August 8, 2024

LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES
BASIS OF PRESENTATION

Purpose of Trending Schedules

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

Financial Measures

Lionsgate utilizes the non-GAAP measures Adjusted OIBDA, Adjusted Free Cash Flow, and Adjusted Net Income (Loss) Attributable to Lions Gate Entertainment Corp. Shareholders and Adjusted EPS as important financial measures, among other measures, to evaluate the operating performance of our business (as defined below). The following schedules also provide additional financial measures the Company believes are useful in evaluating our operating performance. These measures include certain leverage ratios, U.S. theatrical prints and advertising (P&A) and premium video-on-demand ("Premium VOD") expense incurred, amount of investment in content, number of subscribers, and filmed entertainment backlog.

Definitions of the non-GAAP measures are provided below:

Adjusted OIBDA: Adjusted OIBDA is defined as operating income (loss) before, adjusted depreciation and amortization ("OIBDA"), adjusted for adjusted share-based compensation ("adjusted SBC"), purchase accounting and related adjustments, restructuring and other costs, certain charges (benefits) related to the COVID-19 global pandemic, and certain programming and content charges as a result of management changes and/or changes in strategy, and unusual gains or losses (such as goodwill and intangible asset impairment), when applicable.

- Adjusted depreciation and amortization represents depreciation as presented on our consolidated statement of operations, less the depreciation and amortization related to the amortization of purchase accounting and related adjustments associated with recent acquisitions. Accordingly, the full impact of the purchase accounting is included in the adjustment for "purchase accounting and related adjustments", described below.
- Adjusted share-based compensation represents share-based compensation excluding the impact of the acceleration of certain vesting schedules for equity awards pursuant to certain severance arrangements, which are included in restructuring and other expenses when applicable.
- Restructuring and other includes restructuring and severance costs, certain transaction and other costs, and certain unusual items, when applicable.
- COVID-19 related charges or benefits include incremental costs associated with the pausing and restarting of productions including paying/hiring certain cast and crew, maintaining idle facilities and equipment costs, and when applicable, certain motion picture and television impairments and development charges associated with changes in performance expectations or the feasibility of completing the project resulting from circumstances associated with the COVID-19 global pandemic, net of insurance recoveries, which are included in direct operating expense, when applicable. In addition, the costs include early or contractual marketing spends for film releases and events that have been canceled or delayed and will provide no economic benefit, which are included in distribution and marketing expense, when applicable.
- Programming and content charges include certain charges as a result of changes in management and/or changes in programming and content strategy, which are included in direct operating expenses, when applicable.
- Purchase accounting and related adjustments primarily represent the amortization of non-cash fair value adjustments to certain assets acquired in recent acquisitions. These adjustments include the accretion of the noncontrolling interest discount related to Pilgrim Media Group and 3 Arts Entertainment, the non-cash charge for the amortization of the recoupable portion of the purchase price and the expense associated with the noncontrolling equity interests in the distributable earnings related to 3 Arts Entertainment, all of which are accounted for as compensation and are included in general and administrative expense.

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

Total Segment Profit and Studio Business Segment Profit and Studio Business Adjusted OIBDA We present the sum of our Motion Picture and Television Production segment profit as our "Studio Business" segment profit, and we define our Studio Business Adjusted OIBDA as Studio Business segment profit less corporate general and administrative expenses. Total segment profit and Studio Business segment profit and Studio Business Adjusted OIBDA, when presented outside of the segment information and reconciliations included in our consolidated financial statements, is considered a non-GAAP financial measure, and should be considered in addition to, not as a substitute for, or superior to, measures of financial performance prepared in accordance with United States GAAP. We use this non-GAAP measure, among other measures, to evaluate the aggregate operating performance of our business.

The Company believes the presentation of total segment profit and Studio Business segment profit is relevant and useful for investors because it allows investors to view total segment performance in a manner similar to the primary method used by the Company's management and enables them to understand the fundamental performance of the Company's businesses before non-operating items. Total segment profit and Studio Business segment profit is considered an important measure of the Company's performance because it reflects the aggregate profit contribution from the Company's segments, both in total and for the Studio Business and represents a measure, consistent with our segment profit, that eliminates amounts that, in management's opinion, do not necessarily reflect the fundamental performance of the Company's businesses, are infrequent in occurrence, and in some cases are non-cash expenses. Not all companies calculate segment profit or total segment profit in the same manner, and segment profit and total segment profit as defined by the Company may not be comparable to similarly titled measures presented by other companies due to differences in the methods of calculation and excluded items.

