, resulting from changes in our credit risk valuation adjustments.

(b) For information concerning the factors that impact the valuations of our equity-related derivative instruments, see note 5 to our condensed consolidated financial statements.

For additional information concerning our derivative instruments, see notes 4 and 5 to our condensed consolidated financial statements and *Quantitative and Qualitative Disclosure about Market Risk* below.

Foreign currency transaction gains (losses), net

Our foreign currency transaction gains or losses primarily result from the remeasurement of monetary assets and liabilities that are denominated in currencies other than the underlying functional currency of the applicable entity. Unrealized foreign currency transaction gains or losses are computed based on period-end exchange rates and are non-cash in nature until such time as the amounts are settled. The details of our foreign currency transaction gains (losses), net, are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global Group:				
U.S. dollar denominated debt issued by British pound sterling functional currency entities	$ (443.4)	$ 239.2	$ (570.5)	$ 81.6
Intercompany payables and receivables denominated in a currency other than the entity's functional currency (a)	243.6	(17.0)	443.7	(135.4)
British pound sterling denominated debt issued by a U.S. dollar functional currency entity	118.4	(37.9)	153.8	(6.3)
Yen denominated debt issued by a U.S. dollar functional currency entity	(64.4)	13.9	(118.5)	14.5
U.S. dollar denominated debt issued by euro functional currency entities	(195.6)	214.4	91.3	(585.7)
Euro denominated debt issued by British pound sterling functional currency entities	(28.4)	9.8	(63.5)	27.7
Cash and restricted cash denominated in a currency other than the entity's functional currency	43.5	(68.2)	(14.4)	(15.2)
Other	(9.2)	17.5	(6.0)	(2.7)
Total Liberty Global Group	(335.5)	371.7	(84.1)	(621.5)
LiLAC Group:				
U.S. dollar denominated debt issued by a Chilean peso functional currency entity	18.6	(30.2)	105.1	(71.3)
British pound sterling denominated debt issued by a U.S. dollar functional currency entity	12.7	—	12.7	—
Other	6.1	(1.1)	7.2	(2.4)
Total LiLAC Group	37.4	(31.3)	125.0	(73.7)
Total	$ (298.1)	$ 340.4	$ 40.9	$ (695.2)

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(a) Amounts primarily relate to (i) loans between certain of our non-operating and operating subsidiaries in Europe, which generally are denominated in the currency of the applicable operating subsidiary, and (ii) loans between certain of our non-operating subsidiaries in the U.S. and Europe.

Realized and unrealized gains (losses) due to changes in fair values of certain investments and debt, net

Our realized and unrealized gains or losses due to changes in fair values of certain investments and debt include unrealized gains or losses associated with changes in fair values that are non-cash in nature until such time as these gains or losses are realized through cash transactions. For additional information regarding our fair value measurements, see note 5 to our condensed consolidated financial statements. All of our investments and debt that we account for using the fair value method are attributed to the Liberty Global Group. The details of our realized and unrealized gains (losses) due to changes in fair values of certain investments and debt, net, are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Investments:				
ITV	$ (433.4)	$ 100.4	$ (673.9)	$ 204.5
Lionsgate	(8.1)	—	(60.8)	—
Sumitomo	(0.6)	43.1	(17.9)	59.2
Other, net (a)	52.7	(32.7)	95.0	(1.5)
Debt	13.0	—	13.0	—
Total	$ (376.4)	$ 110.8	$ (644.6)	$ 262.2

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(a) Most of the gains during the three and six months ended June 30, 2016 relate to an investment that we expect to sell during the second half of 2016.

Losses on debt modification and extinguishment, net

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global Group	$ (21.1)	$ (73.8)	$ (25.4)	$ (348.3)
LiLAC Group	1.5	—	1.5	—
Total	$ (19.6)	$ (73.8)	$ (23.9)	$ (348.3)

The net loss during the six months ended June 30, 2016 is attributable to (i) the payment of redemption premium of $32.0 million (including $28.6 million during the second quarter), (ii) the write-off of unamortized premium of $19.0 million (all during the second quarter), (iii) the write-off of deferred financing costs of $8.7 million (including $7.8 million during the second quarter) and (iv) a loss related to the settlement of portions of the Sumitomo Collar and the Sumitomo Collar Loan of $2.2 million (all during the second quarter).

The loss during the six months ended June 30, 2015 is attributable to (i) the payment of redemption premium of $274.0 million (including $54.2 million during the second quarter), (ii) the write-off of deferred financing costs of $63.1 million (including $16.0 million during the second quarter), (iii) the write-off of unamortized discount of $10.4 million (including $2.8 million during the second quarter) and (iv) the payment of third-party costs of $0.8 million (all during the second quarter).

For additional information concerning our losses on debt modification and extinguishment, net, see notes 4 and 7 to our condensed consolidated financial statements.

Other income (expense), net

The details of our other income (expense), net, are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global Group	$ (23.0)	$ (2.0)	$ 30.0	$ (2.6)
LiLAC Group	(0.4)	0.4	(0.1)	0.2
Inter-group eliminations	(0.1)	(0.1)	(0.1)	(0.3)
Total	$ (23.5)	$ (1.7)	$ 29.8	$ (2.7)

The total 2016 amounts include (i) expense of $27.3 million and $55.2 million, respectively, representing our share of the results of affiliates and (ii) interest income of $7.3 million and $20.8 million, respectively. In addition, the 2016 six-month amount includes income of $69.8 million, representing our share of the settlement of certain litigation between Vivendi and Liberty Media, as further described in note 13 to our condensed consolidated financial statements.

The total 2015 amounts include (i) expense of $11.3 million and $23.2 million, respectively, representing our share of the results of affiliates and (ii) interest income of $8.8 million and $22.0 million, respectively.

Income tax expense

The details of our income tax expense are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Liberty Global Group	$ (45.5)	$ (131.4)	$ (8.6)	$ (37.6)
LiLAC Group	(10.5)	1.4	1.5	(14.5)
Total	$ (56.0)	$ (130.0)	$ (7.1)	$ (52.1)

The income tax expense during the three months ended June 30, 2016 differs from the expected income tax expense of $33.0 million (based on the U.K. statutory income tax rate of 20.0%) primarily due to the net negative impact of (i) an increase in valuation allowances, (ii) certain permanent differences between the financial and tax accounting treatment of items associated with investments in subsidiaries and affiliates and (iii) certain permanent differences between the financial and tax accounting treatment of interest and other items. The net negative impact of these items was partially offset by the net positive impact of (a) non-deductible or non-taxable foreign currency exchange results, (b) the tax effect of intercompany financing and (c) statutory tax rates in certain jurisdictions in which we operate that are different than the U.K. statutory income tax rate.

The income tax expense during the three months ended June 30, 2015 differs from the expected income tax benefit of $56.0 million (based on the U.K. statutory income tax rate of 20.0%) primarily due to the net negative impact of (i) an increase in valuation allowances, (ii) non-deductible or non-taxable foreign currency exchange results and (iii) certain permanent differences between the financial and tax accounting treatment of items associated with investments in subsidiaries and affiliates. The net negative impact of these items was partially offset by the net positive impact of the tax effect of intercompany financing.

The income tax expense during the six months ended June 30, 2016 differs from the expected income tax benefit of $51.3 million (based on the U.K. statutory income tax rate of 20.0%) primarily due to the net negative impact of (i) an increase in valuation allowances, (ii) certain permanent differences between the financial and tax accounting treatment of items associated with investments in subsidiaries and affiliates and (iii) certain permanent differences between the financial and tax accounting treatment of interest and other items. The net negative impact of these items was partially offset by the net positive impact of (a) non-deductible or non-taxable foreign currency exchange results, (b) the tax effect of intercompany financing and (c) statutory tax rates in certain jurisdictions in which we operate that are different than the U.K. statutory income tax rate.

The income tax expense during the six months ended June 30, 2015 differs from the expected income tax benefit of $175.9 million (based on the U.K. statutory income tax rate of 20.0%) primarily due to the net negative impact of an increase in valuation allowances. The net negative impact of this item was partially offset by the net positive impact of (i) statutory tax rates in certain jurisdictions in which we operate that are different than the U.K. statutory income tax rate and (ii) the tax effect of intercompany financing.

For additional information concerning our income taxes, see note 8 to our condensed consolidated financial statements.

Net earnings (loss)

The details of our net earnings (loss) are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
	in millions			
Liberty Global Group	$ 223.8	$ (407.2)	$ (110.0)	$ (963.3)
LiLAC Group	(114.7)	(2.7)	(153.6)	31.7
Total	$ 109.1	$ (409.9)	$ (263.6)	$ (931.6)

During the three months ended June 30, 2016 and 2015, we reported net earnings (loss) of $109.1 million and ($409.9 million), respectively, including (i) operating income of $487.8 million and $624.9 million, respectively, (ii) net non-operating expense of $322.7 million and $904.8 million, respectively, and (iii) income tax expense of $56.0 million and $130.0 million, respectively.

During the six months ended June 30, 2016 and 2015, we reported net losses of $263.6 million and $931.6 million, respectively, including (i) operating income of $1,074.4 million and $1,182.4 million, respectively, (ii) net non-operating expense of $1,330.9 million and $2,061.9 million, respectively, and (iii) income tax expense of $7.1 million and $52.1 million, respectively.

Gains or losses associated with (i) changes in the fair values of derivative instruments, (ii) movements in foreign currency exchange rates and (iii) the disposition of assets and changes in ownership are subject to a high degree of volatility and, as such, any gains from these sources do not represent a reliable source of income. In the absence of significant gains in the future from these sources or from other non-operating items, our ability to achieve earnings is largely dependent on our ability to increase our aggregate Adjusted OIBDA to a level that more than offsets the aggregate amount of our (a) share-based compensation expense, (b) depreciation and amortization, (c) impairment, restructuring and other operating items, (d) interest expense, (e) other non-operating expenses and (f) income tax expenses.

Due largely to the fact that we seek to maintain our debt at levels that provide for attractive equity returns, as discussed under *Material Changes in Financial Condition — Capitalization* below, we expect that we will continue to report significant levels of interest expense for the foreseeable future. For information concerning our expectations with respect to trends that may affect certain aspects of our operating results in future periods, see the discussion under *Overview* above. For information concerning the reasons for changes in specific line items in our condensed consolidated statements of operations, see the discussion under *Discussion and Analysis of our Reportable Segments* and *Discussion and Analysis of our Consolidated Operating Results* above.

Net loss attributable to noncontrolling interests

The details of our net loss attributable to noncontrolling interests are as follows:

	Three months ended June 30,		
	2016	2015	Change
	in millions		
Liberty Global Group	$ 0.1	$ (51.6)	$ 51.7
LiLAC Group	(7.8)	(3.2)	(4.6)
Total	$ (7.7)	$ (54.8)	$ 47.1

	Six months ended June 30,		
	2016	2015	Change
	in millions		
Liberty Global Group	$ 3.3	$ (65.6)	$ 68.9
LiLAC Group	(7.4)	(5.0)	(2.4)
Total	$ (4.1)	$ (70.6)	$ 66.5

The changes in net loss attributable to noncontrolling interests during the three and six months ended June 30, 2016, as compared to the corresponding periods in 2015, are primarily attributable to the results of operations of (i) Telenet and (ii) CWC, following the CWC Acquisition**.**

Material Changes in Financial Condition

Sources and Uses of Cash

We are a holding company that is dependent on the capital resources of our subsidiaries to satisfy our liquidity requirements at the corporate level. Although our consolidated operating subsidiaries generate cash from operating activities, each of our significant operating subsidiaries is included within one of our nine subsidiary "borrowing groups." These borrowing groups include the respective restricted parent and subsidiary entities within Virgin Media, Ziggo Group Holding, Unitymedia, UPC Holding, Telenet, CWC, Columbus, VTR Finance and Liberty Puerto Rico. As set forth in the table below, our borrowing groups accounted for a significant portion of our consolidated cash and cash equivalents at June 30, 2016. The terms of the instruments governing the indebtedness of these borrowing groups restrict our ability to access the liquidity of these subsidiaries. In addition, our ability to access the liquidity of these and other subsidiaries may be limited by tax and legal considerations, the presence of noncontrolling interests, foreign currency exchange restrictions and other factors.

Cash and cash equivalents

The details of the U.S. dollar equivalent balances of our consolidated cash and cash equivalents at June 30, 2016 are set forth in the following table (in millions):

Cash and cash equivalents held by:	
Liberty Global and unrestricted subsidiaries:	
Liberty Global (a)	$ 6.9
Unrestricted subsidiaries:	
Liberty Global Group (b) (c)	657.5
LiLAC Group (d)	64.4
Total Liberty Global and unrestricted subsidiaries	728.8
Borrowing groups (e):	
CWC (f)	248.2
VTR Finance	117.6
Liberty Puerto Rico	70.4
UPC Holding	60.7
Virgin Media (c)	37.1
Telenet	18.0
Ziggo Group Holding	5.2
Unitymedia	0.3
Total borrowing groups	557.5
Total cash and cash equivalents	$ 1,286.3
Liberty Global Group	$ 785.7
LiLAC Group	500.6
Total cash and cash equivalents	$ 1,286.3

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(a) Represents the amount held by Liberty Global on a standalone basis, which is attributed to the Liberty Global Group.

(b) Represents the aggregate amount held by subsidiaries attributed to the Liberty Global Group that are outside of our borrowing groups.

(c) The Virgin Media borrowing group includes certain subsidiaries of Virgin Media, but excludes Virgin Media. The $0.6 million of cash and cash equivalents held by Virgin Media is included in the amount shown for the Liberty Global Group's unrestricted subsidiaries.

(d) Represents the aggregate amount held by subsidiaries attributed to the LiLAC Group that are outside of our borrowing groups.

(e) Except as otherwise noted, represents the aggregate amounts held by the parent entity and restricted subsidiaries of our borrowing groups.

(f) Amount includes $71.7 million held by Columbus and its subsidiaries, which together constitute a separate borrowing group within CWC.

Liquidity of Liberty Global and its unrestricted subsidiaries

The $6.9 million of cash and cash equivalents held by Liberty Global and, subject to certain tax and legal considerations, the $721.9 million of aggregate cash and cash equivalents held by the unrestricted subsidiaries attributed to the Liberty Global Group and the LiLAC Group, represented available liquidity at the corporate level at June 30, 2016. Our remaining cash and cash equivalents of $557.5 million at June 30, 2016 were held by our borrowing groups as set forth in the table above. As noted above, various factors may limit our ability to access the cash of our borrowing groups. For information regarding certain limitations imposed by our subsidiaries' debt instruments at June 30, 2016, see note 7 to our condensed consolidated financial statements.

Our current sources of corporate liquidity include (i) cash and cash equivalents held by Liberty Global and, subject to certain tax and legal considerations, Liberty Global's unrestricted subsidiaries, and (ii) interest and dividend income received on our and, subject to certain tax and legal considerations, our unrestricted subsidiaries' cash and cash equivalents and investments. In addition, our parent entity's short-term liquidity is supplemented by interest payments that it receives on a note receivable from one of our unrestricted subsidiaries (outstanding principal of $9.6 billion at June 30, 2016, all outstanding principal due in 2021).

From time to time, Liberty Global and its unrestricted subsidiaries may also receive (i) proceeds in the form of distributions or loan repayments from Liberty Global's borrowing groups or affiliates upon (a) the completion of recapitalizations, refinancings, asset sales or similar transactions by these entities or (b) the accumulation of excess cash from operations or other means, (ii) proceeds upon the disposition of investments and other assets of Liberty Global and its unrestricted subsidiaries and (iii) proceeds in connection with the incurrence of debt by Liberty Global or its unrestricted subsidiaries or the issuance of equity securities by Liberty Global, including equity securities issued to satisfy subsidiary obligations. No assurance can be given that any external funding would be available to Liberty Global or its unrestricted subsidiaries on favorable terms, or at all.

In addition, the amount of cash we receive from our subsidiaries to satisfy U.S. dollar-denominated liquidity requirements is impacted by fluctuations in exchange rates, particularly with regard to the translation of British pounds sterling and euros into U.S. dollars. In this regard, the strengthening (weakening) of the U.S. dollar against these currencies will result in decreases (increases) in the U.S. dollars received from the applicable subsidiaries to fund the repurchase of our equity securities and other U.S. dollar-denominated liquidity requirements. As further discussed under *Item 1A. Risk Factors* in Part II of this Quarterly Report, the approval of Brexit has resulted in a significant decrease in the value of the British pound sterling and, to a lesser extent, the euro against the U.S. dollar.

At June 30, 2016, our consolidated cash and cash equivalents balance includes $1,262.7 million that is held by entities that are domiciled outside of the U.K. Based on our assessment of our ability to access the liquidity of our subsidiaries on a tax efficient basis and our expectations with respect to our corporate liquidity requirements, we do not anticipate that tax considerations will adversely impact our corporate liquidity over the next 12 months. Our ability to access the liquidity of our subsidiaries on a tax efficient basis is a consideration in assessing the extent of our share repurchase program.

Our corporate liquidity requirements include (i) corporate general and administrative expenses, (ii) interest payments on the Sumitomo Collar Loan and the Sumitomo Share Loan and (iii) principal payments on our secured borrowing arrangement with respect to our ITV shares (the **ITV Collar Loan**), the Sumitomo Collar Loan, the Sumitomo Share Loan and our secured borrowing arrangement with respect to 2.5 million of our Lionsgate shares (the **Lionsgate Loan**) to the extent not settled through the delivery of the underlying shares. In addition, Liberty Global and its unrestricted subsidiaries may require cash in connection with (a) the repayment of third-party and intercompany debt, (b) the satisfaction of contingent liabilities, (c) acquisitions, (d) the repurchase of equity and debt securities, (e) other investment opportunities or (f) income tax payments. In addition, our parent entity uses available liquidity to make interest and principal payments on notes payable to certain of our unrestricted subsidiaries (aggregate outstanding principal of $2,478.9 million at June 30, 2016 and no stated maturity). For information regarding the liquidity impacts of the pending creation of the Dutch JV, see note 3 to our condensed consolidated financial statements. For information regarding our commitments and contingencies, see note 13 to our condensed consolidated financial statements.

During the six months ended June 30, 2016, we purchased a total of 12,431,322 Class A Liberty Global Shares at a weighted average price of $33.64 and 16,244,889 Class C Liberty Global Shares at a weighted average price of $34.18 for an aggregate purchase price of $973.4 million, including direct acquisition costs and the effects of derivative instruments. At June 30, 2016, the remaining amount authorized for share repurchases was $3,031.9 million.

Liquidity of borrowing groups

The cash and cash equivalents of our borrowing groups are detailed in the table above. In addition to cash and cash equivalents, the primary sources of liquidity of our borrowing groups are cash provided by operations and borrowing availability under their respective debt instruments. For the details of the borrowing availability of such entities at June 30, 2016, see note 7 to our condensed consolidated financial statements. The aforementioned sources of liquidity may be supplemented in certain cases by contributions and/or loans from Liberty Global and its unrestricted subsidiaries. The liquidity of our borrowing groups generally is used to fund property and equipment additions and debt service requirements. From time to time, our borrowing groups may also require liquidity in connection with (i) acquisitions and other investment opportunities, (ii) loans to Liberty Global, (iii) capital distributions to Liberty Global and other equity owners or (iv) the satisfaction of contingencies. No assurance can be given that any external funding would be available to our borrowing groups on favorable terms, or at all. For information regarding our borrowing groups' contingencies, see note 13 to our condensed consolidated financial statements.

For additional information regarding our consolidated cash flows, see the discussion under *Condensed Consolidated Statements of Cash Flows* below.

Capitalization

We seek to maintain our debt at levels that provide for attractive equity returns without assuming undue risk. In this regard, we generally seek to cause our operating subsidiaries to maintain their debt at levels that result in a consolidated debt balance (excluding the ITV Collar Loan, the Sumitomo Collar Loan, the Sumitomo Share Loan and the Lionsgate Loan and measured using subsidiary debt figures at swapped foreign currency exchange rates, consistent with the covenant calculation requirements of our subsidiary debt agreements) that is between four and five times our consolidated Adjusted OIBDA, although it should be noted that the timing of our acquisitions and financing transactions and the interplay of average and spot foreign currency rates may impact this ratio. The ratio of our June 30, 2016 consolidated debt to our annualized consolidated Adjusted OIBDA for the quarter ended June 30, 2016 (as adjusted to include the Adjusted OIBDA of CWC for the full quarter) was 5.0x. In addition, the ratio of our June 30, 2016 consolidated net debt (debt, as defined above, less cash and cash equivalents) to our annualized consolidated Adjusted OIBDA for the quarter ended June 30, 2016 (as adjusted to include the Adjusted OIBDA of CWC for the full quarter) was 4.8x.

