LIBERTY LATIN AMERICA

FY 2018 INVESTOR CALL

February 21, 2019

LIBERTY LATIN AMERICA

“SAFE HARBOR”

FORWARD-LOOKING STATEMENT | DEFINED TERMS

FORWARD-LOOKING STATEMENTS AND DISCLAIMER

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements with respect to our strategies, financial performance, operational momentum, future growth prospects, growth rates in our markets, and opportunities, including inorganic growth opportunities and the potential benefits from such opportunities; our expectations with respect to subscribers, customer data usage, revenue, ARPU per RGU, OCF and Adjusted FCF; statements regarding the development, enhancement, and expansion of, our superior networks (including our plans to deliver new or upgraded homes in 2019 and our plans to expand LTE coverage and usage) and the anticipated impacts of such activity; statements regarding the deployment of digital technologies to enhance experience and reduce customer friction; our estimates of future P&E additions and operating expenditures, each as a percentage of revenue; statements regarding the establishment of a new Operations Center in Panama; the strength of our balance sheet and tenor of our debt; and other information and statements that are not historical fact. These forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statement.

These risks and uncertainties include events that are outside of our control, such as hurricanes and other natural disasters, the ability and cost to restore networks in the markets impacted by hurricanes; the continued use by subscribers and potential subscribers of our services and their willingness to upgrade to our more advanced offerings; our ability to meet challenges from competition, to manage rapid technological change or to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers; the effects of changes in laws or regulation; general economic factors; our ability to obtain regulatory approval and satisfy conditions associated with acquisitions and dispositions; our ability to successfully acquire and integrate new businesses and realize anticipated efficiencies from acquired businesses; the availability of attractive programming for our video services and the costs associated with such programming; our ability to achieve forecasted financial and operating targets; the outcome of any pending or threatened litigation; the ability of our operating companies to access cash of their respective subsidiaries; the impact of our operating companies' future financial performance, or market conditions generally, on the availability, terms and deployment of capital; fluctuations in currency exchange and interest rates; the ability of suppliers and vendors (including our third-party wireless network provider under our MVNO arrangement) to timely deliver quality products, equipment, software, services and access; our ability to adequately forecast and plan future network requirements including the costs and benefits associated with network expansions; and other factors detailed from time to time in our filings with the Securities and Exchange Commission, including our most recently filed Form 10-K. These forward-looking statements speak only as of the date of this presentation. 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 change in events, conditions or circumstances on which any such statement is based.

INFORMATION RELATING TO DEFINED TERMS

Please refer to the Appendix at the end of this presentation, as well as our press release dated February 20, 2019, and our SEC filings, for the definitions of the following terms which may be used herein including: Rebased Growth, Operating Cash Flow (“OCF”), OCF minus P&E Additions, Adjusted Free Cash Flow (“Adjusted FCF”), Revenue Generating Units (“RGUs”), Average Revenue per Unit (“ARPU”), as well as non-GAAP reconciliations, where applicable.

AGENDA

01 | EXECUTIVE SUMMARY

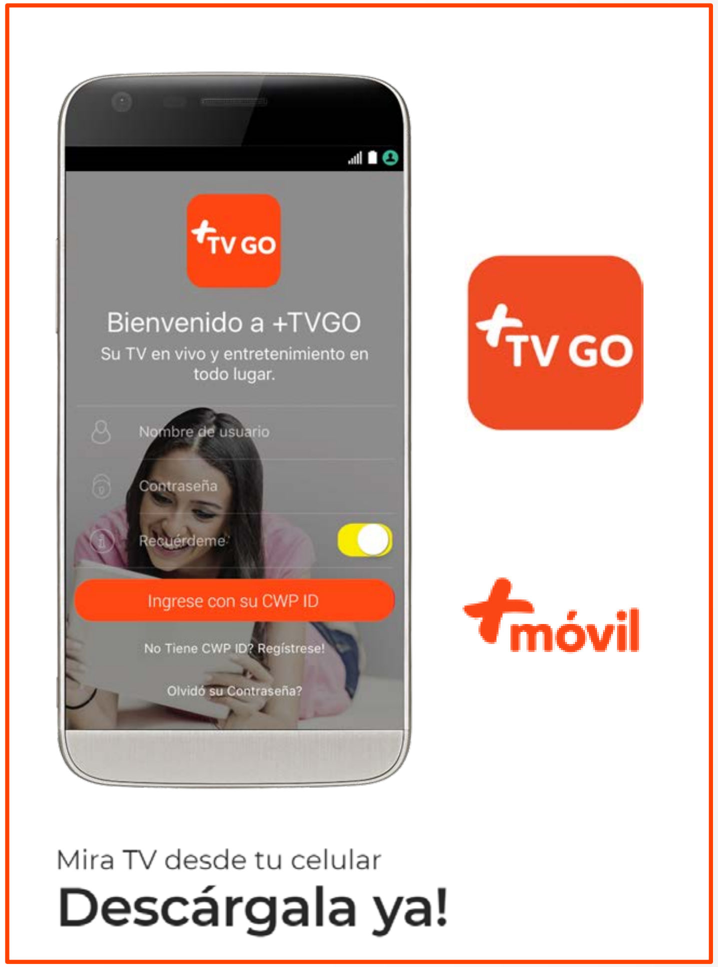
02 | FY 2018 RESULTS

03 | APPENDIX

LIBERTY LATIN AMERICA | KEY MESSAGES

2018 GUIDANCE ACHIEVED; SOLID FOUNDATION FOR FUTURE GROWTH

1. **Delivered** FY 2018 **Financial Guidance**; 192,000 RGU Additions
2. **Completed** Puerto Rico **Restoration**, December 2018 **OCF**(1) **> Guidance**
3. Deploying **World-Class** Fixed and Mobile **Networks**
4. Commenced **Operational** and **Organizational Transformation**
5. Progressing **Inorganic Strategy**



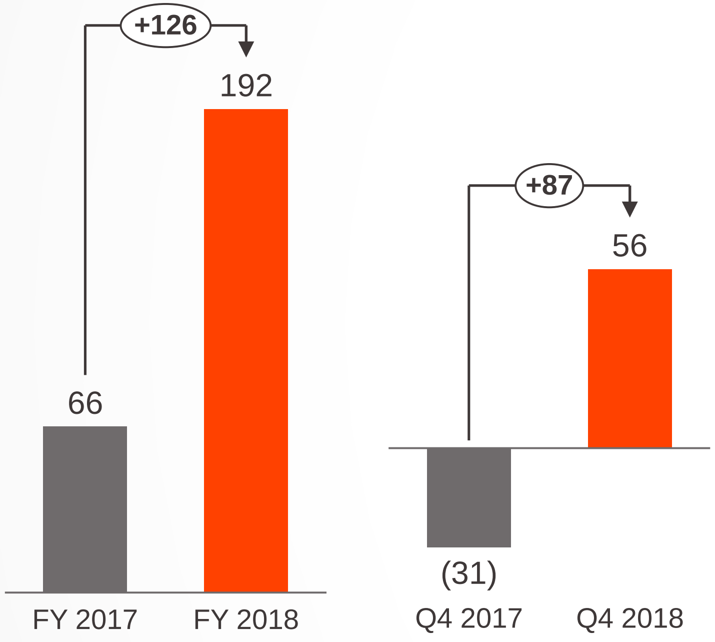
(1) Excluding the favorable impact from insurance settlements.