Adjusted Free Cash Flow: Free cash flow is typically defined as net cash flows provided by (used in) operating activities, less capital expenditures. The Company defines Adjusted Free Cash Flow as net cash flows provided by (used in) operating activities, less capital expenditures, plus or minus the net increase or decrease in production and related loans (which includes our production tax credit facility), plus or minus certain unusual or non-recurring items, such as insurance recoveries on prior shareholder litigation, proceeds from the termination of interest rate swaps, and payments on impaired content in territories exited or to be exited.

The adjustment for the production and related loans, exclusive of our production tax credit facility, is made because the GAAP based cash flows from operations reflects a non-cash reduction of cash flows for the cost of films and television programs prior to the time the Company pays for the film or television program through the payment of the associated production or related loan which occurs at or near completion of the production, or in some cases, over the period revenues and cash receipts are being generated, as more fully described below.

The cost of producing films and television programs, which is reflected as a reduction of the GAAP based cash flows provided by (used in) operating activities, is often financed through production loans. The adjustment for production and related loans is made in order to better align the timing of the cash flows associated with producing films and television programs with the timing of the repayment of the production loans, which is consistent with how management views its production cash spend and manages the Company's cash flows and working capital needs. Borrowings on production loans offset the spend on investment in films reflected in the GAAP based cash flows provided by (used in) operating activities and thus increase the Adjusted Free Cash Flows as compared to the GAAP based cash flows provided by (used in) operating activities and subsequent payments on production loans reflect the payment for the production of the film or TV program and reduce Adjusted Free Cash Flows as compared to the GAAP based cash flows provided by (used in) operating activities.

The adjustment for the production tax credit facility is made to better reflect the timing of the cash requirements of the production, since a portion of the amounts expended initially are later refunded through the receipt of the tax credit, as more fully described below. The production tax credit facility reduces the timing difference between the payments for production cost and the receipt of the tax credit and thus reflects the cash cost of the film or television program at or near the time the film or television program is produced and completed.

Part of the cost of a film or television program is effectively funded through obtaining government incentives, however, the incentives are not received until a future period which could be a few years after the completion of the film. The tax credit facility reflects borrowings collateralized by the tax credits to be received in the future and thus by including these borrowings in Adjusted Free Cash Flow it has the effect of better aligning the receipt of the tax credits with the timing of the production and completion of the film and television programs, which is consistent with how management views its production cash spend and manages the Company's cash flows and working capital needs. Borrowings under the tax credit facility reduce the cash sper reflected in the GAAP based cash flows provided by (used in) operating activities and thus increase adjusted free cash flows and payments on the tax credit facility offset the tax credit receivable collection reflected in the GAAP based cash flows provided by (used in) operating activities and reduce adjusted free cash flows as compared to the GAAP based cash flows provided by (used in) operating activities.

The Company believes that it is more meaningful to reflect the impact of the payment for these films and television programs when the payments are made under the production loans and the receipt of the tax credit when the film is being produced in its Adjusted Free Cash Flow.

The adjustment for the payments on impaired content represents cash payments made on impaired content in territories exited or to be exited under the LIONSGATE+ international restructuring. The adjustment is made because these cash payments relate to content in territories the Company has exited or is exiting, and therefore the cash payments are not reflective of the ongoing operations of the Company.

Adjusted Net Income (Loss) Attributable to Lions Gate Entertainment Corp. Shareholders Adjusted net income (loss) attributable to Lions Gate Entertainment Corp. shareholders is defined as net income (loss) attributable to Lions Gate Entertainment Corp. shareholders, adjusted for share-based compensation, purchase accounting and related adjustments, restructuring and other items, insurance recoveries on prior shareholder litigation and net gains or losses on investments and other, gain or loss on extinguishment of debt, certain programming and content charges, COVID-19 related charges (benefit), and unusual gains or losses (such as goodwill impairment), when applicable, as described in the Adjusted OIBDA definition, net of the tax effect of the adjustments at the applicable effective tax rate of the adjustment and net of the impact of the adjustments on noncontrolling interest.

