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 March 31, 2020

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: 001-38335

Liberty Latin America Ltd.

(Exact name of Registrant as specified in its charter)

Bermuda	**98-1386359**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*
2 Church Street, Hamilton	**HM 11**
(Address of Principal Executive Offices)	*(Zip Code)*

Registrant's telephone number, including area code: **(441) 295-5950 or (303) 925-6000**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbols	Name of Each Exchange on Which Registered
Class A Shares, par value $0.01 per share	LILA	The NASDAQ Stock Market LLC
Class C Shares, par value $0.01 per share	LILAK	The NASDAQ Stock Market LLC

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 (or for such shorter period that the Registrant was required to file such reports), 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 every Interactive Data File required to be submitted 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 such files). Yes ☑ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☑	Accelerated Filer	☐	Non-Accelerated Filer	☐
Smaller Reporting Company	☐	Emerging Growth Company	☐		

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

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 common shares of Liberty Latin America Ltd. as of April 28, 2020 was: 49,003,226 Class A; 1,934,057 Class B; and 131,601,021 Class C.

LIBERTY LATIN AMERICA LTD.

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LIBERTY LATIN AMERICA LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)

	March 31, 2020	December 31, 2019
	in millions	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,593.3	$ 1,183.8
Trade receivables, net of allowances of $99.2 million and $87.3 million, respectively	572.0	585.2
Prepaid expenses	63.7	58.9
Other current assets, net	226.3	227.3
Total current assets	2,455.3	2,055.2
Goodwill	4,808.3	4,906.4
Property and equipment, net	4,163.5	4,301.1
Restricted cash	1,276.4	1,272.2
Intangible assets subject to amortization, net	920.4	969.2
Intangible assets not subject to amortization	558.4	560.8
Other assets, net	1,016.2	872.6
Total assets	$ 15,198.5	$ 14,937.5

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

LIBERTY LATIN AMERICA LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS – (Continued)

(unaudited)

	March 31, 2020	December 31, 2019
	in millions	
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 272.4	$ 346.6
Current portion of deferred revenue	137.8	160.9
Current portion of debt and finance lease obligations	281.2	180.2
Accrued capital expenditures	57.1	72.1
Accrued interest	115.7	132.6
Accrued payroll and employee benefits	68.5	88.9
Other accrued and current liabilities	615.7	594.7
Total current liabilities	1,548.4	1,576.0
Long-term debt and finance lease obligations	8,548.7	8,189.8
Deferred tax liabilities	390.8	401.8
Deferred revenue	205.5	210.9
Other long-term liabilities	695.7	579.1
Total liabilities	11,389.1	10,957.6
Commitments and contingencies		
Equity:		
Liberty Latin America shareholders:		
Class A, $0.01 par value; 500,000,000 shares authorized; 49,031,543 and 48,976,205 shares issued and outstanding, respectively, at March 31, 2020 and 48,795,552 shares issued and outstanding at December, 31, 2019	0.5	0.5
Class B, $0.01 par value; 50,000,000 shares authorized; 1,934,057 shares issued and outstanding at March 31, 2020 and 1,934,686 shares issued and outstanding at December 31, 2019	—	—
Class C, $0.01 par value; 500,000,000 shares authorized; 131,671,137 and 131,556,162 shares issued and outstanding, respectively, at March 31, 2020 and 131,181,371 shares issued and outstanding at December 31, 2019	1.3	1.3
Undesignated preference shares, $0.01 par value; 50,000,000 shares authorized; nil shares issued and outstanding at each period	—	—
Treasury shares, at cost; 170,313 and nil shares, respectively	(1.7)	—
Additional paid-in capital	4,592.2	4,569.9
Accumulated deficit	(1,628.0)	(1,447.1)
Accumulated other comprehensive loss, net of taxes	(21.0)	(14.8)
Total Liberty Latin America shareholders	2,943.3	3,109.8
Noncontrolling interests	866.1	870.1
Total equity	3,809.4	3,979.9
Total liabilities and equity	$ 15,198.5	$ 14,937.5

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

LIBERTY LATIN AMERICA LTD.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended March 31,	
	2020	2019
	in millions, except per share amounts	
Revenue	$ 931.0	$ 942.7
Operating costs and expenses (exclusive of depreciation and amortization, shown separately below):		
Programming and other direct costs of services	210.8	225.4
Other operating	184.8	172.8
Selling, general and administrative (**SG&A**)	195.3	193.4
Depreciation and amortization	213.5	217.3
Impairment, restructuring and other operating items, net	18.8	20.5
	823.2	829.4
Operating income	107.8	113.3
Non-operating income (expense):		
Interest expense	(143.3)	(115.7)
Realized and unrealized gains (losses) on derivative instruments, net	17.4	(69.0)
Foreign currency transaction gains (losses), net	(164.3)	32.2
Losses on debt modification and extinguishment	(3.4)	—
Other income, net	6.8	2.4
	(286.8)	(150.1)
Loss before income taxes	(179.0)	(36.8)
Income tax expense	(5.6)	(4.4)
Net loss	(184.6)	(41.2)
Net loss (earnings) attributable to noncontrolling interests	3.9	(0.5)
Net loss attributable to Liberty Latin America shareholders	$ (180.7)	$ (41.7)
Basic and diluted net loss per share attributable to Liberty Latin America shareholders	$ (0.99)	$ (0.23)

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

LIBERTY LATIN AMERICA LTD.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(unaudited)

	Three months ended March 31,	
	2020	2019
	in millions	
Net loss	$ (184.6)	$ (41.2)
Other comprehensive earnings (loss), net of taxes:		
Foreign currency translation adjustments	(4.7)	12.3
Reclassification adjustments included in net loss	(2.8)	(1.3)
Pension-related adjustments and other, net	1.1	(1.0)
Other comprehensive earnings (loss)	(6.4)	10.0
Comprehensive loss	(191.0)	(31.2)
Comprehensive loss (earnings) attributable to noncontrolling interests	4.1	(0.8)
Comprehensive loss attributable to Liberty Latin America shareholders	$ (186.9)	$ (32.0)

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

LIBERTY LATIN AMERICA LTD.

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(unaudited)

	Liberty Latin America shareholders									
	Common shares									
	Class A	Class B	Class C	Treasury Stock	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss, net of taxes	Total Liberty Latin America shareholders	Non-controlling interests	Total equity
	in millions									
Balance at January 1, 2019	$ 0.5	$ —	$1.3	$ —	$ 4,494.1	$ (1,367.0)	$ (16.3)	$ 3,112.6	$ 1,010.8	$4,123.4
Net loss	—	—	—	—	—	(41.7)	—	(41.7)	0.5	(41.2)
Other comprehensive earnings	—	—	—	—	—	—	9.7	9.7	0.3	10.0
Impact of the UTS Acquisition	—	—	—	—	—	—	—	—	11.6	11.6
Shared-based compensation	—	—	—	—	14.5	—	—	14.5	—	14.5
Balance at March 31, 2019	$ 0.5	$ —	$1.3	$ —	$ 4,508.6	$ (1,408.7)	$ (6.6)	$ 3,095.1	$ 1,023.2	$4,118.3
Balance at January 1, 2020	$ 0.5	$ —	$1.3	$ —	$ 4,569.9	$ (1,447.1)	$ (14.8)	$ 3,109.8	$ 870.1	$3,979.9
Accounting change (note 2)	—	—	—	—	—	(0.2)	—	(0.2)	0.2	—
Balance at January 1, 2020, as adjusted for accounting change	0.5	—	1.3	—	4,569.9	(1,447.3)	(14.8)	3,109.6	870.3	3,979.9
Net loss	—	—	—	—	—	(180.7)	—	(180.7)	(3.9)	(184.6)
Other comprehensive loss	—	—	—	—	—	—	(6.2)	(6.2)	(0.2)	(6.4)
Repurchase of Liberty Latin America common shares	—	—	—	(1.7)	—	—	—	(1.7)	—	(1.7)
Shared-based compensation	—	—	—	—	21.4	—	—	21.4	—	21.4
UTS NCI Acquisition	—	—	—	—	0.9	—	—	0.9	—	0.9
Other	—	—	—	—	—	—	—	—	(0.1)	(0.1)
Balance at March 31, 2020	$ 0.5	$ —	$1.3	$ (1.7)	$ 4,592.2	$ (1,628.0)	$ (21.0)	$ 2,943.3	$ 866.1	$3,809.4

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

LIBERTY LATIN AMERICA LTD.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31,	
	2020	2019
	in millions	
Cash flows from operating activities:		
Net loss	$ (184.6)	$ (41.2)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Share-based compensation expense	23.8	14.7
Depreciation and amortization	213.5	217.3
Impairment	1.7	0.1
Amortization of debt financing costs, premiums and discounts, net	7.9	0.6
Realized and unrealized losses (gains) on derivative instruments, net	(17.4)	69.0
Foreign currency transaction losses (gains), net	164.3	(32.2)
Loss on debt modification and extinguishment	3.4	—
Deferred income tax benefit	(20.3)	(21.6)
Changes in operating assets and liabilities, net of the effect of an acquisition	(77.4)	(18.9)
Net cash provided by operating activities	114.9	187.8
Cash flows from investing activities:		
Capital expenditures	(149.2)	(159.6)
Cash paid in connection with an acquisition, net of cash acquired	1.8	(160.1)
Recovery on damaged or destroyed property and equipment	—	33.9
Other investing activities, net	0.3	0.3
Net cash used by investing activities	(147.1)	(285.5)
Cash flows from financing activities:		
Borrowings of debt	539.6	201.3
Payments of principal amounts of debt and finance lease obligations	(48.8)	(160.2)
Payment of financing costs and debt premiums	(25.9)	—
Repurchase of Liberty Latin America Shares	(1.4)	—
Distributions to noncontrolling interest owners	(0.7)	—
Other financing activities, net	(7.4)	(1.8)
Net cash provided by financing activities	455.4	39.3
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(8.5)	2.5
Net increase (decrease) in cash, cash equivalents and restricted cash	414.7	(55.9)
Cash, cash equivalents and restricted cash:		
Beginning of period	2,457.0	642.0
End of period	$ 2,871.7	$ 586.1
Cash paid for interest	$ 145.3	$ 155.2
Net cash paid for taxes	$ 12.5	$ 21.5

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

(1) Basis of Presentation

Liberty Latin America Ltd. (**Liberty Latin America**) is a registered company in Bermuda that primarily includes (i) Cable & Wireless Communications Limited (**C&W**) and its subsidiaries, (ii) VTR Finance B.V. (**VTR Finance**) and its subsidiaries, which include VTR.com SpA (**VTR**), (iii) Leo Cable LP (**Leo Cable**) and its subsidiaries, which includes Liberty Cablevision of Puerto Rico LLC (**LCPR**), collectively "**Liberty Puerto Rico**", and (iv) LBT CT Communications, S.A. (a less than wholly-owned entity) and its subsidiary, Cabletica S.A. (**Cabletica**). C&W owns less than 100% of certain of its consolidated subsidiaries, including The Bahamas Telecommunications Company Limited (**C&W Bahamas**), Cable & Wireless Jamaica Limited (**C&W Jamaica**), and Cable & Wireless Panama, S.A. (**C&W Panama**). For information regarding the percentages of certain of our less than wholly-owned consolidated subsidiaries, see Part I, Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations - Overview.*

We are an international provider of fixed, mobile and subsea telecommunications services. We provide residential and business-to-business (**B2B**) services in (i) over 20 countries, primarily in Latin America and the Caribbean, through C&W, (ii) Chile and Costa Rica, through VTR/Cabletica, and (iii) Puerto Rico, through Liberty Puerto Rico. Through our "**Networks & LatAm**" business, C&W also provides (i) B2B services in certain other countries in Latin America and the Caribbean and (ii) wholesale communication services over its subsea and terrestrial fiber optic cable networks that connect over 40 markets in that region.

In these notes, the terms "**we**," "**our**," "**our company**" and "**us**" may refer, as the context requires, to Liberty Latin America or collectively to Liberty Latin America and its subsidiaries. Unless otherwise indicated, ownership percentages and convenience translations into United States (**U.S.**) dollars are calculated as of March 31, 2020.

The accompanying condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (**U.S. GAAP**) and with the instructions to the Quarterly Report on 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 U.S. 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 condensed consolidated financial statements should be read in conjunction with our consolidated financial statements and notes thereto included in our 2019 Annual Report on Form 10-K (the **2019 Form 10-K**).

The preparation of financial statements in conformity with U.S. 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, expected credit losses, programming and copyright expenses, 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 and actuarial liabilities associated with certain benefit plans. Actual results could differ from those estimates.

Certain prior period amounts have been reclassified to conform to the current period presentation.

(2) Accounting Changes and Recent Accounting Pronouncements

Accounting Changes

ASU 2018-15

In August 2018, the Financial Accounting Standards Board (**FASB**) issued Accounting Standards Update (**ASU**) No. 2018-15, *Intangibles—Goodwill and Other—Internal-Use Software—Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract (***ASU 2018-15***).* ASU 2018-15 provides additional guidance on ASU No. 2015-05, *Intangibles—Goodwill and Other—Internal-Use Software—Customer's Accounting for Fees Paid in a Cloud Computing Arrangement,* which was issued to help entities evaluate the accounting for fees paid by a customer in a cloud computing arrangement (hosting arrangement) by providing guidance for determining when the arrangement includes a software license. ASU 2018-15 aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license). The guidance (i) provides criteria for determining which implementation costs to capitalize as an asset related to the service contract and which costs to expense, (ii) requires an entity (customer) to expense the capitalized implementation costs of a hosting arrangement that is a service contract over the term of the hosting arrangement and (iii) clarifies the presentation requirements for reporting such costs in the entity's financial statements. We adopted ASU 2018-15 effective January 1, 2020 on a prospective basis for all implementation costs incurred after the date of adoption and it is not expected to have a material impact on our condensed consolidated financial statements.

ASU 2016-13

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses—Measurement of Credit Losses on Financial Instruments* (**ASU 2016-13**), as amended by (i) ASU No. 2019-10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*, which amended certain effective dates, and (ii) ASU No. 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*, which clarifies guidance around how to report expected recoveries. ASU 2016-13 replaces the incurred loss impairment methodology for recognizing credit losses with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. We are required to use a forward-looking expected credit loss model for accounts receivables, loans and other financial instruments. We adopted ASU 2016-13 effective January 1, 2020 using a modified retrospective approach through a cumulative-effect adjustment to retained earnings to align our credit loss methodology with the new standard. The comparative information has not been restated and continues to be reported under the accounting standards in effect for that period.

Under the new model, we segment our receivables, unbilled revenue and contract assets based on days past due and record an allowance for current expected credit losses using average rates applied against each account's applicable aggregate balance for each aging bucket. We establish the average rates based on consideration of the actual credit loss experience over the prior 12-month period, recent collection trends, current economic conditions and reasonable expectations of future payment delinquency.

The cumulative effect of the changes to our condensed consolidated balance sheet as of January 1, 2020 was not material.

As of March 31, 2020, the impact of COVID-19, as defined and further described in note 8, has not had a material impact on our results of operations, financial position or cash flows. We will continue to actively monitor the impact of COVID-19 on our expected credit losses.

Recent Accounting Pronouncements

ASU 2018-14

In August 2018, the FASB issued ASU No. 2018-14, *Disclosure Framework-Changes to the Disclosure Requirements for Defined Benefit Plans* (**ASU 2018-14**), which removes and modifies certain existing disclosure requirements and adds new disclosure requirements related to employer sponsored defined benefit pension or other postretirement plans. ASU 2018-14 is effective for annual reporting periods after December 15, 2020, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the effect that ASU 2018-14 will have on our disclosures.

ASU 2019-12

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* (**ASU 2019-12**), which (i) simplifies the accounting for income taxes by removing certain exceptions for recognizing deferred taxes for investments, performing intraperiod allocations and calculating income taxes in interim periods, and (ii) reduces the complexity in certain areas of existing tax guidance, including the recognition of deferred taxes for tax goodwill and allocating taxes to members of a consolidated group. ASU 2019-12 is effective for annual reporting periods after December 15, 2020, including interim periods within those fiscal years, with early adoption permitted. Although we are currently evaluating the effect that ASU 2019-12 will have on our consolidated financial statements, we do not expect it will have a material impact.

ASU 2020-04

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* (**ASU 2020-04**), which provides optional guidance for a limited time to ease the potential accounting burden associated with transitioning away from reference rates, such as the London Inter-Bank Offered Rate (**LIBOR**), which regulators in the United Kingdom (**U.K.**) have announced will be phased out by the end of 2021. The expedients and exceptions provided by ASU 2020-04 are for the application of U.S. GAAP to contracts, hedging relationships and other transactions affected by the rate reform, and will not be available after December 31, 2022, other than for certain hedging relationships entered into before December 31, 2022. We do not currently expect that the phase out of LIBOR will have a material impact on our consolidated financial statements.

(3) Summary of Significant Accounting Policies

The following accounting policy reflects an update to the *Summary of Significant Accounting Policies* included in our 2019 Form 10-K resulting from the adoption of ASU 2016-13:

Trade Receivables

Our trade receivables are reported net of an allowance for credit losses. The allowance is established using our best estimates of current expected credit losses based upon, among other things, actual credit loss experience over the prior 12-month period, recent collection trends, prevailing and anticipated economic conditions and specific customer credit risk. Receivables outstanding greater than 30 days are considered past due and we generally write-off receivables after they become past due for 365 days, with the exception of certain amounts due from a single government. Concentration of credit risk with respect to trade receivables is limited due to the large number of customers and their dispersion across many different countries, with the exception of certain amounts due from a single government.

Changes in the allowance for credit losses are set forth below:

	January 1, 2020	Provision for expected losses	Write-offs	Foreign currency translation adjustments and other	March 31, 2020
			in millions		
C&W	$ 60.6	$ 10.4	$ (6.4)	$ 7.7	$ 72.3
VTR/Cabletica	16.0	4.0	(2.2)	(1.7)	16.1
Liberty Puerto Rico	10.7	1.3	(1.7)	0.5	10.8
Total	$ 87.3	$ 15.7	$ (10.3)	$ 6.5	$ 99.2

(4) Acquisitions

Pending Acquisition

On October 9, 2019, Leo Cable and Liberty Latin America entered into a stock purchase agreement with certain subsidiaries of AT&T Inc. (**AT&T**) to acquire AT&T's wireless and wireline operations in Puerto Rico and the U.S. Virgin Islands (the **AT&T Acquisition**) in an all-cash transaction. The AT&T Acquisition companies provide consumer mobile and B2B services in Puerto Rico and the U.S. Virgin Islands, excluding DirecTV customers. The AT&T Acquisition is valued at an enterprise value of $1,950 million on a cash- and debt-free basis, subject to certain adjustments. We intend to finance this acquisition, including related fees and expenses, through a combination of net proceeds from the 2027 LPR Senior Secured Notes, the 2026 SPV Credit Facility and available liquidity. For further information about our debt and available liquidity, see note 9.