ENHANCING OUR CUSTOMER VALUE PROPOSITION[(1)]

DELIVERING LEADING SERVICES THROUGH SUPERIOR CONNECTIVITY

GROWING OUR RGU ADDITIONS

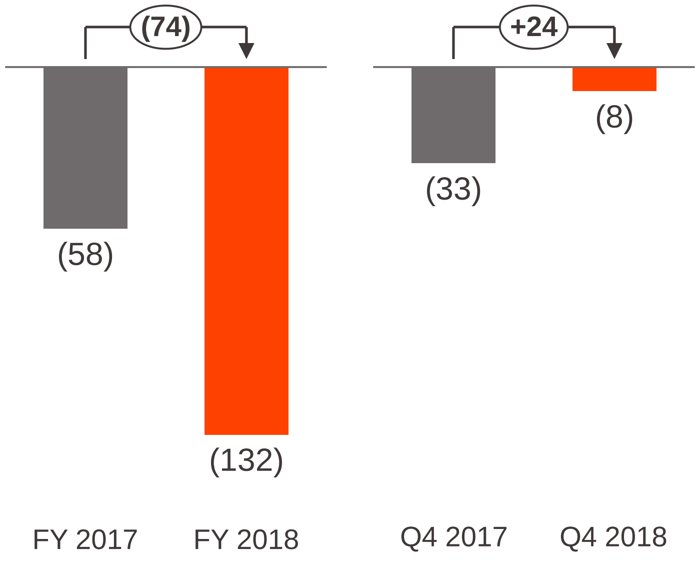
IN THOUSANDS – FIXED SUBSCRIBER ADDITIONS



- Record broadband RGU additions in 2018
- Delivered video gains in past four quarters
- Broadband penetration still low across our markets

OUR MOBILE PERFORMANCE

IN THOUSANDS – MOBILE SUBSCRIBER LOSSES



- Encouraging Q4 performance at C&W
- “Moments that Move Us” campaigns extended
- VTR delivered another consistent growth quarter

CUSTOMER SATISFACTION INCREASING

DECEMBER 2018 ROLLING 12M NPS CHANGE YOY

C&W Communications **+3 points**

vtr.com **+9 points**

Liberty **+16 points**

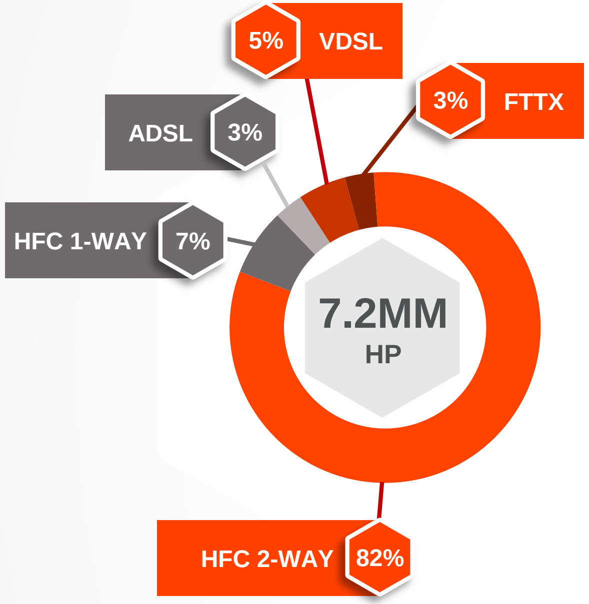
- NPS improvements across operations
- Enhancing customer service levels
- Harvesting investments in networks & products

(1) See Appendix for definitions and additional information.

INVESTING IN OUR NETWORKS & PRODUCT INNOVATION[(1)]

OPERATING THE FASTEST AND MOST RELIABLE NETWORKS

OUR HIGH-SPEED FIXED NETWORKS



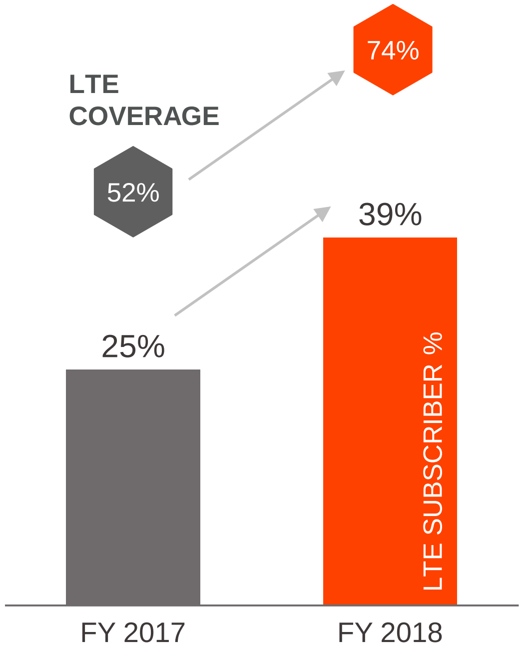
#1
IN KEY MARKETS

CHL
PR
TTO
CR

- Speed leadership in our largest fixed markets
- Offering >100 Mbps in majority of operations
- 330k HP New/Upgraded in 2018; more to come

LEADING SPEEDS & EXPANDING LTE

LTE SUBSCRIBERS AS % OF BASE
LTE COVERAGE AS % OF POPULATION



#1
IN KEY MARKETS

PAN
JAM
BHS
BB

- Mobile speed leadership in our key markets
- LTE coverage to be expanded in 2019
- Continued focus on migrating customers to LTE

OUR COMMITMENT TO DRIVE INNOVATION

2018 ACHIEVEMENTS

- New market-leading OTT apps
- 1.2 million next-gen WiFi modems
- Innovative "hybrid" mobile offers

PRODUCT ROADMAP FOR 2019

- Introduce low cost LTE handsets
- Bespoke video strategies for our markets
- Lead with speed & in-home connectivity

(1) See Appendix for definitions and additional information.