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

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

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

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

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

LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES

(in millions)	Three Months Ended 6/30/23	9/30/23	12/31/23	3/31/24	Fiscal Year Ended 3/31/24	Three Months Ended 6/30/24
Studio Business[1]:						
Motion Picture						
Revenue	$ 407	$ 396	$ 443	$ 411	$ 1,656	$ 347
Gross Contribution	99	94	128	113	433	115
Segment Profit	69	68	100	82	319	86
Television Production						
Revenue	219	394	248	469	1,330	241
Gross Contribution	36	78	22	70	205	29
Segment Profit	23	63	8	53	147	11
Total Studio Business:						
Revenue	625	790	692	880	2,986	588
Gross Contribution	134	172	149	183	638	143
Segment Profit	92	131	109	135	466	97
Media Networks						
Revenue	381	417	417	362	1,576	350
Gross Contribution	58	89	108	75	330	78
Segment Profit	32	67	86	53	236	58
Eliminations						
Revenue	(98)	(191)	(134)	(124)	(546)	(104)
Gross Contribution	(8)	(24)	(12)	(5)	(49)	(11)
Segment Profit	(8)	(24)	(12)	(5)	(49)	(11)
Corporate and Other						
Corporate G&A	(30)	(33)	(31)	(42)	(136)	(33)
Unallocated rent cost included in direct operating expense[2]	-	-	-	-	-	(5)
Adjusted OIBDA	$ 86	$ 141	$ 151	$ 140	$ 518	$ 105
Goodwill and intangible asset impairment[3]	-	(664)	-	-	(664)	-
Adjusted Depreciation & Amortization[4]	(10)	(10)	(14)	(17)	(50)	(9)
Restructuring and Other[5]	(32)	(222)	(117)	(138)	(509)	(23)
COVID-19 Related (Charges) Benefit[6]	(0)	1	0	1	1	3
Adjusted Share-Based Compensation[7]	(16)	(26)	(25)	(14)	(81)	(18)
Purchase Accounting and Related Adjustments[8]	(44)	(37)	(39)	(33)	(154)	(40)
Operating Income (Loss)	$ (17)	$ (818)	$ (44)	$ (61)	$ (939)	$ 19
Operating Income (Loss) before Goodwill and Intangible Asset Impairment and Media Networks Restructuring Charges	$ 11	$ 58	$ 34	$ (14)	$ 90	$ 21
Goodwill and intangible asset impairment[3]	-	(664)	-	-	(664)	-
Media Networks restructuring charges[9]	(28)	(212)	(78)	(47)	(365)	(2)
Operating Income (Loss)	$ (17)	$ (818)	$ (44)	$ (61)	$ (939)	$ 19
Adjusted OIBDA - trailing twelve months	*$ 439*	*$ 532*	*$ 515*	*$ 518*		*$ 536*

Notes:

The unaudited financial results in the trending schedules are presented solely for informational purposes and are not necessarily indicative of the future financial results of Lionsgate.

(1) We refer to our Motion Picture and Television Production segments collectively as our Studio Business.
(2) Amounts represent rent cost for production facilities that were unutilized as a result of the industry strikes, and therefore such amounts are not allocated to the segments.
(3) During the quarter ended September 30, 2023, the Company recorded a goodwill impairment charge of $493.9 million and a charge of $170.0 million for the impairment of indefinite-lived trade names related to its Media Networks reporting unit.
(4) Adjusted Depreciation and Amortization represents depreciation and amortization as presented on our unaudited condensed consolidated statement of operations less the depreciation and amortization related to amortization of the non-cash fair value adjustments to property and equipment and intangible assets acquired in acquisitions which are included in the purchase accounting and related adjustments line item.
(5) Restructuring and other includes restructuring and severance costs, certain transaction and other costs, and certain unusual items, when applicable.
(6) Amounts represent the incremental costs, if any, included in direct operating expense resulting from circumstances associated with the COVID-19 global pandemic, net of insurance recoveries. During the quarters ended September 30, 2023, December 31, 2023, March 31, 2024, and June 30, 2024, the Company has incurred a net benefit in direct operating expense due to insurance recoveries in excess of the incremental costs. These charges (benefits) are excluded from segment operating results.
(7) Adjusted Share-Based Compensation represents share-based compensation excluding the impact of the acceleration of certain vesting schedules for equity awards pursuant to certain severance arrangements, which are included in restructuring and other expenses when applicable.
(8) Primarily represents the amortization of non-cash fair value adjustments to certain assets acquired in acquisitions. These adjustments include the the amortization of the recoupable portion of the purchase price and the expense associated with the noncontrolling equity interests in the distributable earnings related to 3 Arts Entertainment, all of which are accounted for as compensation and are included in general and administrative expense.
(9) Amounts represent certain content impairment charges as a result of the Media Networks restructuring activities.