When it is cost effective, we generally seek to match the denomination of the borrowings of our subsidiaries with the functional currency of the operations that are supporting the respective borrowings. As further discussed in note 4 to our condensed consolidated financial statements, we also use derivative instruments to mitigate foreign currency and interest rate risk associated with our debt instruments.

Our ability to service or refinance our debt and to maintain compliance with the leverage covenants in the credit agreements and indentures of our borrowing groups is dependent primarily on our ability to maintain or increase the Adjusted OIBDA of our operating subsidiaries and to achieve adequate returns on our property and equipment additions and acquisitions. In addition, our ability to obtain additional debt financing is limited by the leverage covenants contained in the various debt instruments of our borrowing groups. For example, if the Adjusted OIBDA of Ziggo Group Holding were to decline, we could be required to partially repay or limit our borrowings under the Ziggo Credit Facilities in order to maintain compliance with applicable covenants. No assurance can be given that we would have sufficient sources of liquidity, or that any external funding would be available on favorable terms, or at all, to fund any such required repayment. At June 30, 2016, each of our borrowing groups was in compliance with its debt covenants. In addition, we do not anticipate any instances of non-compliance with respect to the debt covenants of our borrowing groups that would have a material adverse impact on our liquidity during the next 12 months.

At June 30, 2016, the outstanding principal amount of our consolidated debt, together with our capital lease obligations, aggregated $51.9 billion, including $2,142.2 million that is classified as current in our condensed consolidated balance sheet and $47.2 billion that is not due until 2021 or thereafter. For additional information concerning our current debt maturities, see note 7 to our condensed consolidated financial statements.

Notwithstanding our negative working capital position at June 30, 2016, we believe that we have sufficient resources to repay or refinance the current portion of our debt and capital lease obligations and to fund our foreseeable liquidity requirements during the next 12 months. However, as our maturing debt grows in later years, we anticipate that we will seek to refinance or otherwise extend our debt maturities. No assurance can be given that we will be able to complete these refinancing transactions or otherwise extend our debt maturities. In this regard, it is not possible to predict how political and economic conditions, sovereign debt concerns or any adverse regulatory developments could impact the credit and equity markets we access and, accordingly, our future liquidity and financial position. However, (i) the financial failure of any of our counterparties could (a) reduce amounts available under committed credit facilities and (b) adversely impact our ability to access cash deposited with any failed financial institution and (ii) tightening of the credit markets could adversely impact our ability to access debt financing on favorable terms, or at all. In addition, any weakness in the equity markets could make it less attractive to use our shares to satisfy contingent or other obligations, and sustained or increased competition, particularly in combination with adverse economic or regulatory developments, could have an unfavorable impact on our cash flows and liquidity.

All of our consolidated debt and capital lease obligations have been borrowed or incurred by our subsidiaries at June 30, 2016.

For additional information concerning our debt and capital lease obligations, see note 7 to our condensed consolidated financial statements.

Condensed Consolidated Statements of Cash Flows

General. Our cash flows are subject to significant variations due to FX.

Summary. Our condensed consolidated statements of cash flows for the six months ended June 30, 2016 and 2015 are summarized as follows:

	Six months ended June 30,		
	2016	2015	Change
	in millions		
Net cash provided by operating activities	$ 2,666.6	$ 2,685.8	$ (19.2)
Net cash used by investing activities	(2,568.0)	(1,692.1)	(875.9)
Net cash provided (used) by financing activities	168.0	(1,332.5)	1,500.5
Effect of exchange rate changes on cash	37.6	(0.2)	37.8
Net increase (decrease) in cash and cash equivalents	$ 304.2	$ (339.0)	$ 643.2

Operating Activities. Our net cash flows from operating activities are as follows:

	Six months ended June 30,		
	2016	2015	Change
	in millions		
Net cash provided by operating activities:			
Liberty Global Group	$ 2,560.8	$ 2,552.1	$ 8.7
LiLAC Group	105.8	133.7	(27.9)
Total	$ 2,666.6	$ 2,685.8	$ (19.2)

The decrease in total net cash provided by our operating activities is primarily attributable to the net effect of (i) an increase in cash provided due to higher cash receipts related to derivative instruments, (ii) a decrease in cash provided due to higher payments for interest, (iii) an increase in the cash provided by our Adjusted OIBDA and related working capital items and (iv) a decrease in cash provided due to higher payments for taxes.

Investing Activities. Our net cash flows from investing activities are as follows:

	Six months ended June 30, 2016	Six months ended June 30, 2015	Change
	in millions		
Net cash used by investing activities:			
Liberty Global Group	$ (2,402.9)	$ (1,418.5)	$ (984.4)
LiLAC Group	(170.8)	(380.9)	210.1
Inter-group eliminations	5.7	107.3	(101.6)
Total	$ (2,568.0)	$ (1,692.1)	$ (875.9)

The increase in total net cash used by our investing activities is primarily attributable to the net effect of (i) an increase in cash used of $1,046.5 million associated with higher cash paid in connection with acquisitions, (ii) a decrease in cash used of $116.8 million associated with lower cash paid related to investments in and loans to affiliates and others and (iii) a decrease in cash used of $69.8 million as a result of cash proceeds received in connection with the Vivendi settlement, as further described in note 13 to our condensed consolidated financial statements. Additionally, capital expenditures increased from $1,262.4 million during the first six months of 2015 to $1,276.1 million during the first six months of 2016 due to the net effect of (a) an increase resulting from acquisitions, (b) a decrease resulting from FX and (c) to a much lesser extent, a net increase in the local currency capital expenditures of our subsidiaries, including a decrease associated with higher capital-related vendor financing.

The capital expenditures that we report in our condensed consolidated statements of cash flows do not include amounts that are financed under capital-related vendor financing or capital lease arrangements. Instead, these amounts are reflected as non-cash additions to our property and equipment when the underlying assets are delivered and as repayments of debt when the principal is repaid. In this discussion, we refer to (i) our capital expenditures as reported in our condensed consolidated statements of cash flows, which exclude amounts financed under capital-related vendor financing or capital lease arrangements, and (ii) our total property and equipment additions, which include our capital expenditures on an accrual basis and amounts financed under capital-related vendor financing or capital lease arrangements. For further details regarding our property and equipment additions, see note 14 to our condensed consolidated financial statements. A reconciliation of our consolidated property and equipment additions to our consolidated capital expenditures as reported in our condensed consolidated statements of cash flows is set forth below:

	Six months ended June 30, 2016			2015		
	Liberty Global Group	LiLAC Group	Total	Liberty Global Group	LiLAC Group	Total
	in millions					
Property and equipment additions	$ 2,024.0	$ 204.9	$ 2,228.9	$ 1,839.6	$ 125.9	$ 1,965.5
Assets acquired under capital-related vendor financing arrangements	(929.4)	(17.0)	(946.4)	(675.9)	—	(675.9)
Assets acquired under capital leases	(41.6)	(0.2)	(41.8)	(74.5)	—	(74.5)
Changes in current liabilities related to capital expenditures	41.5	(6.1)	35.4	61.8	(14.5)	47.3
Capital expenditures	$ 1,094.5	$ 181.6	$ 1,276.1	$ 1,151.0	$ 111.4	$ 1,262.4

The property and equipment additions attributable to the Liberty Global Group are primarily related to the European Operations Division, which accounted for $2,017.7 million and $1,797.9 million of Liberty Global Group's property and equipment additions during the six months ended June 30, 2016 and 2015, respectively. The increase in the European Operations Division's property and equipment additions is primarily due to the net effect of (i) an increase in expenditures for new build and upgrade projects, (ii) an increase in expenditures for the purchase and installation of customer premises equipment, (iii) an increase in expenditures for support capital, such as information technology upgrades and general support systems, (iv) a decrease due to FX and (v) an increase due to the impact of the BASE Acquisition.

Property and equipment additions attributable to the LiLAC Group increased during the six months ended June 30, 2016, as compared to the corresponding period in 2015, primarily due to the net effect of (i) an increase due to the impacts of the CWC Acquisition and the Choice Acquisition, (ii) an increase in expenditures for new build and upgrade projects, (iii) a decrease due to FX, (iv) an increase in expenditures for the purchase and installation of customer premises equipment and (v) an increase in expenditures for support capital, such as information technology upgrades and general support systems. During the first six months of 2016, approximately 50% of VTR's purchases of property and equipment were denominated in U.S. dollars.

Including BASE and CWC, but excluding Ziggo Group Holding, we expect the percentage of revenue represented by our aggregate 2016 consolidated property and equipment additions to range from 25% to 27%, including (i) 26% to 28% for the Liberty Global Group and (ii) 19% to 21% for the LiLAC Group. These ranges reflect changes from the expectations disclosed in our 2015 Annual Report on Form 10-K, which included Ziggo Group Holding and excluded BASE and CWC. In this regard, the range for the Liberty Global Group represents an increase from our previously-reported expectation of 25% to 27% and the range for the LiLAC Group represents a decrease from our previously-reported expectation of 21% to 23%. The range for Liberty Global on a consolidated basis remains unchanged from our previously-reported expectations. The actual amount of our 2016 consolidated property and equipment additions and the 2016 property and equipment additions of the Liberty Global Group and the LiLAC Group may vary from expected amounts for a variety of reasons, including (a) changes in (1) the competitive or regulatory environment, (2) business plans, (3) our current or expected future operating results or (4) foreign currency exchange rates and (b) the availability of sufficient capital. Accordingly, no assurance can be given that our actual property and equipment additions will not vary materially from our expectations.

Financing Activities. Our net cash flows from financing activities are as follows:

	Six months ended June 30, 2016	Six months ended June 30, 2015	Change
	in millions		
Net cash provided (used) by financing activities:			
Liberty Global Group	$ (109.2)	$ (1,601.5)	$ 1,492.3
LiLAC Group	282.9	376.3	(93.4)
Inter-group eliminations	(5.7)	(107.3)	101.6
Total	$ 168.0	$ (1,332.5)	$ 1,500.5

The change in total net cash provided (used) by our financing activities is primarily attributable to an increase in cash of (i) $511.0 million related to higher net borrowings of debt, (ii) $267.1 million due to lower payments for financing costs and debt premiums, (iii) $260.0 million due to lower payments related to derivative instruments, (iv) $190.6 million due to lower repurchases of Liberty Global ordinary shares, (v) $142.2 million related to a decrease in purchases of additional shares of our subsidiaries and (vi) $130.4 million associated with call option contracts on Liberty Global ordinary shares.

Free cash flow

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 details of our free cash flow:

	Six months ended June 30,					
	2016			2015		
	Liberty Global Group	LiLAC Group	Total	Liberty Global Group	LiLAC Group	Total
	in millions					
Net cash provided by operating activities	$ 2,560.8	$ 105.8	$ 2,666.6	$ 2,552.1	$ 133.7	$ 2,685.8
Excess tax benefits from share-based compensation (a)	3.2	—	3.2	16.0	1.9	17.9
Cash payments for direct acquisition and disposition costs	24.9	61.1	86.0	234.8	4.0	238.8
Expenses financed by an intermediary (b)	393.2	—	393.2	51.7	—	51.7
Capital expenditures	(1,094.5)	(181.6)	(1,276.1)	(1,151.0)	(111.4)	(1,262.4)
Principal payments on amounts financed by vendors and intermediaries	(1,420.9)	—	(1,420.9)	(732.1)	—	(732.1)
Principal payments on certain capital leases	(55.2)	(0.7)	(55.9)	(77.2)	(0.2)	(77.4)
Free cash flow	$ 411.5	$ (15.4)	$ 396.1	$ 894.3	$ 28.0	$ 922.3

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(a) 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.

(b) 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.

Contractual Commitments

The following table sets forth the U.S. dollar equivalents of our commitments as of June 30, 2016. With the exception of debt, capital leases and the related projected interest payments (which include CWC amounts), the commitments of CWC have been excluded from the table pending our verification of the amounts. These excluded commitments are not expected to be material in relation to our total commitments.

	Payments due during:							
	Remainder of 2016	**2017**	**2018**	**2019**	**2020**	**2021**	**Thereafter**	**Total**
	in millions							
Debt (excluding interest)	$ 939.5	$ 1,464.5	$ 1,237.6	$ 574.8	$ 151.2	$ 8,244.7	$ 38,002.8	$ 50,615.1
Capital leases (excluding interest)	84.5	126.7	95.0	81.0	77.6	79.6	767.1	1,311.5
Programming commitments	577.3	1,040.9	872.0	429.1	164.9	7.4	0.8	3,092.4
Network and connectivity commitments	729.5	313.7	171.1	96.9	61.5	52.9	875.9	2,301.5
Purchase commitments	767.0	288.8	142.7	85.8	67.7	18.3	61.3	1,431.6
Operating leases	80.3	144.4	121.9	95.2	73.9	60.5	245.0	821.2
Other commitments	68.4	57.5	36.7	32.4	16.3	14.2	16.5	242.0
Total (a)	$ 3,246.5	$ 3,436.5	$ 2,677.0	$ 1,395.2	$ 613.1	$ 8,477.6	$ 39,969.4	$ 59,815.3
Projected cash interest payments on debt and capital lease obligations (b):								
Liberty Global Group	$ 1,075.0	$ 2,153.0	$ 2,104.8	$ 2,095.6	$ 2,086.6	$ 1,944.3	$ 4,900.0	$ 16,359.3
LiLAC Group	179.7	364.7	360.5	358.5	339.6	291.0	370.5	2,264.5
Total	$ 1,254.7	$ 2,517.7	$ 2,465.3	$ 2,454.1	$ 2,426.2	$ 2,235.3	$ 5,270.5	$ 18,623.8

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(a) The commitments included in this table do not reflect any liabilities that are included in our June 30, 2016 condensed consolidated balance sheet other than debt and capital lease obligations. Our liability for uncertain tax positions in the various jurisdictions in which we operate ($508.7 million at June 30, 2016, including $81.9 million related to CWC and its subsidiaries) has been excluded from the table as the amount and timing of any related payments are not subject to reasonable estimation.

(b) Amounts are based on interest rates, interest payment dates, commitment fees and contractual maturities in effect as of June 30, 2016. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. In addition, the amounts presented do not include the impact of our interest rate derivative contracts, deferred financing costs, original issue premiums or discounts.

For information concerning our debt and capital lease obligations, see note 7 to our condensed consolidated financial statements. For information concerning our commitments, see note 13 to our condensed consolidated financial statements.

In addition to the commitments set forth in the table above, we have significant commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information regarding projected cash flows associated with these derivative instruments, see *Quantitative and Qualitative Disclosures about Market Risk — Projected Cash Flows Associated with Derivatives* below. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during the six months ended June 30, 2016 and 2015, see note 4 to our condensed consolidated financial statements.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

General

The information in this section should be read in conjunction with the more complete discussion that appears under *Quantitative and Qualitative Disclosures About Market Risk* in our 2015 Annual Report on Form 10-K. The following discussion updates selected numerical information to June 30, 2016.

We are exposed to market risk in the normal course of our business operations due to our investments in various foreign countries and ongoing investing and financing activities. Market risk refers to the risk of loss arising from adverse changes in foreign currency exchange rates, interest rates and stock prices. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. As further described below, we have established policies, procedures and processes governing our management of market risks and the use of derivative instruments to manage our exposure to such risks.

Cash

We invest our cash in highly liquid instruments that meet high credit quality standards. We are exposed to exchange rate risk to the extent that the denominations of our cash and cash equivalent balances, revolving lines of credit and other short-term sources of liquidity do not correspond to the denominations of our and our subsidiaries' short-term liquidity requirements. In order to mitigate this risk, we actively manage the denominations of our cash balances in light of our and our subsidiaries' forecasted liquidity requirements. At June 30, 2016, $949.2 million or 73.8% and $165.9 million or 12.9% of our consolidated cash balances were denominated in U.S. dollars and euros, respectively.

Foreign Currency Exchange Rates

The relationship between (i) the euro, the British pound sterling, the Swiss franc, the Hungarian forint, the Polish zloty, the Czech koruna, the Romanian lei, the Chilean peso and the Jamaican dollar and (ii) the U.S. dollar, which is our reporting currency, is shown below, per one U.S. dollar:

	June 30, 2016	December 31, 2015
Spot rates:		
Euro	0.9031	0.9203
British pound sterling	0.7537	0.6787
Swiss franc	0.9773	0.9997
Hungarian forint	284.54	290.85
Polish zloty	3.9462	3.9286
Czech koruna	24.438	24.867
Romanian lei	4.0840	4.1604
Chilean peso	659.71	708.60
Jamaican dollar	126.60	119.95

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Average rates:				
Euro	0.8853	0.9036	0.8957	0.8956
British pound sterling	0.6971	0.6526	0.6978	0.6565
Swiss franc	0.9704	0.9414	0.9818	0.9478
Hungarian forint	277.41	276.58	280.15	275.48
Polish zloty	3.8705	3.6941	3.9127	3.7095
Czech koruna	23.940	24.753	24.225	24.650
Romanian lei	3.9829	4.0153	4.0282	3.9865
Chilean peso	677.28	617.85	689.17	621.28
Jamaican dollar	123.71	115.17	122.41	115.07

Interest Rate Risks

In general, we seek to enter into derivative instruments to protect against increases in the interest rates on our variable-rate debt. Accordingly, we have entered into various derivative transactions to reduce exposure to increases in interest rates. We use interest rate derivative contracts to exchange, at specified intervals, the difference between fixed and variable interest rates calculated by reference to an agreed-upon notional principal amount. We also use interest rate cap and collar agreements that lock in a maximum interest rate if variable rates rise, but also allow our company to benefit, to a limited extent in the case of collars, from declines in market rates. At June 30, 2016, we effectively paid a fixed interest rate on 96% of our total debt. The final maturity dates of our various portfolios of interest rate derivative instruments generally fall short of the respective maturities of the underlying variable-rate debt. In this regard, we use judgment to determine the appropriate maturity dates of our portfolios of interest rate derivative instruments, taking into account the relative costs and benefits of different maturity profiles in light of current and expected future market conditions, liquidity issues and other factors. For additional information concerning the terms of these interest rate derivative instruments, see note 4 to our condensed consolidated financial statements.

Sensitivity Information

Information concerning the sensitivity of the fair value of certain of our more significant derivative instruments to changes in market conditions is set forth below. The potential changes in fair value set forth below do not include any amounts associated with the remeasurement of the derivative asset or liability into the applicable functional currency. For additional information, see notes 4 and 5 to our condensed consolidated financial statements.

Virgin Media Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at June 30, 2016:

(i) an instantaneous increase (decrease) of 10% in the value of the British pound sterling relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Virgin Media cross-currency and interest rate derivative contracts by approximately £559 million ($742 million);

(ii) an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the Virgin Media cross-currency and interest rate derivative contracts by approximately £80 million ($106 million); and

(iii) an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Virgin Media cross-currency derivative contracts by approximately £38 million ($50 million).

UPC Broadband Holding Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at June 30, 2016:

(i) an instantaneous increase (decrease) of 10% in the value of the Swiss franc, Polish zloty, Hungarian forint and Czech koruna relative to the euro would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €514 million ($569 million);

(ii) an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €280 million ($310 million);

(iii) an instantaneous increase (decrease) of 10% in the value of the Swiss franc and Romanian lei relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €121 million ($134 million); and

(iv) an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €67 million ($74 million).

Ziggo Group Holding Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at June 30, 2016:

(i) an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Ziggo Group Holding cross-currency and interest rate derivative contracts by approximately €285 million ($316 million); and

(ii) an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the Ziggo Group Holding cross-currency and interest rate derivative contracts by approximately €141 million ($156 million).

Unitymedia Cross-currency Derivative Contracts

Holding all other factors constant, at June 30, 2016, an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate value of the Unitymedia cross-currency derivative contracts by approximately €248 million ($275 million).

Telenet Cross-currency Derivative Contracts and Interest Rate Caps, Collars and Swaps

Holding all other factors constant, at June 30, 2016:

(i) an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the Telenet interest rate cap, collar and swap contracts by approximately €111 million ($123 million).

(ii) an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Telenet cross-currency derivative contracts by approximately €98 million ($109 million).

CWC Cross-currency Derivative Contracts

Holding all other factors constant, at June 30, 2016, an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the CWC cross-currency derivative contracts by approximately JMD 3.4 billion ($27 million).

VTR Cross-currency Derivative Contracts

Holding all other factors constant, at June 30, 2016, an instantaneous increase (decrease) of 10% in the value of the Chilean peso relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the VTR cross-currency derivative contracts by approximately CLP 110.3 billion ($167 million).