EXPLOITING NETWORK LEADERSHIP TO EXPAND B2B[1]

PROVIDING INNOVATIVE, RESILIENT & SECURE SOLUTIONS

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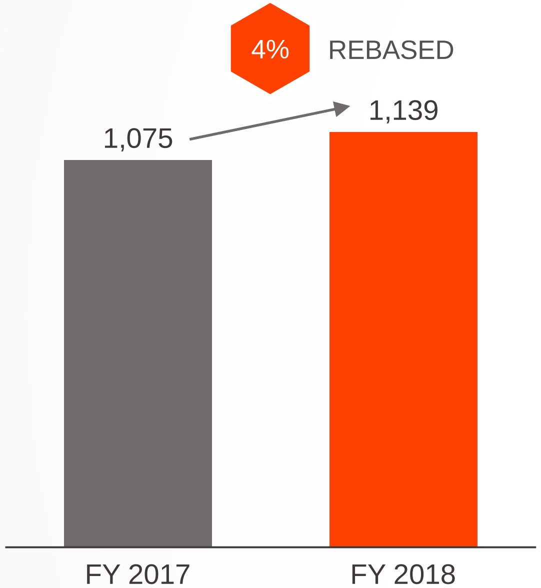
CONTINUED B2B GROWTH

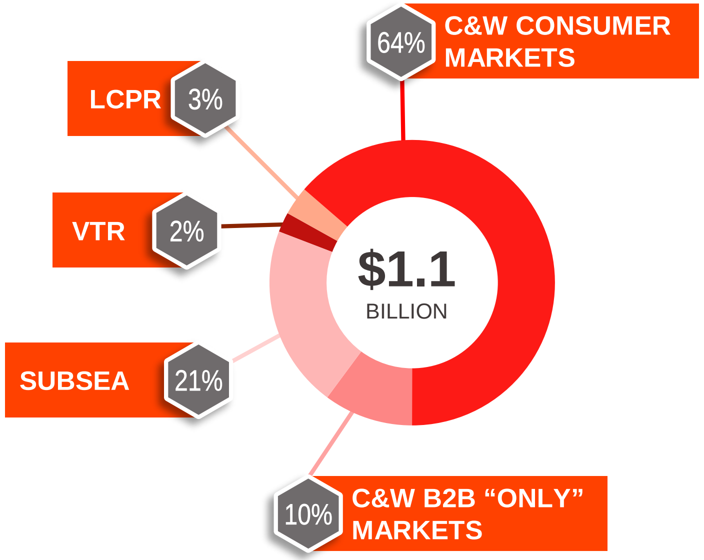
USD MM



- Data growth, partly offset by legacy headwinds
- Focus on managed services & applications
- Opportunities for further growth

BREAKDOWN OF OUR B2B REVENUE

FY 2018



OUR LEADING B2B SEGMENTS

Government | Finance | Retail | Hospitality

NETWORK LEADERSHIP | HIGH-SPEED & REDUNDANT

(1) See Appendix for definitions and additional information.

OUR FOCUS ON OPERATIONS

LEVERAGING SCALE & EXPERTISE TO DRIVE ORGANIC GROWTH

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DRIVING BUSINESS TRANSFORMATION

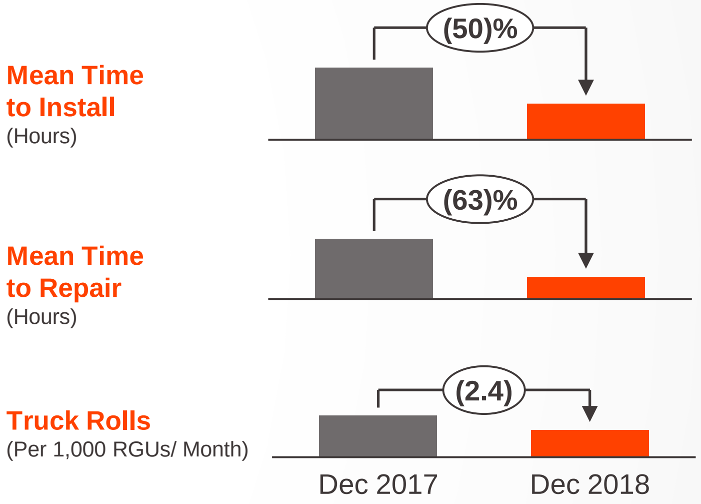
1. Creating a **new culture**
2. Establishing an **operating model** to drive scale benefits
3. **Integrated T&I** organization
4. **Digital transformation**: enhance experience & reduce cost
5. Leveraging **scale in commercial**

NEW SCALABLE OPERATIONS CENTER

- Panama City, to be launched late 2019
- Leveraging our scale and expertise
- Centralization of:
  - Technology & Innovation
  - Finance
  - Human Resources

OPERATIONAL IMPROVEMENTS IN 2018

C&W Communications



- Delivered improvements across key operational metrics in all our major markets
- Deployment of digital technologies to enhance experience and reduce customer friction
- Transformation is multi-year journey

INORGANIC EXPANSION (1)

DISCIPLINED APPROACH UNDERPINNED 2018 ACTIVITY

VALUE CREATING TRANSACTIONS | 2018

CABLETICA

- A leading cable operator in Costa Rica
- Integration progressing well
- Debt and cash financed

Liberty

- Acquired 40% stake from Searchlight Capital
- Network restored, strong recovery underway
- Equity financed

OUR KEY M&A CRITERIA

1	In-market **consolidation**
2	Building **scale** in products and services
3	**Diversification** via new markets
4	**Discipline** with focus on **growth** & **Adj. FCF**

(1) See Appendix for definitions and additional information.

STRATEGIC VISION | UNLOCKING GROWTH OPPORTUNITIES [(1)]