** Amounts may not add precisely due to rounding*

LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES
MEDIA NETWORKS SEGMENT DETAIL

(in millions)	Three Months Ended 6/30/23	Three Months Ended 9/30/23	Three Months Ended 12/31/23	Three Months Ended 3/31/24	Fiscal Year Ended 3/31/24	Three Months Ended 6/30/24
Starz Networks (North America)[1]						
Revenue	$ 342	$ 344	$ 347	$ 350	$ 1,383	$ 345
Gross Contribution	59	68	83	77	287	78
Product Line Profit	38	49	63	59	209	59
Other[2]						
Revenue	40	73	70	11	194	5
Gross Contribution	(2)	22	26	(3)	43	0
Product Line Profit	(6)	18	22	(6)	28	(1)
Total Media Networks Segment						
Revenue	**381**	**417**	**417**	**362**	**1,576**	**350**
Gross Contribution	**58**	**89**	**108**	**75**	**330**	**78**
Segment Profit	**$ 32**	**$ 67**	**$ 86**	**$ 53**	**$ 236**	**$ 58**

Subscriber Information (excluding subscribers in territories exited or to be exited):

(units in millions at end of period)	As of 6/30/23	As of 9/30/23	As of 12/31/23	As of 3/31/24	As of 6/30/24
Starz North America[3]					
OTT	12.51	12.73	13.43	13.38	13.20
Linear	9.48	9.21	8.85	8.42	8.10
Total	21.99	21.94	22.28	21.80	21.30
Other (excluding territories exited or to be exited)[4]					
OTT[5]	3.03	3.06	2.45	2.52	2.62
Total Starz (excluding territories exited or to be exited)					
OTT[5]	15.54	15.79	15.88	15.90	15.82
Linear	9.48	9.21	8.85	8.42	8.10
Total Starz (excluding territories exited or to be exited)	25.02	25.00	24.73	24.32	23.92
Starz Play Arabia[6]	2.80	3.04	3.19	3.22	3.25
Total (including Starz Play Arabia and excluding territories exited or to be exited)[5]	27.82	28.04	27.92	27.54	27.17
Subscribers by Platform (excluding territories exited or to be exited):					
OTT Subscribers[5][7]	18.34	18.83	19.07	19.12	19.07
Linear Subscribers	9.48	9.21	8.85	8.42	8.10
Total Global Subscribers (excluding territories exited or to be exited)[5]	27.82	28.04	27.92	27.54	27.17

Notes:

(1) Starz Networks represents the results of operations of the U.S. and Canada, see footnote (2) below.

(2) During the quarter ended June 30, 2024, the Company began reflecting the results of operations of Canada within Starz Networks. Accordingly, the following amounts were reclassified from "Other" (formerly "LIONSGATE+") to "Starz Networks" to conform to the current period presentation.

Canada results of operations reclassified:	Three Months Ended 6/30/23	Three Months Ended 9/30/23	Three Months Ended 12/31/23	Three Months Ended 3/31/24	Fiscal Year Ended 3/31/24
Revenue	$ 4	$ 4	$ 4	$ 5	$ 17
Gross Contribution	0	1	1	1	3
Product Line Profit	0	1	1	1	3

(3) Starz North America represents subscribers in the U.S. and Canada.

(4) Other consists of OTT subscribers in India.

(5) Excludes subscribers in territories exited or to be exited in Australia, Latin America and the U.K. as follows:

	As of 6/30/23	As of 9/30/23	As of 12/31/23	As of 3/31/24	As of 6/30/24
OTT Subscribers	1.59	1.58	1.10	0.57	-

(6) Represents subscribers of STARZPLAY Arabia, a non-consolidated equity method investee.

(7) OTT Subscribers includes subscribers of STARZPLAY Arabia, as presented above.