The transaction is subject to customary closing conditions, including reviews by the United States Federal Communications Commission (**FCC**) and the Department of Justice (**DOJ**). We currently expect the transaction to close in the second half of 2020.

AT&T will provide ongoing support to the companies associated with the AT&T Acquisition under a transition services agreement (the **AT&T TSA**) for a period up to 36 months following the closing date of the acquisition. Services under the AT&T TSA include, but are not limited to, (i) wireless core, (ii) technology development, (iii) global technology operations, (iv) wireless engineering, (v) network infrastructure, (vi) supply chain and (vii) finance and sales operations. We may terminate any services under the AT&T TSA upon sixty business days' notice to AT&T in accordance with the terms and conditions of the AT&T TSA.

2019 Acquisition

UTS. Effective March 31, 2019, we completed the acquisition of an 87.5% interest in United Telecommunication Services N.V. (**UTS**) for an initial cash purchase price of $162 million, which was subject to certain potential post-closing adjustments, based on an enterprise value of $189 million (the **UTS Acquisition**). As noted below, during the first quarter of 2020, the purchase price was reduced by $6 million related to certain post-closing working capital adjustments. During the third quarter of 2019, we increased our ownership interest in UTS from 87.5% to 100%. UTS provides fixed and mobile services to the island nations of Curaçao, St. Maarten, St. Martin, Bonaire, St. Barths, St. Eustatius and Saba. The UTS Acquisition was funded through a $170 million draw on the C&W Revolving Credit Facility, as defined in note 9.

We have accounted for the UTS Acquisition as a business combination using the acquisition method of accounting, whereby the total purchase price was allocated to the acquired identifiable net assets of UTS 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 UTS at the effective March 31, 2019 acquisition date is presented in the following table. The opening balance sheet presented below reflects our final purchase price allocation (in millions):

Cash	$ 2.7
Trade receivables	19.0
Other current assets	6.7
Property and equipment	158.4
Goodwill (a)	17.1
Intangible assets subject to amortization	24.0
Other assets	18.2
Accounts payable	(27.9)
Other accrued and current liabilities	(31.9)
Other long-term liabilities	(18.8)
Noncontrolling interest (b)	(11.6)
Total purchase price (c) (d)	$ 155.9

(a) The goodwill recognized in connection with the UTS Acquisition is primarily attributable to (i) the ability to take advantage of UTS's existing broadband communications and mobile networks to gain immediate access to potential customers, and (ii) synergies that are expected to be achieved through the integration of UTS with C&W's existing business in Curacao.

(b) Amount represents the estimated aggregate fair value of the noncontrolling interest in UTS as of March 31, 2019.

(c) Excludes $3 million of direct acquisition costs incurred during 2019 and 2018. Direct acquisition costs are included in impairment, restructuring and other operating items, net, in our condensed consolidated statements of operations.

(d) Pursuant to the purchase agreement, which permits certain post-closing working capital adjustments, the UTS Acquisition purchase price was reduced by $6 million during the first quarter of 2020. This amount was recorded as a receivable in other current assets in our condensed consolidated balance sheet as of March 31, 2020 and was received subsequent to March 31, 2020.

(5) 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 Chilean peso (**CLP**), the Colombian peso (**COP**) and the Jamaican dollar (**JMD**). With the exception of certain 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 in our condensed consolidated statements of operations.

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

	March 31, 2020			December 31, 2019		
	Current (a)	Long-term (a)	Total	Current (a)	Long-term (a)	Total
	in millions					
Assets:						
Cross-currency and interest rate derivative contracts (b)	$ 20.4	$ 277.5	$ 297.9	$ 23.4	$ 126.9	$ 150.3
Foreign currency forward contracts	14.1	—	14.1	9.8	—	9.8
Total	$ 34.5	$ 277.5	$ 312.0	$ 33.2	$ 126.9	$ 160.1
Liabilities:						
Cross-currency and interest rate derivative contracts (b)	$ 69.0	$ 215.3	$ 284.3	$ 34.9	$ 99.6	$ 134.5
Foreign currency forward contracts	—	—	—	0.5	—	0.5
Total	$ 69.0	$ 215.3	$ 284.3	$ 35.4	$ 99.6	$ 135.0

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

(b) We consider credit risk relating to our and our counterparties' nonperformance in the fair value assessment of our derivative instruments. In all cases, the adjustments take into account offsetting liability or asset positions within each of our primary borrowing groups (see note 9). The changes in the credit risk valuation adjustments associated with our cross-currency and interest rate derivative contracts resulted in net gains of $33 million and $2 million during the three months ended March 31, 2020 and 2019, respectively. The gain during the 2020 period is primarily due to increased credit risk stemming from market reaction to the COVID-19 outbreak. 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 6.

The derivative assets set forth in the table above exclude our Weather Derivatives, as defined below, as they are not accounted for at fair value. The Weather Derivatives are included in other current assets, net, in our condensed consolidated balance sheet.

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

	Three months ended March 31,	
	2020	2019
	in millions	
Cross-currency and interest rate derivative contracts	$ 9.3	$ (70.0)
Foreign currency forward contracts and other (a)	8.1	1.0
Total	$ 17.4	$ (69.0)

(a) The amount for the 2020 period includes $2 million of amortization of the premiums associated with our Weather Derivative contracts (the **Weather Derivatives**), which we entered into during the second quarter of 2019.

The following table sets forth the classification of the net cash inflows of our derivative instruments:

	Three months ended March 31,	
	2020	2019
	in millions	
Operating activities	$ 4.0	$ 12.0
Investing activities	2.8	1.6
Financing activities	(4.3)	(0.5)
Total	$ 2.5	$ 13.1

Counterparty Credit Risk

We are exposed to the risk that the counterparties to the derivative instruments of our 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. Collateral has not been posted by either party under the derivative instruments of our borrowing groups. At March 31, 2020, our exposure to counterparty credit risk included derivative assets with an aggregate fair value of $297 million.

Each of our borrowing groups has entered into derivative instruments under agreements with each counterparty that contain master netting arrangements that are applicable in the event of early termination by either party to such derivative instrument. The master netting arrangements under each of these master agreements are limited to the derivative instruments governed by the relevant master agreement within each individual borrowing group and are independent of similar arrangements of our other subsidiary borrowing groups.

Details of our Derivative Instruments

Cross-currency Derivative Contracts

As noted above, we are exposed to foreign currency exchange rate risk in situations where our debt is denominated in a currency other than the functional currency of the operations whose cash flows support our ability to service, repay or refinance such debt. Although we generally seek to match the denomination of our borrowings with the functional currency of the operations that are supporting the respective borrowings, market conditions or other factors may cause us to enter into borrowing arrangements that are not denominated in the functional currency of the underlying operations (unmatched debt). Our policy is generally to provide for an economic hedge against foreign currency exchange rate movements, whenever possible and when cost effective to do so, by using derivative instruments to synthetically convert unmatched debt into the applicable underlying currency. The following table sets forth the total notional amounts and the related weighted average remaining contractual lives of our cross-currency swap contracts at March 31, 2020:

Borrowing group	Notional amount due from counterparty	Notional amount due to counterparty	Weighted average remaining life
	in millions		in years
C&W	$ 108.3	JMD 13,817.5	6.8
	$ 56.3	COP 180,000.0	6.3
VTR Finance	$ 1,260.0	CLP 854,020.0	2.3

Interest Rate Derivative Contracts

Interest Rate Swaps

As noted above, we enter into interest rate swaps to protect against increases in the interest rates on our variable-rate debt. Pursuant to these derivative instruments, we typically pay fixed interest rates and receive variable interest rates on specified notional amounts. The following table sets forth the total U.S. dollar equivalents of the notional amounts and the related weighted average remaining contractual lives of our interest rate swap contracts at March 31, 2020:

Borrowing group	**Notional amount due from counterparty**	**Weighted average remaining life**
	in millions	**in years**
C&W (a)	$ 2,425.0	5.9
VTR Finance	$ 165.0	2.9
Liberty Puerto Rico	$ 1,000.0	6.3
Cabletica	$ 53.5	3.3

(a) Includes forward-starting derivative instruments.

Basis Swaps

Basis swaps involve the exchange of attributes used to calculate our floating interest rates, including (i) the benchmark rate, (ii) the underlying currency and/or (iii) the borrowing period. We typically enter into these swaps to optimize our interest rate profile based on our current evaluations of yield curves, our risk management policies and other factors. The following table sets forth the total U.S. dollar equivalents of the notional amounts and the related weighted average remaining contractual lives of our basis swap contracts at March 31, 2020:

Borrowing group	**Notional amount due from counterparty**	**Weighted average remaining life**
	in millions	**in years**
C&W	$ 1,510.0	0.8
Liberty Puerto Rico	$ 1,000.0	0.8

Foreign Currency Forwards Contracts

We enter into foreign currency forward contracts with respect to non-functional currency exposure. At March 31, 2020, our foreign currency forward contracts had total notional amounts due from and to counterparties of $90 million and CLP 64 billion, respectively, with a weighted average remaining contractual life of 0.3 years. All of our foreign currency forward contracts are held by our VTR Finance borrowing group.

(6) <u>Fair Value Measurements</u>

General

We use the fair value method to account for most of our derivative instruments and the available-for-sale method to account for our investment in U.K. Government Gilts. The reported fair values of our derivative instruments as of March 31, 2020 likely will not represent the value that will be paid or received upon the ultimate settlement or disposition of these assets and liabilities, as 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.

U.S. 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.

Recurring Fair Value Measurements

Derivatives

In order to manage our interest rate and foreign currency exchange risk, we have entered into various derivative instruments, as further described in note 5. The recurring fair value measurements of these derivative instruments are determined using discounted cash flow models. 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 derivative instruments. This observable data mostly includes 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. Notwithstanding the impact of COVID-19 on our credit risk, we generally would not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these instruments. As a result, we have determined that these valuations continue to fall under Level 2 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our cross-currency and interest rate derivative contracts are quantified and further explained in note 5. Due to the lack of Level 2 inputs for the valuation of the U.S. dollar to the Jamaican dollar cross-currency swaps (the **Sable Currency Swaps**) held by Sable International Finance Limited (**Sable**), a wholly-owned subsidiary of C&W, we believe this valuation falls under Level 3 of the fair value hierarchy. The Sable Currency Swaps are our only Level 3 financial instruments. The fair values of the Sable Currency Swaps at March 31, 2020 and December 31, 2019 were $20 million and $30 million, respectively, which are included in other long-term liabilities in our condensed consolidated balance sheets. The change in the fair values of the Sable Currency Swaps resulted in net gains of $10 million and $1 million during the three months ended March 31, 2020 and 2019, respectively, which are reflected in realized and unrealized gains (losses) on derivative instruments, net, in our condensed consolidated statements of operations.

Available-for-sale Investments

Our investment in U.K. Government Gilts falls under Level 1 of the fair value hierarchy. At March 31, 2020 and December 31, 2019, the carrying values of our investment in U.K. Government Gilts, which are included in other assets, net, in our condensed consolidated balance sheets, were $35 million and $37 million, respectively.

Nonrecurring Fair Value Measurements

Fair value measurements are also used for purposes of nonrecurring valuations performed in connection with acquisition accounting and impairment assessments.

Acquisition Accounting

The nonrecurring valuations associated with acquisition accounting, which use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy, primarily include the valuation of customer relationships and property and equipment, as further described below:

- *Customer relationships.* 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 for customer relationship intangible assets requires us to estimate the specific cash flows expected from the acquired customer relationships, considering such factors as estimated customer life, the revenue expected to be generated over the life of the customer relationships, contributory asset charges and other factors.

- *Property and equipment*. Property and equipment is 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.

During the three months ended March 31, 2020, we performed a nonrecurring valuation related to the acquisition accounting for the UTS Acquisition. The weighted average discount rate used in the final valuation of the customer relationships acquired as a result of the UTS Acquisition was approximately 13.5%.

(7) Insurance Recoveries

In September 2017, Hurricanes Irma and Maria impacted a number of our markets in the Caribbean, resulting in varying degrees of damage to homes, businesses and infrastructure in these markets. In October 2016, our operations in the Bahamas, which is part of our C&W segment, were significantly impacted by Hurricane Matthew.

In December 2018, we settled our insurance claims for Hurricanes Irma, Maria and Matthew, as follows: (i) $109 million for Hurricanes Maria and Irma, after deducting $30 million of self-insurance, and (ii) $12 million for Hurricane Matthew, after deducting $15 million of self-insurance. During the first quarter of 2019, we received the then outstanding insurance settlement amount of $67 million, of which $33 million and $34 million have been presented as operating and investing activities, respectively, in our condensed consolidated statement of cash flows. With respect to the cash received, $37 million, $27 million and $3 million was provided to C&W, Liberty Puerto Rico and our Corporate operations, respectively.

(8) Long-lived Assets

Goodwill

Changes in the carrying amount of our goodwill are set forth below:

	January 1, 2020	Acquisitions and related adjustments	Foreign currency translation adjustments	March 31, 2020
	in millions			
C&W	$ 4,110.8	$ (20.0)	$ (33.1)	$ 4,057.7
VTR/Cabletica	517.9	—	(45.0)	472.9
Liberty Puerto Rico	277.7	—	—	277.7
Total	$ 4,906.4	$ (20.0)	$ (78.1)	$ 4,808.3

During the first quarter of 2020, the World Health Organization declared the outbreak of a novel strain of Coronavirus (**COVID-19**) a “pandemic,” pointing to the sustained risk of further global spread. Through the first quarter of 2020, the impacts of COVID-19 did not have a significant impact on our operating results or cash flows. Notwithstanding the lack of a significant impact of COVID-19 on our first quarter results, as of March 31, 2020, we did evaluate whether the facts and circumstances and available information result in the need for an impairment assessment for any of our long-lived assets, including goodwill, and concluded no assessment was required. COVID-19 has resulted in systemic disruption of the worldwide equity markets, and the market values of our publicly-traded equity declined significantly beginning in late February. If, among other factors, (i) our equity values were to remain at these declined levels for a sustained period or were to decline further or (ii) the adverse impacts stemming from COVID-19, competition, economic, regulatory or other factors, including macro-economic and demographic trends, 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 goodwill. Any such impairment charges could be significant.

Our accumulated goodwill impairments were $1,348 million at March 31, 2020 and December 31, 2019.

Property and Equipment, Net

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

	March 31, 2020	December 31, 2019
	in millions	
Distribution systems	$ 4,205.0	$ 4,299.6
Customer premises equipment (**CPE**)	1,727.4	1,763.8
Support equipment, buildings and land	1,492.1	1,530.9
	7,424.5	7,594.3
Accumulated depreciation	(3,261.0)	(3,293.2)
Total	$ 4,163.5	$ 4,301.1

During the three months ended March 31, 2020 and 2019, we recorded non-cash increases to our property and equipment related to vendor financing arrangements aggregating $24 million and $11 million, respectively.

Intangible Assets Subject to Amortization, Net

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

	March 31, 2020	December 31, 2019
	in millions	
Gross carrying amount:		
Customer relationships	$ 1,481.8	$ 1,482.9
Licenses and other	169.4	170.1
Total gross carrying amount	1,651.2	1,653.0
Accumulated amortization:		
Customer relationships	(689.3)	(645.5)
Licenses and other	(41.5)	(38.3)
Total accumulated amortization	(730.8)	(683.8)
Net carrying amount	$ 920.4	$ 969.2

(9) Debt and Finance Lease Obligations

The U.S. dollar equivalents of the components of our debt are as follows:

	March 31, 2020						
	Weighted average interest rate (a)	Unused borrowing capacity (b)		Estimated fair value (c)		Principal amount	
		Borrowing currency	US $ equivalent	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
				in millions			
Convertible Notes (d)	2.00%	$ —	$ —	$ 327.0	$ 430.1	$ 402.5	$ 402.5
C&W Notes	6.74%	—	—	1,987.3	2,270.9	2,270.0	2,120.0
C&W Credit Facilities	4.23%	$ 426.3	426.3	2,054.7	2,017.1	2,193.3	2,006.1
VTR Finance Senior Notes	6.88%	—	—	1,150.6	1,290.9	1,260.0	1,260.0
VTR Credit Facilities	5.16%	(e)	145.7	273.7	229.7	295.8	231.4
LPR Senior Secured Notes	6.75%	—	—	1,197.4	1,278.3	1,200.0	1,200.0
LPR Credit Facilities	5.90%	$ 62.5	62.5	979.7	1,012.1	1,062.5	1,000.0
Cabletica Credit Facilities	8.67%	(f)	15.0	114.6	123.8	123.5	124.8
Vendor financing (g)	4.05%	—	—	167.7	167.7	167.7	167.7
Total debt before premiums, discounts and deferred financing costs	5.76%		$ 649.5	$ 8,252.7	$ 8,820.6	$ 8,975.3	$ 8,512.5

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

	March 31, 2020	December 31, 2019
	in millions	
Total debt before premiums, discounts and deferred financing costs	$ 8,975.3	$ 8,512.5
Premiums, discounts and deferred financing costs, net	(148.3)	(146.1)
Total carrying amount of debt	8,827.0	8,366.4
Finance lease obligations	2.9	3.6
Total debt and finance lease obligations	8,829.9	8,370.0
Less: Current maturities of debt and finance lease obligations	(281.2)	(180.2)
Long-term debt and finance lease obligations	$ 8,548.7	$ 8,189.8

(a) Represents the weighted average interest rate in effect at March 31, 2020 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.

(b) Unused borrowing capacity represents the maximum availability under the applicable facility at March 31, 2020 without regard to covenant compliance calculations or other conditions precedent to borrowing. At March 31, 2020, the full amount of unused borrowing capacity was available to be borrowed under each of the respective subsidiary facilities, both before and after completion of the March 31, 2020 compliance reporting requirements. At March 31, 2020, there were no restrictions on the respective subsidiary's ability to upstream from this availability to Liberty Latin America or its subsidiaries or other equity holders.

(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 6.

(d) The interest rate reflects the stated rate of the Convertible Notes. The effective interest rate of the Convertible Notes is 6.7%, which considers the impact of a discount recorded in connection with the value ascribed to the instrument's conversion option.

(e) The VTR Credit Facilities comprise certain CLP term loans and U.S. dollar and CLP revolving credit facilities, including unused borrowing capacity.

(f) The Cabletica Credit Facilities comprise certain Costa Rican colón and U.S. dollar term loans and a U.S. dollar revolving credit facility.

(g) Represents amounts owed pursuant to interest-bearing vendor financing arrangements that are used to finance certain of our operating expenses and property and equipment additions. These obligations are generally due within one year and include value-added taxes (**VAT)** that were paid on our behalf by the vendor. Our operating expenses include $33 million and $31 million for the three months ended March 31, 2020 and 2019, respectively, that were financed by an intermediary and are reflected on the borrowing date as a hypothetical cash outflow within net cash provided by operating activities and a hypothetical cash inflow within net cash provided by financing activities in our condensed consolidated statements of cash flows. Repayments of vendor financing obligations are included in payments of principal amounts of debt and finance lease obligations in our condensed consolidated statements of cash flows.