BUILDING A FOUNDATION FOR SUSTAINABLE GROWTH

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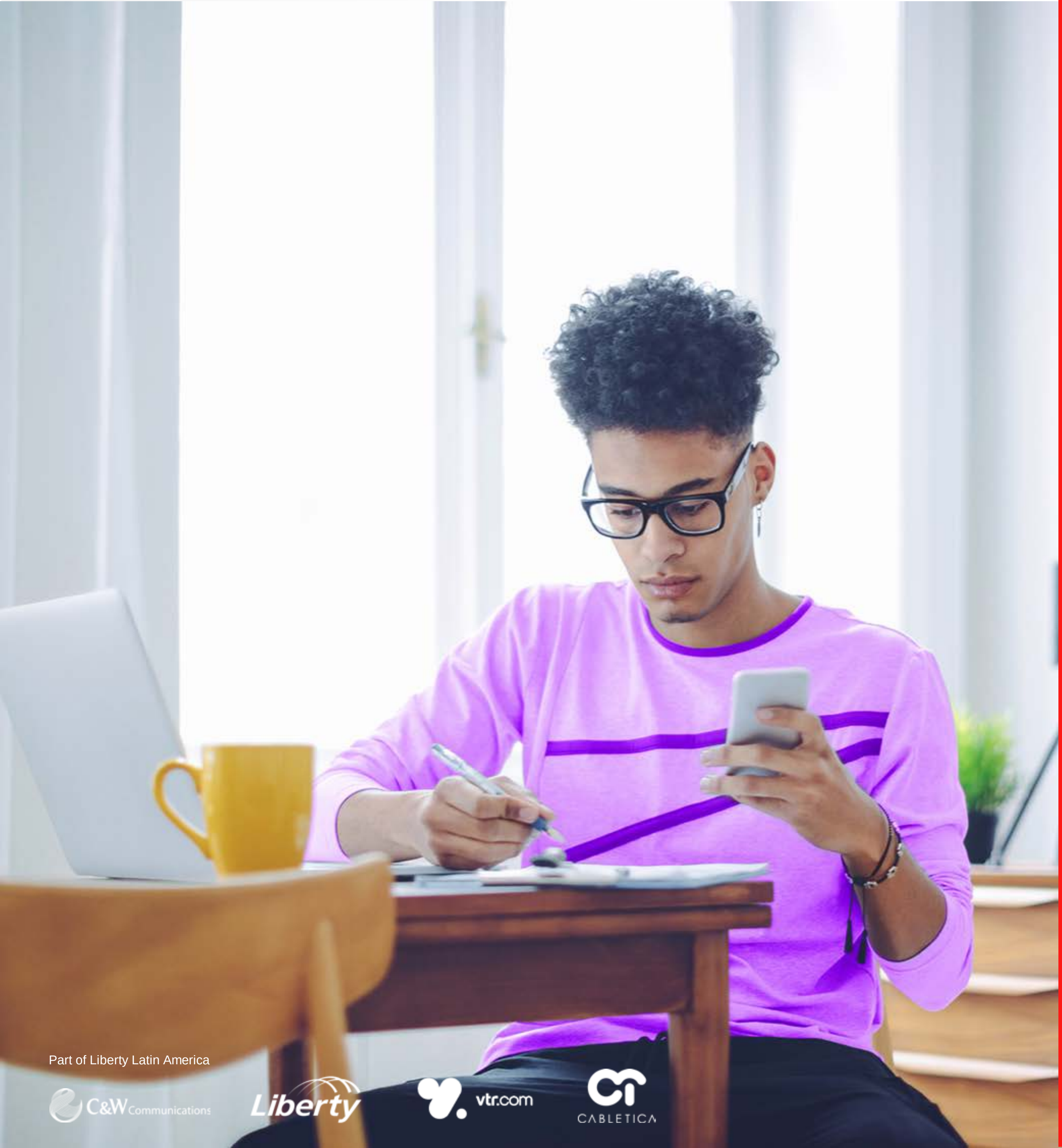
Our Focus Areas:

1	**Leading** fixed and mobile **speeds & products**
2	**Top-line growth**, cost and operating **efficiencies**
3	**Increasing OCF less P&E adds** as % of revenue
4	Sustainable **Adjusted FCF growth**

(1) See Appendix for definitions and additional information.



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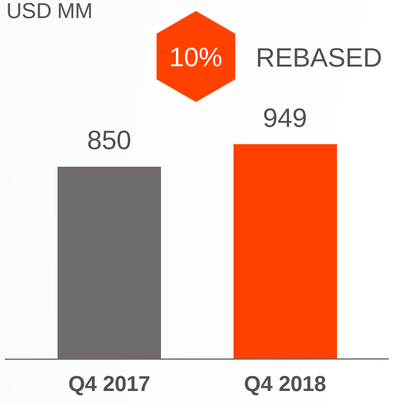
2018 FINANCIAL RESULTS[1]