ITV Collar

Holding all other factors constant, at June 30, 2016, an instantaneous increase (decrease) of 10% in the per share market price of ITV's ordinary shares would have decreased (increased) the fair value of the ITV Collar by approximately £70 million ($93 million).

Sumitomo Collar

Holding all other factors constant, at June 30, 2016, an instantaneous increase (decrease) of 10% in the per share market price of Sumitomo's common stock would have decreased (increased) the fair value of the Sumitomo Collar by approximately ¥3.7 billion ($36 million).

Projected Cash Flows Associated with Derivative Instruments

The following table provides information regarding the projected cash flows associated with our derivative instruments. The U.S. dollar equivalents presented below are based on interest rates and exchange rates that were in effect as of June 30, 2016. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. For additional information regarding our derivative instruments, including our counterparty credit risk, see note 4 to our condensed consolidated financial statements.

	Payments (receipts) due during:							
	Remainder of 2016	**2017**	**2018**	**2019**	**2020**	**2021**	**Thereafter**	**Total**
	in millions							
Projected derivative cash payments (receipts), net:								
Liberty Global Group:								
Interest-related (a)	$ (27.4)	$ 47.5	$ 33.6	$ 39.8	$ 27.2	$ 28.5	$ 13.9	$ 163.1
Principal-related (b)	8.7	128.4	(17.8)	(43.0)	73.9	(248.1)	(1,716.9)	(1,814.8)
Other (c)	(57.6)	(177.7)	(402.5)	(132.6)	(10.8)	—	(10.7)	(791.9)
Total Liberty Global Group	(76.3)	(1.8)	(386.7)	(135.8)	90.3	(219.6)	(1,713.7)	(2,443.6)
LiLAC Group:								
Interest-related (a)	4.0	18.4	18.4	16.7	16.2	16.1	11.1	100.9
Principal-related (b)	—	—	—	—	—	—	42.8	42.8
Other (c)	0.6	(0.9)	—	—	—	—	—	(0.3)
Total LiLAC Group	4.6	17.5	18.4	16.7	16.2	16.1	53.9	143.4
Total	$ (71.7)	$ 15.7	$ (368.3)	$ (119.1)	$ 106.5	$ (203.5)	$ (1,659.8)	$ (2,300.2)

(a) Includes (i) the cash flows of our interest rate cap, collar and swap contracts and (ii) the interest-related cash flows of our cross-currency and interest rate swap contracts.

(b) Includes the principal-related cash flows of our cross-currency contracts.

(c) Includes amounts related to our equity-related derivative instruments and foreign currency forward contracts. We may elect to use cash or the collective value of the related shares and equity-related derivative instrument to settle the ITV Collar Loan, the Sumitomo Collar Loan and the Lionsgate Loan.

Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In accordance with Exchange Act Rule 13a-15, we carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer, principal accounting officer and principal financial officer (the Executives), of the effectiveness of our disclosure controls and procedures as of June 30, 2016. In designing and evaluating the disclosure controls and procedures, the Executives recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is necessarily required to apply judgment in evaluating the cost-benefit relationship of possible controls and objectives. Based on that evaluation, the Executives concluded that our disclosure controls and procedures are effective as of June 30, 2016, in timely making known to them material information relating to us and our consolidated subsidiaries required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal controls over financial reporting identified in connection with the evaluation described above that occurred during the fiscal quarter covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II — OTHER INFORMATION

Item 1A. RISK FACTORS

In addition to the other information contained in this Quarterly Report on Form 10-Q, you should consider the following risk factors, which supplement those contained in our most recently filed Annual Report on Form 10-K, in evaluating our results of operations, financial condition, business and operations or an investment in the shares of our company.

Although we describe below and elsewhere in this Quarterly Report on Form 10-Q and in our most recently filed Annual Report on Form 10-K the risks we consider to be the most material, there may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that also could have material adverse effects on our results of operations, financial condition, business or operations in the future. In addition, past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods.

If any of the events described below, individually or in combination, were to occur, our businesses, prospects, financial condition, results of operations and/or cash flows could be materially adversely affected.

The U.K. referendum advising for the exit of the U.K. from the E.U. could have a material adverse effect on our business, financial condition or results of operations. On June 23, 2016, the U.K. held a referendum in which voters approved, on an advisory basis, an exit from the E.U., commonly referred to as “Brexit.” Although the vote is non-binding, it is expected that the referendum will be passed into law and the British government will commence negotiations to determine the terms of the U.K.’s withdrawal from the E.U. A withdrawal could, among other outcomes, disrupt the free movement of goods, services and people between the U.K. and the E.U., undermine bilateral cooperation in key geographic areas and significantly disrupt trade between the U.K. and the E.U. or other nations (including the U.S.) as the U.K. pursues independent trade relations. The initial impact of the announcement of Brexit caused significant volatility in global stock markets, including in the prices of our shares, as well as significant currency fluctuations that resulted in the strengthening of the U.S. dollar against foreign currencies in which we conduct business, namely the British pound sterling and the euro.

The potential impacts, if any, of the uncertainty relating to Brexit or the resulting terms of the withdrawal of the U.K. from the E.U. on customer behavior, economic conditions, interest rates, currency exchange rates, availability of capital or other matters are unclear. Examples of the impact Brexit could have on our business, financial condition or results of operations include:

- changes in foreign currency exchange rates and disruptions in the capital markets. For example, a sustained period of weakness in the British pound sterling or the euro could have an adverse impact on our liquidity, including our ability to fund repurchases of our equity securities and other U.S. dollar-denominated liquidity requirements;
- legal uncertainty and potentially divergent national laws and regulations as the U.K. determines which E.U. laws and directives to replace or replicate, or where previously implemented by enactment of U.K. laws or regulations, to retain, amend or repeal;
- uncertainty as to the terms of the U.K.’s withdrawal from, and future relationship with, the E.U. in terms of the impact on the free movement of the Company’s services, capital and employees;
- global economic uncertainty, which may cause the Company’s customers to reevaluate what they are willing to spend on our products and services; and
- various geopolitical forces may impact the global economy and our business, including, for example, other E.U. member states (in particular those member states where we have operations) proposing referendums to, or electing to, exit the E.U.

Any of these effects of Brexit, and others that we cannot anticipate, could adversely impact our business, results of operations and financial condition.

As a result of the CWC Acquisition, Liberty Global became subject to additional regulatory risks and conditions in the jurisdictions in which CWC operates. Prior to the CWC Acquisition, Liberty Global operated in 14 countries and added numerous other countries with the CWC Acquisition. As such, Liberty Global is now subject to a significant number of additional video, internet, telecommunications and competition regulatory regimes that govern its operations across the various legal jurisdictions in which CWC operates. In particular, Liberty Global is reliant on governments and regulators in the jurisdictions in which CWC operates for access, on mutually beneficial terms, to spectrum for both existing and next-generation mobile services. Liberty Global is also subject to key regulatory decisions relating to pricing of CWC's services in certain jurisdictions, such as the determination of termination rates. Failure to comply with regulations or regulatory decisions could result in fines or restrict the ability to operate or provide existing or new services to CWC customers. Furthermore, the governments in the countries and territories in which CWC operates differ widely with respect to political structure, constitution, economic philosophy, stability and level of regulation. Moreover, in several of CWC's key markets, including Panama and the Bahamas, governments are CWC's partners and co-owners. Consequently, Liberty Global may not be able to fully utilize CWC's contractual or legal rights or all options available, where to do so might conflict with broader regulatory or governmental considerations.

Liberty Global is subject to additional political risk and conditions in the jurisdictions in which CWC operates. CWC operates in numerous countries, almost all of which are different from those in which Liberty Global operated prior to the CWC Acquisition. In certain of these countries and territories, political, security and economic changes may result in political and regulatory uncertainty. Governments may expropriate or nationalize assets or increase their participation in the economy generally and in telecommunications operations in particular. In addition, certain countries and territories in which CWC operates face significant challenges relating to the condition of physical infrastructure, including transportation, electricity generation and transmission. Such countries and territories may also be subject to a higher risk of inflationary pressures, which could increase Liberty Global's operating costs and decrease consumer demand and spending power in the region. Each of these factors could, individually or in the aggregate, have an adverse effect on Liberty Global's business, financial condition, results of operations and prospects.

As a result of the CWC Acquisition, Liberty Global is subject to the economic risks and conditions of the markets in which CWC operates, most of which are in developing economies and have historically experienced more volatility in their general economic conditions. Most of CWC's operations are in developing economies with limited scale, which historically have experienced more volatility in their general economic conditions than many of the jurisdictions in which Liberty Global operated prior to the CWC Acquisition. Should current economic conditions deteriorate in the markets in which CWC operates, there may be volatility in exchange rates, increases in interest rates and liquidity shortfalls, which would have an adverse effect on Liberty Global's revenue and profits. Additionally, deteriorating economic conditions, along with recessionary pressures and country-specific issues in countries in which CWC operates, could, among other things, affect the level of tourism experienced by some countries (an industry on which much of the Caribbean is heavily reliant) and the level of local consumer and business expenditure on telecommunications. The impact of poor economic conditions in the markets in which CWC operates could have an adverse effect on Liberty Global's business, financial condition, results of operations and prospects.

Although we expect synergies to result from the CWC Acquisition, we may not realize anticipated synergies in the event of integration challenges. Liberty Global's ability to realize anticipated synergies of the CWC Acquisition will depend, in part, on successfully integrating the businesses of two companies that operated as independent public companies. There is no assurance that the integration process will be completed smoothly or successfully or within the anticipated time frame. The success and integration of CWC's operations with those of the LiLAC Group will depend, among other things, upon Liberty Global and CWC retaining key employees during the periods before and after the CWC Acquisition is completed. Additionally, the integration process could disrupt momentum in each of CWC's and Liberty Global's ongoing businesses or cause inconsistencies in controls, standards, procedures and policies. Such disruption or inconsistencies could adversely affect the resulting operations' ability to maintain relationships with customers and employees, achieve the anticipated benefits of the CWC Acquisition or increase the resulting operations' earnings. If the combined operations are not smoothly or successfully integrated, the anticipated synergies of the CWC Acquisition may not be fully realized or may take longer to realize than expected.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(c) *Issuer Purchases of Equity Securities*

The following table sets forth information concerning our company's purchase of its own equity securities during the three months ended June 30, 2016:

Period	Total number of shares purchased	Average price paid per share (a)	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
April 1, 2016 through April 30, 2016:				
Class A Liberty Global Shares	—	$ —	—	(b)
Class C Liberty Global Shares	136,615	$ 36.78	136,615	(b)
May 1, 2016 through May 31, 2016:				
Class A Liberty Global Shares	4,510,900	$ 36.87	4,510,900	(b)
Class C Liberty Global Shares	858,334	$ 36.08	858,334	(b)
June 1, 2016 through June 30, 2016:				
Class A Liberty Global Shares	7,920,422	$ 31.81	7,920,422	(b)
Class C Liberty Global Shares	7,608,803	$ 30.59	7,608,803	(b)
Total — April 1, 2016 through June 30, 2016:				
Class A Liberty Global Shares	12,431,322	$ 33.64	12,431,322	(b)
Class C Liberty Global Shares	8,603,752	$ 31.24	8,603,752	(b)

(a) Average price paid per share includes direct acquisition costs and the effects of derivative instruments, where applicable.

(b) At June 30, 2016, the remaining amount authorized for share repurchases was $3,031.9 million.

Item 6. EXHIBITS

Listed below are the exhibits filed as part of this Quarterly Report (according to the number assigned to them in Item 601 of Regulation S-K):

4 — Instruments Defining the Rights of Securities Holders, including Indentures:

4.1	Additional Facility G Accession Agreement, dated March 31, 2016, among Virgin Media Investment Holdings Limited as Borrower, The Bank of Nova Scotia as Facility Agent and the financial institutions listed therein as Additional Facility G Lenders, under the VM Credit Facility Agreement (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 6, 2016 (File No. 001-35961) (the April 2016 8-K)).
4.2	Additional Facility H Accession Agreement, dated March 31, 2016, among Virgin Media Investment Holdings Limited as Borrower, The Bank of Nova Scotia as Facility Agent and the financial institutions listed therein as Additional Facility H Lenders, under the VM Credit Facility Agreement (incorporated by reference to Exhibit 4.2 to the April 2016 8-K).
4.3	Telenet Additional Facility AD Accession Agreement dated May 2, 2016 and entered into between, among others, Telenet Financing USD LLC and The Bank of Nova Scotia (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed May 6, 2016 (File No. 001-35961).
4.4	Credit Agreement, dated May 16, 2016, among LGE Coral Holdco Limited, Sable International Finance Limited, Coral-US Co-Borrower LLC, The Bank of Nova Scotia as Administrative Agent and L/C Issuer and Swing Line Lender and First Caribbean International Bank (Bahamas) Limited, BNP Paribas Fortis SA/NV and Royal Bank of Canada as Alternative L/C Issuers (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed May 20, 2016 (File No. 001-35961) (the May 2016 8-K)).
4.5	Indenture dated March 31, 2014, among Columbus International Inc., The Bank of New York Mellon as Trustee and The Bank of New York Mellon (Luxembourg) S.A. as Luxembourg Transfer Agent and Paying Agent (incorporated by reference to Exhibit 4.2 to the May 2016 8-K).
4.6	Indenture dated August 5, 2015, among Sable International Finance Limited as Issuer, Deutsche Bank Trust Company Americas as Trustee, Principal Paying Agent, Registrar and Transfer Agent and Deutsche Bank Luxembourg, S.A. as Luxembourg Paying Agent and (Regulation S) Transfer Agent (incorporated by reference to Exhibit 4.4 to the May 2016 8-K).
4.7	Indenture dated August 5, 2015, among Sable International Finance Limited as Issuer, Deutsche Bank Trust Company Americas as Trustee, Principal Paying Agent, Registrar and Transfer Agent and Deutsche Bank Luxembourg, S.A. as Luxembourg Paying Agent and (Regulation S) Transfer Agent (incorporated by reference to Exhibit 4.4 to the May 2016 8-K).
4.8	First Supplemental Indenture dated November 23, 2015, among Sable International Finance Limited as Issuer and Deutsche Bank Trust Company Americas as Trustee, Principal Paying Agent, Registrar and Transfer Agent (incorporated by reference to Exhibit 4.5 to the May 2016 8-K).
4.9	Fourth Supplemental Indenture, dated as of July 1, 2016, among Virgin Media, the Registrant and the Bank of New York Mellon as trustee to the Indenture, dated as of April 16, 2008, as amended and supplemented, for the Virgin Media 6.50% Convertible Senior Notes due 2016.*
4.10	Additional Facility AN Accession Agreement dated August 3, 2016 and entered into between, among others, UPC Financing Partnership and The Bank of Nova Scotia (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed August 3, 2016 (File No. 001-35961).

10 — Material Contracts:

10.1	Form of Performance Share Units Agreement between the Registrant and our Chief Executive Officer under the Liberty Global Incentive Plan Effective March 1, 2014, as amended and restated February 24, 2015.*
10.2	Form of Share Appreciation Rights Agreement between the Registrant and our Chief Executive Officer under the Liberty Global Incentive Plan Effective March 1, 2014, as amended and restated February 24, 2015.*

31 — Rule 13a-14(a)/15d-14(a) Certification:

31.1	Certification of President and Chief Executive Officer*
31.2	Certification of Executive Vice President and Co-Chief Financial Officer (Principal Financial Officer)*

31.3	Certification of Executive Vice President and Co-Chief Financial Officer (Principal Accounting Officer)*

32 — Section 1350 Certification**

99.1	Unaudited Attributed Financial Information*
101.INS	XBRL Instance Document*
101.SCH	XBRL Taxonomy Extension Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

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* Filed herewith

** Furnished herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	LIBERTY GLOBAL PLC
Dated: August 4, 2016	/s/ MICHAEL T. FRIES
	Michael T. Fries *President and Chief Executive Officer*
Dated: August 4, 2016	/s/ CHARLES H.R. BRACKEN
	Charles H.R. Bracken *Executive Vice President and Co-Chief Financial Officer (Principal Financial Officer)*
Dated: August 4, 2016	/s/ BERNARD G. DVORAK
	Bernard G. Dvorak *Executive Vice President and Co-Chief Financial Officer (Principal Accounting Officer)*

EXHIBIT INDEX

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101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

* Filed herewith

** Furnished herewith

VIRGIN MEDIA INC.
(formerly named Viper US MergerCo 1 Corp.),

LIBERTY GLOBAL PLC

and

THE BANK OF NEW YORK MELLON,

as Trustee

Fourth Supplemental Indenture

Dated as of July 1, 2016

6.50% Convertible Senior Notes due 2016

FOURTH SUPPLEMENTAL INDENTURE, dated as of July 1, 2016 (this "**Fourth Supplemental Indenture**"), among Virgin Media Inc. (formerly named Viper US MergerCo 1 Corp.), a Colorado corporation (the "**Company**"), Liberty Global plc, a U.K. public limited company ("**Liberty Global**"), and The Bank of New York Mellon (formerly known as The Bank of New York), a New York banking corporation, as trustee (the "**Trustee**").

RECITALS

WHEREAS, Virgin Media Inc. ("**VMI**"), the predecessor of the Company, and the Trustee entered into the Indenture, dated as of April 16, 2008 (the "**Original Indenture**"), pursuant to which VMI issued the Securities;

WHEREAS, the Company, Liberty Global and the Trustee have entered into the Supplemental Indenture, dated as of June 7, 2013, the Second Supplemental Indenture, dated as of May 3, 2014, and the Amended and Restated Third Supplemental Indenture, dated July 17, 2015 and effective as of July 1, 2015, which amended and supplemented the Original Indenture (the Original Indenture, as so amended and supplemented, the "**Amended Indenture**"),

WHEREAS, under the Amended Indenture, the Holders of Securities have the right to exchange each $1,000 principal amount of Securities by reference to the Reference Property, which on the date hereof consists of the following: 14.0791 Class A Shares; 35.1665 Class C Shares; and $910.51 in cash (without interest);

WHEREAS, the Board of Directors has approved the distribution on July 1, 2016 (the "**Distribution Date**"), to holders of the Class A Shares and Class C Shares, as a bonus issue, of (i) one LiLAC Class A Ordinary Share for each 8.01482 Class A Shares and (ii) one LiLAC Class C Ordinary Share for each 8.01482 Class C Shares, in each case held of record as of 5:00 p.m., New York City time, on June 17, 2016 (the "**Bonus Issue**");

WHEREAS, the ex-date for the Bonus Issue is June 21, 2016 (the "**Bonus Issue Ex-Date**");

WHEREAS, pursuant to Section 12.04(m) of the Amended Indenture, if Liberty Global takes any action of the type described in Section 12.04 of the Amended Indenture with respect to the Class A Shares or Class C Shares, which, in either case, if taken with respect to the Common Stock would have required an adjustment to the Conversion Rate, then the Company shall effect an adjustment to the number of Class A Shares or Class C Shares, as the case may be, included in the Reference Property so as to approximate, in the reasonable judgment of the Board of Directors, the adjustment contemplated by Section 12.04 of the Amended Indenture;

WHEREAS, in accordance with Section 12.04(m) of the Amended Indenture, the Company has determined to adjust the composition of the Reference Property, as a result of the Bonus Issue, to be 16.4739 Class A Shares, 41.5193 Class C Shares and $910.51 in cash (without interest), such adjustment to become effective immediately after 5:00 p.m., New York City time, on the Trading Day immediately preceding the Bonus Issue Ex-Date;

WHEREAS, the foregoing adjustment to the composition of the Reference Property approximates, in the reasonable judgment of the Board of Directors, the adjustment contemplated by Section 12.04(c) of the Amended Indenture, taking into account the other provisions of Section 12.04;

WHEREAS, the foregoing adjustment to the composition of the Reference Property requires amendments to certain definitions which are based upon the composition of the Reference Property;

WHEREAS, pursuant to Section 12.04(n) of the Amended Indenture, any and all adjustments of the Reference Property that are required to be made due to an action involving the Class A Shares and the Class C Shares of the type described in Section 12.04(c) of the Indenture shall be evidenced by a supplemental indenture entered into in accordance with Article 9 of the Indenture;

WHEREAS, the Company, Liberty Global and the Trustee are entering into this Fourth Supplemental Indenture, in accordance with Section 12.04(n) of the Amended Indenture, to effect the foregoing adjustment to the composition of the Reference Property and amendments;

WHEREAS, Section 9.01 of the Amended Indenture provides that the Company, when authorized by a Board Resolution, and the Trustee may enter into a supplemental indenture, without the consent of any Holders: (i) pursuant to clause (a) of Section 9.01, to cure any ambiguity, manifest error, defect or omission or inconsistency, (ii) pursuant to clause (i) of Section 9.01, to make provision with respect to the conversion rights of Holders pursuant to the requirements of Article 12 of the Amended Indenture; and (iii) pursuant to clause (j) of Section 9.01, to make any change that does not adversely affect the rights of any Holder in any material respect;

WHEREAS, the Company and Liberty Global are entering into this Fourth Supplemental Indenture in accordance with Section 9.01(a), (i) and (j) of the Amended Indenture (the Amended Indenture, as amended and supplemented by this Fourth Supplemental Indenture, is referred to herein as the "**Indenture**"); and

WHEREAS, all requirements necessary to make this Fourth Supplemental Indenture a valid, binding and enforceable instrument in accordance with its terms have been done and performed, and the execution and delivery of this Fourth Supplemental Indenture has been duly authorized in all respects.