2020 Financing and Refinancing Transactions

C&W

C&W Term Loan B-5 Facility. In January 2020, Coral-US Co-Borrower LLC, a wholly-owned subsidiary of C&W, entered into a LIBOR plus 2.25% $1,510 million principal amount term loan facility (the **C&W Term Loan B-5 Facility**), issued at par, due January 31, 2028. Interest is payable monthly beginning on February 28, 2020.

2027 C&W Senior Secured Notes Add-on. In January 2020, Sable issued an additional $150 million aggregate principal amount, at 106.0% of par, under the existing 2027 C&W Senior Secured Notes indenture (the **2027 C&W Senior Secured Notes Add-on**). The terms and conditions of the 2027 C&W Senior Secured Notes Add-on are consistent with the original indenture.

The net proceeds from the C&W Term Loan B-5 Facility and the 2027 C&W Senior Secured Notes Add-on were primarily used to repay in full the $1,640 million outstanding principal amount under the C&W Term Loan B-4 Facility, including accrued and unpaid interest. In connection with these transactions, we recognized a loss on debt modification and extinguishment of $3 million, which primarily includes the write-off of unamortized discounts and deferred financing costs.

C&W Borrowing Group Refinancing Transactions. In January 2020, C&W completed a series of transactions contemplated by and permitted under its existing debt agreements (the **C&W Borrowing Group Refinancing Transactions**) that ultimately resulted in the 2026 C&W Senior Notes and the 2027 C&W Senior Notes (previously issued by C&W Senior Financing Designated Activity Company) instead being directly issued by a wholly-owned subsidiary of C&W, C&W Senior Finance Limited. In connection with the C&W Borrowing Group Refinancing Transactions, the loans previously made by C&W Senior Financing Designated Activity Company are no longer outstanding. The terms and conditions applicable to the 2026 C&W Senior Notes and the 2027 C&W Senior Notes otherwise remain substantively unchanged.

*C&W Revolving Credit Facility***.** In January 2020, the maturity date associated with $575 million of the existing $625 million C&W Revolving Credit Facility was extended to January 30, 2026. All other terms and conditions of the revolving credit facility remain unchanged.

In March 2020, we borrowed $313 million under the C&W Revolving Credit Facility, which is included in cash and cash equivalents on our condensed consolidated balance sheet as of March 31, 2020.

VTR Finance

VTR RCF – B. In March 2020, we borrowed $92 million under the VTR RCF – B, which is included in cash and cash equivalents on our condensed consolidated balance sheet as of March 31, 2020.

Liberty Puerto Rico

2019 LPR Revolving Credit Facility. In March 2020, we borrowed $63 million under the 2019 LPR Revolving Credit Facility, which is included in cash and cash equivalents on our condensed consolidated balance sheet as of March 31, 2020.

Maturities of Debt

Maturities of our debt as of March 31, 2020 are presented below. Amounts presented below represent U.S. dollar equivalents based on March 31, 2020 exchange rates:

	C&W	VTR Finance	Liberty Puerto Rico	Cabletica	Liberty Latin America	Consolidated
			in millions			
Years ending December 31:						
2020 (remainder of year)	$ 75.8	$ 71.3	$ —	$ —	$ 0.2	$ 147.3
2021	148.0	7.9	—	—	1.9	157.8
2022	16.3	82.5	—	—	0.3	99.1
2023	150.3	121.3	—	123.5	0.1	395.2
2024	85.8	1,352.0	—	—	402.5	1,840.3
2025	3.3	—	62.5	—	—	65.8
Thereafter	4,069.8	—	2,200.0	—	—	6,269.8
Total debt maturities	4,549.3	1,635.0	2,262.5	123.5	405.0	8,975.3
Premiums, discounts and deferred financing costs, net	(31.6)	(16.8)	(25.9)	(2.3)	(71.7)	(148.3)
Total debt	$ 4,517.7	$ 1,618.2	$ 2,236.6	$ 121.2	$ 333.3	$ 8,827.0
Current portion	$ 200.3	$ 79.1	$ —	$ —	$ 0.3	$ 279.7
Noncurrent portion	$ 4,317.4	$ 1,539.1	$ 2,236.6	$ 121.2	$ 333.0	$ 8,547.3

(10) Leases

The following table provides details of our operating lease expense:

	Three months ended March 31,	
	2020	2019
	in millions	
Operating lease expense:		
Operating lease cost	$ 11.8	$ 10.7
Short-term lease cost	2.8	2.1
Total operating lease expense	$ 14.6	$ 12.8

The following table provides certain other details of our operating leases at March 31, 2020:

For the three months ended March 31, 2020 (in millions):		
Operating cash outflows from operating leases	$	10.1
Right-of-use assets obtained in exchange for new operating lease liabilities (a)	$	19.7
As of March 31, 2020 (in millions):		
Operating lease right-of-use assets (b)	$	161.1
Operating lease liabilities:		
Current (b)	$	31.6
Noncurrent (b)		121.9
Total operating lease liabilities	$	153.5
Weighted-average remaining lease term		6.6 years
Weighted-average discount rate		6.3%

(a) Represents non-cash transactions associated with operating leases entered into during the three months ended March 31, 2020.

(b) Our operating lease right-of-use assets are included in other assets, net, and our current and noncurrent operating lease liabilities are included in other accrued and current liabilities and other long-term liabilities, respectively, in our condensed consolidated balance sheets.

Maturities of Operating Leases

Maturities of our operating lease liabilities on an undiscounted basis as of March 31, 2020 are presented below along with the current and noncurrent operating lease liabilities on a discounted basis. Such amounts represent U.S. dollar equivalents (in millions) based on March 31, 2020 exchange rates.

Years ending December 31:		
2020 (remainder of year)	$	30.5
2021		34.4
2022		28.7
2023		22.8
2024		19.1
2025		13.1
Thereafter		42.5
Total operating lease liabilities on an undiscounted basis		191.1
Amount representing interest		(37.6)
Present value of operating lease liabilities	$	153.5

(11) <u>Unfulfilled Performance Obligations</u>

We enter into certain long-term capacity contracts with customers where the customer either pays a fixed fee over time or prepays for the capacity upfront and pays a portion related to operating and maintenance of the network over time. We assess whether prepaid capacity contracts contain a significant financing component. If the financing component is significant, interest expense is accreted over the life of the contract using the effective interest method. The revenue associated with prepaid capacity contracts is deferred and generally recognized on a straight-line basis over the life of the contract. As of March 31, 2020, we have approximately $430 million of unfulfilled performance obligations relating to our long-term capacity contracts, primarily subsea contracts, that generally will be recognized as revenue over an average remaining life of seven years.

(12) Income Taxes

We evaluate and update our estimated annual effective income tax rate on a quarterly basis based on current and forecasted operating results and tax laws. For interim tax reporting, we estimate an annual effective tax rate that is applied to year-to-date ordinary income or loss. The tax effects of significant unusual or infrequently occurring items are excluded from the estimated annual effective tax rate calculation and recognized in the interim period in which they occur.

Our interim estimate of our annual effective tax rate and our interim tax provision are subject to volatility due to factors such as jurisdictions in which our deferred taxes and/or tax attributes are subject to a full valuation allowance, relative changes in unrecognized tax benefits and changes in tax laws. Based upon the mix and timing of our actual annual earnings or loss compared to annual projections, as well as changes in the factors noted above, our effective tax rate may vary quarterly and may make quarterly comparisons not meaningful.

Income tax expense was $6 million and $4 million during the three months ended March 31, 2020 and 2019, respectively. This represents an effective income tax rate of 3.1% and 12.0% for the three months ended March 31, 2020 and 2019, respectively, including items treated discretely.

For the three months ended March 31, 2020 and 2019, the income tax expense attributable to our loss before income taxes differs from the amounts computed using the statutory tax rate, primarily due to the net detrimental effects of international rate differences, increases in valuation allowances, changes in uncertain tax positions, and negative effects of permanent items, such as non-deductible expenses. These negative impacts to our effective tax rate were partially offset by the beneficial effects of permanent items, such as non-taxable income. For the three months ended March 31, 2019, these negative impacts to our effective tax rate were further offset by the beneficial effect of a change in the Barbados statutory tax rate effective March 19, 2019.

(13) Equity

Share Repurchase Program

On March 16, 2020, our Board of Directors approved a share repurchase program (the **Share Repurchase Program**), which authorizes us to repurchase from time to time up to $100 million of our Class A common shares and/or Class C common shares through March 2022, subject to certain limitations and conditions. The Share Repurchase Program does not obligate us to repurchase any of our Class A or C common shares. Under the Share Repurchase Program, we may repurchase our common shares from time to time in open market purchases at prevailing market prices, in privately negotiated transactions, in block trades, derivative transactions and/or through other legally permissible means.

During the three months ended March 31, 2020, we repurchased 55,338 and 114,975 Class A and Class C common shares, respectively. At March 31, 2020, the remaining amount authorized for share repurchases was $98 million.

(14) Restructuring Liabilities

A summary of changes in our restructuring liability is set forth in the table below:

	Employee severance and termination	Contract termination and other	Total
		in millions	
Restructuring liability as of January 1, 2020	$ 19.0	$ 13.3	$ 32.3
Restructuring charges	5.6	1.9	7.5
UTS liabilities at acquisition date (a)	2.1	—	2.1
Cash paid	(5.0)	(3.4)	(8.4)
Foreign currency translation adjustments	(3.7)	(1.5)	(5.2)
Restructuring liability as of March 31, 2020	$ 18.0	$ 10.3	$ 28.3
Current portion	$ 15.4	$ 8.5	$ 23.9
Noncurrent portion	2.6	1.8	4.4
Total	$ 18.0	$ 10.3	$ 28.3

(a) Represents an adjustment related to the completion of our purchase price accounting for the UTS Acquisition, as further discussed in note 4.

Our restructuring charges during the three months ended March 31, 2020 primarily relate to employee severance and termination costs associated with reorganization programs at C&W and VTR.

In addition to the restructuring charges set forth in the table above, we also incurred $2 million in restructuring charges related to employee severance and termination costs at C&W, which impacted our net pension liability.

(15) Share-based Compensation

The following table summarizes our share-based compensation expense:

	Three months ended March 31,	
	2020	2019
	in millions	
Included in:		
Other operating expense	$ 0.4	$ 0.2
SG&A expense	23.4	14.5
Total (a)	$ 23.8	$ 14.7

(a) The 2020 amount includes estimated bonus-related expenses for the 2020 year that will be paid in the form of equity. Accordingly, such expenses have been included in share-based compensation expense effective January 1, 2020 and are being accounted for using the liability-based method.

Share-based Incentive Awards

The following tables summarize the share-based incentive awards related to Liberty Latin America Class A and Class C common shares held by our employees and our board of directors as of March 31, 2020:

Share-based incentive award type	Number of shares	Weighted average exercise price	Weighted average remaining contractual term
			in years
Stock appreciation rights (**SARs**):			
Class A common shares:			
Outstanding	5,476,823	$ 17.50	4.1
Exercisable	1,647,576	$ 23.70	4.3
Class C common shares:			
Outstanding	11,004,749	$ 17.54	4.1
Exercisable	3,346,678	$ 23.85	4.2

Share-based incentive award type	Number of shares	Weighted average remaining contractual term
		in years
Restricted stock units (**RSUs**) outstanding:		
Class A common shares	536,747	2.6
Class C common shares	1,073,142	2.6
Performance-based restricted stock units (**PSUs**) outstanding:		
Class A common shares	678,714	1.0
Class C common shares	1,357,440	1.0

During the three months ended March 31, 2020, we granted SARs with respect to 2,072,276 Class A common shares and 4,144,552 Class C common shares, which have weighted average exercise prices of $10.42 and $10.48, respectively, and weighted average grant-date fair values of $7.27 and $4.49, respectively. We also granted RSUs during the three months ended March 31, 2020 with respect to 301,527 Class A common shares and 603,054 Class C common shares, which have weighted average grant-date fair values of $10.42 and $10.48, respectively.

(16) Loss per Share

Basic earnings (loss) per share (**EPS**) is computed by dividing net loss attributable to Liberty Latin America shareholders by the weighted average number of Class A, Class B and Class C common shares of Liberty Latin America (collectively, **Liberty Latin America Shares**) outstanding during the periods presented, as further described below. Diluted EPS presents the dilutive effect, if any, on a per share basis of potential shares as if they had been exercised, vested or converted at the beginning of the periods presented.

The details of our net loss attributable to Liberty Latin America shareholders are set forth below:

	Three months ended March 31, 2020	Three months ended March 31, 2019
	in millions	
Net loss	$ (184.6)	$ (41.2)
Net loss (earnings) attributable to noncontrolling interests	3.9	(0.5)
Net loss attributable to Liberty Latin America shareholders	$ (180.7)	$ (41.7)

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

	Three months ended March 31,	
	2020	2019
Weighted average shares outstanding - basic and dilutive	182,079,436	181,036,790

We reported losses attributable to Liberty Latin America shareholders during the three months ended March 31, 2020 and 2019. As a result, the potentially dilutive effect at March 31, 2020 and 2019 of the following items was not included in the computation of diluted loss per share for such periods because their inclusion would have been anti-dilutive to the computation or, in the case of certain PSUs, because such awards had not yet met the applicable performance criteria: (i) using the if-converted method, the aggregate number of shares potentially issuable under our Convertible Notes of approximately 18.1 million and nil, respectively, (ii) the aggregate number of shares issuable pursuant to outstanding options, SARs and RSUs of approximately 22.1 million and 13.1 million, respectively, and (iii) the aggregate number of shares issuable pursuant to outstanding PSUs of approximately 2.0 million and 1.6 million, respectively. A portion of these amounts relate to Liberty Latin America Shares held by employees of Liberty Global plc.

(17) 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 and other items. The following table sets forth the U.S. dollar equivalents of such commitments as of March 31, 2020:

	Payments due during:							
	Remainder of 2020	2021	2022	2023	2024	2025	Thereafter	Total
	in millions							
Programming commitments	$ 98.7	$ 106.3	$ 74.3	$ 43.6	$ 35.4	$ 0.3	$ —	$ 358.6
Network and connectivity commitments	55.6	35.6	6.0	5.3	4.6	2.5	9.0	118.6
Purchase commitments	160.8	19.4	7.4	0.4	—	—	—	188.0
Other commitments	13.3	2.3	1.9	1.6	1.6	1.6	9.3	31.6
Total (a)	$ 328.4	$ 163.6	$ 89.6	$ 50.9	$ 41.6	$ 4.4	$ 18.3	$ 696.8

(a) The commitments included in this table do not reflect any liabilities that are included in our March 31, 2020 condensed consolidated balance sheet.

Programming commitments consist of obligations associated with certain 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 $101 million and $111 million during the three months ended March 31, 2020 and 2019, respectively.

Network and connectivity commitments include (i) domestic network service agreements with certain other telecommunications companies and (ii) VTR's mobile virtual network operator (**MVNO**) agreement. The amounts reflected in the above table with respect to our MVNO commitment represent fixed minimum amounts payable under this agreement and, therefore, may be significantly less than the actual amounts VTR ultimately pays 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.

In addition to the commitments set forth in the table above, we have 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 three months ended March 31, 2020 and 2019, see note 5.

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. In addition, C&W has provided indemnifications of (i) up to $300 million with respect to any potential tax-related claims related to the disposal in April 2013 of C&W's interests in certain businesses and (ii) an unlimited amount of qualifying claims associated with the disposal of another business in May 2014. The first indemnification expired in April 2020 and the second expires in May 2020. We do not expect that either of these arrangements will require us to make material payments to the indemnified parties.

Legal and Regulatory Proceedings and Other Contingencies

Regulatory Issues. Video distribution, broadband internet, fixed-line telephony and mobile businesses are regulated in each of the countries in which we operate. The scope of regulation varies from country to country. 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.

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 wage, property, withholding and other tax issues and (iii) disputes over interconnection, programming and copyright 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.

(18) Segment Reporting

We generally identify our reportable segments as those operating segments that represent 10% or more of our revenue, Adjusted OIBDA (as defined below) or total assets. We evaluate performance and make decisions about allocating resources to our reportable segments based on financial measures such as revenue and Adjusted OIBDA. In addition, we review non-financial measures such as subscriber growth.

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 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 (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 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 (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. A reconciliation of total Adjusted OIBDA to operating income and to loss before income taxes is presented below.

As of March 31, 2020, our reportable segments are as follows:

- C&W
- VTR/Cabletica
- Liberty Puerto Rico

Our reportable segments derive their revenue primarily from residential and B2B services, including video, broadband internet and fixed-line telephony services and, with the exception of Liberty Puerto Rico, mobile services. We provide residential and B2B services in (i) over 20 countries, primarily in Latin America and the Caribbean, through C&W, (ii) Chile and Costa Rica, through VTR/Cabletica, and (iii) Puerto Rico, through Liberty Puerto Rico. C&W also provides (i) B2B services in certain other countries in Latin America and the Caribbean and (ii) wholesale communication services over its subsea and terrestrial fiber optic cable networks that connect over 40 markets in that region. Our corporate category includes our corporate operations.

Performance Measures of our Reportable Segments

The amounts presented below represent 100% of the revenue and Adjusted OIBDA of each of our reportable segments and our corporate operations. As we have the ability to control Cabletica and certain subsidiaries of C&W that are not wholly-owned, we include 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 (i) certain subsidiaries of C&W and (ii) Cabletica are reflected in net earnings or loss attributable to noncontrolling interests in our condensed consolidated statements of operations.

	Revenue	
	Three months ended March 31,	
	2020	2019
	in millions	
C&W (a)	$ 588.6	$ 569.8
VTR/Cabletica	240.1	276.5
Liberty Puerto Rico	104.6	98.6
Intersegment eliminations	(2.3)	(2.2)
Total	$ 931.0	$ 942.7

(a) The amount presented for 2019 excludes the pre-acquisition revenue of UTS, which was acquired effective March 31, 2019.

	Adjusted OIBDA	
	Three months ended March 31,	
	2020	2019
	in millions	
C&W (a)	$ 232.8	$ 222.5
VTR/Cabletica	93.4	106.9
Liberty Puerto Rico	50.5	47.9
Corporate	(12.8)	(11.5)
Total	$ 363.9	$ 365.8

(a) The amount presented for 2019 excludes the pre-acquisition Adjusted OIBDA of UTS, which was acquired effective March 31, 2019.

The following table provides a reconciliation of total Adjusted OIBDA to operating income and to loss before income taxes:

	Three months ended March 31,	
	2020	2019
	in millions	
Total Adjusted OIBDA	$ 363.9	$ 365.8
Share-based compensation expense	(23.8)	(14.7)
Depreciation and amortization	(213.5)	(217.3)
Impairment, restructuring and other operating items, net	(18.8)	(20.5)
Operating income	107.8	113.3
Interest expense	(143.3)	(115.7)
Realized and unrealized gains (losses) on derivative instruments, net	17.4	(69.0)
Foreign currency transaction gains (losses), net	(164.3)	32.2
Losses on debt modification and extinguishment	(3.4)	—
Other income, net	6.8	2.4
Loss before income taxes	$ (179.0)	$ (36.8)

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 finance 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, see note 8.