CREATED ROBUST MOMENTUM INTO 2019

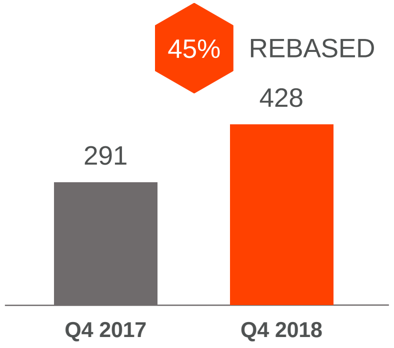
LIBERTY™ LATIN AMERICA

Q4 2018 RESULTS

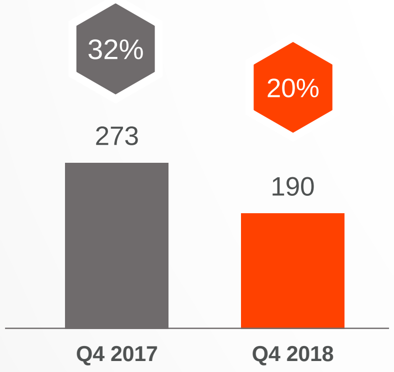
REVENUE
USD MM



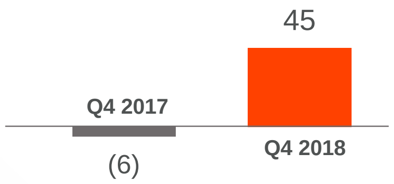
OCF
USD MM



P&E ADDITIONS
USD MM; AS % OF REVENUE

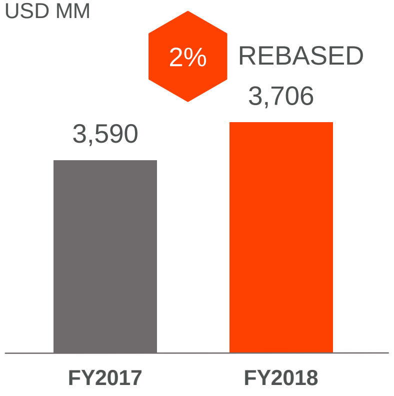


ADJUSTED FCF
USD MM

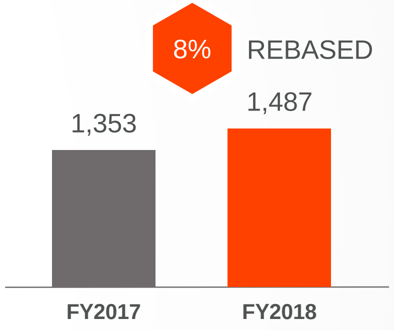


FY 2018 RESULTS

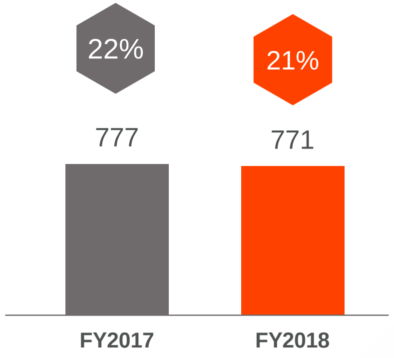
REVENUE
USD MM



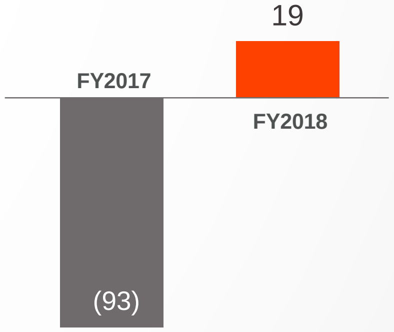
OCF
USD MM



P&E ADDITIONS
USD MM; AS % OF REVENUE



ADJUSTED FCF
USD MM



(1) See Appendix for definitions and additional information

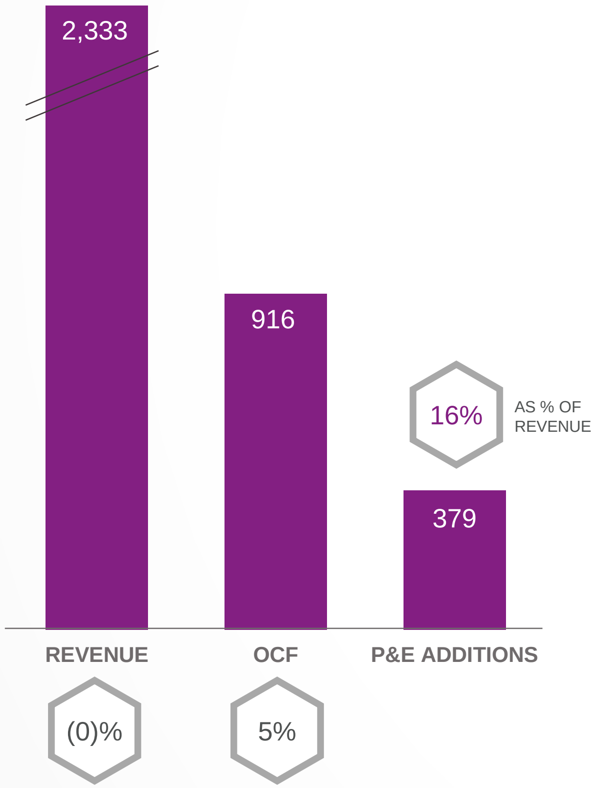
2018 REGIONAL RESULTS[(1)]

CONSISTENT VTR/CT GROWTH AND STEADY C&W SUPPORTED BY STRONG LCPR RECOVERY

C&W Communications

RESULTS & REBASED GROWTH

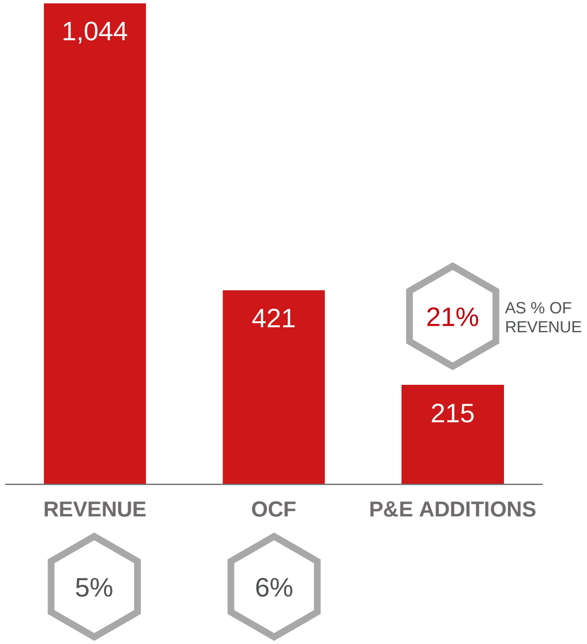
USD MM



vtr.com / CABLETICA

RESULTS & REBASED GROWTH

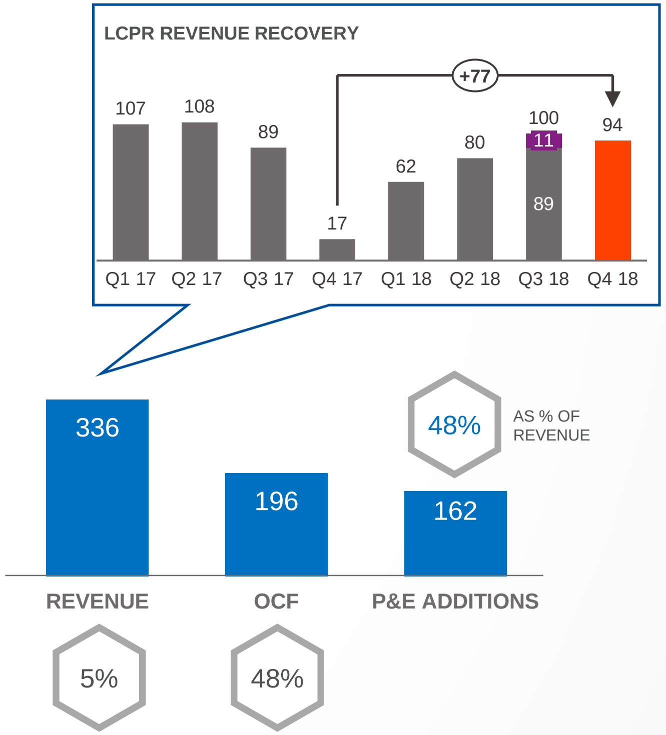
USD MM



Liberty

RESULTS & REBASED GROWTH

USD MM



REBASED VS PY

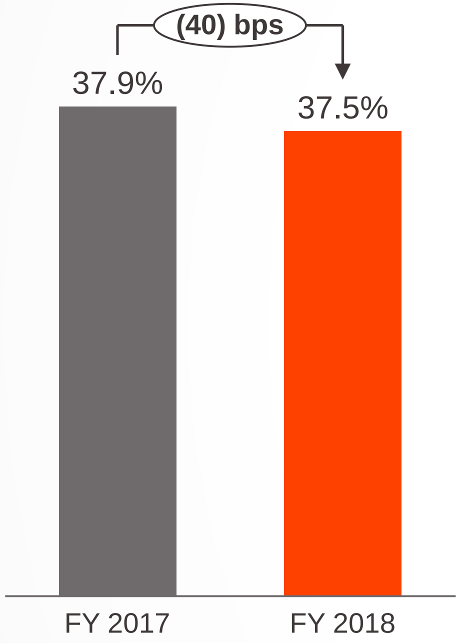
(1) See Appendix for definitions and additional information.

EFFICIENCY OPPORTUNITIES OVER MEDIUM TERM[1]

SUSTAINABLE GROWTH POWERED BY OUR OPERATING MODEL

OPEX EFFICIENCY OPPORTUNITY

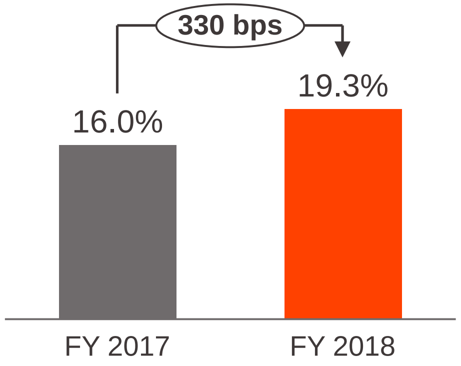
OPEX / REVENUE - EXCLUDING SHARE-BASED COMPENSATION[2]



- Cable & Wireless at 38% in 2018
- VTR and LCPR both in low 30%'s
- Focus to reduce LLA Opex /Revenue

OCF MINUS P&E ADDITIONS OPPORTUNITY

(OCF – P&E ADDITIONS) / REVENUE



- 2018 improvement mainly driven by Cable & Wireless
- OCF margin and lower capital intensity opportunity
- Focus on improving LLA OCF minus P&E Additions as % of revenue

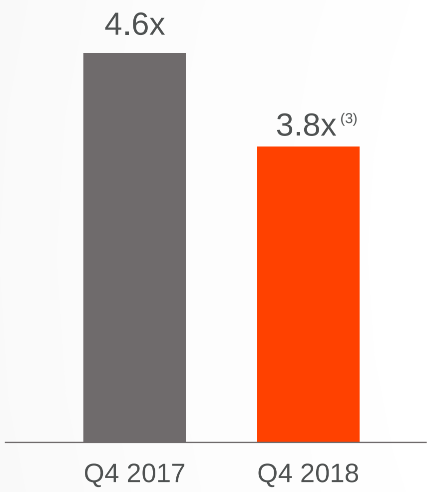
(1) See Appendix for definitions and additional information, including Opex.
(2) Excludes share-based compensation of $40 million in 2018 and $14 million in 2017.