NOW, THEREFORE, in consideration of the premises hereof, the parties have executed and delivered this Fourth Supplemental Indenture, and the Company, Liberty Global and the Trustee agree for the benefit of each other and for the equal and ratable benefit of the Holders, as follows:

SECTION 1. Capitalized Terms.

Any capitalized term used and not otherwise defined herein shall have the meaning assigned to such term in the Amended Indenture.

SECTION 2. Settlement upon Conversion.

From and immediately after 5:00 p.m., New York City time, on the Trading Day immediately preceding the Bonus Issue Ex-Date, Holders of Securities shall have the right to convert the Securities (pursuant to, and subject to the conditions of, the Indenture) into the following Reference Property (subject to further adjustment as provided in Article 12 of the Indenture) with respect to each $1,000 principal amount of Securities: (i) 16.4739 Class A Shares; (ii) 41.5193 Class C Shares; and (iii) $910.51 in cash (without interest).

SECTION 3. Amendments to Amended Indenture

(a)

For all purposes of the Indenture, the definitions of the following terms in Section 1.01 of the Amended Indenture are amended and restated in relation to the Bonus Issue to read in full as follows:

"**Daily Conversion Value**" of the Reference Property means, for each of the 30 consecutive VWAP Trading Days during the Observation Period, one-thirtieth (1/30) of the product of (a) the applicable Conversion Rate and (b) the sum of (i) the product of 0.3166 times the Daily VWAP of the Class A Shares on such VWAP Trading Day, (ii) the product of 0.7980 times the Daily VWAP of the Class C Shares on such VWAP Trading Day and (z) $17.50 (without interest), as determined by the Company. Any such determination shall be conclusive absent manifest error.

"**Reference Property Daily VWAP**" means, for each of the 30 consecutive VWAP Trading Days during the Observation Period, the sum of (a) the product of (i) the Daily VWAP for the Class A Shares times (ii) 0.3166, (b) the product of (i) the Daily VWAP for the Class C Shares times (ii) 0.7980, and (c) $17.50 (without interest).

"Reference Property Value" means, on any Trading Day, the sum of (x) the product of 0.3166 times the Last Reported Sale Price of the Class A Shares on such Trading Day, (y) the product of 0.7980 times the Last Reported Sale Price of the Class C Shares on such Trading Day and (z) $17.50.

SECTION 4. Global Securities.

Each Global Security shall be deemed supplemented, modified and amended in such manner as necessary to make the terms of such Global Security consistent with the terms of the Indenture.

SECTION 5. Ratification and Effect.

Except as hereby expressly amended, the Amended Indenture is in all respects ratified and confirmed and all the terms, provisions and conditions thereof, including, without limitation, Section 12.10, shall be and remain in full force and effect. Upon and after the execution of this Fourth Supplemental Indenture, and the occurrence of the Bonus Issue on the Distribution Date, the Amended Indenture shall be supplemented in accordance herewith, this Fourth Supplemental Indenture shall form a part of the Indenture for all purposes and each reference in the Amended Indenture shall mean and be a reference to the Amended Indenture as modified hereby.

SECTION 6. Governing Law.

This Fourth Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York. This Fourth Supplemental Indenture is subject to the provisions of the *Trust Indenture Act* that are required to be part of this Fourth Supplemental Indenture and shall, to the extent applicable, be governed by such provisions.

SECTION 7. The Trustee.

The recitals in this Fourth Supplemental Indenture shall be taken as the statements of the Company and Liberty Global, and the Trustee assumes no responsibility for their correctness. The Trustee shall not be responsible or accountable in any manner whatsoever for or with respect to the validity or sufficiency of this Fourth Supplemental Indenture. The Trustee shall be under no duty whatsoever to make any determination whether any execution, modification, amendment, supplement or confirmation to any document is necessary to implement such amendments and waivers, including those contained herein, and shall be entitled to conclusively rely on the documentation required to be provided under the terms of the Indenture in a form reasonably satisfactory to the Trustee.

SECTION 8. Conflicts.

To the extent of any inconsistency between the terms of the Amended Indenture or the Global Securities and this Fourth Supplemental Indenture, the terms of this Fourth Supplemental Indenture will control.

SECTION 9. Miscellaneous.

This Fourth Supplemental Indenture constitutes the entire agreement of the parties hereto with respect to the amendments to the Amended Indenture set forth herein. All covenants and agreements in this Fourth Supplemental Indenture given by the parties hereto shall bind their successors. In case any provision in this Fourth Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof or of the Amended Indenture shall not in any way be affected or impaired thereby. The section headings are for convenience only and shall not affect the construction hereof. The parties may sign any number of copies of this Fourth Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement, binding on the parties hereto.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Indenture to be duly executed as of the date first written above.

VIRGIN MEDIA INC.

By: /s/ Authorized Signatory
Authorized Signatory
Vice President, Legal

LIBERTY GLOBAL PLC

By: /s/ Authorized Signatory
Jeremy Evans
Senior Vice President and Assistant Secretary

THE BANK OF NEW YORK MELLON,
as Trustee

By: /s/ Elizabeth Stern
Elizabeth Stern
Vice President

Exhibit 10.1
[Class of Shares]

LIBERTY GLOBAL 2014 INCENTIVE PLAN

(Effective March 1, 2014)

PERFORMANCE SHARE UNITS AGREEMENT

THIS PERFORMANCE SHARE UNITS AGREEMENT ("Agreement") is made as of February 5, 2016, by and between LIBERTY GLOBAL PLC, a public limited company incorporated under the laws of England and Wales (the "Company"), and the individual whose name, address, and Optionee ID number appear on the signature page hereto (the "Grantee").

The Company has adopted the Liberty Global 2014 Incentive Plan effective March 1, 2014, as amended and restated effective February 24, 2015 (the "Plan"), which by this reference is made a part hereof, for the benefit of eligible employees of the Company and its Subsidiaries. Capitalized terms used and not otherwise defined herein will have the meaning given thereto in the Plan.

Pursuant to the Plan, the Compensation Committee appointed by the Board pursuant to Article 3 of the Plan to administer the Plan (the "Committee") has determined that it is in the best interest of the Company and its Shareholders to award performance-based restricted share units to the Grantee effective as of February 5, 2016 (the "Grant Date"), subject to the conditions and restrictions set forth herein and in the Plan, in order to provide the Grantee additional remuneration for services rendered, to encourage the Grantee to continue to provide services to the Company or its Subsidiaries and to increase the Grantee's personal interest in the continued success and progress of the Company.

The Company and the Grantee therefore agree as follows:

1. **Definitions**. The following terms, when used in this Agreement, have the following meanings:

"Act" means the U.K. companies Act of 2006, as amended from time to time, and the rules and regulations thereunder.

"Annual Performance Rating" means the performance rating received by the Grantee during the Company's Annual Performance Review Process.

"Base Performance Objective" has the meaning ascribed to such term in **Appendix A**.

"Cause" has the meaning specified in the Employment Agreement (as modified by subparagraph 9(f) of the Employment Agreement in connection with a Change in Control).

"Change in Control" has the meaning specified in the Employment Agreement.

“Code” means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor statute or statutes thereto. Reference to any specific code section shall include any successor section.

“Committee” has the meaning specified in the recitals to this Agreement.

“Company” means Liberty Global plc, a public limited company incorporated under the laws of England and Wales.

“Disability” has the meaning specified in the Employment Agreement.

“Earned Percentage” means the percentage determined by the Committee after the end of the Performance Period in accordance with the terms set forth in **Appendix A** taking into account the level of achievement of the Performance Metric or Performance Metrics set forth in **Appendix A** during the Performance Period and, if applicable, the relative weighting of the Performance Metrics.

“Earned Performance Share Units” means the number of Performance Share Units that following the completion of the Performance Period the Grantee is determined in accordance with Section 3 to have earned under this Agreement, subject to reduction, forfeiture or acceleration during the Service Period in accordance with Section 4, Section 6 and Section 7(a)(i) and (ii), as applicable.

“Employment Agreement” means that certain Employment Agreement, dated April 30, 2014, among the Company, Liberty Global, Inc. and the Grantee, as may be amended from time to time.

“Good Reason” has the meaning specified in the Employment Agreement. For the Grantee’s Termination of Service to constitute resignation for Good Reason, the Grantee must notify the Board in writing, within ninety (90) days of the event or last event giving rise to the alleged Good Reason, of his intention to terminate his employment for Good Reason, describes with reasonable specificity the circumstances giving rise thereto, and (provided such circumstances are susceptible of being cured by the Company) provides the Company a period of at least twenty (20) business days to cure, and the Company has failed to effect such a cure within such period and the Grantee then resigns within thirty (30) business days following the end of the cure period.

“Grant Date” has the meaning specified in the recitals to this Agreement.

“Grantee” has the meaning specified in the preamble to this Agreement.

“[Ticker Symbol]” and “Share” means the [Class of] ordinary shares, nominal value $.01 per share, of the Company.

“Maximum Change in Control Units” means the greatest of (i) 200% of the Target Performance Share Units, (ii) a number of Performance Share Units based on the actual or projected achievement of the Performance Metric or Performance Metrics as may be determined by the Committee in its sole discretion or (iii) a number of Performance Share Units based on such other achievement of the Performance Metric or Performance Metrics as determined by the Committee, in its sole discretion, which determination is applicable to all grantees of Performance Share Units for the Performance Period.

"Maximum Percentage" has the meaning ascribed to such term in **Appendix A**.

"NEO" means the Company's Chief Executive Officer (or an individual acting in such capacity) and each other person who is a "covered employee" within the meaning of Section 162(m)(3) of the Code and related Regulations and Treasury pronouncements as of the last day of the Performance Period or is projected to be a "covered employee" as of the last day of the following calendar year based on the compensation and benefits approved for such person for that calendar year as of the time achievement of the Base Performance Objective is certified by the Committee.

"Performance Metric" or "Performance Metrics" means the performance goal or goals established by the Committee pursuant to Section 10.2 of the Plan and set forth in **Appendix A** hereto.

"Performance Period" means the three-year period beginning on January 1, 2016.

"Performance Share Unit" is a Restricted Share representing the right to receive one share of [Ticker Symbol], subject to the performance and other conditions and restrictions set forth herein and in the Plan.

"Plan" has the meaning specified in the preamble to this Agreement.

"Regulations" means the rules and regulations under the Code or a specified section of the Code, as applicable.

"Required Withholding Amount" has the meaning specified in Section 17 of this Agreement.

"RSU Dividend Equivalents" with respect to a Performance Share Unit means, to the extent specified by the Committee only, an amount equal to all dividends and other distributions (or the economic equivalent thereof) which are payable or transferable to Shareholders of record during the Performance Period and Service Period with respect to one share of [Ticker Symbol].

"Section 409A" means Section 409A of the Code and related Regulations and Treasury pronouncements.

"Section 409A Cap Payment Date" means, with respect to any Vesting Date, the March 15 of the calendar year following the calendar year in which such Vesting Date occurred.

"Service Period" means the period beginning on January 1, 2019 following the expiration of the Performance Period and ending on October 1, 2019.

"Target Performance Share Units" means the initial number of Performance Share Units granted to the Grantee pursuant to this Agreement, with such number subject to adjustment or forfeiture in accordance with the terms of this Agreement and the Plan.

"Termination of Service" means the termination for any reason of the Grantee's provision of services to the Company and its Subsidiaries, as an officer, employee or independent contractor. Whether any leave of absence constitutes a Termination of Service will be determined by the Committee subject to Section 11.2(d) of the Plan. Unless the Committee otherwise determines, neither transfers of employment among the Company and its Subsidiaries, nor a change in Grantee's status from an independent contractor to an employee will be a Termination of Service for purposes of this Agreement. Unless the Committee otherwise determines, however, any change in Grantee's status from an employee to an independent contractor will be a Termination of Service within the meaning of this Agreement; provided, however, that, to the extent Section 409A is applicable to Grantee, any amounts otherwise payable hereunder as nonqualified deferred compensation within the meaning of Section 409A on account of Termination of Service shall not be payable before Grantee "separates from service", as that term is defined in Section 409A, and shall be paid in accordance with Section 17.(c) of this Agreement.

"Unpaid RSU Dividend Equivalents" has the meaning specified in Section 4(b) of this Agreement.

"Vesting Date" means each date on which any Performance Share Units cease to be subject to a risk of forfeiture or vest, as determined in accordance with this Agreement and the Plan.

"Vested RSU Dividend Equivalents" has the meaning specified in Section 10 of this Agreement.

2. Grant of Target Performance Share Units. Pursuant to the Plan, the Company grants to the Grantee, effective as of the Grant Date, an Award of the number of Target Performance Share Units set forth on the signature page hereto, subject to the terms, conditions and restrictions set forth herein and in the Plan.

3. Performance Conditions For Performance Period.

(a) Except as otherwise provided in Section 7, if the Grantee receives less than an Annual Performance Rating of "Developing", or its equivalent, for any year in the Performance Period, then upon conclusion of the Company's Annual Performance Review Process for that year, this Award and Grantee's Target Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be forfeited and the Grantee shall have no further rights hereunder. Except as otherwise provided in Section 7, if the Base Performance Objective is not met and the Grantee is an NEO, this Award and Grantee's Target Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be forfeited and the Grantee shall have no further rights hereunder.

(b) The Base Performance Objective and Performance Metric or Performance Metrics established by the Committee for the Performance Period are set forth on **Appendix A** attached hereto and made a part hereof for all purposes. If the Grantee is not an NEO, the Earned Performance Share Units for the Grantee shall initially be determined by multiplying the number of Target Performance Share Units by the Earned Percentage determined by the Committee in accordance with **Appendix A**. If the Grantee is an NEO, then the Earned Performance Share Units for the Grantee shall initially be determined by multiplying the number of Target Performance Share

Units by the Maximum Percentage, subject to reduction to such lower number as the Committee may determine in its sole discretion, but, except as provided in the following sentence, not below the number determined by multiplying the number of Grantee's Target Performance Share Units by the Earned Percentage determined by the Committee in accordance with **Appendix A**. If the Grantee received at least a "Developing" (or its equivalent) but less than a "Strong" (or its equivalent) Annual Performance Rating for any year in the Performance Period, then the Committee may in its discretion reduce the number of Earned Performance Share Units initially so determined in accordance with the applicable of the preceding two sentences to such number of Earned Performance Share Units as the Committee shall determine.

(c) Following the close of the Performance Period, the Committee shall certify whether the Base Performance Objective has been met and the extent to which the Performance Metric or Performance Metrics have been achieved and the calculation of the Earned Percentage in the manner required for qualified performance-based compensation within the meaning of Section 162(m) of the Code and the Regulations. The Committee may, but shall not be obligated to, engage an independent accounting firm to perform agreed upon procedures to verify the calculations. Upon completing its determination, the Committee shall notify the Grantee, in the form and manner as determined by the Committee, of the number of Earned Performance Share Units that will be subject to the service vesting provisions of Section 4.

(d) If the number of Grantee's Earned Performance Share Units is less than the number of Grantee's Target Performance Share Units, the excess Target Performance Share Units and any related unpaid RSU Dividend Equivalents will immediately be cancelled. If the number of Grantee's Earned Performance Share Units exceeds the number of Grantee's Target Performance Units, Grantee will be awarded a number of additional Performance Share Units so that the number of Grantee's Target Performance Share Units and such additional Performance Share Units will equal the number of Grantee's Earned Performance Share Units.

4. Vesting during Service Period.

(a) Unless the Committee otherwise determines in its sole discretion, subject to earlier vesting in accordance with Section 5, 6 or 7 of this Agreement or Section 11.1(b) of the Plan and subject to the forfeiture provisions of this Agreement, the Earned Performance Share Units shall become vested in accordance with the following schedule (each date specified below being a Vesting Date):

(i) On April 1, 2019 during the Service Period, 50% of the Earned Performance Share Units shall become vested; and

(ii) On October 1, 2019 during the Service Period, 50% of the Earned Performance Share Units shall become vested.

(b) On each Vesting Date, subject to the satisfaction of any other applicable restrictions, terms and conditions, any RSU Dividend Equivalents with respect to the Earned Performance Share Units that have not theretofore become Vested RSU Dividend Equivalents

("Unpaid RSU Dividend Equivalents") will become vested to the extent that the Earned Performance Share Units related thereto shall have become vested in accordance with this Agreement.

5. Termination, Death or Disability during Performance Period.

Subject to the remaining provisions of this Section 5 and to Sections 7 and 8, in the event of Termination of Service at any time during the Performance Period, the Grantee shall thereupon forfeit the Grantee's Target Performance Share Units, any related Unpaid RSU Dividend Equivalents and any rights hereunder, except as indicated below:

(a) If the Termination of Service occurs during the Performance Period and is due to death or Disability, then provided that the Grantee's Annual Performance Rating for any full year, if any, of the Performance Period prior to Termination of Service was not less than "Developing", or its equivalent, the Performance Period shall end on December 31st of the year in which the Termination of Service occurred, and the Committee shall certify whether the Base Performance Objective has been met, the extent to which the Performance Metric or Performance Metrics have been achieved (in the event that Grantee's death or Disability occurs during the first calendar year of the Performance Period, such determination shall be based on the Company's relative performance during that year as if the Performance Period was one year; and in the event that Grantee's death or Disability occurs during the second calendar year of the Performance Period, such determination shall be based on the Company's relative performance during the first two years of the Performance Period as if the Performance Period was two years) and the number of Earned Performance Share Units, if any. The Grantee (or the Grantee's estate in the event of death) will be entitled to a prorated portion of the Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents based on the number of full days of service by the Grantee during the Performance Period (without regard to any adjustment of the Performance Period described in this Section 5(a)). Subject to the foregoing, the prorated portion of the Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and will be settled as soon as administratively practicable after the end of the Performance Period, but in no event later than March 15 of the calendar year immediately following the calendar year in which the Termination of Service occurred.

(b) If the Termination of Service occurs during the Performance Period and is due to termination of the Grantee by the Company or any of its Subsidiaries without Cause or resignation by the Grantee for Good Reason, then the Grantee shall continue to earn the Target Performance Share Units and any related Unpaid RSU Dividend Equivalents, if and to the extent the Performance Metric or Performance Metrics are satisfied during the Performance Period, based upon actual performance, as certified by the Committee, in accordance with the terms of this Agreement as if the Grantee's employment had not terminated, and any Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be settled in accordance with Section 9 as soon as administratively practicable after the end of the Performance Period, but in no event later than March 15 of the calendar year immediately following the end of the Performance Period.

6. Termination, Death, Disability or Retirement during Service Period.

Subject to the remaining provisions of this Section 6 and to Sections 7 and 8, in the event of Termination of Service at any time during the Service Period, the Grantee shall, effective upon such Termination of Service, forfeit any Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents, the Vesting Date for which has not yet occurred, except as indicated below:

(a) If the Termination of Service is due to death, Disability, termination of the Grantee by the Company or any of its Subsidiaries without Cause or resignation by the Grantee for Good Reason, then the Grantee's unvested Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and no longer be subject to a risk of forfeiture. Such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will be settled in accordance with Section 9 as soon as practicable after the Grantee's death or Termination of Service, as applicable, but not later than the Section 409A Cap Payment Date.

(b) If the Termination of Service is due to Retirement, the Grantee's unvested Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will thereupon become vested and no longer subject to a risk of forfeiture in a pro-rata amount determined by multiplying such unvested Earned Performance Share Units (including any Unpaid RSU Dividend Equivalents) by a fraction, the numerator of which shall be the number of months (with any partial month being deemed a full month) of the Grantee's employment with the Company and its Subsidiaries during the period beginning on the first day of the Performance Period and ending on the date of the Grantee's Retirement, and the denominator of which shall be the number of full months in the period beginning on the first day of the Performance Period and ending on the date such Unvested Earned Performance Share Units would otherwise have become vested in accordance with its terms had the Grantee remained employed with the Company through such date. Such Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents will be settled in accordance with Section 9 as of the originally scheduled Vesting Dates.