	Three months ended March 31,	
	2020	**2019**
	in millions	
C&W (a)	$ 70.5	$ 63.6
VTR/Cabletica	44.9	54.1
Liberty Puerto Rico	13.3	19.8
Corporate	4.2	1.6
Total property and equipment additions	132.9	139.1
Assets acquired under capital-related vendor financing arrangements	(23.6)	(10.9)
Assets acquired under finance leases	—	(0.1)
Changes in current liabilities related to capital expenditures	39.9	31.5
Total capital expenditures	$ 149.2	$ 159.6

(a) The amount presented for 2019 excludes the pre-acquisition property and equipment additions of UTS, which was acquired effective March 31, 2019.

Revenue by Major Category

Our revenue by major category for our reportable segments is set forth in the tables below.

	Three months ended March 31, 2020				
	C&W	VTR/Cabletica	Liberty Puerto Rico	Intersegment Eliminations (a)	Total
	in millions				
Residential revenue:					
Residential fixed revenue:					
Subscription revenue (b):					
Video	$ 44.9	$ 95.0	$ 35.3	$ —	$ 175.2
Broadband internet	71.0	94.4	45.5	—	210.9
Fixed-line telephony	24.3	20.3	5.9	—	50.5
Total subscription revenue	140.2	209.7	86.7	—	436.6
Non-subscription revenue (c)	16.9	6.0	4.6	—	27.5
Total residential fixed revenue	157.1	215.7	91.3	—	464.1
Residential mobile revenue:					
Service revenue (b)	130.9	14.6	—	—	145.5
Interconnect, equipment sales and other (d)	17.6	2.0	—	—	19.6
Total residential mobile revenue	148.5	16.6	—	—	165.1
Total residential revenue	305.6	232.3	91.3	—	629.2
B2B revenue:					
Service revenue (e)	213.4	7.8	13.3	(0.3)	234.2
Subsea network revenue (f)	69.6	—	—	(2.0)	67.6
Total B2B revenue	283.0	7.8	13.3	(2.3)	301.8
Total	$ 588.6	$ 240.1	$ 104.6	$ (2.3)	$ 931.0

(a) Represents intersegment transactions between (i) C&W and Liberty Puerto Rico and (ii) C&W and VTR/Cabletica.

(b) Residential fixed subscription and residential mobile services revenue include amounts received from subscribers for ongoing fixed and airtime services, respectively.

(c) Residential fixed non-subscription revenue primarily includes interconnect and advertising revenue.

(d) The total amount includes $10 million of revenue from sales of mobile handsets and other devices.

(e) B2B service revenue primarily includes broadband internet, video, fixed-line telephony, mobile and managed services (including equipment installation contracts) offered to small (including small or home office), medium and large enterprises and, on a wholesale basis, other telecommunication operators. The total amount also includes $3 million of revenue from sales of mobile handsets and other devices.

(f) B2B subsea network revenue includes long-term capacity contracts with customers where the customer either pays a fee over time or prepays for the capacity upfront and pays a portion related to operating and maintenance of the network over time.

	Three months ended March 31, 2019				
	C&W (a)	VTR/Cabletica	Liberty Puerto Rico	Intersegment Eliminations (b)	Total
	in millions				
Residential revenue:					
Residential fixed revenue:					
Subscription revenue (c):					
Video	$ 43.9	$ 108.7	$ 35.0	$ —	$ 187.6
Broadband internet	60.2	104.8	41.8	—	206.8
Fixed-line telephony	24.3	27.5	5.7	—	57.5
Total subscription revenue	128.4	241.0	82.5	—	451.9
Non-subscription revenue (d)	15.0	8.9	5.3	—	29.2
Total residential fixed revenue	143.4	249.9	87.8	—	481.1
Residential mobile revenue:					
Service revenue (c)	135.0	15.7	—	—	150.7
Interconnect, equipment sales and other (e)	19.0	3.4	—	—	22.4
Total residential mobile revenue	154.0	19.1	—	—	173.1
Total residential revenue	297.4	269.0	87.8	—	654.2
B2B revenue:					
Service revenue (f)	210.9	7.5	10.8	(0.6)	228.6
Subsea network revenue (g)	61.5	—	—	(1.6)	59.9
Total B2B revenue	272.4	7.5	10.8	(2.2)	288.5
Total	$ 569.8	$ 276.5	$ 98.6	$ (2.2)	$ 942.7

(a) The amounts presented exclude the pre-acquisition revenue of UTS, which was acquired effective March 31, 2019.

(b) Represents intersegment transactions between (i) C&W and Liberty Puerto Rico and (ii) C&W and VTR/Cabletica.

(c) Residential fixed subscription and residential mobile services revenue include amounts received from subscribers for ongoing fixed and airtime services, respectively.

(d) Residential fixed non-subscription revenue primarily includes interconnect and advertising revenue.

(e) The total amounts include $7 million of revenue from sales of mobile handsets and other devices.

(f) B2B service revenue primarily includes broadband internet, video, fixed-line telephony, mobile and managed services (including equipment installation contracts) offered to small (including small or home office), medium and large enterprises and, on a wholesale basis, other telecommunication operators. These amounts also include $4 million of revenue from sales of mobile handsets and other devices.

(g) B2B subsea network revenue includes long-term capacity contracts with customers where the customer either pays a fee over time or prepays for the capacity upfront and pays a portion related to operating and maintenance of the network over time.

Geographic Markets

The revenue from third-party customers for our geographic markets is set forth in the table below. Except as otherwise noted, the amounts presented include revenue from residential and B2B operations.

	Three months ended March 31,	
	2020	**2019**
	in millions	
Panama	$ 137.7	$ 140.3
Networks & LatAm (a)	95.0	88.7
Jamaica	96.1	93.0
The Bahamas	49.3	53.6
Barbados	36.7	37.5
Curacao (b)	39.6	7.0
Trinidad and Tobago	40.8	39.6
Chile	206.4	244.0
Costa Rica	33.7	32.5
Puerto Rico	104.3	98.0
Other (c)	91.4	108.5
Total	$ 931.0	$ 942.7

(a) The amounts represent managed services and wholesale revenue from various jurisdictions across Latin America and the Caribbean, primarily related to the sale and lease of telecommunications capacity on C&W’s subsea and terrestrial fiber optic cable networks.

(b) The amount presented for 2019 excludes the pre-acquisition revenue of UTS, which was acquired effective March 31, 2019.

(c) The amounts relate to a number of countries in which C&W has less significant operations, all of which are located in Latin America and the Caribbean.

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 2019 Form 10-K and the condensed consolidated financial statements and accompanying notes included in Part I, Item 1 of this Form 10-Q, 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 months ended March 31, 2020 and 2019.
- *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.

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 Latin America or collectively to Liberty Latin America and its subsidiaries.

Unless otherwise indicated, convenience translations into U.S. dollars are calculated as of March 31, 2020.

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 on Form 10-Q 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 Part I, Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*, Item 3. *Quantitative and Qualitative Disclosures About Market Risk* and Item 4. *Controls and Procedures* and Part II, Item 1A. *Risk Factors* may contain forward-looking statements, including statements regarding: our business, product, foreign currency and finance strategies in 2020; subscriber growth and retention rates; changes in competitive, regulatory and economic factors; anticipated changes in our revenue, expenses, or growth rates; debt levels; our liquidity and our ability to access the liquidity of our subsidiaries; credit risks; internal control over financial reporting; foreign currency risks; interest rate risks; compliance with debt, financial and other covenants; our future projected contractual commitments and cash flows; the AT&T Acquisition, including financing plans, the expected closing date, and the potential risks associated with such acquisition; the potential impacts of COVID-19 on our business and results of operations; reductions in operating and capital costs; the remediation of material weaknesses; 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 Part II, Item 1A of this Quarterly Report and Part I, Item 1A in our 2019 Form 10-K, 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, inflation 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 viewing preferences and habits, including on mobile devices that function on various operating systems and specifications, limited bandwidth, and different processing power and screen sizes;
- customer acceptance of our existing service offerings, including our video, 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;
- the impact of 5G and wireless technologies on broadband internet;
- our ability to maintain or increase the number of subscriptions to our video, 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 requires opening our broadband distribution networks to competitors;
- 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, such as the AT&T Acquisition;
- 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 or that we expect to acquire, such as with respect to the AT&T Acquisition;
- changes in laws or treaties relating to taxation, or the interpretation thereof, in the 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 third-party channel providers and broadcasters (including our third-party wireless network provider under our MVNO arrangement), 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 and upgrade programs;
- the availability of capital for the acquisition and/or development of telecommunications networks and services, including property and equipment additions;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire, such as with respect to the AT&T Acquisition;
- piracy, targeted vandalism against our networks, and cybersecurity threats or other security breaches, including the leakage of sensitive customer data, which could harm our business or reputation;
- 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;
- changes in and compliance with applicable data privacy laws, rules, and regulations;
- our ability to recoup insurance reimbursements and settlements from third-party providers;
- our ability to comply with economic and trade sanctions laws, such as the U.S. Treasury Department’s Office of Foreign Assets Control; and
- events that are outside of our control, such as political conditions and unrest in international markets, terrorist attacks, malicious human acts, hurricanes and other natural disasters, pandemics, including the COVID-19 pandemic, 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 on Form 10-Q 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 on Form 10-Q, 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

General

We are an international provider of fixed, mobile and subsea telecommunications services. We provide residential and B2B communications services in (i) over 20 countries, primarily in Latin America and the Caribbean, through C&W, (ii) Chile and Costa Rica, through VTR/Cabletica, and (iii) Puerto Rico, through Liberty Puerto Rico. C&W also provides (i) B2B services in certain other countries in Latin America and the Caribbean and (ii) wholesale communication services over its subsea and terrestrial fiber optic cable networks that connect over 40 markets in that region.

C&W owns less than 100% of certain of its consolidated subsidiaries, including C&W Bahamas (a 49.0%-owned entity that owns all of our operations in the Bahamas), C&W Jamaica (a 92.3%-owned entity that owns the majority of our operations in Jamaica), and C&W Panama (a 49.0%-owned entity that owns most of our operations in Panama). In addition, we own Cabletica through our 80.0% ownership of its parent, LBT CT Communications, S.A..

Operations

At March 31, 2020, we (i) owned and operated fixed networks that passed 7,583,000 homes and served 6,101,600 revenue generating units (**RGU**s), comprising 2,656,900 broadband internet subscribers, 1,985,400 video subscribers and 1,459,300 fixed-line telephony subscribers and (ii) served 3,619,800 mobile subscribers.

COVID-19

In December 2019, COVID-19 was reported in Wuhan, China. On March 11, 2020, the World Health Organization declared the outbreak a “pandemic,” pointing to the sustained risk of further global spread. To date, confirmed cases of COVID-19 are present in each of the markets in which we operate. Through March 31, 2020, COVID-19 has not had a material impact on our financial position, results of operations or liquidity. The extent to which COVID-19 impacts our future operational and financial performance will depend on certain developments, which include, among other factors:

- the duration and spread of the outbreak;
- the ability of governments and medical professionals in our markets to respond to the outbreak;
- the impact of government regulations imposed in response to the pandemic, including initiated laws and moratoriums;
- the impact on our customers and our sales cycles;
- the impact on actual and expected customer receivable collection patterns, including the impact of such patterns on our allowance for bad debt provisions following the adoption of ASU 2016-13 on January 1, 2020;
- the impact on our employees, including that from labor shortages or work from home initiatives;
- the impacts on foreign currency and interest rate fluctuations; and
- the effect on our vendors, as COVID-19 could have adverse impacts on our supply chain thereby impacting our customers’ ability to use our services.

Given the impacts of COVID-19 continue to rapidly evolve, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain and cannot be predicted at this time. If the disruptions we are experiencing were to worsen or extend over a prolonged period, COVID-19 could have a material adverse impact on our results of operations and cash flows, financial condition and liquidity. The heightened volatility of global markets resulting from COVID-19 further expose us to risks and uncertainties.

As COVID-19 continues to spread, we have, and expect to continue to take, a variety of measures to promote the safety and security of our employees, and ensure the availability of our communication services. To this end, we have upgraded our network in an effort to handle peak traffic, accelerated our digital transformation efforts, initiated moves to self-installations for as many of our services and customers as possible, are developing innovative pricing plans that meet our customers’ needs across our prepaid products, our fixed products, our Pay-TV products, and our B2B products, and continue to evaluate and change our cost structure. In this regard, in an effort to mitigate potential revenue challenges that may arise from COVID-19, and based on our current view of the potential impacts of COVID-19 on our business, we have identified and begun to take actions that are expected to help reduce certain fixed-related operating costs and capital costs by approximately $150 million during the remainder of 2020, of which approximately half relates to operating costs and expenses.

AT&T Acquisition

On October 9, 2019, Liberty Latin America's wholly-owned subsidiary, Leo Cable, agreed to acquire AT&T's wireless and wireline operations in Puerto Rico and the U.S. Virgin Islands in an all-cash transaction. The AT&T Acquisition is valued at an enterprise value of $1.95 billion on a cash- and debt-free basis, subject to certain adjustments. We intend to finance this acquisition through a combination of net proceeds from the 2026 SPV Credit Facility, the 2027 LPR Senior Secured Notes and available liquidity. In connection with the AT&T Acquisition, we expect to incur significant operating and capital costs to integrate the businesses of AT&T with our existing operations in Puerto Rico.

The AT&T Acquisition is subject to the satisfaction of customary closing conditions, including reviews by the FCC and clearance by the DOJ under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended (the **HSR Act**). On January 10, 2020, we received a request for additional information and documentary materials (a **Second Request**) from the DOJ regarding the AT&T Acquisition. This information request was issued in conjunction with the DOJ's review of the transaction under the HSR Act. Issuance of the Second Request extends the waiting period under the HSR Act until 30 days after both Liberty Latin America and AT&T have substantially complied with the Second Request or such later time as such parties may agree with the DOJ, unless the waiting period is terminated earlier by the DOJ. We are responding to the information request as quickly as practicable and will continue to work cooperatively with the DOJ in connection with its review. We expect the AT&T Acquisition to close in the second half of 2020.

Material Changes in Results of Operations

The comparability of our operating results during the three months ended March 31, 2020 and 2019 is affected by an acquisition, a disposal and FX effects. As we use the term, organic changes exclude FX and the impacts of acquisitions and disposals, each as further discussed below.

In the following discussion, we quantify the estimated impact on the operating results of the periods under comparison that is attributable to acquisitions and disposals. With respect to acquisitions, organic changes and the calculations of our organic change percentages exclude the operating results of an acquired entity during the first 12 months following the date of acquisition. With respect to disposals, the prior-year period operating results of disposed entities are excluded from organic changes and the calculations of our organic change percentages to the same extent that those operations are not included in the current-year period.

Changes in foreign currency exchange rates may have a significant impact on our operating results, as VTR, Cabletica and certain entities within C&W have functional currencies other than the U.S. dollar. Our primary exposure to foreign currency translation effects (**FX**) risk is to the Chilean peso, as a significant portion of our revenue is derived from VTR. For example, the average FX rate for the Chilean peso per one U.S. dollar deteriorated by 21% for the three months ended March 31, 2020, as compared to the corresponding period in 2019. The impacts to the various components of our results of operations that are attributable to changes in FX are highlighted below. For information concerning our foreign currency risks and applicable foreign currency exchange rates, see Item 3. *Quantitative and Qualitative Disclosures About Market Risk—Foreign Currency Rates* below.

The amounts presented and discussed below represent 100% of the revenue and expenses of each segment and our corporate operations. As we have the ability to control certain subsidiaries that are not wholly-owned, we include 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 certain subsidiaries of C&W and Cabletica are reflected in net earnings or loss attributable to noncontrolling interests in our condensed consolidated statements of operations.

On April 1, 2019, certain B2B operations in Puerto Rico were transferred from our C&W segment to our Liberty Puerto Rico segment, and on January 1, 2020, our captive insurance operation was transferred from our C&W segment to our corporate operations. These transfers did not have a significant impact on the financial results of our C&W or Liberty Puerto Rico segments.

We are subject to inflationary pressures with respect to certain 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 reportable segments. Any cost increases that we are not able to pass on to our subscribers would result in increased pressure on our operating margins.

Revenue

All of our segments derive their revenue primarily from (i) residential fixed services, including video, broadband internet and telephony, (ii) with the exception of Liberty Puerto Rico, residential mobile services, and (iii) B2B services. C&W also provides wholesale communication services over its subsea and terrestrial fiber optic cable networks.

While not specifically discussed in the below explanations of the changes in revenue, we are experiencing significant competition in all of our markets. This competition has an adverse impact on our ability to increase or maintain our RGUs and/or average monthly subscription revenue per average fixed RGU or mobile subscriber, as applicable, (**ARPU**).

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 during the period and (ii) changes in ARPU. Changes in ARPU can be attributable to (i) changes in prices, (ii) changes in bundling or promotional discounts, (iii) changes in the tier of services selected, (iv) variances in subscriber usage patterns, and (v) the overall mix of fixed and mobile products 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.

The following table sets forth revenue by reportable segment:

	Three months ended March 31,		Increase (decrease)	
	2020	2019	$	%
	in millions, except percentages			
C&W	$ 588.6	$ 569.8	$ 18.8	3.3
VTR/Cabletica	240.1	276.5	(36.4)	(13.2)
Liberty Puerto Rico	104.6	98.6	6.0	6.1
Intersegment eliminations	(2.3)	(2.2)	(0.1)	4.5
Total	$ 931.0	$ 942.7	$ (11.7)	(1.2)

Consolidated. The decrease during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes (i) an increase of $32 million associated with the impact of the UTS Acquisition, (ii) a decrease of $15 million associated with the impact of a disposal and (iii) a decrease of $47 million attributable to the impact of FX. Excluding the effects of the UTS Acquisition, a disposal and FX, revenue increased $18 million or 1.9%. The organic increase includes increases of $9 million, $4 million and $6 million at C&W, VTR/Cabletica and Liberty Puerto Rico, respectively, as further discussed below.