BALANCE SHEET & FINANCIAL GUIDANCE[(1)]

BUILDING BLOCKS FOR 2019 GROWTH ARE IN PLACE

LEVERAGE RATIO

NET LEVERAGE – L2QA



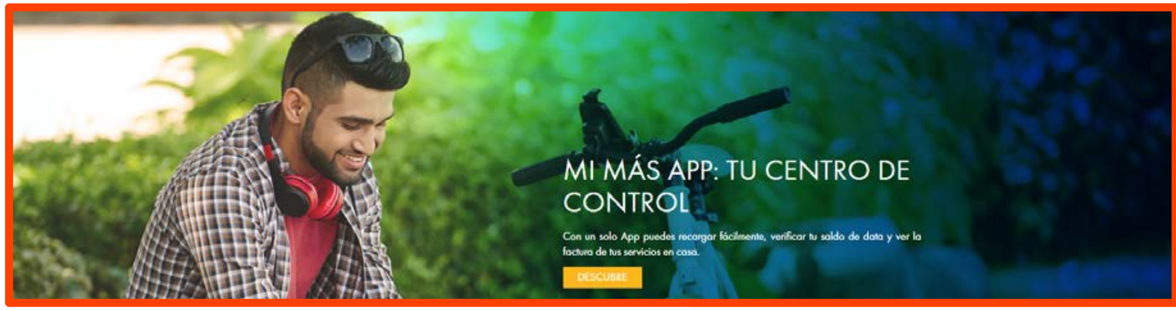
- Cost of debt: 6.5%
- >90% of debt due in 2022 or later
- Proportionate ratio ~0.5x higher

LLA FINANCIAL GUIDANCE 2018

1	**OCF** **>** $1.4 billion	✓
2	**P&E Additions** 19% - 21% of revenue	✓
3	**Adjusted FCF** modestly negative	✓

LLA FINANCIAL GUIDANCE 2019

1	**OCF** [(2)] > $1.525 billion
2	**P&E Additions** ~19% of revenue
3	**Adjusted FCF** ~$125 million



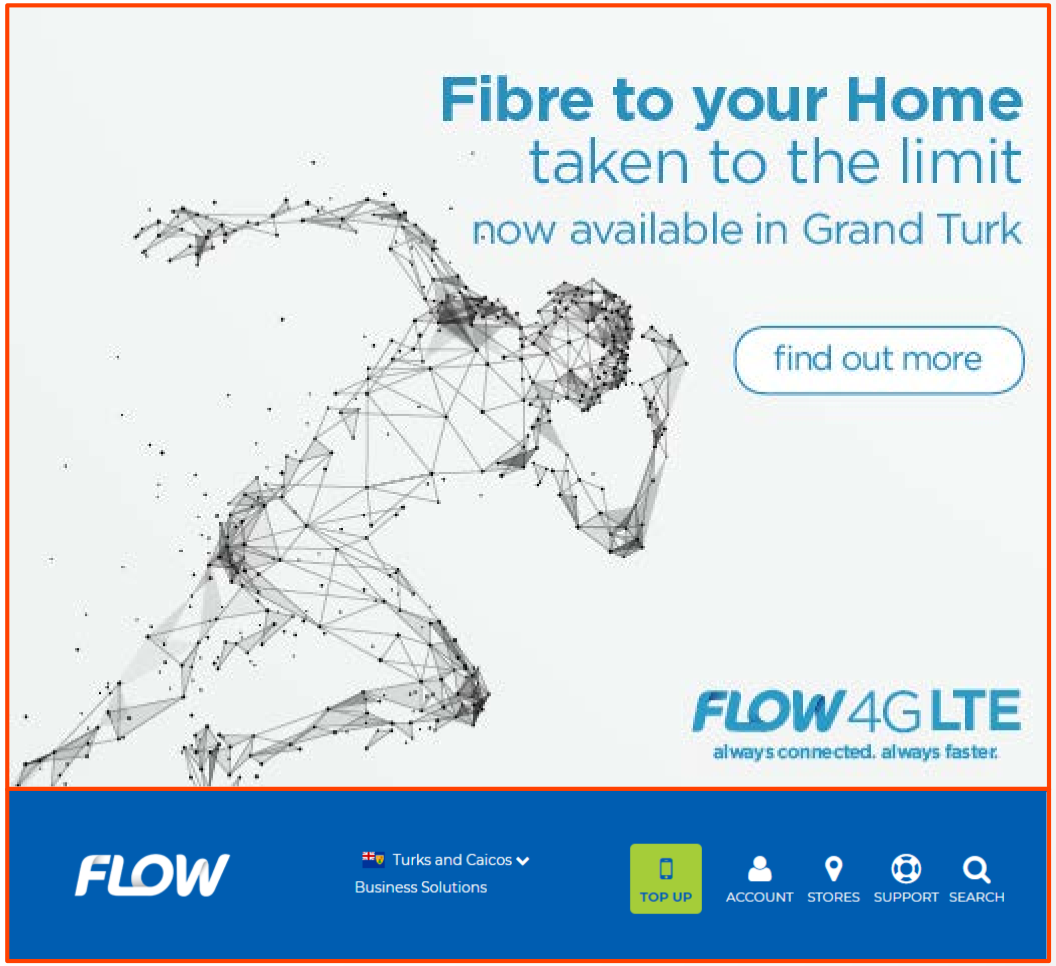
+móvil

(1) See Appendix for definitions and additional information.
(2) OCF guidance is based on USDCLP at 670 and USDJMD at 130.
(3) Excluding business interruption insurance recoveries, the leverage ratio would have been ~0.4x higher

CONCLUSIONS

EXECUTING OUR VALUE CREATION STRATEGY

1. **Product** differentiation & **new build** fuel subscriber growth
2. Enhancing **customer experience**; leading **speeds**
3. Growing our data-centric **B2B solutions**
4. Focusing on **scale & efficiency**; new Operations Center
5. Pro-active **capital allocation** to drive shareholder value



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DEFINITIONS AND ADDITIONAL INFORMATION