7. Change in Control.

If a Change in Control occurs prior to the Grantee's Termination of Service, then the following will apply, subject to Section 8:

(a) If (A) the Grantee remains an employee of the Company (or its successor) on the date that is 12 months after the Change in Control (the "Change in Control Anniversary") and (B) the Performance Period has not ended as of the Change in Control Anniversary, then the Grantee shall be deemed to have earned a number of Earned Performance Share Units equal to the Maximum Change in Control Units, and such number of Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be settled as soon as administratively practicable after the Change in Control Anniversary, but not later than March 15 of the calendar year immediately following the calendar year in which the Change in Control Anniversary occurs.

(b) If (A) the Grantee's Termination of Service occurs within 13 months after a Change in Control and is due to termination of the Grantee by the Company or any of its Subsidiaries without Cause or resignation by the Grantee for Good Reason, (B) the Performance Period has not ended as of the date of the Termination of Service, and (C) the Grantee did not receive settlement of the Performance Share Units pursuant to Section 7(a)(i) above, then the Grantee shall be deemed to have earned a number of Earned Performance Share Units equal to the Maximum Change in Control Units, and such number of Earned Performance Share Units and any related Unpaid RSU Dividend Equivalents shall be settled as soon as administratively practicable after the date of the Grantee's Termination of Service, but not later than March 15 of the calendar year immediately following the calendar year in which the Termination of Service occurs.

8. Forfeiture and Recoupment Policy.

(a) Except when the Grantee's Termination of Service is due to death or Disability, the accelerated vesting of Performance Share Units contemplated or permitted by Sections 5 and 6 shall be contingent upon execution by the Grantee, no later than the 60th day after the Termination of Service, of a general release, non-solicitation agreement and confidentiality agreement and, if the Committee in its discretion so requires, a non-competition agreement, in each case in favor of the Company and its Subsidiaries and in substance and form approved by the Committee, which form shall be provided by the Company to the Grantee within 15 days after the Termination of Service.

(b) If the Grantee breaches any restrictions, terms or conditions provided in or established by the Committee pursuant to the Plan or this Agreement with respect to the Performance Share Units prior to the vesting thereof (including any attempted or completed transfer of any such unvested Performance Share Units contrary to the terms of the Plan or this Agreement), the unvested Performance Share Units, together with any related Unpaid RSU Dividend Equivalents, will be forfeited immediately.

(c) If the Company's consolidated financial statements for any of the years taken into account in the Performance Metrics are required to be restated at any time as a result of an error (whether or not involving fraud or misconduct) and the Committee determines that if the financial results had been properly reported the number of Earned Performance Share Units would have been lower, then the Grantee shall be required to forfeit the excess amount of his or her Earned Performance Share Units, together with any related Unpaid RSU Dividend Equivalents, or to refund any amounts previously delivered to the Grantee. The Grantee's excess amount will be allocated ratably across the portions of his or her Earned Performance Share Units previously settled and the portions remaining to be settled, unless otherwise determined by the Committee. The amount allocated to portions of the Grantee's Earned Performance Share Units that have previously been settled shall be promptly refunded to the Company by the Grantee in cash or by transfer of a number of Shares with a Fair Market Value as of the date transferred to the Company that is equal to the Fair Market Value of the Shares as of the date such shares were previously issued or transferred in settlement of the Earned Performance Share Units and the value of any RSU Dividend Equivalents previously paid with respect thereto. The Company shall have the right, exercisable in the Committee's discretion, to offset, or cause to be offset, any amounts that the Grantee is required to refund to the Company pursuant to this Section 8(c) against any amounts otherwise owed by the Company or any of its subsidiaries to the Grantee.

(d) Upon forfeiture of any Target Performance Share Units or Earned Performance Share Units, such Performance Share Units and any related Unpaid RSU Dividend Equivalents will be immediately cancelled, and the Grantee will cease to have any rights hereunder with respect thereto.

9. Settlement of Vested Performance Share Units. Except as otherwise provided in Section 5, Section 6 and Section 7, settlement of Performance Share Units that vest in accordance with this Agreement shall be made as soon as administratively practicable after the applicable Vesting Date, but in no event later than the Section 409A Cap Payment Date applicable to such Vesting Date. Settlement of vested Performance Share Units shall be made in payment of Shares, together with any related Unpaid RSU Dividend Equivalents, in accordance with Section 11.

10. Shareholder Rights; RSU Dividend Equivalents. The Grantee shall have no rights of a Shareholder with respect to any Shares represented by any Performance Share Units unless and until such time as Shares represented by vested Performance Share Units have been delivered to the Grantee in accordance with Section 9. The Grantee will have no right to receive, or otherwise with respect to, any RSU Dividend Equivalents until such time, if ever, as the Performance Share Units with respect to which such RSU Dividend Equivalents relate shall have become vested and, if vesting does not occur, the related RSU Dividend Equivalents will be forfeited. RSU Dividend Equivalents shall not bear interest or be segregated in a separate account. Notwithstanding the foregoing, the Committee may, in its sole discretion, accelerate the vesting of any portion of the RSU Dividend Equivalents (the “Vested RSU Dividend Equivalents”). The settlement of any Vested RSU Dividend Equivalents shall be made as soon as administratively practicable after the accelerated vesting date, but in no event later than March 15 of the calendar year following the calendar year in which the Vested RSU Dividend Equivalents became vested.

11. Delivery by Company. As soon as practicable after the vesting of Performance Share Units, and any related Unpaid RSU Dividend Equivalents, and subject to the withholding referred to in Section 17 of this Agreement, the Company will deliver or cause to be delivered to or at the direction of the Grantee (i)(a) a certificate or certificates issued or transferred in the Grantee’s name for the Shares represented by such vested Performance Share Units, (b) a statement of holdings reflecting that the Shares represented by such vested Performance Share Units are held for the benefit of the Grantee in uncertificated form by a third party service provider designated by the Company, or (c) a confirmation of deposit of the Shares represented by such vested Performance Share Units, in book-entry form, into the broker’s account designated by the Grantee, (ii) any securities constituting related vested Unpaid RSU Dividend Equivalents by any applicable method specified in clause (i) above, and (iii) any cash payment constituting related vested Unpaid RSU Dividend Equivalents. Any delivery of securities will be deemed effected for all purposes when (1) a certificate representing or statement of holdings reflecting such securities and, in the case of any Unpaid RSU Dividend Equivalents, any other documents necessary to reflect ownership thereof by the Grantee has been delivered personally to the Grantee or, if delivery is by mail, when the Company or its share transfer agent has deposited the certificate or statement of holdings and/or such other documents in the United States or local country mail, addressed to the Grantee, or (2) confirmation of deposit into the designated broker’s account of such securities, in written or electronic format, is first made available to the Grantee. Any cash payment will be deemed effected when a check from the

Company, payable to or at the direction of the Grantee and in the amount equal to the amount of the cash payment, has been delivered personally to or at the direction of the Grantee or deposited in the United States mail, addressed to the Grantee or his or her nominee.

12. Nontransferability of Performance Share Units Before Vesting.

(a) Before vesting and during the Grantee's lifetime, the Performance Share Units and any related Unpaid RSU Dividend Equivalents may not be sold, assigned, transferred by gift or otherwise, pledged, exchanged, encumbered or disposed of (voluntarily or involuntarily), other than an assignment pursuant to a Domestic Relations Order. In the event of an assignment pursuant to a Domestic Relations Order, the unvested Performance Share Units and any related Unpaid RSU Dividend Equivalents so assigned shall be subject to all the restrictions, terms and provisions of this Agreement and the Plan, and the assignee shall be bound by all applicable provisions of this Agreement and the Plan in the same manner as the Grantee.

(b) The Grantee may designate a beneficiary or beneficiaries to whom the Performance Share Units, to the extent then vested, and any related Unpaid RSU Dividend Equivalents will pass upon the Grantee's death and may change such designation from time to time by filing a written designation of beneficiary or beneficiaries with the Committee on such form as may be prescribed by the Committee, provided that no such designation will be effective unless so filed prior to the death of the Grantee. If no such designation is made or if the designated beneficiary does not survive the Grantee's death, the Performance Share Units, to the extent then vested, and any related Unpaid RSU Dividend Equivalents will pass by will or the laws of descent and distribution. Following the Grantee's death, the person to whom such vested Performance Share Units and any related Unpaid RSU Dividend Equivalents pass according to the foregoing will be deemed the Grantee for purposes of any applicable provisions of this Agreement.

13. Adjustments. The Performance Share Units and any related Unpaid RSU Dividend Equivalents will be subject to adjustment pursuant to Section 4.2 of the Plan in such manner as the Committee may deem equitable and appropriate in connection with the occurrence following the Grant Date of any of the events described in Section 4.2 of the Plan.

14. Company's Rights. The existence of this Agreement will not affect in any way the right or power of the Company or its Shareholders to accomplish any corporate act, including, without limitation, the acts referred to in Section 11.16 of the Plan.

15. Limitation of Rights; Executive Share Ownership Policy. Nothing in this Agreement or the Plan will be construed to give the Grantee any right to be granted any future Award other than in the sole discretion of the Committee or give the Grantee or any other person any interest in any fund or in any specified asset or assets of the Company or any of its Subsidiaries. Neither the Grantee nor any person claiming through the Grantee will have any right or interest in Shares represented by any Performance Share Units or any related Unpaid RSU Dividend Equivalents unless and until there shall have been full compliance with all the terms, conditions and provisions of this Agreement and the Plan. Grantee acknowledges and agrees that the transfer by Grantee of the Shares received upon vesting of Performance Share Units shall be subject to Grantee's compliance with the Company's Executive Share Ownership Policy, as in effect from time to time.

16. Restrictions Imposed by Law. Without limiting the generality of Section 11.8 of the Plan, the Company shall not be obligated to deliver any Shares represented by vested Performance Share Units or securities constituting any Unpaid RSU Dividend Equivalents if counsel to the Company determines that the issuance or delivery thereof would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange upon which Shares or such other securities are listed. The Company will in no event be obligated to take any affirmative action in order to cause the delivery of Shares represented by vested Performance Share Units or securities constituting any Unpaid RSU Dividend Equivalents to comply with any such law, rule, regulation, or agreement. Any certificates representing any such securities issued or transferred under this Agreement may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws.

17. Taxes.

(a) To the extent that the Company is subject to withholding tax or employee social security withholding requirements under any national, state, local or other governmental law with respect to the award of the Performance Share Units to the Grantee or the vesting thereof, or the designation of any RSU Dividend Equivalents as payable or distributable or the payment or distribution thereof, the Grantee must make arrangements satisfactory to the Company to make payment to the Company of the amount required to be withheld under such tax laws or employer social security contribution laws, as determined by the Company (collectively, the "Required Withholding Amount"). To the extent such withholding is required because the Grantee vests in some or all of the Performance Share Units and any related RSU Dividend Equivalents, the Company shall withhold (i) from the Shares represented by vested Performance Share Units and otherwise deliverable to the Grantee a number of Shares and/or (ii) from any related RSU Dividend Equivalents otherwise deliverable to the Grantee an amount of such RSU Dividend Equivalents, which collectively have a value (or, in the case of securities withheld, a Fair Market Value) equal to the Required Withholding Amount (subject to compliance with applicable law, including, but not limited to, "financial assistance" prohibitions under UK law), unless the Grantee remits the Required Withholding Amount to the Company in cash in such form and by such time as the Company may require or other provisions for withholding such amount satisfactory to the Company have been made. Without limitation to the foregoing sentence, the Grantee hereby agrees that the Required Withholding Amount can also be collected by (i) deducting from cash amounts otherwise payable to the Grantee (including wages or other cash compensation) or (ii) withholding from proceeds of the sale of Shares acquired upon vesting of the Earned Performance Share Units through a sale arranged by the Company (on the Grantee's behalf pursuant to this authorization without further consent). Notwithstanding any other provisions of this Agreement, the delivery of any shares of [Ticker Symbol] represented by vested Performance Share Units and any related RSU Dividend Equivalents may be postponed until any required withholding taxes have been paid to the Company.

(b) If the Grantee is subject to tax in the United Kingdom and the withholding of any income tax due is not made within 90 days of the event giving rise to the income tax liability or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), the amount of any uncollected income tax shall (assuming the Grantee is not a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act)) constitute a loan owed by the Grantee to the Grantee's employer (the "Employer"), effective on the Due Date. The Grantee agrees that the loan will bear interest at the then-current HM Revenue & Customs ("HMRC") Official Rate, it will be immediately due and repayable, and the Company and/or the Employer may recover it at any time thereafter by any of the means referred to in Section 17(a). If the Grantee is a director or executive officer and income tax is not collected from or paid by him or her by the Due Date, the amount of any uncollected income tax will constitute a benefit to the Grantee on which additional income tax and national insurance contributions ("NICs") will be payable. The Grantee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer, as applicable, for the value of any NICs due on this additional benefit.

(c) At all times prior to the Vesting Date, the benefit payable under this Agreement is subject to a substantial risk of forfeiture within the meaning of Section 409A and Regulation 1.409A-1(d) (or any successor Regulation). Accordingly, this Agreement is not subject to Section 409A under the short term deferral exclusion. Notwithstanding any other provision of this Agreement, if Grantee is a "specified employee" as such term is defined in Section 409A, and determined as described below, any amounts that would otherwise be payable hereunder as nonqualified deferred compensation within the meaning of Section 409A on account of Termination of Service (other than by reason of death) to the Grantee shall not be payable before the earlier of (i) the date that is six months after the date of the Grantee's Termination of Service, (ii) the date of the Grantee's death or (iii) the date that otherwise complies with the requirements of Section 409A. The Grantee shall be deemed a "specified employee" for the twelve-month period beginning on April 1 of a year if the Grantee is a "key employee" as defined in Section 416(i) of the Code (without regard to Section 416(i)(5)) as of December 31 of the preceding year.

(d) In the event it shall be determined that any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Grantee pursuant to this Agreement ("Payment"), would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest or penalties, are hereinafter collectively referred to as the "Excise Tax"), then the applicable provisions of subparagraph 12(h)(ii) of the Employment Agreement regarding potential reduction in payments shall apply.

18. Notice. Unless the Company notifies the Grantee in writing of a different procedure, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by United States first class or local country mail, postage prepaid, sent by overnight courier, freight prepaid or sent by facsimile and addressed as follows:

Liberty Global plc
1550 Wewatta Street, Suite 1000
Denver, CO 80202
Attn: General Counsel
Fax: 303-220-6691

Any notice or other communication to the Grantee with respect to this Agreement will be in writing and will be delivered personally, or will be sent by United States first class or local country mail, postage prepaid, to the Grantee's address as listed in the records of the Company on the Grant Date, unless the Company has received written notification from the Grantee of a change of address.

19. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Committee. Without limiting the generality of the foregoing, without the consent of the Grantee,

(a) this Agreement may be amended or supplemented from time to time as approved by the Committee (i) to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or (ii) to add to the covenants and agreements of the Company for the benefit of the Grantee or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Shareholders and, provided, in each case, that such changes or corrections will not adversely affect the rights of the Grantee with respect to the Award evidenced hereby, or (iii) to reform the Award made hereunder as contemplated by Section 11.18 of the Plan or to exempt the Award made hereunder from coverage under Section 409A, or (iv) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in or of the interpretation of, any law or governmental rule or regulation, including any applicable tax or securities laws; and

(b) subject to any required action by the Board or the Shareholders, the Performance Share Units granted under this Agreement may be canceled by the Company and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect any Performance Share Units that are then vested.

20. Grantee Employment or Service.

(a) Nothing contained in this Agreement, and no action of the Company or the Committee with respect hereto, will confer or be construed to confer on the Grantee any right to continue in the employ or service of the Company or any of its Subsidiaries or interfere in any way with any right of the Company or any Subsidiary, subject to the terms of the Employment Agreement or any separate employment or service agreement to the contrary, to terminate the Grantee's employment or service at any time, with or without cause, or to increase or decrease the Grantee's compensation from the rate in effect at the date hereof or to change the Grantee's title or duties.

(b) The Award hereunder is special incentive compensation that will not be taken into account, in any manner, as salary, earnings, compensation, bonus or benefits, in determining the amount of any payment under any pension, retirement, profit sharing, 401(k), life insurance, salary continuation, severance or other employee benefit plan, program or policy of the Company or any of its Subsidiaries or any employment or service agreement or arrangement with the Grantee.

(c) It is a condition of the Grantee's Award that, in the event of Termination of Service for whatever reason, whether lawful or not, including in circumstances which could give rise to a claim for wrongful and/or unfair dismissal (whether or not it is known at the time of Termination of Service that such a claim may ensue), the Grantee will not by virtue of such Termination of Service, subject to Sections 5, 6 and 7 of this Agreement and the terms of the Employment Agreement, become entitled to any damages or severance or any additional amount of damages or severance in respect of any rights or expectations of whatsoever nature the Grantee may have hereunder or under the Plan. Notwithstanding any other provision of the Plan or this Agreement, the Award hereunder will not form part of the Grantee's entitlement to remuneration or benefits pursuant to the Grantee's employment or service agreement or arrangement, if any. The rights and obligations of the Grantee under the terms of his or her employment or service agreement, if any, will not be enhanced hereby.

(d) In the event of any inconsistency between the terms hereof or of the Plan and any employment, severance or other agreement with the Grantee, the terms hereof and of the Plan shall control.

21. Nonalienation of Benefits. Except as provided in Section 12 of this Agreement, (i) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (ii) no right or benefit hereunder will in any manner be liable for or subject to the debts, contracts, liabilities or torts of the Grantee or other person entitled to such benefits.

22. Data Privacy.

(a) The Grantee's acceptance hereof shall evidence the Grantee's explicit and unambiguous consent to the collection, use and transfer, in electronic or other form, of the Grantee's personal data by and among, as applicable, the Grantee's employer (the "Employer") and the Company and its subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that the Company and the Employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, bonus and employee benefits, nationality, job title and description, any Shares or directorships or other positions held in the Company, its subsidiaries and affiliates, details of all options, share appreciation rights, restricted shares, restricted share units or any other entitlement to Shares or other Awards granted, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, annual performance objectives, performance reviews and performance ratings, for the purpose of implementing, administering and managing Awards under the Plan ("Data").

(b) The Grantee understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere, and that the recipients' country (e.g. the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee’s participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Grantee may elect to deposit any Shares acquired with respect to an Award.

(c) The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee’s participation in the Plan. The Grantee understands that the Grantee may at any time view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Grantee’s local human resources representative. Further, the Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke his or her consent, the Grantee’s employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Grantee’s consent is that the Company would not be able to grant him or her Target Performance Share Units or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing his or her consent may affect the Grantee’s ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Grantee may contact the Grantee’s local human resources representative.

23. Governing Law; Jurisdiction. This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Colorado. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

24. Construction. References in this Agreement to “this Agreement” and the words “herein,” “hereof,” “hereunder” and similar terms include all Exhibits and Schedules appended hereto, including the Plan. This Agreement is entered into, and the Award evidenced hereby is granted, pursuant to the Plan and shall be governed by and construed in accordance with the Plan and the administrative interpretations adopted by the Committee thereunder. The word “include” and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Committee upon questions regarding this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

25. Duplicate Originals. The Company and the Grantee may sign any number of copies of this Agreement. Each signed copy will be an original, but all of them together represent the same agreement.

26. Rules by Committee. The rights of the Grantee and the obligations of the Company hereunder will be subject to such reasonable rules and regulations as the Committee may adopt from time to time.