C&W. C&W's revenue by major category is set forth below:

	Three months ended March 31,		Increase (decrease)	
	2020	2019	$	%
	in millions, except percentages			
Residential revenue:				
Residential fixed revenue:				
Subscription revenue:				
Video	$ 44.9	$ 43.9	$ 1.0	2.3
Broadband internet	71.0	60.2	10.8	17.9
Fixed-line telephony	24.3	24.3	—	—
Total subscription revenue	140.2	128.4	11.8	9.2
Non-subscription revenue	16.9	15.0	1.9	12.7
Total residential fixed revenue	157.1	143.4	13.7	9.6
Residential mobile revenue:				
Service revenue	130.9	135.0	(4.1)	(3.0)
Interconnect, equipment sales and other	17.6	19.0	(1.4)	(7.4)
Total residential mobile revenue	148.5	154.0	(5.5)	(3.6)
Total residential revenue	305.6	297.4	8.2	2.8
B2B revenue:				
Service revenue	213.4	210.9	2.5	1.2
Subsea network revenue	69.6	61.5	8.1	13.2
Total B2B revenue	283.0	272.4	10.6	3.9
Total	$ 588.6	$ 569.8	$ 18.8	3.3

The details of the changes in C&W's revenue during the three months ended March 31, 2020, as compared to the corresponding period in 2019, are set forth below (in millions):

Increase in residential fixed subscription revenue due to change in:	
Average number of RGUs (a)	$ 10.3
ARPU (b)	(5.2)
Increase in residential fixed non-subscription revenue	1.9
Total increase in residential fixed revenue	7.0
Decrease in residential mobile service revenue (c)	(5.7)
Decrease in residential mobile interconnect, equipment sales and other (d)	(2.6)
Increase in B2B service revenue (e)	1.8
Increase in B2B subsea network revenue (f)	8.1
Total organic increase	8.6
Impact of acquisition and a disposal	17.2
Impact of FX	(7.0)
Total	$ 18.8

(a) The increase is primarily attributable to higher broadband internet, video and fixed-line telephony RGUs.

(b) The decrease is primarily due to lower ARPU from video and fixed-line telephony services.

(c) The decrease is primarily attributable to the net effect of (i) lower ARPU from mobile services and (ii) lower average mobile subscribers, primarily in Panama and the Bahamas, that was largely offset by higher average mobile subscribers in Jamaica. A portion of this net decrease includes the impact of COVID-19, which negatively impacted mobile subscription revenue during the period, primarily in Panama and the Bahamas.

(d) The decrease is primarily attributable to lower interconnect revenue, primarily associated with lower volumes in Panama.

(e) The increase is primarily due to the net effect of (i) higher revenue from data and managed services, primarily in Networks & LatAm, Jamaica, and Panama (ii) lower fixed-line telephony services, primarily in Jamaica and Panama and (iii) increased interconnect revenue, primarily in Jamaica.

(f) The increase is primarily attributable to an increase of $8 million associated with revenue recognized on a cash basis for services provided to a significant customer.

VTR/Cabletica. VTR/Cabletica's revenue by major category is set forth below:

	Three months ended March 31,		Increase (decrease)	
	2020	**2019**	**$**	**%**
	in millions, except percentages			
Residential revenue:				
Residential fixed revenue:				
Subscription revenue:				
Video	$ 95.0	$ 108.7	$ (13.7)	(12.6)
Broadband internet	94.4	104.8	(10.4)	(9.9)
Fixed-line telephony	20.3	27.5	(7.2)	(26.2)
Total subscription revenue	209.7	241.0	(31.3)	(13.0)
Non-subscription revenue	6.0	8.9	(2.9)	(32.6)
Total residential fixed revenue	215.7	249.9	(34.2)	(13.7)
Residential mobile revenue:				
Service revenue	14.6	15.7	(1.1)	(7.0)
Interconnect, equipment sales and other	2.0	3.4	(1.4)	(41.2)
Total residential mobile revenue	16.6	19.1	(2.5)	(13.1)
Total residential revenue	232.3	269.0	(36.7)	(13.6)
B2B service revenue	7.8	7.5	0.3	4.0
Total	$ 240.1	$ 276.5	$ (36.4)	(13.2)

The details of the changes in VTR/Cabletica's revenue during the three months ended March 31, 2020, as compared to the corresponding period in 2019, are set forth below (in millions):

Increase in residential fixed subscription revenue due to change in:	
Average number of RGUs (a)	$ 5.5
ARPU (b)	(2.5)
Decrease in residential fixed non-subscription revenue (c)	(2.0)
Total increase in residential fixed revenue	1.0
Increase in residential mobile service revenue (d)	1.9
Decrease in residential mobile interconnect, equipment sales and other	(1.0)
Increase in B2B service revenue (e)	1.8
Total organic increase	3.7
Impact of FX	(40.1)
Total	$ (36.4)

(a) The increase is primarily attributable to the net effect of (i) higher broadband internet and video RGUs and (ii) lower fixed-line telephony RGUs.

(b) The decrease is primarily due to the net effect of (i) lower ARPU from fixed-line telephony and video services and (ii) an improvement resulting from a change in product mix.

(c) The decrease is primarily attributable to lower equipment sales at Cabletica.

(d) The increase is due to the net effect of (i) a higher average number of mobile subscribers at VTR and (ii) lower ARPU from mobile services at VTR.

(e) The increase is primarily attributable to higher average numbers of broadband internet, video and fixed-line telephony RGUs at VTR.

Liberty Puerto Rico. Liberty Puerto Rico's revenue by major category is set forth below:

	Three months ended March 31,		Increase (decrease)	
	2020	2019	$	%
	in millions, except percentages			
Residential fixed revenue:				
Subscription revenue:				
Video	$ 35.3	$ 35.0	$ 0.3	0.9 %
Broadband internet	45.5	41.8	3.7	8.9 %
Fixed-line telephony	5.9	5.7	0.2	3.5 %
Total subscription revenue	86.7	82.5	4.2	5.1 %
Non-subscription revenue	4.6	5.3	(0.7)	(13.2)%
Total residential fixed revenue	91.3	87.8	3.5	4.0 %
B2B service revenue	13.3	10.8	2.5	23.1 %
Total	$ 104.6	$ 98.6	$ 6.0	6.1 %

The details of the changes in Liberty Puerto Rico's revenue during the three months ended March 31, 2020, as compared to the corresponding period in 2019, are set forth below (in millions):

Increase in residential fixed subscription revenue due to change in:	
Average number of RGUs (a)	$ 4.3
ARPU (b)	(0.1)
Decrease in residential fixed non-subscription revenue	(0.7)
Total increase in residential fixed revenue	3.5
Increase in B2B service revenue	2.5
Total	$ 6.0

(a) The increase is primarily attributable to higher broadband internet RGUs.

(b) The decrease is primarily attributable to the net effect of (i) $2 million of credits issued to customers in connection with the earthquakes that impacted Puerto Rico in January 2020, (ii) higher ARPU from broadband internet, video and fixed-line telephony services and (iii) a decline resulting from a change in product mix.

Programming and other direct costs of services

General. Programming and other direct costs of services include programming and copyright costs, interconnect and access costs, costs of mobile handsets and other devices, and other direct costs related to our operations. Programming and copyright costs, which represent a significant portion of our operating costs, may increase 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 or (iii) growth in the number of our video subscribers.

The following table sets forth programming and other direct costs of services by reportable segment:

	Three months ended March 31,		Increase (decrease)	
	2020	2019	$	%
	in millions, except percentages			
C&W	$ 122.1	$ 129.1	$ (7.0)	(5.4)
VTR/Cabletica	66.9	75.6	(8.7)	(11.5)
Liberty Puerto Rico	24.1	22.9	1.2	5.2
Intersegment eliminations	(2.3)	(2.2)	(0.1)	N.M.
Total	$ 210.8	$ 225.4	$ (14.6)	(6.5)

N.M. — Not Meaningful.

Consolidated. The decrease in programming and other direct costs of services during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes (i) an increase of $3 million associated with the impact of the UTS Acquisition, (ii) a decrease of $4 million associated with the impact of a disposal and (iii) a decrease of $13 million due to FX. Excluding the effects of the UTS Acquisition, a disposal and FX, our programming and other direct costs of services decreased $1 million or 0.5%. The organic decrease primarily includes increases (decreases) of ($5 million), $2 million and $1 million at C&W, VTR/Cabletica and Liberty Puerto Rico, respectively, as further discussed below.

C&W. The decrease in C&W's programming and other direct costs of services during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes (i) an increase of $3 million associated with the impact of the UTS Acquisition (ii) a decrease of $4 million associated with the impact of a disposal and (iii) a decrease of $2 million due to FX. Excluding the effects of the UTS Acquisition, a disposal and FX, C&W's programming and other direct costs of services decreased $5 million or 3.6%. This decrease includes the following factors:

- A decrease in programming and copyright costs of $9 million or 22.4%, primarily due to lower sports content costs; and
- An increase in interconnect and access costs of $3 million or 5.9%, primarily due to an increase in wholesale call volumes in Jamaica.

VTR/Cabletica. The decrease in VTR/Cabletica's programming and other direct costs of services during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes a decrease of $11 million attributable to FX. Excluding the effect of FX, VTR/Cabletica's programming and other direct costs of services increased $2 million or 3.0%. This increase includes the following factors:

- An increase in programming and copyright costs of $6 million or 11.8%, primarily due to (i) an increase in certain premium and basic content costs, primarily resulting from higher rates and (ii) a net increase in the foreign currency impact of programming contracts denominated in U.S. dollars;
- A decrease in interconnect and access costs of $3 million or 17.2%, primarily due to a decrease in interconnect costs as a result of lower rates; and
- A decrease in equipment costs of $1 million or 11.8%, primarily due to the net effect of (i) lower equipment sales at Cabletica and (ii) higher mobile handset sales at VTR.

Liberty Puerto Rico. The increase in Liberty Puerto Rico's programming and other direct costs of services during the three months ended March 31, 2020, as compared to the corresponding period in 2019, primarily includes the following factors:

- An increase in interconnect costs of $1 million or 45.6% primarily resulting from the transfer of certain B2B operations in Puerto Rico from our C&W segment to our Liberty Puerto Rico segment; and

- An increase in programming and copyright costs of $1 million or 2.6% mostly attributable to higher programming rates.

Other operating expenses

General. Other operating expenses include (i) network operations, (ii) customer operations, which includes personnel costs and call center costs, (iii) bad debt and collection expenses, and (iv) other costs related to our operations.

The following tables set forth other operating expenses by reportable segment:

	Three months ended March 31,		Increase (decrease)	
	2020	**2019**	**$**	**%**
	in millions, except percentages			
C&W	$ 126.7	$ 111.8	$ 14.9	13.3
VTR/Cabletica	40.9	46.5	(5.6)	(12.0)
Liberty Puerto Rico	15.3	14.3	1.0	7.0
Corporate	1.5	—	1.5	N.M.
Total other operating expenses excluding share-based compensation expense	184.4	172.6	11.8	6.8
Share-based compensation expense	0.4	0.2	0.2	100.0
Total	$ 184.8	$ 172.8	$ 12.0	6.9

N.M. — Not Meaningful.

Consolidated. The increase in other operating expenses during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes (i) an increase of $12 million associated with the impact of the UTS Acquisition, (ii) a decrease of $3 million associated with the impact of a disposal and (iii) a decrease of $9 million attributable to FX**.** Excluding the effects of the UTS Acquisition, a disposal, FX and share-based compensation expense, our other operating expenses increased $11 million or 6.5%. The organic increase includes increases of $7 million, $2 million, $1 million, and $2 million at C&W, VTR/Cabletica, Liberty Puerto Rico, and Corporate, respectively, as further discussed below.

C&W. The increase in C&W's other operating expenses during the three months ended March 31, 2020, as compared to the corresponding period in 2019, primarily includes (i) an increase of $12 million associated with the impact of the UTS Acquisition, (ii) a decrease of $3 million associated with the impact of a disposal and (iii) a decrease of $2 million due to FX. Excluding the effects of the UTS Acquisition, a disposal and FX, C&W's other operating expenses (exclusive of share-based compensation expense) increased $7 million or 6.4%. This increase includes the following factors:

- An increase in bad debt and collection expenses of $4 million or 57.0%, primarily due to an increase in expected credit losses associated with certain B2B customers; and

- A net increase resulting from other individually insignificant changes.

VTR/Cabletica. The decrease in VTR/Cabletica's other operating expenses during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes a decrease of $7 million due to FX. Excluding the effect of FX, VTR/Cabletica's other operating expenses (exclusive of share-based compensation expense) increased $2 million or 3.4%. This increase includes the following factors:

- An increase in outsourced labor and professional services of $3 million or 43.2%, primarily due to (i) increased call center volume, (ii) the outsourcing of VTR's network operations center and (iii) increased logistics services; and

- A decrease in bad debt and collection expenses of $1 million or 14.4%.

Liberty Puerto Rico. The increase in Liberty Puerto Rico's other operating expenses (exclusive of share-based compensation expense) during the three months ended March 31, 2020, as compared to the corresponding period in 2019, primarily includes an increase in network-related expenses of $1 million or 28.2% mostly due to higher power costs.

Corporate. The increase in Corporate other operating expenses (exclusive of share-based compensation expense) during the three months ended March 31, 2020, as compared to the corresponding period in 2019, is primarily attributable to higher personnel costs with respect to establishing our new operations center in Panama**.**

SG&A expenses

General. SG&A expenses include human resources, information technology, general services, management, finance, legal, sales and marketing costs, share-based compensation and other general expenses.

The following tables set forth SG&A by reportable segment and our corporate category:

	Three months ended March 31,		Increase (decrease)	
	2020	**2019**	**$**	**%**
	in millions, except percentages			
C&W	$ 107.0	$ 106.4	$ 0.6	0.6
VTR/Cabletica	38.9	47.5	(8.6)	(18.1)
Liberty Puerto Rico	14.7	13.5	1.2	8.9
Corporate	11.3	11.5	(0.2)	(1.7)
Total SG&A expenses excluding share-based compensation expense	171.9	178.9	(7.0)	(3.9)
Share-based compensation expense	23.4	14.5	8.9	61.4
Total	$ 195.3	$ 193.4	$ 1.9	1.0

Consolidated. The increase in SG&A expenses during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes (i) an increase of $5 million associated with the impact of the UTS Acquisition, (ii) a decrease of $3 million associated with the impact of a disposal and (iii) a decrease of $8 million due to FX. Excluding the effects of the UTS Acquisition, a disposal, FX and share-based compensation expense, our SG&A expenses decreased $2 million or 1.3%. The organic decrease primarily includes increases (decreases) of ($1 million) and ($2 million), and $1 million at C&W, VTR/Cabletica and Liberty Puerto Rico respectively, as further discussed below.

C&W. The increase in C&W's SG&A expenses during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes (i) an increase of $5 million associated with the impact of the UTS Acquisition, (ii) a decrease of $3 million associated with the impact of a disposal and (iii) a decrease of $1 million due to FX. Excluding the effects of the UTS Acquisition, a disposal and FX, C&W's SG&A expenses (exclusive of share-based compensation expense) decreased $1 million or 1.1%. This decrease includes the following factors:

- An increase in personnel costs of $2 million or 3.5%, primarily due to the net effect of (i) higher sales commissions and related costs in Panama and (ii) lower bonus-related SG&A expense in 2020 related to certain amounts that will be distributed in the form of equity, as further discussed below under *Share-based compensation expense*;
- A decrease in insurance costs of $2 million, due in part to the impact of C&W's Weather Derivative, as further described below and in note 5 to our condensed consolidated financial statements; and
- A net decrease resulting from other individually insignificant changes.

VTR/Cabletica. The decrease in VTR/Cabletica's SG&A expenses during the three months ended March 31, 2020, as compared to the corresponding period in 2019, includes a decrease of $6 million due to FX. Excluding the effect of FX, VTR/Cabletica's SG&A expenses (exclusive of share-based compensation expense) decreased $2 million or 4.6%. This decrease primarily includes a decrease in sales, marketing and advertising expenses of $2 million or 11.4%, mostly driven by the net effect of (i) lower advertising costs, primarily related to the delay in certain marketing campaigns resulting from the impact of COVID-19 and (ii) higher sales commissions to third-party dealers.

Liberty Puerto Rico. The increase in Liberty Puerto Rico's SG&A expenses (exclusive of share-based compensation expense) during the three months ended March 31, 2020, as compared to the corresponding period in 2019, primarily includes an increase in outsourced labor and professional services of $1 million or 79.1% mostly driven by $1 million of advisory-related costs associated with the pending AT&T Acquisition.

Corporate. Corporate SG&A expenses (exclusive of share-based compensation expense) remained relatively flat during the three months ended March 31, 2020, as compared to the corresponding period in 2019. This is primarily attributable to personnel costs remaining relatively flat due to the net effect of (i) increased costs with respect to establishing our new operations center in Panama and (ii) lower bonus-related SG&A expense in 2020 related to certain amounts that will be distributed in the form of equity, as further discussed below under *Share-based compensation expense*.

Adjusted OIBDA

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 Adjusted OIBDA to our loss before income taxes, see note 18 to our condensed consolidated financial statements.

The following tables set forth Adjusted OIBDA by reportable segment and our corporate category:

	Three months ended March 31,		Increase (decrease)	
	2020	**2019**	**$**	**%**
	in millions, except percentages			
C&W	$ 232.8	$ 222.5	$ 10.3	4.6
VTR/Cabletica	93.4	106.9	(13.5)	(12.6)
Liberty Puerto Rico	50.5	47.9	2.6	5.4
Corporate	(12.8)	(11.5)	(1.3)	11.3
Total	$ 363.9	$ 365.8	$ (1.9)	(0.5)

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 March 31,	
	2020	**2019**
	%	
C&W	39.6	39.0
VTR/Cabletica	38.9	38.7
Liberty Puerto Rico	48.3	48.6

Adjusted OIBDA margin is impacted by organic changes in revenue, programming and other direct costs of services, other operating expenses and SG&A expenses, as further discussed above.

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

Share-based compensation expense increased $9 million during the three months ended March 31, 2020, as compared to the corresponding period in 2019. This increase is primarily due to $7 million of estimated bonus-related expenses for the 2020 year that will be paid in the form of equity. Accordingly, such expenses have been included in share-based compensation expense effective January 1, 2020.

For additional information regarding our share-based compensation, see note 15 to our condensed consolidated financial statements.

Depreciation and amortization

Our depreciation and amortization expense decreased $4 million or 1.7% during the three months ended March 31, 2020, as compared to the corresponding period in 2019. Excluding the net impacts of FX, an acquisition and disposition, depreciation and amortization expense decreased $2 million or 0.8%**.** The organic decrease is primarily due to the net effect of (i) decreases associated with certain assets becoming fully depreciated and (ii) increases in property and equipment additions, primarily associated with the installation of CPE, the expansion and upgrade of our networks and other capital initiatives, and baseline related additions.

Impairment, restructuring and other operating items, net

We recognized impairment, restructuring and other operating items, net, of $19 million and $21 million during the three months ended March 31, 2020 and 2019, respectively.

The 2020 amount primarily includes (i) restructuring charges of $8 million and (ii) direct acquisition costs of $8 million. The restructuring charges, which are related to C&W and VTR, include (i) $6 million of employee severance and termination costs related to certain reorganization activities and (ii) $2 million of contract termination and other related charges. The direct acquisition costs are primarily related to the pending AT&T Acquisition.

The 2019 amount primarily includes restructuring charges of $17 million, which includes $15 million of employee severance and termination costs related to certain reorganization activities, primarily at VTR and C&W.

For additional information regarding our restructuring charges, see note 14 to our condensed consolidated financial statements.

Interest expense

Our interest expense increased $28 million during the three months ended March 31, 2020, as compared to the corresponding period in 2019, primarily due to (i) the net effect of (a) a higher average outstanding debt balance and (b) a lower weighted-average interest rate and (ii) higher amortization of discounts and premiums, net, and deferred financing costs.