ARPU

Average revenue per unit refers to the average monthly subscription revenue (subscription revenue excludes interconnect, mobile handset sales and late fees) per average customer relationship or mobile subscriber, as applicable. ARPU per average customer relationship is calculated by dividing the average monthly subscription revenue from residential fixed and SOHO fixed services by the average of the opening and closing balances for customer relationships for the indicated period. ARPU per average mobile subscriber is calculated by dividing residential mobile and SOHO mobile revenue for the indicated period by the average of the opening and closing balances for mobile subscribers for the indicated period. Unless otherwise indicated, ARPU per customer relationship or mobile subscriber is not adjusted for currency impacts. ARPU per RGU refers to average monthly revenue per average RGU, which is calculated by dividing the average monthly subscription revenue from residential and SOHO services for the indicated period, by the average of the opening and closing balances of the applicable RGUs for the period. Unless otherwise noted, ARPU in this release is considered to be ARPU per average customer relationship or mobile subscriber, as applicable. Customer relationships, mobile subscribers and RGUs of entities acquired during the period are normalized.

B2B

Business-to-business subscription revenue represents revenue from services to certain SOHO subscribers (fixed and mobile). B2B non-subscription revenue includes business broadband internet, video, telephony, mobile and data services offered to medium to large enterprises and, on a wholesale basis, to other operators.

BASIC VIDEO SUBSCRIBER

A home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network either via an analog video signal or via a digital video signal without subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Encryption-enabling technology includes smart cards, or other integrated or virtual technologies that we use to provide our enhanced service offerings. With the exception of RGUs that we count on an equivalent billing unit ("EBU") basis, we generally count RGUs on a unique premises basis. In other words, a subscriber with multiple outlets in one premises is counted as one RGU and a subscriber with two homes and a subscription to our video service at each home is counted as two RGUs. We exclude DTH subscribers (as defined below) from basic video subscribers.

DIRECT-TO-HOME (“DTH”) SUBSCRIBER

A home, residential multiple dwelling unit or commercial unit that receives our video programming broadcast directly via satellite.

ENHANCED VIDEO SUBSCRIBER

A home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Enhanced video subscribers that are not counted on an EBU basis are generally counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives our video service in one premises is generally counted as just one subscriber. An enhanced video subscriber is not counted as a basic video subscriber. As we migrate customers from basic to enhanced video services, we report a decrease in our basic video subscribers equal to the increase in our enhanced video subscribers.

FIXED-LINE CUSTOMER RELATIONSHIPS

The number of customers who receive at least one of our video, internet or telephony services that we count as RGUs, without regard to which or to how many services they subscribe. To the extent that RGU counts include EBU adjustments, we reflect corresponding adjustments to our customer relationship counts. For further information regarding our EBU calculation, see Additional General Notes below. Fixed-line customer relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two customer relationships. We exclude mobile-only customers from customer relationships.

FULLY-SWAPPED BORROWING COST

Represents the weighted average interest rate on our aggregate variable- and fixed-rate indebtedness (excluding capital leases and including vendor financing obligations), including the effects of derivative instruments, original issue premiums or discounts and commitment fees, but excluding the impact of financing costs.

HOMES PASSED

Homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant, except for DTH homes. Certain of our homes passed counts are based on census data that can change based on either revisions to the data or from new census results. We do not count homes passed for DTH.

DEFINITIONS AND ADDITIONAL INFORMATION

INTERNET (BROADBAND) SUBSCRIBER

A home, residential multiple dwelling unit or commercial unit that receives internet services over our networks.

MOBILE SUBSCRIBERS

Our mobile subscriber count represents the number of active subscriber identification module ("SIM") cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from our mobile telephony subscriber counts after periods of inactivity ranging from 30 to 60 days, based on industry standards within the respective country. In a number of countries, our mobile subscribers receive mobile services pursuant to prepaid contracts.

NET LEVERAGE

Our gross and net debt ratios are defined as total debt and net debt to annualized OCF of the latest two quarters. Net debt is defined as total debt less cash and cash equivalents. For purposes of these calculations, debt is measured using swapped foreign currency rates, consistent with the covenant calculation requirements of our subsidiary debt agreements.

NPS

Net promoter score.

OCF MARGIN

Calculated by dividing OCF by total revenue for the applicable period.

OPEX

As used on slide 14, Opex represents the sum of other operating expenses ($640 million and $665 million, respectively, for the years ended December 31, 2018 and 2017) and selling, general and administrative expenses ("SG&A") of ($789 million and $711 million, respectively, for the years ended December 31, 2018 and 2017) both as reflected in the consolidated statement of operations in our Form 10-K, less share-based compensation expense ($40 million and $14 million, respectively, for the years ended December 31, 2018 and 2017)

REVENUE GENERATING UNIT ("RGU")

RGU is separately a basic video subscriber, enhanced video subscriber, DTH subscriber, internet subscriber or telephony subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer in Chile subscribed to our enhanced video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of basic video, enhanced video, DTH, internet and telephony subscribers. RGUs are generally counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g., a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled cable, internet or telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers or free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our RGU counts exclude our separately reported postpaid and prepaid mobile subscribers.

SOHO

Small office/home office customers.

TELEPHONY SUBSCRIBER

A home, residential multiple dwelling unit or commercial unit that receives voice services over our networks. Telephony subscribers exclude mobile telephony subscribers.

TWO-WAY HOMES PASSED

Homes passed by those sections of our networks that are technologically capable of providing two-way services, including video, internet and telephony services.

U.S. GAAP

Generally accepted accounting principles in the United States.

DEFINITIONS AND ADDITIONAL INFORMATION

INFORMATION ON REBASED GROWTH

For purposes of calculating rebased growth rates on a comparable basis for all businesses that we owned during 2018, we have adjusted our historical revenue and OCF for the three months and year ended December 31, 2017 to (i) include the pre-acquisition revenue and OCF of certain entities acquired during 2018 and 2017 in our rebased amounts for the three months and year ended December 31, 2017 to the same extent that the revenue and OCF of such entities are included in our results for the three months and year ended December 31, 2018, (ii) reflect the estimated impacts of adopting Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers, for the three months and year ended December 31, 2017 and (iii) reflect the translation of our rebased amounts for the three months and year ended December 31, 2017 at the applicable average foreign currency exchange rates that were used to translate our results for the three months and year ended December 31, 2018. We have included Cabletica in whole or in part in the determination of our rebased revenue and OCF for the three months ended December 31, 2017. We have included Cabletica and the Carve-out Entities in whole or in part in the determination of our rebased revenue and OCF for the year ended December 31, 2017. We have reflected the revenue and OCF of the acquired entities in our 2017 rebased amounts based on what we believe to be the most reliable information that is currently available to us (generally pre-acquisition financial statements), as adjusted for the estimated effects of (a) any significant differences between U.S. GAAP and local generally accepted accounting principles, (b) any significant effects of acquisition accounting adjustments, (c) any significant differences between our accounting policies and those of the acquired entities and (d) other items we deem appropriate. We do not adjust pre-acquisition periods to eliminate nonrecurring items or to give retroactive effect to any changes in estimates that might be implemented during post-acquisition periods. As we did not own or operate the acquired businesses during the pre-acquisition periods, no assurance can be given that we have identified all adjustments necessary to present their revenue and OCF on a basis that is comparable to the corresponding post-acquisition amounts that are included in our historical results or that the pre-acquisition financial statements we have relied upon do not contain undetected errors. The adjustments reflected in our rebased amounts have not been prepared with a view towards complying with Article 11 of Regulation S-X. In addition, the rebased growth percentages are not necessarily indicative of the revenue and OCF that would have occurred if these transactions had occurred on the dates assumed for purposes of calculating our rebased amounts or the revenue and OCF that will occur in the future. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis, and are not presented as a measure of our pro forma financial performance. The following table provides adjustments made to the 2017 amounts to derive our rebased growth rates. Due to rounding, certain rebased growth rate percentages may not recalculate.