** Amounts may not add precisely due to rounding*

LIONS GATE ENTERTAINMENT CORP.
TRENDING SCHEDULES
KEY PERFORMANCE INDICATORS (KPIs)

(in millions, except per share data)	Three Months Ended 6/30/23	Three Months Ended 9/30/23	Three Months Ended 12/31/23	Three Months Ended 3/31/24	Fiscal Year Ended 3/31/24	Three Months Ended 6/30/24
Adjusted Free Cash Flow[1]	$ 35	$ 133	$ 64	$ (3)	$ 230	$ (89)
Basic EPS	*$ (0.31)*	*$ (3.79)*	*$ (0.45)*	*$ (0.22)*	*$ (4.77)*	*$ (0.25)*
Basic WAS	*230.2*	*234.0*	*235.1*	*235.3*	*233.6*	*235.6*
Diluted EPS	*$ (0.31)*	*$ (3.79)*	*$ (0.45)*	*$ (0.22)*	*$ (4.77)*	*$ (0.25)*
Diluted WAS	*230.2*	*234.0*	*235.1*	*235.3*	*233.6*	*235.6*
Adjusted Basic EPS[1]	*$ (0.04)*	*$ 0.21*	*$ 0.28*	*$ 0.27*	*$ 0.72*	*$ 0.09*
Adjusted Diluted EPS[1]	*$ (0.04)*	*$ 0.21*	*$ 0.27*	*$ 0.27*	*$ 0.71*	*$ 0.09*
Investment in Content						
Motion Picture	$ 123	$ 68	$ 83	$ 143	417	$ 233
Television Production	251	109	77	275	713	365
Media Networks	162	239	246	207	853	233
Eliminations	(90)	(195)	(146)	(132)	(563)	(137)
Total	$ 445	$ 221	$ 260	$ 493	$ 1,419	$ 694
U.S. Theatrical P&A and Premium VOD expense	$ 84	$ 66	$ 54	$ 74	$ 278	$ 51

	As of 6/30/23	As of 9/30/23	As of 12/31/23	As of 3/31/24	As of 6/30/24
Remaining Performance Obligations[2]	$ 1,891	$ 1,760	$ 1,971	$ 1,794	$ 1,832
Adjusted OIBDA Leverage Ratio[3]	3.7x	3.3x	4.0x	4.2x	3.8x
Adjusted OIBDA Leverage Ratio excluding LIONSGATE+ territories exited or to be exited and including eOne projected run-rate Adjusted OIBDA[4]	3.6x	3.2x	3.7x	3.6x	3.9x

Notes:

(1) See appendix for reconciliation to the nearest GAAP measure.

(2) Remaining performance obligations represent deferred revenue on the balance sheet plus fixed fee or minimum guarantee contracts where the revenue will be recognized and the cash received in the future (i.e., backlog). Remaining performance obligations do not include estimates of variable consideration for transactions involving sales or usage-based royalties (i.e., where our revenue is dependent upon the sales or usage by our customers) in exchange for licenses of intellectual property. The backlog portion of remaining performance obligations (excluding deferred revenue) related to our Motion Picture and Television Production segments at June 30, 2024 and March 31, 2024 was $1.3 billion and $1.5 billion, respectively.

(3) The leverage ratio represents net corporate debt divided by the trailing twelve months of Adjusted OIBDA as set forth below:

	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Net Corporate Debt					
Corporate Debt	$ 1,966	$ 1,955	$ 2,319	$ 2,509	$ 2,220
Less: Cash and equivalents	(323)	(224)	(283)	(314)	(193)
Net Corporate Debt	$ 1,643	$ 1,732	$ 2,036	$ 2,195	$ 2,027

Corporate Debt excludes finance lease obligations

Adjusted OIBDA Leverage Ratio					
Net Corporate Debt per above	$ 1,643	$ 1,732	$ 2,036	$ 2,195	$ 2,027
Adjusted OIBDA for the trailing twelve months	439	532	515	518	536
Leverage Ratio	3.7x	3.3x	4.0x	4.2x	3.8x

(4) The leverage ratio represents net corporate debt divided by the trailing twelve months of Adjusted OIBDA excluding the Adjusted OIBDA of LIONSGATE+ territories exited or to be exited, and for the quarters ended December 31, 2023 and March 31, 2024 includes the projected run-rate Adjusted OIBDA from eOne. The quarter ended March 31, 2024 also reflects the paydown of corporate debt from the Lionsgate Studios capital raise. The below leverage calculation is for illustrative purposes and not necessarily indicative of the results had the territories been exited at the beginning of the period.