27. Entire Agreement. This Agreement (together with the Employment Agreement) is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and the Grantee regarding the subject matter hereof. The Grantee and the Company hereby declare and represent that no promise or agreement not herein expressed has been made and that this Agreement (together with the Employment Agreement) contains the entire agreement between the parties hereto with respect to the Award and replaces and makes null and void any prior agreements between the Grantee and the Company regarding the Award. This Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

28. Grantee Acceptance.

(a) In accordance with subparagraph 4(e) of the Employment Agreement, Grantee is entitled to an "Annual Equity Grant" (as defined in the Employment Agreement) in 2016 and in 2017 consisting of a mix of performance-based restricted share units ("PSUs") and share appreciation rights ("SARs"). The Target Performance Share Units granted to the Grantee pursuant to this Agreement are intended to satisfy the PSUs to which the Grantee would otherwise have been entitled in the years 2016 and 2017 under the Employment Agreement. Accordingly, by accepting this Agreement, the Grantee agrees and acknowledges that the award of Target Performance Share Units granted hereunder is made in full satisfaction of the PSUs (but not the SARs) contemplated by the Annual Equity Grants for the years 2016 and 2017; and, as such, no additional PSUs are required to be granted to the Grantee in 2017 pursuant to Section 4(e) of the Employment Agreement. Furthermore, due to a change by the Company with respect to the maximum number of Performance Share Units that may be earned pursuant to this Agreement, the Grantee agrees and acknowledges that the "Maximum Change in Control Units", as defined in this Agreement, shall satisfy the requirement that the achievement of the Performance Metric or Performance Metrics applicable to the Performance Share Units granted under this Agreement be deemed to be at the "maximum level", as referenced in Section 9(f) of the Employment Agreement. (It is the express understanding of the parties that the immediately foregoing sentence applies only to the PSUs granted under this Agreement and shall not represent a precedent for any future grants in future periods.)

(b) The Grantee will signify acceptance hereof and consent to all the terms and conditions of this Agreement by signing in the space provided on the signature page hereto and returning a signed copy to the Company. If the Grantee does not execute and return this Agreement within 150 days of the Grant Date, the grant of Performance Share Units shall be null and void.

Signature Page to Performance Share Units Agreement dated as of February 5, 2016, between Liberty Global plc and the Grantee

LIBERTY GLOBAL PLC

By: ____________
Name: Bryan H. Hall
Title: Executive Vice President

ACCEPTED:

Grantee Name: Michael T. Fries
Address:
City/State/Country:

Optionee ID:

Grant No. _________

Number of Target Performance Share Units (Ticker Symbol) Awarded: __________

Exhibit 10.2
[Class of Shares]

LIBERTY GLOBAL
2014 INCENTIVE PLAN

(Effective March 1, 2014)

SHARE APPRECIATION RIGHTS AGREEMENT

THIS SHARE APPRECIATION RIGHTS AGREEMENT (this “Agreement”) is made as of May 1, 2016 (the “Grant Date”), by and between LIBERTY GLOBAL PLC, a public limited company incorporated under the laws of England and Wales (the “Company”), and the individual whose name, address and employee number appear on the signature page hereto (the “Grantee”).

The Company has adopted the Liberty Global 2014 Incentive Plan effective March 1, 2014, as amended and restated effective February 24, 2015 (the “Plan”), which by this reference is made a part hereof, for the benefit of eligible employees of the Company and its Subsidiaries. Capitalized terms used and not otherwise defined herein will have the meaning given thereto in the Plan.

Pursuant to the Plan, the Compensation Committee appointed by the Board pursuant to Article III of the Plan to administer the Plan (the “Committee”) has determined that it is in the interest of the Company and its Shareholders to award a share appreciation right to the Grantee, subject to the conditions and restrictions set forth herein and in the Plan, in order to provide the Grantee additional remuneration for services rendered, to encourage the Grantee to continue to provide services to the Company or its Subsidiaries and to increase the Grantee’s personal interest in the continued success and progress of the Company.

The Company and the Grantee therefore agree as follows:

1. **Definitions**. The following terms, when used in this Agreement, have the following meanings:

“Act” means the U.K. Companies Act 2006, as amended from time to time, and the rules and regulations thereunder.

“Base Price” means [base price] per Share.

“Business Day” means any day other than Saturday, Sunday or a day on which banking institutions in Denver, Colorado, are required or authorized to be closed.

“Cause” has the meaning specified in the Employment Agreement (as modified by subparagraph 9(f) of the Employment Agreement in connection with a Change in Control).

“Change in Control” has the meaning specified in the Employment Agreement.

“Close of Business” means, on any day, 5:00 p.m., Denver, Colorado time.

“Code” means the U.S. Internal Revenue Code of 1986, as it may be amended from time to time, or any successor statute thereto. References to any specific Code section shall include any successor section.

“Committee” has the meaning specified in the preamble to this Agreement.

“Company” has the meaning specified in the preamble to this Agreement.

“Corresponding Day” means with respect to each month, the day of that month that is the same day of the month as the Grant Date; provided that, for any month for which there is not a day corresponding to the Grant Date, then the Corresponding Day shall be the last day of such month. By way of example, if the Grant Date was the 31st of December, the Corresponding Day in June would be the 30th.

“Disability” has the meaning specified in the Employment Agreement.

“Employment Agreement” means that certain Employment Agreement, dated April 30, 2014, among the Company, Liberty Global, Inc. and the Grantee.

“Good Reason” has the meaning specified in the Employment Agreement. For the Grantee’s Termination of Service to constitute resignation for Good Reason, the Grantee must notify the Committee in writing within 90 days of the occurrence of such event that Good Reason exists for resignation, the Company must not have taken corrective action within 20 days after such notice is given so that Good Reason for resignation ceases to exist, and the Grantee must terminate his or her employment with the Company and its Subsidiaries within 30 days after the end of the cure period or such longer period (but in any event not to exceed two years following the initial occurrence of such event) as may be required by the provisions of the Employment Agreement or any separate employment agreement or other contract or arrangement with the Company or its Subsidiaries to which the Grantee is a party.

“Grant Date” has the meaning specified in the preamble to this Agreement.

“Grantee” has the meaning specified in the preamble to this Agreement.

“[Ticker Symbol]” and “Share” mean the [Class of] ordinary shares, nominal value $0.01 per share, of the Company.

“Plan” has the meaning specified in the preamble of this Agreement.

“Required Withholding Amount” has the meaning specified in Section 5 of this Agreement.

“Retirement” means the voluntary termination of a Grantee’s employment with the Company and its Subsidiaries on or after the date that the sum of the Grantee’s years of age and years of employment with the Company and its Subsidiaries is at least 70.

"SAR" has the meaning specified in Section 2 of this Agreement.

"Section 409A" means Section 409A of the Code and related Regulations and Treasury pronouncements.

"Term" has the meaning specified in Section 2 of this Agreement.

"Termination of Service" means the Grantee's provision of services to the Company and its Subsidiaries as an officer, employee or independent contractor, terminates for any reason.

"Third Party Administrator" means the company or any successor company that has been selected by the Company to maintain the database of the Plan and to provide related services, including but not limited to equity grant information, transaction processing and a grantee interface.

2. Grant of Share Appreciation Right. Subject to the terms and conditions herein, pursuant to the Plan, the Company grants to the Grantee a Free-Standing SAR with respect to the number of Shares set forth on the signature page hereto (each, a "SAR" and collectively, the "SARs"). Upon exercise of a SAR in accordance with this Agreement, the Company will, subject to Section 7.4 of the Plan and Section 5 below, issue to the Grantee the number of the applicable class of Shares, if any, by which the Fair Market Value of the Shares represented by such SAR as of the date on which such exercise is considered to occur pursuant to Section 4 exceeds the Base Price of such SAR; provided, however, that if the Grantee also serves as a director of the Company, the Company reserves the right to deliver such consideration in the form of Shares or cash equal in value to the Fair Market Value of the Shares. The SARs, to the extent they have become exercisable in accordance with Section 3, will be exercisable during the period commencing on the Grant Date and expiring at the Close of Business on May 1, 2023 (the "Term"), subject to earlier termination as provided in Section 7. The Base Price and number of SARs are subject to adjustment pursuant to Section 11.

3. Conditions of Exercise.

(a) Unless otherwise determined by the Committee in its sole discretion, the SARs will be exercisable only in accordance with the conditions stated herein.

(i) Except as otherwise provided in Section 11.1(b) of the Plan, in the last sentence of this Section 3(a)(i) or in Section 3(b), the SARs will not be exercisable until six months from the Grant Date and may be exercised thereafter only to the extent they have become exercisable in accordance with the following schedule:

(A) On the Corresponding Day in the sixth month following the Grant Date, 12.5% of the SARs will be exercisable;

(B) On the Corresponding Day in the ninth month following the Grant Date and on the Corresponding Day in each third month thereafter, an additional 6.25% of the SARs will become exercisable; and

(C) On and after the Corresponding Day in the forty-eighth (48) month following the Grant Date, 100% of the SARs will be exercisable.

[Please refer to the website of the Third Party Administrator for the specific vesting schedule related to the exercisability of the SAR (click on the specific grant under the tab labeled "Grants/Award/Units").]

Notwithstanding the foregoing, (x) all SARs will become exercisable on the date of Termination of Service if the Termination of Service occurs by reason of the Grantee's death or Disability, if the Termination of Service is by the Company or a Subsidiary without Cause or if the Termination of Service is by the Grantee due to Good Reason, and (y) if the Termination of Service is due to the Grantee's Retirement prior to any SAR becoming exercisable or being exercised in full, then such SARs shall be exercisable as of the date of the Grantee's Retirement to the extent that any such SAR would have otherwise become exercisable had the Grantee remained in continuous employment with the Company through the date that is one year after the date of the Grantee's Retirement.

(ii) To the extent the SARs become exercisable, all or any of such SARs may be exercised (at any time or from time to time, except as otherwise provided herein) until expiration of the Term or earlier termination thereof.

(iii) The Grantee acknowledges and agrees that the Committee, in its discretion and as contemplated by Section 3.3 of the Plan, may adopt rules and regulations from time to time after the date hereof with respect to the exercise of the SARs and that the exercise by the Grantee of SARs will be subject to the further condition that such exercise is made in accordance with all such rules and regulations as the Committee may determine are applicable thereto.

(b) Notwithstanding anything to the contrary contained herein, if a Change in Control occurs and the Grantee remains in continuous employment with the Company (or its successor) for twelve (12) months after such Change in Control, all SARs will become exercisable on the date that is twelve (12) months after the Change in Control.

4. Manner of Exercise. The SARs will be considered exercised (as to the number of SARs specified in the notice referred to in Section 4(a) below) on the latest of (i) the date of exercise designated in the written notice referred to in Section 4(a) below, (ii) if the date so designated is not a Business Day, the first Business Day following such date or (iii) the earliest Business Day by which the following have occurred:

(a) The Grantee has either (i) notified the Third Party Administrator through its website or by telephone (see Section 13 below) of the exercise, or (ii) submitted to the Company a properly executed written notice of exercise in such form as the Committee may require containing such representations and warranties as the Committee may require and designating, among other things, the date of exercise and the number of SARs to be exercised; and

(b) The Third Party Administrator or the Company, as the case may be, has received such other documentation, if any, that the Committee may reasonably require.

5. Mandatory Withholding for Taxes.

(a) The Grantee acknowledges and agrees that the Company will deduct from the Shares otherwise payable or deliverable upon exercise of any SARs, a number of Shares (valued at their Fair Market Value on the date of exercise) that is equal to the amount, if any, of all national, state and local taxes and employee social security contributions required to be withheld by the Company upon such exercise, as determined by the Committee (the “Required Withholding Amount”). Without limitation to the foregoing sentence, the Grantee hereby agrees that the Required Withholding Amount can also be collected by (i) deducting from cash amounts otherwise payable to the Grantee (including wages or other cash compensation) or (ii) withholding from proceeds of the sale of Shares acquired upon exercise of any SARs through a sale arranged by the Company (on the Grantee’s behalf pursuant to this authorization without further consent), but in either case, subject to compliance with applicable law, including, but not limited to, “financial assistance” prohibitions under the Act.

(b) If the Grantee is subject to tax in the United Kingdom and the withholding of any income tax due is not made within 90 days of the event giving rise to the income tax liability or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the “Due Date”), the amount of any uncollected income tax shall (assuming the Grantee is not a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act)) constitute a loan owed by the Grantee to the Grantee’s employer (“Employer”), effective on the Due Date. The Grantee agrees that the loan will bear interest at the then-current HM Revenue & Customs (“HMRC”) Official Rate, it will be immediately due and repayable, and the Company and/or the Employer may recover it at any time thereafter by deduction from cash amounts otherwise payable to the Grantee (including wages or other cash compensation). If the Grantee is a director or executive officer and income tax is not collected from or paid by him or her by the Due Date, the amount of any uncollected income tax will constitute a benefit to the Grantee on which additional income tax and national insurance contributions (“NICs”) will be payable. The Grantee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer, as applicable, for the value of any NICs due on this additional benefit.

6. Delivery by the Company. As soon as practicable after receipt of all items referred to in Section 4, and subject to the withholding referred to in Section 5, the Company will deliver or cause to be delivered to or at the direction of the Grantee the amount of consideration determined under the second sentence of Section 2 above, which consideration shall consist of Shares (valued at their Fair Market Value on the date of exercise); provided, however, that if the Grantee also serves as a director of the Company, the Company reserves the right to deliver such consideration in the form of Shares or cash equal in value to the Fair Market

Value of the Shares. Any delivery of Shares will be deemed effected for all purposes when (i) a certificate representing such Shares or statement of holdings reflecting such Shares held for the benefit of Grantee in uncertificated form by a third party service provider designated by the Company has been delivered personally to the Grantee or, if delivery is by mail, when the certificate or statement of holdings has been deposited in the United States or local country mail, addressed to the Grantee, or (ii) confirmation of deposit into the designated broker's account of such Shares, in written or electronic format, is first made available to Grantee.

7. Early Termination of the SARs. Unless otherwise determined by the Committee in its sole discretion, the SARs will terminate, prior to the expiration of the Term, at the time specified below:

(a) If Termination of Service occurs other than (i) by the Company or a Subsidiary (whether for Cause or without Cause), (ii) by the Grantee for Good Reason, (iii) by reason of the Grantee's Retirement or (iv) by reason of Grantee's death or Disability, then the SARs will terminate at the Close of Business on the first Business Day following the expiration of the 90-day period which began on the date of Termination of Service.

(b) If the Grantee's Termination of Service is due to (i) the Grantee's death or Disability, (ii) Termination of Service by the Company or a Subsidiary without Cause or (iii) Termination of Service by the Grantee for Good Reason, then any SAR that becomes exercisable as a result of such Termination of Service along with any SAR not exercised in full prior to such Termination of Service shall remain exercisable until the first to occur of the Close of Business on the first Business Day following the expiration of the three-year period which began on the date of the Grantee's Termination of Service or the expiration of the Term.

(c) If Termination of Service is by the Company or a Subsidiary for Cause, then the SARs will terminate immediately upon such Termination of Service.

(d) If Termination of Service is due to Retirement, then any SAR that becomes exercisable as a result of such Termination of Service along with any SAR not exercised in full prior to such Termination of Service shall remain exercisable until the first to occur of the date that is two years after the date of the Grantee's Retirement or the scheduled expiration of such SARs.

In any event in which the SARs remain exercisable for a period of time following the date of Termination of Service as provided above, the SARs may be exercised during such period of time only to the extent the same were exercisable as provided in Section 3 above on such date of Termination of Service. Unless the Committee otherwise determines, neither a change of the Grantee's employment from the Company to a Subsidiary or from a Subsidiary to the Company or another Subsidiary, nor a change in Grantee's status from an independent contractor to an employee, will be a Termination of Service for purposes of this Agreement if such change of employment or status is made at the request or with the express consent of the Company. Unless the Committee otherwise determines, however, any such change of employment or status that is not made at the request or with the express consent of the Company and any change in the Grantee's status from an employee to an independent contractor will be a Termination of Service within the meaning of this Agreement. Notwithstanding any period of time referenced in this Section 7 or any other provision of this Section 7 that may be construed to the contrary, the SARs will in any event terminate upon the expiration of the Term.

8. Automatic Exercise of SARs. Immediately prior to the termination of SARs, as provided in Section 7(a), 7(b) or 7(d) above or upon expiration of the Term, all remaining SARs then exercisable will be deemed to have been exercised by the Grantee. Notwithstanding any other provision of this Agreement, no exercise of SARs will be deemed to occur upon Termination of Service for Cause.

9. Nontransferability. During the Grantee's lifetime, the SARs are not transferable (voluntarily or involuntarily) other than pursuant to a Domestic Relations Order and, except as otherwise required pursuant to a Domestic Relations Order, are exercisable only by the Grantee or the Grantee's court appointed legal representative. The Grantee may designate a beneficiary or beneficiaries to whom the SARs will pass upon the Grantee's death and may change such designation from time to time by filing a written designation of beneficiary or beneficiaries with the Committee on such form as may be prescribed by the Committee, provided that no such designation will be effective unless so filed prior to the death of the Grantee. If no such designation is made or if the designated beneficiary does not survive the Grantee's death, the SARs will pass by will or the laws of descent and distribution. Following the Grantee's death, the SARs, if otherwise exercisable, may be exercised by the person to whom such right passes according to the foregoing and such person will be deemed the Grantee for purposes of any applicable provisions of this Agreement.

10. No Shareholder Rights. The Grantee will not, by reason of the Award granted under this Agreement, be deemed for any purpose to be, or to have any of the rights of, a Shareholder with respect to any Shares, nor will the existence of this Agreement affect in any way the right or power of the Company or its Shareholders to accomplish any corporate act, including, without limitation, the acts referred to in Section 11.16 of the Plan.

11. Adjustments. The SARs will be subject to adjustment (including, without limitation, as to the number of SARs and the Base Price per Share) in the sole discretion of the Committee and in such manner as the Committee may deem equitable and appropriate in connection with the occurrence of any of the events described in Section 4.2 of the Plan following the Grant Date.

12. Restrictions Imposed by Law. Without limiting the generality of Section 11.8 of the Plan, the Grantee will not exercise any SARs, and the Company will not be obligated to issue or cause to be issued any Shares, if counsel to the Company determines that such exercise or issuance would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which Shares are listed or quoted. The Company will in no event be obligated to take any affirmative action in order to cause the exercise of the SARs or issuance of Shares to comply with any such law, rule, regulation or agreement.

13. Notice. Unless the Company notifies the Grantee in writing of a different procedure:

(a) any notice or other communication to the Company with respect to this Agreement (other than a notice of exercise pursuant to Section 4 of this Agreement) will be in writing and will be delivered personally or sent by United States first class or local country mail, postage prepaid, overnight courier, freight prepaid or sent by facsimile and addressed as follows:

Liberty Global plc
1550 Wewatta Street, Suite 1000
Denver, Colorado 80202
Attn: General Counsel
Fax: 303-220-6691

(b) any notice of exercise pursuant to Section 4 will be made to the Third Party Administrator, UBS Financial Services Inc., either through its UBS One Source website at www.ubs.com/onesource/[ticker symbol] or by telephone at 1-866-544-2927.

Any notice or other communication to the Grantee with respect to this Agreement will be in writing and will be delivered personally, or will be sent by United States first class or local country mail, postage prepaid, to the Grantee's address as listed in the records of the Company on the Grant Date, unless the Company has received written notification from the Grantee of a change of address.

14. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Committee. Without limiting the generality of the foregoing, without the consent of the Grantee,

(a) this Agreement may be amended or supplemented from time to time as approved by the Committee (i) to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or (ii) to add to the covenants and agreements of the Company for the benefit of the Grantee or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Shareholders and, provided, in each case, that such changes will not adversely affect the rights of the Grantee with respect to the Award evidenced hereby, or (iii) to reform the Award made hereunder as contemplated by Section 11.18 of the Plan or to exempt the Award made hereunder from coverage under Code Section 409A, or (iv) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in or of the interpretation of, any law or governmental rule or regulation, including the Act, and any applicable tax or securities laws; and

(b) subject to any required action by the Board or the Shareholders, the SARs granted under this Agreement may be canceled by the Company and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect any SARs to the extent then exercisable.

15. Grantee Employment.

(a) Nothing contained in this Agreement, and no action of the Company or the Committee with respect hereto, will confer or be construed to confer on the Grantee any right to continue in the employ or service of the Company or any of its Subsidiaries or interfere in any way with any right of the Company or any Subsidiary, subject to the terms of any separate employment agreement to the contrary, to terminate the Grantee's employment or service at any time, with or without cause.

(b) The Award hereunder is special incentive compensation that will not be taken into account, in any manner, as salary, earnings, compensation, bonus or benefits, in determining the amount of any payment under any pension, retirement, profit sharing, 401(k), life insurance, salary continuation, severance or other employee benefit plan, program or policy of the Company or any of its Subsidiaries or any employment agreement or arrangement with the Grantee.

(c) It is a condition of the Grantee's Award that, in the event of Termination of Service for whatever reason, whether lawful or not, including in circumstances which could give rise to a claim for wrongful and/or unfair dismissal (whether or not it is known at the time of Termination of Service that such a claim may ensue), the Grantee will not by virtue of such Termination of Service, subject to Section 3 of this Agreement, become entitled to any damages or severance or any additional amount of damages or severance in respect of any rights or expectations of whatsoever nature the Grantee may have hereunder or under the Plan. Notwithstanding any other provision of the Plan or this Agreement, the Award hereunder will not form part of the Grantee's entitlement to remuneration or benefits pursuant to the Grantee's employment agreement or arrangement, if any. The rights and obligations of the Grantee under the terms of his or her employment agreement or arrangement, if any, will not be enhanced hereby.