For additional information regarding our outstanding indebtedness, see note 9 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 5 to our condensed consolidated financial statements, 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 primarily 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 March 31,	
	2020	**2019**
	in millions	
Cross-currency and interest rate derivative contracts (a)	$ 9.3	$ (70.0)
Foreign currency forward contracts and other (b)	8.1	1.0
Total	$ 17.4	$ (69.0)

(a) The gain during the three months ended March 31, 2020 is primarily attributable to the net effect of (i) changes in FX rates, predominantly due to changes in the value of the Chilean peso relative to the U.S. dollar and (ii) changes in interest rates. In addition, the gain during the 2020 period includes a net gain of $33 million resulting from changes in our credit risk valuation adjustments, which is primarily due to increased credit risk stemming from market reaction to the COVID-19 outbreak. The loss during the three months ended March 31, 2019 is primarily attributable to (i) changes in interest rates and (ii) changes in FX rates, predominantly due to changes in the value of the Chilean peso relative to the U.S. dollar. In addition, the loss during the 2019 period includes a net gain of $2 million resulting from changes in our credit risk valuation adjustments.

(b) The amount for the 2020 period includes $2 million of amortization of the premiums associated with our Weather Derivatives, which we entered into during the second quarter of 2019.

For additional information concerning our derivative instruments, see notes 5 and 6 to our condensed consolidated financial statements and Item 3. *Quantitative and Qualitative Disclosures 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 March 31,	
	2020	**2019**
	in millions	
U.S. dollar-denominated debt issued by a Chilean peso functional currency entity	$ (158.7)	$ 26.3
Intercompany payables and receivables denominated in a currency other than the entity's functional currency	3.2	14.7
British pound sterling-denominated debt issued by a U.S. dollar functional currency entity	—	(3.7)
Other	(8.8)	(5.1)
Total	$ (164.3)	$ 32.2

Losses on debt modification and extinguishment

We recognized losses on debt modification and extinguishment of $3 million and nil during the three months ended March 31, 2020 and 2019, respectively. The losses during 2020 are associated with the write-off of unamortized discounts and deferred financing costs associated with the repayment of the C&W Term Loan B-4 Facility.

For additional information concerning our losses on debt modification and extinguishment, see note 9 to our condensed consolidated financial statements.

Other income, net

We recognized other income, net, of $7 million and $2 million during the three months ended March 31, 2020 and 2019, respectively. The amounts primarily relate to interest income. The increase in the 2020 period is mostly due to interest on the AT&T Acquisition Restricted Cash, as defined and described under *Material Changes in Financial Condition—Sources and Uses of Cash* below.

Income tax expense

We recognized income tax expense of $6 million and $4 million during the three months ended March 31, 2020 and 2019, respectively.

For the three months ended March 31, 2020 and 2019, the income tax expense attributable to our loss before income taxes differs from the amounts computed using the statutory tax rate (based on Bermuda statutory tax rate of 0%), primarily due to the net detrimental effects of international rate differences, increases in valuation allowances, changes in uncertain tax positions, and negative effects of permanent items, such as non-deductible expenses. These negative impacts to our effective tax rate were partially offset by the beneficial effects of permanent items, such as non-taxable income. For the three months ended March 31, 2019, these negative impacts to our effective tax rate were further offset by the beneficial effect of a change in the Barbados statutory tax rate effective March 19, 2019.

For additional information regarding our income taxes, see note 12 to our condensed consolidated financial statements.

Net loss

The following table sets forth selected summary financial information of our net loss:

	Three months ended March 31,	
	2020	**2019**
	in millions	
Operating income	$ 107.8	$ 113.3
Net non-operating expenses	$ (286.8)	$ (150.1)
Income tax expense	$ (5.6)	$ (4.4)
Net loss	$ (184.6)	$ (41.2)

Gains or losses associated with (i) changes in the fair values of derivative instruments and (ii) movements in foreign currency exchange rates 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 (i) share-based compensation expense, (ii) depreciation and amortization, (iii) impairment, restructuring and other operating items, (iv) interest expense, (v) other non-operating expenses and (vi) 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.

Net loss (earnings) attributable to noncontrolling interests

We reported net earnings (loss) attributable to noncontrolling interests of $4 million and ($1 million) during the three months ended March 31, 2020 and 2019, respectively. The change during 2020, as compared to 2019, is primarily attributable to net increases in losses in our less-than-wholly-owned subsidiaries at C&W.

Material Changes in Financial Condition

Sources and Uses of Cash

As of March 31, 2020, we have four primary "borrowing groups," which include the respective restricted parent and subsidiary entities of C&W, VTR Finance, Liberty Puerto Rico and Cabletica. Our borrowing groups, which typically generate cash from operating activities, held a significant portion of our consolidated cash and cash equivalents at March 31, 2020. 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 with respect to certain C&W subsidiaries and other factors.

Cash and cash equivalents

The details of the U.S. dollar equivalent balances of our cash and cash equivalents at March 31, 2020 are set forth in the following table (in millions):

Cash and cash equivalents held by:		
Liberty Latin America and unrestricted subsidiaries:		
Liberty Latin America (a)	$	506.9
Unrestricted subsidiaries (b)		55.5
Total Liberty Latin America and unrestricted subsidiaries		562.4
Borrowing groups (c):		
C&W		687.0
VTR Finance		210.9
Liberty Puerto Rico		119.4
Cabletica		13.6
Total borrowing groups		1,030.9
Total cash and cash equivalents	$	1,593.3
Restricted cash (d)	$	1,278.4

(a) Represents the amount held by Liberty Latin America on a standalone basis, which includes the net proceeds resulting from the offering of the Convertible Notes.

(b) Represents the aggregate amount held by subsidiaries of Liberty Latin America that are outside of our borrowing groups. All of these companies rely on funds provided by our borrowing groups to satisfy their liquidity needs.

(c) Represents the aggregate amounts held by the parent entity of the applicable borrowing group and their restricted subsidiaries and includes cash proceeds from revolving credit facilities that were drawn in March 2020 of $313 million, $92 million and $63 million at C&W, VTR Finance and Liberty Puerto Rico, respectively.

(d) Includes $1,260 million of restricted cash held in escrow that will be used to fund a portion of the AT&T Acquisition (the **AT&T Acquisition Restricted Cash**), as further described below.

Liquidity of Liberty Latin America and its unrestricted subsidiaries

Our current sources of corporate liquidity include (i) cash and cash equivalents held by Liberty Latin America and, subject to certain tax and legal considerations, Liberty Latin America'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. From time to time, Liberty Latin America and its unrestricted subsidiaries may also receive (i) proceeds in the form of distributions or loan repayments from Liberty Latin America's borrowing groups 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 Latin America and its unrestricted subsidiaries and (iii) proceeds in connection with the incurrence of debt by Liberty Latin America or its unrestricted subsidiaries or the issuance of equity securities by Liberty Latin America. No assurance can be given that any external funding would be available to Liberty Latin America or its unrestricted subsidiaries on favorable terms, or at all. As noted above, various factors may limit our ability to access the cash of our borrowing groups.

Our corporate liquidity requirements include (i) corporate general and administrative expenses and (ii) other liquidity needs that may arise from time to time. In addition, Liberty Latin America and its unrestricted subsidiaries may require cash in connection with (i) the repayment of third-party and intercompany debt, (ii) the satisfaction of contingent liabilities, (iii) acquisitions and other investment opportunities, (iv) the repurchase of debt securities, (v) tax payments or (vi) any funding requirements of our consolidated subsidiaries.

Our liquidity requirements related to acquisitions include funding the AT&T Acquisition. The AT&T Acquisition is structured as an all-cash transaction with a purchase price of $1,950 million, subject to adjustment as provided in the related stock purchase agreement. We intend to finance this acquisition through a combination of a portion of the net proceeds from the 2026 SPV Credit Facility and the 2027 LPR Senior Secured Notes ($1,260 million of which is restricted cash held in escrow) and available liquidity. For additional information regarding the AT&T Acquisition and our debt, see notes 4 and 9, respectively, to our condensed consolidated financial statements.

In March 2020, our Board of Directors approved a $100 million Share Repurchase Program. During the three months ended March 31, 2020, the aggregate amount of our share repurchases was $2 million. For additional information regarding our Share Repurchase Program, see note 13 to our condensed consolidated financial statements and *Part II—Item 2 Unregistered Sales of Equity Securities and Use of Proceeds* below.

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. During the first quarter of 2020, we drew an aggregate $467 million under the revolving credit facilities of our borrowing groups, as a precautionary measure in order to provide flexibility with our liquidity due to economic uncertainty caused by COVID-19, the proceeds of which are included in cash and cash equivalents in our condensed consolidated balance sheet as of March 31, 2020. For further details of the borrowing availability of such subsidiaries at March 31, 2020, see note 9 to our condensed consolidated financial statements. The aforementioned sources of liquidity may be supplemented in certain cases by contributions and/or loans from Liberty Latin America and its unrestricted subsidiaries. The liquidity of our borrowing groups generally is used to fund property and equipment additions, debt service requirements and income tax payments. From time to time, our borrowing groups may also require liquidity in connection with (i) acquisitions and other investment opportunities, (ii) loans to Liberty Latin America, (iii) capital distributions to Liberty Latin America and other equity owners or (iv) the satisfaction of contingent liabilities. 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’ commitments and contingencies, see note 17 to our condensed consolidated financial statements.

For additional information regarding our 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. The ratio of our March 31, 2020 consolidated debt (total principal amount of debt and finance lease obligations outstanding, net of projected derivative principal-related cash payments (receipts)) to our annualized consolidated Adjusted OIBDA for the quarter ended March 31, 2020 was 5.6x, or 4.8x excluding $1,253 million of incremental debt borrowed by Liberty Puerto Rico to fund the AT&T Acquisition. In addition, the ratio of our March 31, 2020 consolidated net debt (debt, as defined above, less cash and cash equivalents and the AT&T Acquisition Restricted Cash) to our annualized consolidated Adjusted OIBDA for the quarter ended March 31, 2020 was 3.8x.

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 support the respective borrowings. As further discussed under Item 3. *Quantitative and Qualitative Disclosures about Market Risk* and in note 5 to our condensed consolidated financial statements, we also use derivative instruments to mitigate foreign currency and interest rate risks 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 of our borrowing groups is dependent primarily on our ability to maintain covenant EBITDA of our operating subsidiaries, as specified by our subsidiaries’ debt agreements (**Covenant EBITDA**), 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 incurrence-based leverage covenants contained in the various debt instruments of our borrowing groups. For example, if the Covenant EBITDA of C&W were to decline, our ability to obtain additional debt could be limited. 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 March 31, 2020, each of our borrowing groups was in compliance with its debt covenants. 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 March 31, 2020, the outstanding principal amount of our debt, together with our finance lease obligations, aggregated $8,978 million, including $281 million that is classified as current in our condensed consolidated balance sheet and $8,176 million that is not due until 2024 or thereafter. At March 31, 2020, $8,572 million of our debt and finance lease obligations have been borrowed or incurred by our subsidiaries. Included in the outstanding principal amount of our debt at March 31, 2020 is $168 million of vendor financing, which we use to finance certain of our operating expenses and property and equipment additions. These obligations are generally due within one year, other than for certain licensing arrangements that generally are due over the term of the related license. For additional information concerning our debt, including our debt maturities, see note 9 to our condensed consolidated financial statements.

The weighted average interest rate in effect at March 31, 2020 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin, was 5.8%. The interest rate is based on stated rates and does 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. The weighted average impact of the derivative instruments, excluding forward-starting derivative instruments, on our borrowing costs at March 31, 2020 was as follows:

Borrowing group	**Increase (decrease) to borrowing costs**
C&W	0.51 %
VTR Finance	(0.02)%
Liberty Puerto Rico	0.49 %
Cabletica	0.68 %
Liberty Latin America borrowing groups	0.39 %

Including the effects of derivative instruments, original issue premiums or discounts, including the discount on the Convertible Notes associated with the instrument’s conversion option, and commitment fees, but excluding the impact of financing costs, the weighted average interest rate on our indebtedness was 6.4% at March 31, 2020.

We believe that we have sufficient resources to repay or refinance the current portion of our debt and finance lease obligations and to fund our foreseeable liquidity requirements during the next 12 months. However, as our debt maturities grow 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 refinancing transactions or otherwise extend our debt maturities. In this regard, it is difficult to predict how political, economic and social conditions, sovereign debt concerns or any adverse regulatory developments will impact the credit and equity markets we access and our future financial position. Our ability to access debt financing on favorable terms, or at all, could be adversely impacted by (i) the financial failure of any of our counterparties, which 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. 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.

As of March 31, 2020, our financial position, covenant compliance under the indentures of our borrowing groups or liquidity needs, which includes access to borrowing available under our various revolving credit facilities, have not been materially impacted as a result of COVID-19. For additional information regarding risks associated with COVID-19, refer to *Part II—Item 1A. Risk Factors* below.

Condensed Consolidated Statements of Cash Flows

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

Summary. Our condensed consolidated statements of cash flows for the three months ended March 31, 2020 and 2019 are summarized as follows:

	Three months ended March 31, 2020	Three months ended March 31, 2019	Change
	in millions		
Net cash provided by operating activities	$ 114.9	$ 187.8	$ (72.9)
Net cash used by investing activities	(147.1)	(285.5)	138.4
Net cash provided by financing activities	455.4	39.3	416.1
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(8.5)	2.5	(11.0)
Net increase in cash, cash equivalents and restricted cash	$ 414.7	$ (55.9)	$ 470.6

Operating Activities. The decrease in net cash provided by our operating activities is primarily attributable to (i) a decrease from our working capital items, including the impact from insurance receipts as discussed below, and (ii) a decrease in cash payment for interest and taxes**.** During the first quarter of 2019, $33 million of the cash received associated with the final insurance settlement for Hurricanes Maria and Irma was reflected as an operating cash inflow.

Investing Activities. The decrease in net cash used by our investing activities is primarily attributable to the net effect of (i) $160 million of cash used for the UTS Acquisition in March 2019, (ii) a decrease in cash used for capital expenditures, as further discussed below and (iii) the impact of $34 million of cash we received during the first quarter of 2019 related to the recovery on damaged or destroyed property and equipment resulting from hurricanes Maria, Irma and Matthew. For additional information regarding the settlement of our insurance claims associated with these hurricanes, see note 7 to our condensed consolidated financial statements.

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 finance 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, 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 finance lease arrangements. For further details regarding our property and equipment additions, see note 18 to our condensed consolidated financial statements.

A reconciliation of our property and equipment additions to our capital expenditures, as reported in our condensed consolidated statements of cash flows, is set forth below:

	Three months ended March 31, 2020	Three months ended March 31, 2019
	in millions	
Property and equipment additions	$ 132.9	$ 139.1
Assets acquired under capital-related vendor financing arrangements	(23.6)	(10.9)
Assets acquired under finance leases	—	(0.1)
Changes in current liabilities related to capital expenditures	39.9	31.5
Capital expenditures	$ 149.2	$ 159.6

The decrease in our property and equipment additions during the three months ended March 31, 2020, as compared to the corresponding period in 2019, is primarily due to the net effect of (i) a decrease in customer premises equipment, (ii) a decrease in support-related equipment and (iii) an increase in new builds and upgrades. During the three months ended March 31, 2020 and 2019, our property and equipment additions represented 14.3% and 14.8% of revenue, respectively.

Financing Activities. During the three months ended March 31, 2020, we generated $455 million of cash from financing activities primarily due to $491 million of net borrowings of debt, which was slightly offset by $26 million related to payments of financing costs and debt premiums. During the first quarter of 2020, we borrowed amounts on the revolving credit facilities of our C&W, VTR and LCPR borrowing groups. During the three months ended March 31, 2019, we received $39 million in net cash from financing activities, due to net borrowings of debt. The net borrowings of debt include $170 million that was borrowed on the C&W Revolving Credit Facility in order to finance the UTS Acquisition and $111 million of cash used to repay in full the outstanding principal amount under the 2019 C&W Senior Notes.

Adjusted Free Cash Flow

We define adjusted free cash flow, a non-GAAP measure, 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, (iii) insurance recoveries related to damaged and destroyed property and equipment, and (iv) certain net interest payments (receipts) incurred or received, including associated derivative instrument payments and receipts, in advance of a significant acquisition, 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 finance leases. As a result of the pending AT&T Acquisition, we have changed the way we define adjusted free cash flow effective December 31, 2019 to adjust (i) for pre-acquisition interest incurred on the incremental debt issued in advance of the AT&T Acquisition, (ii) to exclude pre-acquisition interest earned related to the AT&T Acquisition Restricted Cash that will be used to fund a portion of the AT&T Acquisition and (iii) the impact of associated pre-acquisition derivative contracts. As the debt was incurred directly as a result of the pending acquisition and will be supported by cash flows of the acquisition from the date of the closing, we believe this results in the most meaningful presentation of adjusted free cash flow. We believe that our presentation of adjusted 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. Adjusted 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 adjusted free cash flow as a supplement to, and not a substitute for, U.S. GAAP measures of liquidity included in our condensed consolidated statements of cash flows.

The following table provides the details of our adjusted free cash flow:

	Three months ended March 31,	
	2020	**2019**
	in millions	
Net cash provided by operating activities	$ 114.9	$ 187.8
Cash payments (recoveries) for direct acquisition and disposition costs	1.4	(1.3)
Expenses financed by an intermediary (a)	32.5	31.3
Capital expenditures	(149.2)	(159.6)
Recovery on damaged or destroyed property and equipment	—	33.9
Distributions to noncontrolling interest owners	(0.7)	—
Principal payments on amounts financed by vendors and intermediaries	(43.8)	(42.3)
Pre-acquisition net interest payments (receipts) (b)	(3.0)	—
Principal payments on finance leases	(0.6)	(1.4)
Adjusted free cash flow	$ (48.5)	$ 48.4

(a) For purposes of our condensed consolidated statements of cash flows, expenses, including VAT, 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 consolidated statements of cash flows. For purposes of our adjusted free cash flow definition, we add back the hypothetical operating cash outflows when these financed expenses are incurred and deduct the financing cash outflows when we pay the financing intermediary.

(b) Amount primarily represents interest received on the AT&T Acquisition Restricted Cash.

Off Balance Sheet Arrangements

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. For information concerning certain indemnifications provided by C&W, see note 17 to our condensed consolidated financial statements.