	REVENUE		**OCF**	
	Three months ended December 31, 2017	Year ended December 31, 2017	Three months ended December 31, 2017	Year ended December 31, 2017
	In millions			
Acquisitions	$ 29.3	$ 37.5	$ 10.3	$ 11.9
Adoption of new accounting standard	2.1	9.9	2.0	10.2
Foreign currency	(22.1)	4.3	(8.7)	1.3
Total	**$ 9.3**	**$ 51.7**	**$ 3.6**	**$ 23.4**

OPERATING CASH FLOW AND OPERATING CASH FLOW MINUS P&E ADDITIONS DEFINITIONS AND RECONCILIATIONS

As used herein, OCF has the same meaning as the term "Adjusted OIBDA" that is referenced in our Form 10-K. OCF is the primary measure used by our chief operating decision maker to evaluate segment operating performance. OCF and OCF minus P&E additions are also key factors that are 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, OCF is defined as operating income (loss) 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 (i) gains and losses on the disposition of long-lived assets, (ii) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Our internal decision makers believe OCF and OCF minus P&E additions are meaningful measures because they represent a transparent view of our recurring operating performance that is unaffected by our capital structure and allows management to (i) readily view operating trends, (ii) perform analytical comparisons and benchmarking between segments and (iii) identify strategies to improve operating performance in the different countries in which we operate. Effective January 1, 2018, we adopted Accounting Standards Update No. 2017-07, Improving the Presentation of the Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost, which resulted in certain pension-related credits being reclassified from SG&A expense to non-operating income (expense) and, as such, are no longer included in OCF. Such credits totaled $2 million and $4 million during the three months ended December 31, 2018 and 2017, respectively, and $12 million and $15 million during the year ended December 31, 2018 and 2017, respectively. This change has been given effect for all periods presented. We believe our OCF and OCF minus P&E additions measures are useful to investors because they are bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other public companies. OCF and OCF minus P&E additions should be viewed as measures of operating performance that are a supplement to, and not a substitute for, operating income, net earnings or loss, cash flow from operating activities and other U.S. GAAP measures of income or cash flows. A reconciliation of our operating income to total OCF is presented in the following table.

	Three months ended December 31,		Year ended December 31,	
	2018	**2017**	**2018**	**2017**
	In millions			
Operating loss	$ (384.9)	$ (247.4)	$ (23.6)	$ (162.9)
Shared-based compensation expense	13.0	2.3	39.8	14.2
Depreciation and amortization	215.1	207.2	829.8	793.7
Impairment, restructuring and other operating items, net	585.1	328.9	640.5	707.6
Total OCF	**$ 428.3**	**$ 291.0**	**$ 1,486.5**	**$ 1,352.6**
P&E additions	190.0	273.2	771.4	776.7
OCF minus P&E additions	**$ 238.3**	**$ 17.8**	**$ 715.1**	**$ 575.9**

ADJUSTED FREE CASH FLOW DEFINITION[(1)] AND RECONCILIATIONS

We define Adjusted FCF as net cash provided by our operating activities, plus (i) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and dispositions,(ii) expenses financed by an intermediary and (iii) insurance recoveries related to damaged and destroyed property and equipment, less (a) capital expenditures, (b) distributions to noncontrolling interest owners, (c) principal payments on amounts financed by vendors and intermediaries and (d) principal payments on capital leases. Effective December 31, 2018, and in connection with our hurricane insurance settlements, we changed the way we define adjusted free cash flow to include proceeds from insurance recoveries related to damaged and destroyed property and equipment. We believe this change is appropriate as such cash proceeds effectively partially offset payments for capital expenditures to replace the property and equipment that was damaged or destroyed as a result of the Hurricanes. On January 1, 2018, we retroactively adopted Accounting Standards Update 2016-18, Statement of Cash Flows–Restricted Cash, which resulted in an immaterial decrease in cash from operating activities for the year ended December 31, 2017. We believe that our presentation of Adjusted FCF provides useful information to our investors because this measure can be used to gauge our ability to service debt and fund new investment opportunities. Adjusted FCF 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 Adjusted FCF as a supplement to, and not a substitute for, U.S. GAAP measures of liquidity included in our consolidated statements of cash flows. The following table provides the reconciliation of our net cash provided by operating activities to Adjusted FCF for the indicated periods.

	Three months ended December 31,		Year ended December 31,	
	2018	**2017**	**2018**	**2017**
	In millions			
Net cash provided by operating activities	$ 208.1	$ 180.9	$ 816.8	$ 573.2
Cash payments for direct acquisition and disposition costs	9.8	1.4	12.9	4.2
Expenses financed by an intermediary[1]	52.6	25.8	171.7	82.7
Capital expenditures	(183.4)	(191.8)	(776.4)	(639.3)
Recovery on damaged or destroyed property and equipment[2]	20.7	-	20.7	-
Distributions to noncontrolling interest owners	(2.9)	(12.6)	(22.7)	(45.9)
Principal payments on amounts financed by vendors and intermediaries	(58.6)	(7.3)	(196.5)	(59.4)
Principal payments on capital leases	(1.8)	(1.9)	(7.7)	(8.6)
Adjusted FCF	**$ 44.5**	**$ (5.5)**	**$ 18.8**	**$ (93.1)**

(1) For purposes of our condensed consolidated statements of cash flows, expenses, including value-added taxes, financed by an intermediary are treated as hypothetical operating cash outflows and hypothetical financing cash inflows. When we pay the financing intermediary, we record financing cash outflows in our condensed consolidated statements of cash flows. For purposes of our Adjusted FCF 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.

(2) Represents the classification of a portion of insurance advance payments received primarily during 2018 to investing activities upon settlement of the insurance claims and the final allocation of the insurance proceeds in the fourth quarter of 2018. Prior to the settlement, the insurance advances had previously been presented entirely as cash inflows from operating activities, pending the allocation of insurance proceeds to the appropriate cash flow activities based on the final settlement.