(d) In the event of any inconsistency between the terms hereof or of the Plan and any employment, severance or other agreement or arrangement with the Grantee, the terms hereof and of the Plan shall control.

16. Nonalienation of Benefits. Except as provided in Section 9 of this Agreement, (i) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (ii) no right or benefit hereunder will in any manner be liable for or subject to the debts, contracts, liabilities or torts of the Grantee or other person entitled to such benefits.

17. Data Privacy.

(a) The Grantee's acceptance hereof shall evidence the Grantee's explicit and unambiguous consent to the collection, use and transfer, in electronic or other form, of the Grantee's personal data by and among, as applicable, the Employer and the Company and its Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that the Company and the Employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, bonus and employee benefits, nationality, job title and description, any Shares or directorships or other positions held in the Company, its Subsidiaries and Affiliates, details of all options, share appreciation rights, restricted shares, restricted share units or any other entitlement to Shares or other Awards granted, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, annual performance objectives, performance reviews and performance ratings, for the purpose of implementing, administering and managing Awards under the Plan ("Data").

(b) The Grantee understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere, and that the recipients' country (e.g. the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Grantee may elect to deposit any Shares acquired with respect to an Award.

(c) The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that the Grantee may at any time view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Grantee's local human resources representative. Further, the Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke his or her consent, the Grantee's employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Grantee's consent is that the Company would not be able to grant him or her SARs or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing the Grantee's consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Grantee may contact the Grantee's local human resources representative.

18. Governing Law. This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Colorado. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

19. Construction. References in this Agreement to “this Agreement” and the words “herein,” “hereof,” “hereunder” and similar terms include all Exhibits and Schedules appended hereto. This Agreement is entered into, and the Award evidenced hereby is granted, pursuant to the Plan and shall be governed by and construed in accordance with the Plan and the administrative interpretations adopted by the Committee thereunder. The word “include” and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Committee upon questions regarding this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

20. Duplicate Originals. The Company and the Grantee may sign any number of copies of this Agreement. Each signed copy will be an original, but all of them together represent the same agreement.

21. Rules by Committee. The rights of the Grantee and the obligations of the Company hereunder will be subject to such reasonable rules and regulations as the Committee may adopt from time to time.

22. Entire Agreement. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and the Grantee regarding the subject matter hereof. The Grantee and the Company hereby declare and represent that no promise or agreement not herein expressed has been made and that this Agreement contains the entire agreement between the parties hereto with respect to the Award and replaces and makes null and void any prior agreements between the Grantee and the Company regarding the Award. This Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

23. Grantee Acceptance. The Grantee will signify acceptance of the terms and conditions of this Agreement by signing in the space provided at the end hereof and returning a signed copy to the Company. If the Grantee does not execute and return this Agreement within 160 days of the Grant Date, the grant of the SARs shall be null and void.

Signature Page to Share Appreciation Rights Agreement dated as of May 1, 2016 between Liberty Global plc and Grantee

LIBERTY GLOBAL PLC

By: ______________
Name: Bryan H. Hall
Title: Executive Vice President

ACCEPTED:

Grantee Name: Michael T. Fries
Address:

Optionee ID:

Grant No.

Number of Shares of [Ticker Symbol] as to which Free-Standing SAR is granted:

Exhibit 31.1

CERTIFICATION

I, Michael T. Fries, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Global plc;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and

    d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2016

/s/ Michael T. Fries

Michael T. Fries
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Charles H.R. Bracken, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Global plc;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and

    d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2016

/s/ Charles H.R. Bracken

Charles H.R. Bracken
Executive Vice President and Co-Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.3

CERTIFICATION

I, Bernard G. Dvorak, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Global plc;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and

    d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2016

/s/ Bernard G. Dvorak

Bernard G. Dvorak
Executive Vice President and Co-Chief Financial Officer
(Principal Accounting Officer)

Exhibit 32

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Liberty Global plc (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the period ended June 30, 2016 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of June 30, 2016 and December 31, 2015, and for the three and six months ended June 30, 2016 and 2015.

Dated: August 4, 2016	/s/ Michael T. Fries
	Michael T. Fries
	Chief Executive Officer
Dated: August 4, 2016	/s/ Charles H.R. Bracken
	Charles H.R. Bracken
	Executive Vice President and Co-Chief Financial Officer
	(Principal Financial Officer)
Dated: August 4, 2016	/s/ Bernard G. Dvorak
	Bernard G. Dvorak
	Executive Vice President and Co-Chief Financial Officer
	(Principal Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document.

ATTRIBUTED FINANCIAL INFORMATION

Unless otherwise defined herein, the capitalized terms used herein are defined in the notes to our June 30, 2016 condensed consolidated financial statements included in this Quarterly Report on Form 10-Q (our **June 30, 2016 Quarterly Report**). The financial information presented herein should be read in conjunction with the financial information and related discussion and analysis included in our June 30, 2016 Quarterly Report and our 2015 Annual Report on Form 10-K. In the following text, the terms “we,” “our,” “our company” and “us” may refer, as the context requires, to Liberty Global or collectively to Liberty Global and its subsidiaries.

The following tables present our assets, liabilities, revenue, expenses and cash flows that are intended to track and reflect the separate economic performance of the businesses and assets attributed to (i) the Liberty Global Group and (ii) the LiLAC Group. For additional information regarding our tracking shares, see note 1 to the June 30, 2016 condensed consolidated financial statements included in our June 30, 2016 Quarterly Report.

The attributed financial information presented herein has been prepared assuming the attribution of net assets to the Liberty Global Group and the LiLAC Group had been completed as of January 1, 2015. However, this attribution of historical financial information does not necessarily represent the actual results and balances that would have occurred if such attribution had actually been in place during the periods presented.

LIBERTY GLOBAL PLC

ATTRIBUTED BALANCE SHEET INFORMATION
June 30, 2016
(unaudited)

	Attributed to:			
	Liberty Global Group	LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
			in millions	
ASSETS				
Current assets:				
Cash and cash equivalents	$ 785.7	$ 500.6	$ —	$ 1,286.3
Trade receivables, net	1,334.1	510.2	—	1,844.3
Derivative instruments	375.1	6.2	—	381.3
Prepaid expenses	233.9	78.9	—	312.8
Inter-group interest (note 4)	3,951.0	—	(3,951.0)	—
Other current assets	254.5	426.1	(24.6)	656.0
Total current assets	6,934.3	1,522.0	(3,975.6)	4,480.7
Investments	2,164.4	0.9	—	2,165.3
Property and equipment, net	20,882.9	3,822.1	—	24,705.0
Goodwill	26,070.9	6,391.1	—	32,462.0
Intangible assets subject to amortization, net	6,627.5	1,347.5	—	7,975.0
Other assets, net (note 4)	5,581.9	1,200.8	(17.1)	6,765.6
Total assets	$ 68,261.9	$ 14,284.4	$ (3,992.7)	$ 78,553.6

LIBERTY GLOBAL PLC

ATTRIBUTED BALANCE SHEET INFORMATION — (Continued)
June 30, 2016
(unaudited)

	Attributed to:			
	Liberty Global Group	LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
		in millions		
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable	$ 1,143.3	$ 226.7	$ —	$ 1,370.0
Deferred revenue and advance payments from subscribers and others	1,331.1	180.5	—	1,511.6
Current portion of debt and capital lease obligations	1,994.5	148.8	—	2,143.3
Accrued interest	707.9	112.1	—	820.0
Derivative instruments	558.2	30.0	—	588.2
Accrued income taxes	478.9	23.1	—	502.0
Accrued capital expenditures	418.8	77.7	—	496.5
Other accrued and current liabilities	1,925.5	551.2	(24.6)	2,452.1
Total current liabilities	8,558.2	1,350.1	(24.6)	9,883.7
Long-term debt and capital lease obligations (note 4)	43,670.1	5,838.9	(8.3)	49,500.7
Other long-term liabilities	4,058.5	1,104.6	(8.8)	5,154.3
Total liabilities	56,286.8	8,293.6	(41.7)	64,538.7
Equity attributable to Liberty Global shareholders (note 4)	12,517.7	4,495.0	(3,951.0)	13,061.7
Noncontrolling interests	(542.6)	1,495.8	—	953.2
Total equity	11,975.1	5,990.8	(3,951.0)	14,014.9
Total liabilities and equity	$ 68,261.9	$ 14,284.4	$ (3,992.7)	$ 78,553.6

LIBERTY GLOBAL PLC

ATTRIBUTED BALANCE SHEET INFORMATION
December 31, 2015
(unaudited)

	Attributed to:			
	Liberty Global Group	LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
ASSETS				
Current assets:				
Cash and cash equivalents	$ 707.6	$ 274.5	$ —	$ 982.1
Trade receivables, net	1,376.2	91.5	—	1,467.7
Derivative instruments	405.9	16.0	—	421.9
Prepaid expenses	132.0	12.2	—	144.2
Other current assets	305.7	44.8	(9.0)	341.5
Total current assets	2,927.4	439.0	(9.0)	3,357.4
Investments	2,839.6	—	—	2,839.6
Property and equipment, net	20,840.5	843.5	—	21,684.0
Goodwill	26,244.8	775.6	—	27,020.4
Intangible assets subject to amortization, net	6,975.1	117.4	—	7,092.5
Other assets, net (note 4)	4,504.1	1,062.6	(1.6)	5,565.1
Total assets	$ 64,331.5	$ 3,238.1	$ (10.6)	$ 67,559.0

LIBERTY GLOBAL PLC

ATTRIBUTED BALANCE SHEET INFORMATION — (Continued)
December 31, 2015
(unaudited)

	Attributed to:			
	Liberty Global Group	LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable	$ 995.9	$ 54.2	$ —	$ 1,050.1
Deferred revenue and advance payments from subscribers and others	1,347.7	45.8	—	1,393.5
Current portion of debt and capital lease obligations	2,537.1	0.8	—	2,537.9
Accrued interest	776.5	56.3	—	832.8
Derivative instruments	346.3	—	—	346.3
Accrued income taxes	445.6	37.9	—	483.5
Accrued capital expenditures	418.5	23.3	—	441.8
Other accrued and current liabilities	1,899.7	181.3	(9.0)	2,072.0
Total current liabilities	8,767.3	399.6	(9.0)	9,157.9
Long-term debt and capital lease obligations (note 4)	41,907.7	2,304.6	(1.1)	44,211.2
Other long-term liabilities	3,751.9	264.2	(0.5)	4,015.6
Total liabilities	54,426.9	2,968.4	(10.6)	57,384.7
Equity attributable to Liberty Global shareholders	10,446.0	206.4	—	10,652.4
Noncontrolling interests	(541.4)	63.3	—	(478.1)
Total equity	9,904.6	269.7	—	10,174.3
Total liabilities and equity	$ 64,331.5	$ 3,238.1	$ (10.6)	$ 67,559.0

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF OPERATIONS AND COMPREHENSIVE EARNINGS (LOSS) INFORMATION
Three months ended June 30, 2016
(unaudited)

	Attributed to: Liberty Global Group	Attributed to: LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
Revenue	$ 4,471.2	$ 602.9	$ —	$ 5,074.1
Operating costs and expenses (note 3):				
Operating (other than depreciation and amortization) (including share-based compensation)	1,689.2	240.3	—	1,929.5
SG&A (including share-based compensation)	778.8	134.7	—	913.5
Inter-group fees and allocations	(2.1)	2.1	—	—
Depreciation and amortization	1,426.9	126.1	—	1,553.0
Impairment, restructuring and other operating items, net	69.7	120.6	—	190.3
	3,962.5	623.8	—	4,586.3
Operating income (loss)	508.7	(20.9)	—	487.8
Non-operating income (expense):				
Interest expense	(580.8)	(76.4)	0.1	(657.1)
Realized and unrealized gains (losses) on derivative instruments, net	1,097.4	(45.4)	—	1,052.0
Foreign currency transaction gains (losses), net	(335.5)	37.4	—	(298.1)
Realized and unrealized losses due to changes in fair values of certain investments and debt, net	(376.4)	—	—	(376.4)
Gains (losses) on debt modification and extinguishment, net	(21.1)	1.5	—	(19.6)
Other expense, net	(23.0)	(0.4)	(0.1)	(23.5)
	(239.4)	(83.3)	—	(322.7)
Earnings (loss) before income taxes	269.3	(104.2)	—	165.1
Income tax expense (note 2)	(45.5)	(10.5)	—	(56.0)
Net earnings (loss)	223.8	(114.7)	—	109.1
Net loss (earnings) attributable to noncontrolling interests	0.1	(7.8)	—	(7.7)
Allocation of inter-group loss (note 4)	(19.7)	19.7	—	—
Net earnings (loss) attributable to Liberty Global shareholders	$ 204.2	$ (102.8)	$ —	$ 101.4
Net earnings (loss)	$ 223.8	$ (114.7)	$ —	$ 109.1
Other comprehensive loss, net of taxes:				
Foreign currency translation adjustments	(982.0)	(28.8)	—	(1,010.8)
Reclassification adjustments included in net earnings (loss)	0.3	(0.2)	—	0.1
Other	(1.2)	(0.5)	—	(1.7)
Other comprehensive loss	(982.9)	(29.5)	—	(1,012.4)
Comprehensive loss	(759.1)	(144.2)	—	(903.3)
Comprehensive loss (earnings) attributable to noncontrolling interests	0.7	(7.8)	—	(7.1)
Comprehensive loss attributable to Liberty Global shareholders	$ (758.4)	$ (152.0)	$ —	$ (910.4)

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF OPERATIONS AND COMPREHENSIVE EARNINGS (LOSS) INFORMATION
Three months ended June 30, 2015
(unaudited)

	Attributed to: Liberty Global Group	Attributed to: LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
Revenue	$ 4,255.1	$ 311.4	$ —	$ 4,566.5
Operating costs and expenses (note 3):				
Operating (other than depreciation and amortization) (including share-based compensation)	1,542.2	133.1	—	1,675.3
SG&A (including share-based compensation)	710.5	52.3	—	762.8
Depreciation and amortization	1,423.5	54.3	—	1,477.8
Impairment, restructuring and other operating items, net	19.9	5.8	—	25.7
	3,696.1	245.5	—	3,941.6
Operating income	559.0	65.9	—	624.9
Non-operating income (expense):				
Interest expense	(560.6)	(40.3)	0.1	(600.8)
Realized and unrealized gains (losses) on derivative instruments, net	(680.9)	1.2	—	(679.7)
Foreign currency transaction gains (losses), net	371.7	(31.3)	—	340.4
Realized and unrealized gains due to changes in fair values of certain investments, net	110.8	—	—	110.8
Losses on debt modification and extinguishment, net	(73.8)	—	—	(73.8)
Other income (expense), net	(2.0)	0.4	(0.1)	(1.7)
	(834.8)	(70.0)	—	(904.8)
Loss before income taxes	(275.8)	(4.1)	—	(279.9)
Income tax benefit (expense) (note 2)	(131.4)	1.4	—	(130.0)
Net loss	(407.2)	(2.7)	—	(409.9)
Net earnings attributable to noncontrolling interests	(51.6)	(3.2)	—	(54.8)
Net loss attributable to Liberty Global shareholders	$ (458.8)	$ (5.9)	$ —	$ (464.7)
Net loss	$ (407.2)	$ (2.7)	$ —	$ (409.9)
Other comprehensive earnings, net of taxes:				
Foreign currency translation adjustments	925.5	4.2	—	929.7
Reclassification adjustments included in net loss	0.9	—	—	0.9
Other	0.5	—	—	0.5
Other comprehensive earnings	926.9	4.2	—	931.1
Comprehensive earnings	519.7	1.5	—	521.2
Comprehensive earnings attributable to noncontrolling interests	(51.6)	(3.2)	—	(54.8)
Comprehensive earnings (loss) attributable to Liberty Global shareholders	$ 468.1	$ (1.7)	$ —	$ 466.4

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF OPERATIONS AND COMPREHENSIVE EARNINGS (LOSS) INFORMATION
Six months ended June 30, 2016
(unaudited)

	Attributed to:			
	Liberty Global Group	LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
			in millions	
Revenue	$ 8,755.3	$ 906.8	$ —	$ 9,662.1
Operating costs and expenses (note 3):				
Operating (other than depreciation and amortization) (including share-based compensation)	3,280.0	374.6	—	3,654.6
SG&A (including share-based compensation)	1,545.7	184.2	—	1,729.9
Inter-group fees and allocations	(4.2)	4.2	—	—
Depreciation and amortization	2,810.1	178.4	—	2,988.5
Impairment, restructuring and other operating items, net	88.4	126.3	—	214.7
	7,720.0	867.7	—	8,587.7
Operating income	1,035.3	39.1	—	1,074.4
Non-operating income (expense):				
Interest expense	(1,146.0)	(130.5)	0.1	(1,276.4)
Realized and unrealized gains (losses) on derivative instruments, net	733.4	(190.1)	—	543.3
Foreign currency transaction gains (losses), net	(84.1)	125.0	—	40.9
Realized and unrealized losses due to changes in fair values of certain investments and debt, net	(644.6)	—	—	(644.6)
Gains (losses) on debt modification and extinguishment, net	(25.4)	1.5	—	(23.9)
Other income (expense), net	30.0	(0.1)	(0.1)	29.8
	(1,136.7)	(194.2)	—	(1,330.9)
Loss before income taxes	(101.4)	(155.1)	—	(256.5)
Income tax benefit (expense) (note 2)	(8.6)	1.5	—	(7.1)
Net loss	(110.0)	(153.6)	—	(263.6)
Net loss (earnings) attributable to noncontrolling interests	3.3	(7.4)	—	(4.1)
Allocation of inter-group loss (note 4)	(19.7)	19.7	—	—
Net loss attributable to Liberty Global shareholders	$ (126.4)	$ (141.3)	$ —	$ (267.7)
Net loss	$ (110.0)	$ (153.6)	$ —	$ (263.6)
Other comprehensive loss, net of taxes:				
Foreign currency translation adjustments	(956.9)	(37.3)	—	(994.2)
Reclassification adjustments included in net loss	(0.4)	(0.2)	—	(0.6)
Other	(0.8)	(3.8)	—	(4.6)
Other comprehensive loss	(958.1)	(41.3)	—	(999.4)
Comprehensive loss	(1,068.1)	(194.9)	—	(1,263.0)
Comprehensive loss (earnings) attributable to noncontrolling interests	3.9	(7.4)	—	(3.5)
Comprehensive loss attributable to Liberty Global shareholders	$ (1,064.2)	$ (202.3)	$ —	$ (1,266.5)

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF OPERATIONS AND COMPREHENSIVE EARNINGS (LOSS) INFORMATION
Six months ended June 30, 2015
(unaudited)

	Attributed to: Liberty Global Group	Attributed to: LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
Revenue	$ 8,484.2	$ 599.2	$ —	$ 9,083.4
Operating costs and expenses (note 3):				
Operating (other than depreciation and amortization) (including share-based compensation)	3,114.1	258.4	—	3,372.5
SG&A (including share-based compensation)	1,451.1	105.5	—	1,556.6
Depreciation and amortization	2,822.7	106.5	—	2,929.2
Impairment, restructuring and other operating items, net	31.8	10.9	—	42.7
	7,419.7	481.3	—	7,901.0
Operating income	1,064.5	117.9	—	1,182.4
Non-operating income (expense):				
Interest expense	(1,138.2)	(78.8)	0.3	(1,216.7)
Realized and unrealized gains (losses) on derivative instruments, net	(141.8)	80.6	—	(61.2)
Foreign currency transaction losses, net	(621.5)	(73.7)	—	(695.2)
Realized and unrealized gains due to changes in fair values of certain investments, net	262.2	—	—	262.2
Losses on debt modification and extinguishment, net	(348.3)	—	—	(348.3)
Other income (expense), net	(2.6)	0.2	(0.3)	(2.7)
	(1,990.2)	(71.7)	—	(2,061.9)
Earnings (loss) before income taxes	(925.7)	46.2	—	(879.5)
Income tax expense (note 2)	(37.6)	(14.5)	—	(52.1)
Net earnings (loss)	(963.3)	31.7	—	(931.6)
Net earnings attributable to noncontrolling interests	(65.6)	(5.0)	—	(70.6)
Net earnings (loss) attributable to Liberty Global shareholders	$ (1,028.9)	$ 26.7	$ —	$ (1,002.2)
Net earnings (loss)	$ (963.3)	$ 31.7	$ —	$ (931.6)
Other comprehensive earnings, net of taxes:				
Foreign currency translation adjustments	226.9	11.7	—	238.6
Reclassification adjustments included in net earnings (loss)	1.0	—	—	1.0
Other	(1.0)	—	—	(1.0)
Other comprehensive earnings	226.9	11.7	—	238.6
Comprehensive earnings (loss)	(736.4)	43.4	—	(693.0)
Comprehensive earnings attributable to noncontrolling interests	(65.7)	(5.0)	—	(70.7)
Comprehensive earnings (loss) attributable to Liberty Global shareholders	$ (802.1)	$ 38.4	$ —	$ (763.7)