Contractual Commitments

The following table sets forth the U.S. dollar equivalents of our commitments as of March 31, 2020:

	Payments due during							
	Remainder of 2020	**2021**	**2022**	**2023**	**2024**	**2025**	**Thereafter**	**Total**
	in millions							
Debt (excluding interest)	$ 147.3	$ 157.8	$ 99.1	$ 395.2	$ 1,840.3	$ 65.8	$ 6,269.8	$ 8,975.3
Finance leases (excluding interest)	1.5	0.5	0.2	0.2	0.2	0.1	0.2	2.9
Operating leases	30.5	34.4	28.7	22.8	19.1	13.1	42.5	191.1
Programming commitments	98.7	106.3	74.3	43.6	35.4	0.3	—	358.6
Network and connectivity commitments	55.6	35.6	6.0	5.3	4.6	2.5	9.0	118.6
Purchase commitments	160.8	19.4	7.4	0.4	—	—	—	188.0
Other commitments	13.3	2.3	1.9	1.6	1.6	1.6	9.3	31.6
Total (a)	$ 507.7	$ 356.3	$ 217.6	$ 469.1	$ 1,901.2	$ 83.4	$ 6,330.8	$ 9,866.1
Projected cash interest payments on debt and finance lease obligations (b)	$ 353.3	$ 497.9	$ 493.7	$ 476.7	$ 415.1	$ 359.3	$ 602.0	$ 3,198.0

(a) The commitments included in this table do not reflect any liabilities that are included in our March 31, 2020 condensed consolidated balance sheet other than (i) debt and (ii) finance and operating lease obligations. Our liability for uncertain tax positions, including accrued interest, in the various jurisdictions in which we operate ($76 million at March 31, 2020) 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 March 31, 2020. 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 derivative contracts.

For information concerning our debt, operating lease obligations and commitments, see notes 9, 10 and 17, respectively, to our condensed consolidated financial statements.

In addition to the commitments set forth in the table above, we have 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 our derivative instruments, see Item 3. *Quantitative and Qualitative Disclosures About Market Risk—Projected Cash Flows Associated with Derivative Instruments* below. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during the three months ended March 31, 2020 and 2019, see note 5 to our condensed consolidated financial statements.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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 2019 Form 10-K. The following discussion updates selected numerical information to March 31, 2020.

We are exposed to market risk in the normal course of our business operations due to our investments in various 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 and Investments

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 Liberty Latin America's short-term liquidity requirements. In order to mitigate this risk, we actively manage the denominations of our cash balances in consideration of Liberty Latin America's forecasted liquidity requirements. At March 31, 2020, $187 million or 11.7% of our cash balance was denominated in Chilean pesos.

Foreign Currency Rates

The relationship between (i) 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:

	March 31, 2020	December 31, 2019
Spot rates:		
Chilean peso	853.79	751.85
Jamaican dollar	135.01	132.28

	Three months ended March 31,	
	2020	2019
Average rates:		
Chilean peso	804.03	667.16
Jamaican dollar	136.83	130.72

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. At March 31, 2020, we paid a fixed rate of interest on 91% of our total debt, which includes the impact of our interest rate derivative contracts. 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 impacts of these interest rate derivative instruments, see note 5 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 5 and 6 to our condensed consolidated financial statements.

VTR Finance Cross-currency Derivative Contracts

Holding all other factors constant, at March 31, 2020, 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 Finance cross-currency derivative contracts by approximately CLP 100 billion or $117 million.

C&W Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at March 31, 2020, an instantaneous increase (decrease) in the relevant base rate of 100 basis points (1.0%) would have increased (decreased) the aggregate fair value of the C&W cross-currency and interest rate derivative contracts by approximately $172 million.

Liberty Puerto Rico Interest Rate Derivative Contracts

Holding all other factors constant, at March 31, 2020, an instantaneous increase (decrease) in the relevant base rate of 100 basis points (1.0%) would have increased (decreased) the aggregate fair value of the Liberty Puerto Rico interest rate derivative contracts by approximately $80 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 March 31, 2020. 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 5 to our condensed consolidated financial statements.

	Payments (receipts) due during:							
	Remainder of 2020	**2021**	**2022**	**2023**	**2024**	**2025**	**Thereafter**	**Total**
				in millions				
Projected derivative cash payments (receipts), net:								
Interest-related (a)	$ 16.7	$ 22.0	$ 18.8	$ 30.4	$ 26.8	$ 25.7	$ 41.5	$ 181.9
Principal-related (b)	—	—	(192.9)	—	(67.6)	—	(17.3)	(277.8)
Other (c)	(14.4)	—	—	—	—	—	—	(14.4)
Total	$ 2.3	$ 22.0	$ (174.1)	$ 30.4	$ (40.8)	$ 25.7	$ 24.2	$ (110.3)

(a) Includes the interest-related cash flows of our cross-currency and interest rate derivative contracts.

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

(c) Includes amounts related to our foreign currency forward contracts.

Item 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

We maintain disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the **Exchange Act**), that are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Principal Executive Officer and our Principal Financial Officer (the **Executives**), as appropriate to allow timely decisions regarding required disclosure. 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 required to apply judgment in evaluating the cost-benefit relationship of possible controls and objectives.

As disclosed in our Annual Report on Form 10-K for our fiscal year ended December 31, 2019, we identified material weaknesses in our internal control over financial reporting. The material weaknesses will not be considered remediated until the applicable new or enhanced controls operate for a sufficient period of time and management has concluded, through testing, that these controls are designed and operating effectively. Our management, with the participation of the Executives, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2020. As remediation is not completed, the Executives concluded that our disclosure controls and procedures continue to be ineffective as of March 31, 2020.

Management's Remediation Plans

Management, with oversight from the Audit Committee of the Board of Directors, is continuing to implement the remediation plans as disclosed in our Annual Report on Form 10-K for our fiscal year ended December 31, 2019. We believe that these actions and the improvements we expect to achieve, when fully implemented, will strengthen our internal control over financial reporting and remediate the material weaknesses identified.

Changes in Internal Control over Financial Reporting

Except as listed below, there have been no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act 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 control over financial reporting.

During the fiscal quarter, changes in our internal control over financial reporting include:

- the remediation efforts regarding the material weaknesses that existed as of December 31, 2019; and,
- we updated our internal controls over financial reporting, as necessary, to accommodate modifications to our order-to-cash process related to VTR's implementation of a new customer relationship management software.

PART II - OTHER INFORMATION

Item 1A. RISK FACTORS

Except as discussed below, there have been no material changes in our risk factors from those disclosed in Part I, Item 1A of our 2019 Form 10-K.

The effects of the novel coronavirus (COVID-19) outbreak could adversely impact our business and results of operations.

The outbreak and continuing exponential spread of COVID-19, which first surfaced in Wuhan, China in December 2019 and was declared a "pandemic" by the Word Health Organization in March 2020, may lead to a significant number of adverse effects, both external and internal, on our business and results of operations. With respect to external impacts, the COVID-19 outbreak has resulted in a substantial curtailment of the global economy, including global travel, tourism, and business activities. As part of intensifying global efforts to contain the spread of COVID-19, most of the countries in which we operate have imposed travel restrictions to and from affected areas, with a significant number of airport closures, flight cancellations and suspensions, and port closures. These measures, coupled with the fear of the further spread of COVID-19, have resulted in a significant reduction of worldwide travel over the last several months, including travel related to tourism, which is an important economic activity for many of the markets in which we operate. If these conditions continue for an extended period of time, we could experience reduced demand for our products and services, including a reduction in roaming charges incurred by tourists, which could have a negative impact on our ability to enter into new customer contracts or renew existing customer contracts, specifically in our B2B segment and with hotels and other tourist-related businesses. In addition, a prolonged period of travel, commercial and other similar restrictions and the resulting reduced demand for air and sea travel as a result of the COVID-19 outbreak could have a negative impact on the ability of our government customers to perform their obligations to us under their existing customer contracts, as many of these markets rely heavily on tourism to drive their respective economies.

With respect to internal impacts, the COVID-19 outbreak has resulted in significant uncertainty in many areas of our business. We do not know how long these conditions will last, and this uncertainty is expected to negatively impact our operations. We may experience labor shortages if our employees are unable or unwilling to come to work due to being infected with COVID-19, quarantine measures, or related outcomes as a result of this outbreak. In this regard, our internal controls over financial reporting measures may be impacted by labor shortages and/or work from home initiatives. Similarly, some of our retail stores, offices and facilities either have been or may be temporarily shut down because of this outbreak, which certain of our customers frequently access to pay for our products and services. The inability of our customers to pay for our products and services, as well as the potential for government intervention precluding payment from customers for a certain period of time, whether in such retail stores, due to a general downturn in the global economy or otherwise, could negatively impact our cash flows, liquidity, including working capital, and ability to borrow. To the extent to which any of the above materialize for a meaningful period of time, we would have to rely on committed liquidity facilities to bridge cash flow, working capital and or capital expenditure requirements. This may have a long term consequence for both our liquidity position and longer term leverage levels across the business. In turn, such results could impact our capital expenditures, including those earmarked for equipment and associated labor costs to build out and/or upgrade our networks as well as for related customer premises equipment. Additionally, certain of our product shipments from China may be delayed. If such a disruption were to extend over a prolonged period, it could have an impact on the continuity of our supply chain. Any disruption resulting from similar events on a larger scale or over a prolonged period could cause significant delays in shipments of products until we are able to resume such shipments or shift from the affected contractor or vendor to another third-party vendor, if needed. If our suppliers cannot deliver the supplies we need to operate our business, including handsets, set-top boxes, and other devices, and if we are unable to deliver our products to our customers, our business and results of operations could be negatively impacted.

As of March 31, 2020, the impact of COVID-19 has not had a material impact on our results of operations, financial position, cash flows or liquidity. The extent of the impact of the outbreak on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, the impact on our customers and our sales cycles, the impact on our employees, and the effect on our vendors, all of which are uncertain and cannot be predicted. The outbreak has resulted in systemic disruption of the worldwide equity markets, and the market values of our publicly-traded equity declined significantly beginning in late February. If, among other factors, (i) our equity values were to remain at these declined levels for a sustained period or were to decline further or (ii) the adverse impacts stemming from the COVID-19 outbreak, competition, economic, regulatory or other factors, including macro-economic and demographic trends, 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 goodwill or other long-lived assets. Any such impairment charges could be significant. Additionally, our ability to execute on cost-cutting measures and organizational change initiatives may impact our financial performance and results of operations, including less-than-anticipated cost savings. For instance, in the event demand for our products or services is significantly reduced as a result of the COVID-19 pandemic and related economic impacts, we may need to assess different corporate actions, organizational change initiatives, and cost-cutting measures, including reducing our workforce, reducing our operating and capital costs, or closing one or more of our retail stores, offices or facilities, and these actions could cause us to incur costs and expose us to other risks and inefficiencies, including whether we would be able to rehire our workforce or recommence operations at such facilities if our business experiences a subsequent recovery. Also, the expansion of our new Operations Center in Panama City, Panama, which is one of our key organizational change initiatives, may be impacted as a result of the COVID-19 pandemic.

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

(c) ***Issuer Purchases of Equity Securities***

On March 17, 2020, we announced that our board of directors authorized the Share Repurchase Program, which authorizes us to repurchase from time to time up to $100 million of our Class A common shares and/or Class C common shares, as the case may be, over two years. The Share Repurchase Program does not obligate us to repurchase any of our Class A or C common shares. Under the Share Repurchase Program, we may repurchase our common shares from time to time in open market purchases at prevailing market prices, in privately negotiated transactions, in block trades, derivative transactions and/or through other legally permissible means.

The following table sets forth information concerning our company's purchase of its own equity securities during the three months ended March 31, 2020:

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
January 1, 2020 through January 31, 2020:				
Class A	—	$ —	—	
Class C	—	$ —	—	
February 1, 2020 through February 29, 2020:				
Class A	—	$ —	—	
Class C	—	$ —	—	
March 1, 2020 through March 31, 2020:				
Class A	55,338	$ 10.01	55,338	(b)
Class C	114,975	$ 9.85	114,975	(b)
Total — January 1, 2020 through March 31, 2020:				
Class A	55,338	$ 10.01	55,338	(b)
Class C	114,975	$ 9.85	114,975	(b)

(a) Average price paid per share includes direct acquisition costs.

(b) At March 31, 2020, the remaining amount authorized for repurchases of Liberty Latin America Shares was $98 million.

Item 6. EXHIBITS

Listed below are the exhibits filed as part of this Quarterly Report on Form 10-Q (according to the number assigned to them in Item 601 of Regulation S-K):

10.1	Additional Facility Joinder Agreement dated January 24, 2020 and entered into between, among others, Sable International Finance Limited, Coral-US Co-Borrower LLC and The Bank of Nova Scotia (incorporated by reference to Exhibit 10.1 to Liberty Latin America Ltd.'s Current Report on Form 8-K filed on January 30, 2020 (File No. 001-38335) (the January 2020 8-K)).
10.2	Extension Amendment dated January 24, 2020 and entered into between, among others, Sable International Finance Limited, Coral-US Co-Borrower LLC and The Bank of Nova Scotia (incorporated by reference to Exhibit 10.2 to the January 2020 8-K).***
10.3	Liberty Latin America Ltd. Nonemployee Director Deferred Compensation Plan.*
31.1	Certification of President and Chief Executive Officer.*
31.2	Certification of Senior Vice President and Chief Financial Officer (Principal Financial Officer).*
32	Section 1350 Certifications.**
101.SCH	XBRL Inline Taxonomy Extension Schema Document.*
101.CAL	XBRL Inline Taxonomy Extension Calculation Linkbase Document.*
101.DEF	XBRL Inline Taxonomy Extension Definition Linkbase.*
101.LAB	XBRL Inline Taxonomy Extension Label Linkbase Document.*
101.PRE	XBRL Inline Taxonomy Extension Presentation Linkbase Document.*
104	Cover Page Interactive Data File.* (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith

** Furnished herewith

*** Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Liberty Latin America hereby undertakes to furnish supplemental copies of any of the omitted schedules and exhibits upon request by the SEC; provided, however, that the Company may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any schedule or exhibit so furnished. The Registrant undertakes to furnish to the Securities and Exchange Commission, upon request, a copy of all instruments with respect to long-term debt not filed 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 LATIN AMERICA LTD.

Dated: May 5, 2020	/s/ BALAN NAIR Balan Nair *President and Chief Executive Officer*
Dated: May 5, 2020	/s/ CHRISTOPHER NOYES Christopher Noyes *Senior Vice President and Chief Financial Officer*

Exhibit 10.3

LIBERTY LATIN AMERICA LTD.
NONEMPLOYEE DIRECTOR DEFERRED COMPENSATION PLAN

Effective as of March 1, 2020

1. COVERAGE OF PLAN

The Plan is unfunded and is maintained for the purpose of providing nonemployee directors the opportunity to defer the receipt of certain compensation otherwise payable to such directors in accordance with the terms of the Plan.

2. DEFINITIONS

2.1. "Account" means each of the bookkeeping accounts established pursuant to Section 5.1 and maintained by the Company in the names of the respective Participants, to which all amounts deferred under the Plan and deemed interest, earnings and losses on such amounts shall be credited or debited pursuant to Section 5.2, and from which all amounts distributed under the Plan shall be debited.

2.2. "Active Participant" means each Participant who is actively serving the Company as an Eligible Director.

2.3. "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

2.4. "Annual Fees" means the annual fees paid in the form of cash by the Company to an Eligible Director.

2.5. "Applicable Interest Rate" means the most recent interest crediting rate and compounding method established by the Committee in its sole discretion prior to the date the deferral election for such Plan Year became irrevocable, subject to Section 10.2.

2.6. "Beneficiary" means such person or persons or legal entity or entities, including, but not limited to, an organization exempt from federal income tax under Section 501(c)(3) of the Code, designated by a Participant or Beneficiary to receive benefits pursuant to the terms of the Plan after such Participant's or Beneficiary's death. If no Beneficiary is designated by the Participant or Beneficiary, or if no Beneficiary survives the Participant or Beneficiary (as the case may be), the Participant's Beneficiary shall be the Participant's Surviving Spouse if the Participant has a Surviving Spouse and otherwise the

Participant’s estate, and the Beneficiary of a Beneficiary shall be the Beneficiary’s Surviving Spouse if the Beneficiary has a Surviving Spouse and otherwise the Beneficiary’s estate.

2.7. “Board” means the Board of Directors of the Company.

2.8. “Code” means the Internal Revenue Code of 1986, as amended.

2.9. “Committee” means the Board or, if the Board so determines, a committee appointed by the Board to administer the Plan.

2.10. “Company” means Liberty Latin America Ltd., an exempted Bermuda company limited by shares, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

2.11. “Credited Interest Fund” means that portion of a Participant’s Account denominated in cash to be credited with interest at the Applicable Interest Rate in accordance with Section 5.2.

2.12. “Deceased Participant” means:

2.12.1.1. A Participant whose Separation from Service with the Company is by reason of death; or

2.12.1.2. An Inactive Participant who dies following his or her Separation from Service with the Company.

2.13. “Effective Date” means the date specified in Section 13 of the Plan.

2.14. “Election” means the method of election approved by the Company in accordance with Article 3, pursuant to which an Eligible Director may elect to defer up to 85% of the Eligible Director’s Annual Fees or up to 85% of the Eligible Director’s Equity Awards and designate the form of payment of the deferred amounts to which the Election relates.

2.15. “Eligible Director” means the members of the Board who are non-executive directors.

2.16. “Equity Award” means the annual equity grant made to non-executive directors of the Company in the form of “Restricted Share Units” as such term is defined in the Incentive Plan.

2.17. “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, or any successor statute or statutes thereto. Reference to any specific Exchange Act Section shall include any successor section.

2.18. “Incentive Plan” means the Liberty Latin America 2018 Nonemployee Director Incentive Plan, as it may be amended from time to time, or such other incentive plan adopted by the Company and approved by the shareholders of the Company for the purpose of granting awards to non-executive directors of the Company.

2.19. "Inactive Participant" means each Participant (other than a Deceased Participant) who is not actively serving as a member of the Board.

2.20. "New Eligible Director" means a member of the Board who, during any Plan Year, first becomes an Eligible Director.

2.21. "Participant" means each individual who has made an Election, and who has an undistributed amount credited to an Account under the Plan, including an Active Participant, a Deceased Participant and an Inactive Participant.

2.22. "Person" means an individual, a corporation, a limited liability company, a partnership, an association, a trust or any other entity or organization.

2.23. "Plan" means the Liberty Latin America Ltd. Nonemployee Director Deferred Compensation Plan, as set forth herein, and as may be amended from time to time.

2.24. "Plan Year" means the calendar year.

2.25. "Section 409A" means Section 409A of the Code and any Treasury Regulations promulgated under, or other administrative guidance issued with respect to, such Code section, as applicable to the Plan at the relevant time.

2.26. "Separation from Service" means the Participant's ceasing to be a member of the Board for any reason other than death.

2.27. "Stock Fund" means that portion, if any, of a Participant's Account attributable to an election to defer an Equity Award, and shall include the number and kind of equity so deferred, as adjusted for dividends and distributions payable in the form of equity, and subject to such further adjustments as are otherwise applicable with respect to equity awards under the Incentive Plan.

2.28. "Subsidiary" means any present or future subsidiary (as defined in Section 424(f) of the Code) of the Company or any business entity in which the Company owns, directly or indirectly, 50% or more of the voting, capital or profits interests. An entity shall be deemed a subsidiary of the Company for purposes of this definition only for such periods as the requisite ownership or control relationship is maintained.

2.29. "Surviving Spouse" means the widow or widower, as the case may be, of a Deceased Participant or a deceased Beneficiary (as applicable).