Adjusted OIBDA Leverage Ratio excluding LIONSGATE+ territories exited or to be exited and including eOne projected run-rate Adjusted OIBDA and paydown of corporate debt from Lionsgate Studios capital raise	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Net Corporate Debt per above	$ 1,643	$ 1,732	$ 2,036	$ 2,195	$ 2,027
Less: Paydown of corporate debt from Lionsgate Studios capital raise	-	-	-	(299)	-
Net Corporate Debt adjusted for Lionsgate Studios capital raise	$ 1,643	$ 1,732	$ 2,036	$ 1,896	$ 2,027
Adjusted OIBDA for the trailing twelve months	439	532	515	518	536
Less: Adjusted OIBDA of LIONSGATE+ territories exited or to be exited	23	6	(28)	(35)	(41)
Plus: Projected Run-Rate Adjusted OIBDA from eOne	-	-	60	45	30
Adjusted OIBDA excluding LIONSGATE+ territories exited or to be exited for the trailing twelve months and including eOne projected run-rate Adjusted OIBDA	462	538	547	527	525
Leverage Ratio	3.6x	3.2x	3.7x	3.6x	3.9x

APPENDIX 1

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

(in millions)	Three Months Ended 6/30/23	Three Months Ended 9/30/23	Three Months Ended 12/31/23	Three Months Ended 3/31/24	Fiscal Year Ended 3/31/24	Three Months Ended 6/30/24
Net Cash Flows Provided By (Used In) Operating Activities	$ 29	$ 301	$ 71	$ (5)	$ 397	$ (159)
Capital expenditures	(9)	(9)	(6)	(10)	(35)	(9)
Net borrowings under and (repayment) of production and related loans:						
Production loans and programming notes	1	(172)	(35)	(36)	(242)	69
Production tax credit facility	3	(1)	15	10	28	(0)
Payments on impaired content in territories exited or to be exited (1)	11	14	18	38	82	11
Adjusted Free Cash Flow	$ 35	$ 133	$ 64	$ (3)	$ 230	$ (89)

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

(in millions)	Three Months Ended 6/30/23	Three Months Ended 9/30/23	Three Months Ended 12/31/23	Three Months Ended 3/31/24	Fiscal Year Ended 3/31/24	Three Months Ended 6/30/24
Reported Net Income (Loss) Attributable to Lions Gate Entertainment Corp. Shareholders	$ (71)	$ (886)	$ (107)	$ (40)	$ (1,103)	$ (59)
Adjusted share-based compensation expense	16	26	25	14	81	18
Goodwill and intangible asset impairment	-	664	-	-	664	-
Restructuring and other	32	222	117	138	509	23
COVID-19 related charges (benefit)	0	(1)	(0)	(1)	(1)	(3)
Programming and content charges	-	-	-	-	-	-
Purchase accounting and related adjustments	44	37	39	33	154	40
(Gain) loss on extinguishment of debt	(21)	-	-	1	(20)	6
(Gain) loss on investments, net and other (2)	-	2	(4)	(9)	(12)	-
Tax impact of above items (3)	0	(10)	0	(65)	(75)	(0)
Noncontrolling interest impact of above items	(11)	(6)	(5)	(9)	(30)	(3)
Adjusted Net Income (Loss) Attributable to Lions Gate Entertainment Corp. Shareholders	$ (10)	$ 49	$ 65	$ 63	$ 167	$ 21
Reported Basic EPS	$ (0.31)	$ (3.79)	$ (0.45)	$ (0.22)	$ (4.77)	$ (0.25)
Impact of adjustments on basic earnings (loss) per share (4)	0.27	4.00	0.73	0.49	5.49	0.34
Adjusted Basic EPS	$ (0.04)	$ 0.21	$ 0.28	$ 0.27	$ 0.72	$ 0.09
Reported Diluted EPS	$ (0.31)	$ (3.79)	$ (0.45)	$ (0.22)	$ (4.77)	$ (0.25)
Impact of adjustments on diluted earnings (loss) per share (4)	0.27	4.00	0.72	0.49	5.48	0.34
Adjusted Diluted EPS	$ (0.04)	$ 0.21	$ 0.27	$ 0.27	$ 0.71	$ 0.09
Adjusted Weighted Average number of common shares outstanding:						
Basic	230.2	234.0	235.1	235.3	233.6	235.6
Diluted	230.2	235.0	236.7	238.9	236.6	240.4

Notes:

(1) Represents cash payments made on impaired content in territories exited or to be exited under the LIONSGATE+ international restructuring.

(2) In the three months and fiscal year ended March 31, 2024, these amounts include certain insurance proceeds reflected in interest and other income on the consolidated statement of operations.

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

(4) In the three months and fiscal year ended March 31, 2024, these amounts include an adjustment of $0.05 representing the per share impact of the accretion of redeemable noncontrolling interest of $11.9 million which is reflected in r basic and diluted net loss per share.