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF CASH FLOWS INFORMATION
Six months ended June 30, 2016
(unaudited)

	Attributed to:			
	Liberty Global Group	LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
Cash flows from operating activities:				
Net loss	$ (110.0)	$ (153.6)	$ —	$ (263.6)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Share-based compensation expense	138.6	5.0	—	143.6
Inter-group fees and allocations	(4.2)	4.2	—	—
Depreciation and amortization	2,810.1	178.4	—	2,988.5
Impairment, restructuring and other operating items, net	88.4	126.3	—	214.7
Amortization of deferred financing costs and non-cash interest accretion	38.9	0.2	—	39.1
Realized and unrealized losses (gains) on derivative instruments, net	(733.4)	190.1	—	(543.3)
Foreign currency transaction gains (losses), net	84.1	(125.0)	—	(40.9)
Realized and unrealized losses due to changes in fair values of certain investments and debt	644.6	—	—	644.6
Losses (gains) on debt modification and extinguishment, net	25.4	(1.5)	—	23.9
Deferred income tax benefit	(189.0)	(7.4)	—	(196.4)
Excess tax benefit from share-based compensation	(3.2)	—	—	(3.2)
Changes in operating assets and liabilities, net of the effects of acquisitions and dispositions	(229.5)	(110.9)	—	(340.4)
Net cash provided by operating activities	2,560.8	105.8	—	2,666.6
Cash flows from investing activities:				
Cash received (paid) in connection with acquisitions, net	(1,342.8)	17.0	—	(1,325.8)
Capital expenditures	(1,094.5)	(181.6)	—	(1,276.1)
Investments in and loans to affiliates and others	(43.8)	(0.8)	—	(44.6)
Inter-group receipts (payments), net	1.1	(6.8)	5.7	—
Other investing activities, net	77.1	1.4	—	78.5
Net cash used by investing activities	$ (2,402.9)	$ (170.8)	$ 5.7	$ (2,568.0)

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF CASH FLOWS INFORMATION — (Continued)
Six months ended June 30, 2016
(unaudited)

	Attributed to: Liberty Global Group	Attributed to: LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
Cash flows from financing activities:				
Borrowings of debt	$ 5,080.5	$ 1,094.0	$ —	$ 6,174.5
Repayments and repurchases of debt and capital lease obligations	(4,435.2)	(753.8)	—	(5,189.0)
Repurchase of Liberty Global ordinary shares	(717.5)	—	—	(717.5)
Change in cash collateral	117.7	—	—	117.7
Payment of financing costs and debt premiums	(61.5)	(27.9)	—	(89.4)
Net cash paid related to derivative instruments	(43.3)	—	—	(43.3)
Net cash received associated with call option contracts on Liberty Global ordinary shares	9.2	—	—	9.2
Inter-group receipts (payments), net	6.8	(1.1)	(5.7)	—
Other financing activities, net	(65.9)	(28.3)	—	(94.2)
Net cash provided (used) by financing activities	(109.2)	282.9	(5.7)	168.0
Effect of exchange rate changes on cash	29.4	8.2	—	37.6
Net increase in cash and cash equivalents	78.1	226.1	—	304.2
Cash and cash equivalents:				
Beginning of period	707.6	274.5	—	982.1
End of period	$ 785.7	$ 500.6	$ —	$ 1,286.3
Cash paid for interest	$ 1,159.4	$ 117.4	$ —	$ 1,276.8
Net cash paid for taxes	$ 182.1	$ 64.6	$ —	$ 246.7

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF CASH FLOWS INFORMATION
Six months ended June 30, 2015
(unaudited)

	Attributed to: Liberty Global Group	Attributed to: LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
Cash flows from operating activities:				
Net earnings (loss)	$ (963.3)	$ 31.7	$ —	$ (931.6)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:				
Share-based compensation expense	127.5	0.5	—	128.0
Depreciation and amortization	2,822.7	106.5	—	2,929.2
Impairment, restructuring and other operating items, net	31.8	10.9	—	42.7
Amortization of deferred financing costs and non-cash interest accretion	32.3	1.9	—	34.2
Realized and unrealized losses (gains) on derivative instruments, net	141.8	(80.6)	—	61.2
Foreign currency transaction losses, net	621.5	73.7	—	695.2
Realized and unrealized gains due to changes in fair values of certain investments, including impact of dividends	(261.1)	—	—	(261.1)
Losses on debt modification and extinguishment, net	348.3	—	—	348.3
Deferred income tax benefit	(135.0)	(7.7)	—	(142.7)
Excess tax benefit from share-based compensation	(16.0)	(1.9)	—	(17.9)
Changes in operating assets and liabilities, net of the effects of acquisitions and dispositions	(198.4)	(1.3)	—	(199.7)
Net cash provided by operating activities	2,552.1	133.7	—	2,685.8
Cash flows from investing activities:				
Cash paid in connection with acquisitions, net of cash acquired	(6.8)	(272.5)	—	(279.3)
Capital expenditures	(1,151.0)	(111.4)	—	(1,262.4)
Investments in and loans to affiliates and others	(160.9)	(0.5)	—	(161.4)
Inter-group receipts (payments), net	(110.2)	2.9	107.3	—
Other investing activities, net	10.4	0.6	—	11.0
Net cash used by investing activities	$ (1,418.5)	$ (380.9)	$ 107.3	$ (1,692.1)

LIBERTY GLOBAL PLC

ATTRIBUTED STATEMENT OF CASH FLOWS INFORMATION — (Continued)
Six months ended June 30, 2015
(unaudited)

	Attributed to:			
	Liberty Global Group	LiLAC Group	Inter-group eliminations	Consolidated Liberty Global
	in millions			
Cash flows from financing activities:				
Borrowings of debt	$ 10,931.2	$ 261.1	$ —	$ 11,192.3
Repayments and repurchases of debt and capital lease obligations	(10,717.4)	(0.4)	—	(10,717.8)
Repurchase of Liberty Global ordinary shares	(908.1)	—	—	(908.1)
Change in cash collateral	61.8	—	—	61.8
Payment of financing costs and debt premiums	(353.4)	(3.1)	—	(356.5)
Net cash paid related to derivative instruments	(303.3)	—	—	(303.3)
Net cash paid associated with call option contracts on Liberty Global ordinary shares	(121.2)	—	—	(121.2)
Purchase of additional shares of subsidiaries	(142.2)	—	—	(142.2)
Inter-group receipts (payments), net	(2.9)	110.2	(107.3)	—
Other financing activities, net	(46.0)	8.5	—	(37.5)
Net cash provided (used) by financing activities	(1,601.5)	376.3	(107.3)	(1,332.5)
Effect of exchange rate changes on cash	3.1	(3.3)	—	(0.2)
Net increase (decrease) in cash and cash equivalents	(464.8)	125.8	—	(339.0)
Cash and cash equivalents:				
Beginning of period	1,051.4	107.1	—	1,158.5
End of period	$ 586.6	$ 232.9	$ —	$ 819.5
Cash paid for interest	$ 1,065.6	$ 72.6	$ —	$ 1,138.2
Net cash paid for taxes	$ 152.9	$ 14.4	$ —	$ 167.3

(1) Attributed Financial Information

The terms "LiLAC Group" and "Liberty Global Group" do not represent separate legal entities, rather they represent those businesses, assets and liabilities that have been attributed to each group. The LiLAC Group comprises our businesses, assets and liabilities in Latin America and the Caribbean and has attributed to it (i) LGE Coral and its subsidiaries, which include CWC, (ii) VTR Finance and its subsidiaries, which include VTR, (iii) Lila Chile Holding B.V. (**Lila Chile Holding**), which is the parent entity of VTR Finance, (iv) LiLAC Holdings and its subsidiaries, which include Liberty Puerto Rico, and (v) prior to July 1, 2015, the LiLAC Corporate Costs. Effective July 1, 2015, the LiLAC Corporate Costs were transferred to LiLAC Holdings. The Liberty Global Group comprises our businesses, assets and liabilities not attributed to the LiLAC Group, including Virgin Media, Ziggo Group Holding, Unitymedia, Telenet, UPC Holding, our corporate entities (excluding the LiLAC Corporate Costs) and certain other less significant entities. Accordingly, the accompanying attributed financial information for the Liberty Global Group and the LiLAC Group includes the assets, liabilities, revenue, expenses and cash flows of the respective entities within each group. Any business that we may acquire in the future that we do not attribute to the LiLAC Group will be attributed to the Liberty Global Group.

Our board of directors is vested with discretion to reattribute businesses, assets and liabilities that are attributed to either the Liberty Global Group or the LiLAC Group to the other group, without the approval of any of our shareholders, and may use the liquidity of one group to fund the liquidity and capital resource requirements of the other group. Accordingly, shareholders may have difficulty evaluating the future prospects and liquidity and capital resources of each group.

(2) Income Taxes

We generally have accounted for income taxes for the Liberty Global Group and the LiLAC Group in the accompanying attributed financial information on a separate return basis, as adjusted to reflect the consolidated view of the tax asset, liability, benefit or expense (tax attribute) of each group. Accordingly, except as otherwise noted below, any tax attribute associated with an entity attributed to the Liberty Global Group has been allocated to the Liberty Global Group and any tax attribute associated with an entity attributed to the LiLAC Group has been allocated to the LiLAC Group.

Liberty Global owns consolidated interests in a number of entities that are included in combined or consolidated tax returns, including tax returns in the Netherlands (the **Dutch Fiscal Unity**), the U.K. (the **U.K. Tax Group**) and the U.S (the **U.S. Tax Group**). Different members of the Liberty Global Group file combined tax returns for the Dutch Fiscal Unity and U.K. tax returns, where sharing of certain tax attributes is permitted, and consolidated tax returns for the U.S. Tax Group. Certain entities included in the Dutch Fiscal Unity, the U.K. Tax Group and the U.S. Tax Group are attributed to the LiLAC Group. As a result, we record inter-group tax allocations to recognize changes in the tax attributes of certain members of the LiLAC Group that are included in the Dutch Fiscal Unity, the U.K. Tax Group or the U.S. Tax Group. Prior to July 1, 2015, the inter-group tax allocations reflected in the attributed financial information were not cash settled and were not the subject of tax sharing agreements. Accordingly, inter-group tax allocations prior to July 1, 2015 are reflected in the attributed financial information as adjustments of equity. Following the adoption of the tax sharing policy described below, certain inter-group tax allocations are expected to be cash settled.

Effective July 1, 2015 (the date we distributed the LiLAC Shares), the allocation of tax attributes between the Liberty Global Group and the LiLAC Group is based on a tax sharing policy. This tax sharing policy, which may be changed in future periods at the discretion of the board of directors of Liberty Global, generally results in the allocation of Liberty Global's tax attributes to the Liberty Global Group and the LiLAC Group based on the tax attributes of the legal entities attributed to each of the groups. Nevertheless, to the extent that Liberty Global management concludes the actions or results of one group give rise to changes in the tax attributes of the other group, the change in those tax attributes are generally allocated to the group whose actions or results gave rise to such changes. Similarly, in cases where legal entities in one group join in a common tax filing with members of the other group, changes in the tax attributes of the group that includes the filing entity that are the result of the actions or financial results of one or more members of the other group are allocated to the group that does not include the filing entity. For periods beginning on and after July 1, 2015, we will record non-interest bearing inter-group payables and receivables in connection with the allocation of tax attributes. These inter-group payables and receivables are expected to be cash settled annually within 90 days following the filing of the relevant tax return to the extent that tax assets are utilized or taxable income is included in the return for the applicable taxable year. In the case of allocated tax assets, inter-group payables and receivables will only be recorded to the extent that the realization by the ultimate tax-paying entity is considered to be more-likely-than-not. At June 30, 2016, we do not believe that it is more-likely-than-not that we will realize the tax assets of the Dutch Fiscal Unity. To the extent that tax assets are not utilized in the year generated, the related receivables and payables will remain outstanding until such time as the underlying tax assets are utilized.

Liberty Global Group

Income tax expense attributable to our earnings (loss) before income taxes differs from the amounts computed using the applicable income tax rate as a result of the following factors:

	Liberty Global Group			
	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Computed “expected” tax benefit (expense) (a)	$ (53.8)	$ 55.2	$ 20.3	$ 185.1
Change in valuation allowances	(115.7)	(119.7)	(221.4)	(341.9)
Non-deductible or non-taxable foreign currency exchange results (b):				
Increase	103.4	(67.3)	122.0	2.2
Decrease	0.9	(21.2)	(0.4)	(29.9)
Tax effect of intercompany financing	38.1	38.5	76.2	76.7
International rate differences (b) (c):				
Increase	37.9	30.4	70.0	123.3
Decrease	(5.5)	(20.0)	(11.8)	(31.3)
Basis and other differences in the treatment of items associated with investments in subsidiaries and affiliates (b):				
Decrease	(53.2)	(24.3)	(75.1)	(24.3)
Increase	6.8	(2.7)	18.1	11.8
Non-deductible or non-taxable interest and other expenses (b):				
Decrease	(17.3)	(15.4)	(39.0)	(48.9)
Increase	9.7	12.1	19.6	23.3
Recognition of previously unrecognized tax benefits	2.0	4.7	17.0	13.6
Tax benefit associated with technology innovation	3.5	6.6	8.2	10.5
Other, net	(2.3)	(8.3)	(12.3)	(7.8)
Total income tax expense	$ (45.5)	$ (131.4)	$ (8.6)	$ (37.6)

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(a) The statutory or “expected” tax rate is the U.K. rate of 20.0%. During 2015, the U.K. enacted legislation that will change the corporate income tax rate from the current rate of 20.0% to 19.0% in April 2017 and 18.0% in April 2020. Substantially all of the impact of these rate changes on our deferred tax balances was recorded in the fourth quarter of 2015 when the change in law was enacted.

(b) Country jurisdictions giving rise to increases within the six-month period are grouped together and shown separately from country jurisdictions giving rise to decreases within the six-month period.

(c) Amounts reflect adjustments (either an increase or a decrease) to “expected” tax benefit (expense) for statutory rates in jurisdictions in which we operate outside of the U.K.

LiLAC Group

Income tax benefit (expense) attributable to our earnings (loss) before income taxes differs from the amounts computed using the applicable income tax rate as a result of the following:

	LiLAC Group			
	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
	in millions			
Computed “expected” tax benefit (expense) (a)	$ 20.8	$ 0.8	$ 31.0	$ (9.2)
Basis and other differences in the treatment of items associated with investments in subsidiaries and affiliates:				
Decrease	(21.5)	(2.4)	(23.3)	(3.4)
Increase	0.7	—	0.7	—
Tax effect of intercompany financing	8.9	—	8.9	—
Foreign taxes	(3.0)	0.9	(6.4)	0.8
International rate differences (b) (c):				
Decrease	(10.9)	(1.0)	(11.2)	(3.2)
Increase	3.9	1.0	7.0	2.0
Non-deductible or non-taxable interest and other expenses (b):				
Decrease	(5.8)	0.1	(6.2)	—
Increase	2.3	—	2.3	—
Price level restatement	1.9	—	3.4	—
Change in valuation allowances	(5.6)	2.2	0.2	(0.6)
Other, net	(2.2)	(0.2)	(4.9)	(0.9)
Total income tax benefit (expense)	$ (10.5)	$ 1.4	$ 1.5	$ (14.5)

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(a) The statutory or “expected” tax rate is the U.K. rate of 20.0%. During 2015, the U.K. enacted legislation that will change the corporate income tax rate from the current rate of 20.0% to 19.0% in April 2017 and 18.0% in April 2020. Substantially all of the impact of these rate changes on our deferred tax balances was recorded in the fourth quarter of 2015 when the change in law was enacted.

(b) Country jurisdictions giving rise to increases within the six-month period are grouped together and shown separately from country jurisdictions giving rise to decreases within the six-month period.

(c) Amounts reflect adjustments (either an increase or a decrease) to “expected” tax benefit (expense) for statutory rates in jurisdictions in which we operate outside of the U.K.

(3) Allocated Expenses

Prior to July 1, 2015, we did not allocate any of the costs of the Liberty Global Group's corporate functions to the LiLAC Group. Following the July 1, 2015 distribution of the LiLAC Shares, we began to allocate a portion of these costs, excluding share-based compensation expense, to the LiLAC Group based primarily on the estimated percentage of time spent by corporate personnel providing services for each group. The allocated amount, which is cash settled and is periodically re-evaluated, is presented as inter-group fees and allocations in the attributed statement of operations information.

The share-based compensation expense reflected in the accompanying attributed statement of operations information is based on the share incentive awards held by the employees of the respective entities comprising the Liberty Global Group and the LiLAC Group.

The income tax benefit and expense of the Liberty Global Group and the LiLAC Group includes inter-group tax allocations. For additional information concerning our inter-group tax allocations, see note 2 to this attributed financial information.

While we believe that our allocation methodologies are reasonable, we may elect to change these allocation methodologies or the percentages used to allocate operating and SG&A expenses in the future.

(4) Inter-group Transactions

Inter-group Interest

On May 16, 2016, pursuant to a scheme of arrangement and following shareholder approvals, we acquired CWC for shares of Liberty Global. Under the terms of the transaction, CWC shareholders received in the aggregate: 31,607,008 Class A Liberty Global Shares, 77,379,774 Class C Liberty Global Shares, 3,648,513 Class A LiLAC Shares and 8,939,316 Class C LiLAC Shares. Further, in accordance with the scheme of arrangement and immediately prior to the acquisition, CWC declared the Special Dividend to its shareholders in the amount of £0.03 ($0.04 at the transaction date) per CWC share. The Special Dividend was paid to CWC shareholders promptly following the closing and the payment, together with fees and expenses related to the acquisition, was funded with CWC liquidity, including incremental debt borrowings, and LiLAC Group corporate liquidity.

Following completion of the CWC Acquisition, we attributed CWC to the LiLAC Group, with the Liberty Global Group being granted an inter-group interest in the LiLAC Group representing the fair value (as determined by our board of directors) of the Liberty Global Shares issued as part of the purchase consideration. Liberty Global Group's inter-group interest in the LiLAC Group was $3.9 billion as of June 30, 2016. On July 1, 2016, we completed the LiLAC Distribution, thereby eliminating the Liberty Global Group's inter-group interest in the LiLAC Group. The LiLAC Distribution, which will be accounted for prospectively effective July 1, 2016, has not been reflected in our June 30, 2016 condensed consolidated financial statements.

As of June 30, 2016, the Liberty Global Group's ownership interest in the LiLAC Group is reflected as an inter-group interest in the LiLAC Group in Liberty Global Group's attributed balance sheet information and an increase to equity in the LiLAC Group's attributed balance sheet information. During the period from May 16, 2016 through June 30, 2016, we recorded the Liberty Global Group's 67.5% share of the LiLAC Group's loss during this period in Liberty Global Group's attributed statement of operations information with a corresponding offsetting amount recorded in the LiLAC Group's attributed statement of operations information.

Lila Chile Note

On July 11, 2014, Lila Chile Holding and Liberty Global Holding B.V. (**Liberty Global Holding**), an entity attributed to the Liberty Global Group, entered into a loan agreement (the **Lila Chile Note**). At June 30, 2016 and December 31, 2015, Liberty Global Holding owed Lila Chile Holding $8.3 million and $1.1 million, respectively, in principal pursuant to the Lila Chile Note. The Lila Chile Note bears interest at 5.9% per annum and has a repayment date of July 11, 2022. The principal and accrued interest on the Lila Chile Note are included in the LiLAC Group's other assets, net, and the Liberty Global Group's long-term debt and capital lease obligations in the attributed balance sheet information. Accrued and unpaid interest is generally transferred to the principal balance on January 1 of each year. The net increase in the Lila Chile Note during the six months ended June 30, 2016 includes (i) cash loans of $6.8 million and (ii) the transfer of $0.4 million in non-cash accrued interest to the principal balance.