3. ELECTIONS TO DEFER ANNUAL FEES AND EQUITY AWARDS

3.1. Elections. An Election shall be made in the manner acceptable to the Committee for the purpose of deferring Annual Fees and/or Equity Awards. Each Eligible

Director, by submitting an Election to the Company at the time and in the manner described in this Article 3, shall have the right to defer up to 85% of the Annual Fees and/or up to 85% of the Equity Awards that he or she otherwise would be entitled to receive. The Annual Fees and/or Equity Awards of such Eligible Director for a Plan Year shall be reduced in an amount equal to the portion of such compensation deferred by such Eligible Director for such Plan Year pursuant to the Eligible Director's Election. Such reduction shall be effected (a) as to any portion of the Eligible Director's Annual Fees deferred, by reducing the quarterly payment of Annual Fees by the percentage specified in the Election and (b) as to any portion of an Equity Award deferred, by reducing the amount of equity of the Company to be paid pursuant to the Equity Award by the percentage specified in the Election, rounded up to the nearest whole share or unit, if applicable. The amount of any such reduction shall be credited to the Eligible Director's Account in accordance with Article 5.

3.2. Filing of Election.

3.2.1. General. Except as provided in Section 3.2.2 or Section 3.3, no Election shall be effective with respect to Annual Fees and/or Equity Awards unless it is filed with the Company on or before the close of business on December 31 of the Plan Year preceding the Plan Year to which the Election applies. An Election described in the preceding sentence shall become irrevocable on December 31 of the Plan Year preceding the Plan Year to which the Election applies.

3.2.2. First Plan Year. With respect to the 2020 Plan Year, no Election shall be effective with respect to Annual Fees and/or Equity Awards unless it is filed with the Company on or before the close of business on the date that is thirty (30) days after the Effective Date. An Election described in the preceding sentence shall become irrevocable on the date that is thirty (30) days after the Effective Date and shall apply only to prospective Annual Fees and/or Equity Awards.

3.3. Filing of Election by New Eligible Directors. Notwithstanding Section 3.2, a New Eligible Director may elect to defer up to 85% of his or her Annual Fees or up to 85% of the Equity Award earned for the performance of services in the Plan Year in which the New Eligible Director becomes a New Eligible Director, beginning with the next following payment of any Annual Fees and/or Equity Awards after the filing of an Election with the Company and before the close of such Plan Year by making and filing the Election with the Company within 30 days of the date on which such New Eligible Director becomes a New Eligible Director. Any Election by such New Eligible Director for succeeding Plan Years shall be made in accordance with Section 3.2.

3.4. Plan Years to which Election May Apply. A separate Election may be made for each Plan Year as to which an Eligible Director desires to defer such Eligible Director's Annual Fees and/or Equity Awards, or an Eligible Director may make an Election with respect to a Plan Year that will remain in effect for subsequent Plan Years unless the Eligible Director revokes such Election or timely makes a new Election with respect to a subsequent Plan Year. Any revocation of an Election must be in writing and must be filed with the Company on or before December 31 of the Plan Year immediately preceding the Plan Year to which such revocation applies. The failure of an Eligible Director to make an Election for any Plan Year shall not affect such Eligible Director's right to make an Election for any other Plan Year.

3.5. Election of Form of Equity Award. If Eligible Directors are entitled to designate the form of equity to be awarded pursuant to an annual Equity Award, each Eligible Director shall, contemporaneously with an Election to defer up to 85% of an annual Equity Award, also elect such form of equity applicable to the annual Equity Award. This election as to the form of an annual Equity Award shall be subject to the same timing and revocation requirements as an Election as described in Section 3.2 and Section 3.3.

3.6. Distribution Events.

3.6.1. Separation from Service. A Participant may designate Separation from Service, or a specified number of years after the Participant's Separation from Service, as a distribution event.

3.6.2. Specified Date. A Participant may designate a specific date as a distribution event.

3.6.3. Death. The death of a Participant or an Inactive Participant prior to complete distribution of the Account shall be a distribution event.

3.6.4. Election of Distribution Event. A designation of a distribution event shall be made contemporaneously with an Election or shall be made in a Subsequent Deferral in the manner described in Section 3.7. Furthermore, a Participant may elect a distribution event that is the first to occur of a distribution event election under Section 3.6.1 or Section 3.6.2. If no distribution event is designated pursuant to Section 3.6.1 or Section 3.6.2, then the Participant's Separation from Service shall be a distribution event. Notwithstanding any provision of the Plan otherwise and notwithstanding any election of a later distribution event, a Participant's death prior to full distribution of the Participant's Account shall be a distribution event.

3.7. Subsequent Deferrals. A Participant may subsequently change a distribution election made under Section 3.6.2, may further defer a distribution event that would have occurred due to a Separation from Service and/or may change the form of distribution elected pursuant to Section 4.1 (each a "Subsequent Deferral") provided that with respect to Participants who are subject to taxation in the United States (i) the Subsequent Deferral shall not become effective until the date that is 12 months after the most recent of the relevant Election or Subsequent Deferral, as applicable, (ii) the specified date or number of years after Separation from Service elected in the Subsequent Deferral must be 5 years or more after the date the distribution is scheduled to be made, except for a distribution event due to the Participant's death, and (iii) the Subsequent Deferral must be made at least 12 months before the date the distribution is scheduled to be made. A Subsequent Deferral shall be made in the manner acceptable to the Committee. Notwithstanding the foregoing, no Subsequent Deferral may provide for a date of distribution that is (i) with respect to Annual

Fees, more than 10 years after the Plan Year in which the Annual Fees, but for the Election, would have been paid to the Eligible Director, and (ii) with respect to Equity Awards, more than 10 years after the Plan Year in which the Equity Award vests.

3.8. Payment Following Occurrence of Distribution Event. The Company shall make a lump-sum payment or an installment payment, as applicable, of any amount to which such election applies on the applicable of the following dates (or if such date is not a business day, on the next succeeding business day): (a) the date 60 days after a distribution event due to death, (b) if the distribution event is due to Separation from Service, as soon as practicable in January of the year following the year of the Participant's Separation from Service, (c) if the distribution event is a number of years following Separation from Service, as soon as practicable in January of the year following the specified number of years after the Participant's Separation from Service, (d) if the distribution event is a specified date, on the specified date (or, if such date is not a business day, on the next succeeding business day), (e) the date that is 30 days after any distribution event permitted under Section 409A as the Committee may approve and set forth in an election form.

3.9. Rabbi Trust. The Committee may authorize the Company to establish an irrevocable trust with a duly authorized bank or corporation with trust powers designated by the Company's Chief Executive Officer ("Rabbi Trust"), pursuant to such terms and conditions as are set forth in the governing trust agreement. Any such Rabbi Trust shall be intended to be treated as a "grantor trust" under the Code, and the establishment of the Rabbi Trust shall not be intended to cause Participants performing services for the Company to realize current income on amounts contributed thereto nor to cause the Plan to be "funded" with respect to the Company, and the Rabbi Trust shall be so interpreted. Any amounts subsequently due to a Participant under the Plan shall be first satisfied by the Rabbi Trust, and any remaining obligations shall be satisfied by the Company, in accordance with the terms of the Plan.

4. FORMS OF DISTRIBUTION

4.1. Forms of Distribution.

4.1.1. Distribution Form. Amounts credited to an Account shall be distributed, pursuant to an Election, in a single lump-sum payment or in two installment payments, in each case, (i) with respect to Annual Fees, not more than 10 years after the Plan Year in which the Annual Fees, but for the Election, would have been paid to the Eligible Director, and (ii) with respect to Equity Awards, not more than 10 years after the Plan Year in which the Equity Award vests. If an Eligible Director fails to elect a form of distribution in accordance with the provisions of this Section 4.1, he or she shall be deemed to have elected to receive a single lump-sum payment as the form of distribution. In the event the payment event is due to death, the form of distribution shall be limited to a single lump-sum payment. For purposes of the Plan and Section 409A of the Code, if an Eligible Director elects two installment payments, each payment shall be considered a separate payment.

4.1.2. Payment Form. A Participant who has made an election to defer an annual Equity Award pursuant to Section 3.1 shall receive a distribution from the Account in the number and kind of equity allocated to the Stock Fund. All other distributions shall be made in the form of cash payments.

4.1.3. Lump-Sum Distribution for Small Accounts. To the extent permitted under Section 409A, notwithstanding any Election or any other provision of the Plan to the contrary, if the amount credited to the Participant’s Account has a value of $10,000 or less at the time of distribution, such Participant’s account shall be distributed in one lump-sum payment.

4.2. Determination of Account Balances For Purposes of Distribution. The amount of any distribution made pursuant to Section 4.1 shall be based on the balance in the Participant’s Account on the date of distribution and the applicable number of distributions. For this purpose, the value of a Participant’s Account shall be calculated by taking into account applicable credits or debits in accordance with Section 5.2 through the end of the day immediately preceding the date of distribution. In the event two dates of distribution are elected with respect to the Stock Fund, the first installment shall be determined based on a pro rata distribution of each class, series or unit of securities included in the Participant's Account in the Stock Fund, with each determination made on the basis of the number of such securities or using such other method as the Committee may approve, and the second installment shall include the remaining balance of the Participant's Account in the Stock Fund. Fractional shares or units will not be distributed from the Stock Fund; any distributions from the Stock Fund will be rounded to the nearest whole share or unit.

5. BOOK ACCOUNTS

5.1. Deferred Compensation Account. A deferred compensation Account shall be established for each Eligible Director when such Eligible Director becomes a Participant. Annual Fees and Equity Awards deferred pursuant to the Plan shall be credited to the Account on the date such Annual Fees or Equity Awards would otherwise have been payable to the Participant. All deemed interest, dividends, earnings, losses and other relevant amounts applicable to each Account shall be credited or debited to the Account as they are deemed to occur, as provided in Section 5.2.

5.1.1. Crediting of Deferred Annual Fees. Deferred Annual Fees shall be credited to the Credited Interest Fund as provided in Section 5.2.

5.1.2. Crediting of Deferred Equity Awards. Deferred Equity Awards shall be credited to the Stock Fund in the Eligible Director’s Account at the time of vesting, together with any related Dividend Equivalents, as defined in the Incentive Plan.

5.2. Crediting/Debiting of Account Balances. In accordance with, and subject to, the rules and procedures that are established from time to time by the Committee, amounts shall be credited or debited to a Participant’s Account in accordance with the following rules:

5.2.1. Credited Interest Fund. A Participant’s Account attributable to Annual Fees shall remain allocated to the Credited Interest Fund.

5.2.2. Stock Fund. Deferred Equity Awards shall remain allocated to the Stock Fund and the Participant shall not be entitled to change the portion of his Account allocated to the Stock Fund; provided, however, that any cash dividends payable with respect to the number and kind of equity allocated to the Stock Fund shall be credited to the Participant's Account in the Credited Interest Fund.

5.2.3. Crediting or Debiting Method. Each Participant’s Account allocated to the Credited Interest Fund shall be credited with interest at the Applicable Interest Rate. Credits and debits under this Section 5.2.3 shall be calculated with respect to Annual Fees deferred by such Participant in accordance with this Plan from the date such Annual Fees would otherwise have been payable to the Participant through the end of the day immediately preceding the date on which such deferred Annual Fees are paid to such Participant (or his or her Beneficiary) in accordance with this Plan.

5.2.4. No Actual Investment. Notwithstanding any other provision of this Plan that may be interpreted to the contrary, in the event that the Company or the trustee of the Rabbi Trust, if any, in its own discretion, decides to invest funds in any investment, no Participant shall have any rights in or to such investments themselves. Without limiting the foregoing, a Participant’s Account shall at all times be a bookkeeping entry only and shall not represent any investment made on his or her behalf by the Company or the Rabbi Trust, if any; the Participant shall at all times remain an unsecured creditor of the Company.

5.3. Status of Deferred Amounts. All Annual Fees and/or Equity Awards deferred under this Plan shall continue for all purposes to be a part of the general funds or unissued shares of the Company.

5.4. Participants’ Status as General Creditors. An Account shall at all times represent the general obligation of the Company. Each Participant shall be a general creditor of the Company with respect to this obligation and shall not have a secured or preferred position with respect to his or her Account. Nothing contained herein shall be deemed to create an escrow, trust, custodial account or fiduciary relationship of any kind. Nothing contained herein shall be construed to eliminate any priority or preferred position of a Participant in a bankruptcy matter with respect to claims for compensation.

6. NO ALIENATION OF BENEFITS

Except as otherwise required by law, the right of any Participant or Beneficiary to any benefit or interest under any of the provisions of the Plan shall not be subject to encumbrance, attachment, execution, garnishment, assignment, pledge, alienation, sale, transfer or anticipation, either by the voluntary or involuntary act of any Participant or Beneficiary or by operation of law, nor shall such payment, right or interest be subject to any other legal or equitable process.

7. DEATH OF PARTICIPANT

7.1. Death of Participant. A Deceased Participant's Account shall be distributed in a lump sum to the Deceased Participant's Beneficiary to whom the right to payment under the Plan shall have passed. For purposes of clarity, if an Inactive Participant who has elected a distribution in the form of two installments dies prior to receiving his or her entire Account, the remainder of the Deceased Participant's Account shall be distributed in a lump sum notwithstanding the Deceased Participant's Election of two installments.

7.2. Designation of Beneficiaries. Each Participant and Beneficiary shall have the right to designate one or more Beneficiaries to receive distributions in the event of the Participant's or Beneficiary's death by filing with the Company a Beneficiary designation on the form provided by the Company for such purpose. The designation of Beneficiary or Beneficiaries may be changed by a Participant or Beneficiary at any time prior to such Participant's or Beneficiary's death by the delivery to the Company of a new Beneficiary designation form.

8. OTHER ACCELERATION EVENTS

8.1. Other Acceleration Events. To the extent permitted under Section 409A, notwithstanding the terms of an Election, distribution of all or part of a Participant's Account may be made:

8.1.1. To the extent necessary to fulfill a domestic relations order (as deemed in Section 414(p)(1)(B) of the Code).

8.1.2. To the extent necessary to comply with a certificate of divestiture (as defined in Section 1043(b)(2) of the Code).

8.1.3. To pay the Federal Insurance Contribution Act ("FICA") tax imposed under sections 3101 and 3121(v)(2) of the Code on amounts deferred under the Plan (the "FICA Amount") plus the income tax at source on wages imposed under Section 3401 of the Code with respect to the FICA Amount, and to pay the additional income tax at source on wages attributable to the pyramiding Section 3401 wages and taxes, provided that the total amount distributable under this Section 8.1.3 shall not exceed the sum of the FICA Amount and the income tax withholding related to such FICA Amount.

8.1.4. To pay foreign tax obligations arising from participation in the Plan that apply to an amount deferred under the Plan (the "Tax Obligation Amount") plus the income tax at source on wages imposed under Section 3401 of the Code with respect to the Tax Obligation Amount, and to pay the additional income tax at source on wages attributable to the pyramiding Section 3401 wages and taxes, provided that the total amount distributable under this Section 8.1.4 shall not exceed the sum of the Tax Obligation Amount and the income tax withholding related to such Tax Obligation Amount.

9. INTERPRETATION

9.1. Authority of Committee. The Committee shall have full and exclusive authority to construe, interpret and administer this Plan and take all actions and make all determinations on behalf of the Company unless otherwise indicated, and the Committee's construction and interpretation thereof and determinations thereunder shall be binding and conclusive on all persons for all purposes.

10. AMENDMENT OR TERMINATION

10.1. Amendment or Termination. Except as otherwise provided by Section 10.2, the Company, by action of the Committee, reserves the right at any time, or from time to time, to amend or modify this Plan, including amendments for the purpose of complying with Section 409A. The Company, by action of the Committee, reserves the right at any time to terminate this Plan.

10.2. Modification to Rate of Credited Earnings. Notwithstanding any other provision of this Plan, no action of the Committee shall decrease the Applicable Interest Rate with respect to the portion of a Participant's Account that is attributable to an Election made with respect to Annual Fees earned in a Plan Year which election has become irrevocable before the date of adoption of such decreased Applicable Interest Rate by the Committee.

11. WITHHOLDING OF TAXES

The Company, or the trustee of any Rabbi Trust, shall withhold from any payments made to a Participant under this Plan all foreign, federal, state and local income, employment and other taxes required to be withheld by the Company or the trustee of the Rabbi Trust, if any, in connection with such payments, in amounts and in a manner to be determined in the sole discretion of the Company and the trustee of any Rabbi Trust.

12. MISCELLANEOUS PROVISIONS

12.1. No Right to Continued Service. Nothing contained herein shall be construed as conferring upon any Participant the right to remain in the service of the Company, its Subsidiaries or divisions, in any capacity.

12.2. Expenses of Plan. All expenses of the Plan shall be paid by the Company.

12.3. Gender and Number. Whenever any words are used herein in any specific gender, they shall be construed as though they were also used in any other applicable gender. The singular form, whenever used herein, shall mean or include the plural form, and vice versa, as the context may require.

12.4. Law Governing Construction. The construction and administration of the Plan and all questions pertaining thereto, shall be governed by the laws of the State of Colorado.

12.5. Headings Not a Part Hereof. Any headings preceding the text of the several Articles, Sections, subsections, or paragraphs hereof are inserted solely for convenience of reference and shall not constitute a part of the Plan, nor shall they affect its meaning, construction, or effect.

12.6. Severability of Provisions. If any provision of this Plan is determined to be void by any court of competent jurisdiction, the Plan shall continue to operate and, for the purposes of the jurisdiction of that court only, shall be deemed not to include the provision determined to be void.

12.7. Compliance with Section 409A. With respect to Participants who are subject to taxation in the United States, this Plan is intended to comply in all respects with Section 409A and at all times shall be interpreted and operated in compliance therewith.

13. EFFECTIVE DATE

The effective date of this Plan shall be March 1, 2020.

IN WITNESS WHEREOF, LIBERTY LATIN AMERICA LTD. has caused this Plan to be executed by its duly authorized officer as of the 1st day of March, 2020.

LIBERTY LATIN AMERICA LTD.

By: /s/ John Winter
Name: John Winter
Title: Senior Vice President & Chief Legal Officer

Exhibit 31.1

CERTIFICATION

I, Balan Nair, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Latin America Ltd.;
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 officer 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 officer 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 functions):
    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: May 5, 2020

/s/ Balan Nair

Balan Nair
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Christopher Noyes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Latin America Ltd.;

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 officer 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 officer 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 functions):

   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: May 5, 2020

/s/ Christopher Noyes

Christopher Noyes

Senior Vice President and Chief Financial 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 Latin America Ltd. (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the period ended March 31, 2020 (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 March 31, 2020 and December 31, 2019, and for the three months ended March 31, 2020, and 2019.

Dated:	May 5, 2020	/s/ Balan Nair
		Balan Nair
		President and Chief Executive Officer

Dated:	May 5, 2020	/s/ Christopher Noyes
		Christopher Noyes
		Senior Vice President and Chief Financial Officer
		(Principal Financial 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-K or as a separate disclosure document.