

qurate
RETAIL, INC.

Curated Experiences.
Infinite Possibilities.™

Q2 2019

Safe Harbor and Non-GAAP Measures

This presentation includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about business strategies, synergies resulting from the acquisition of HSN and the integration of the QVC and HSN businesses, and other matters that are not historical facts. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, possible changes in market acceptance of new products or services, competitive issues, regulatory matters affecting our businesses, continued access to capital on terms acceptable to Qurate Retail, Inc. (“QRI”) and QVC, Inc. (“QVC”), availability of investment opportunities and market conditions conducive to stock repurchases. These forward-looking statements speak only as of the date of this presentation, and each of QRI and QVC expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any

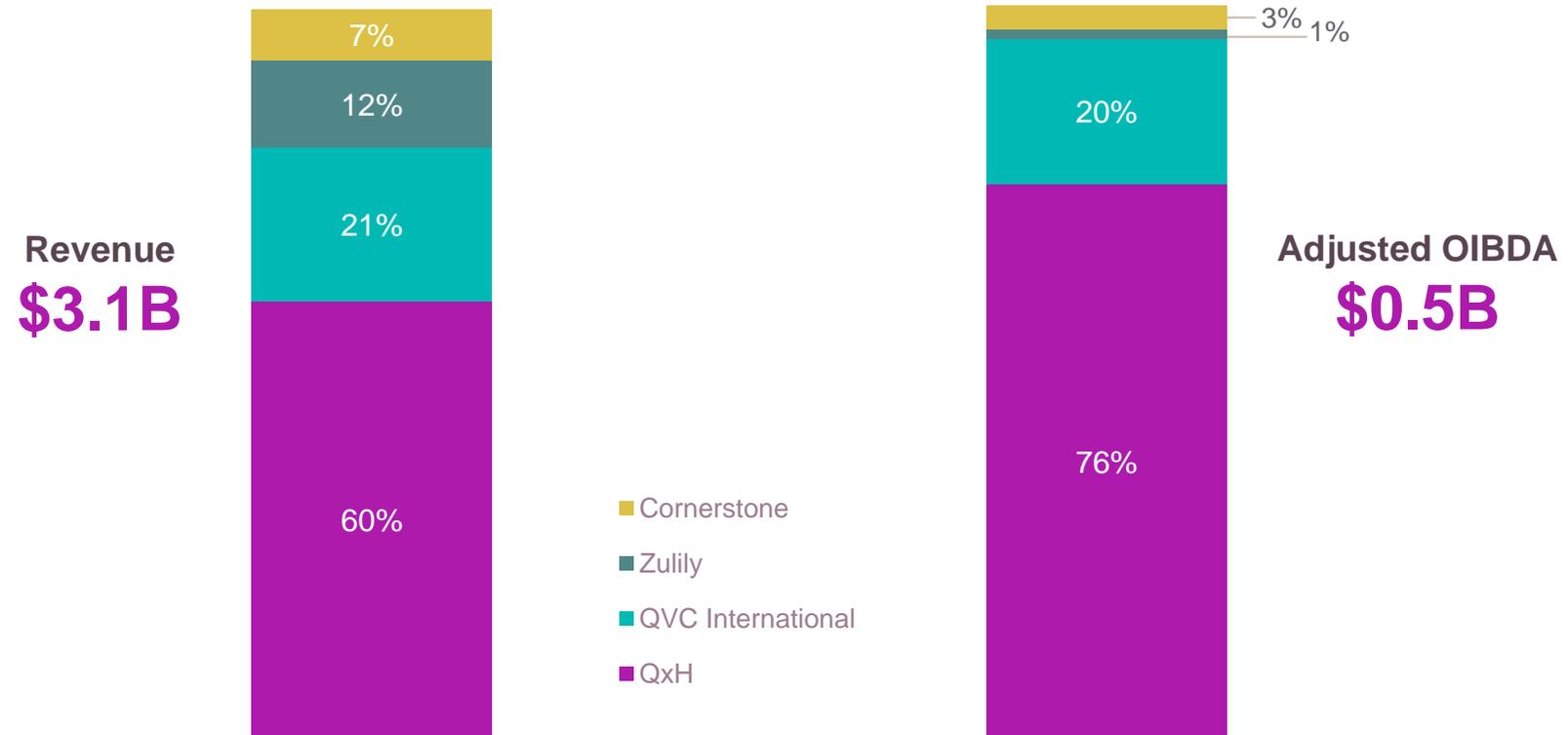
change in QRI’s or QVC’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Please refer to the publicly filed documents of QRI and QVC, including their most recent Forms 10-K and 10-Q, for additional information about QRI and QVC and about the risks and uncertainties related to their respective businesses which may affect the statements made in this presentation.

This presentation includes non-GAAP financial measures including adjusted OIBDA and constant currency. Information regarding the comparable GAAP metrics, along with required definitions and reconciliations can be found in the earnings press release issued August 7, 2019 as well as earnings press releases relating to prior periods, all of which are available on our website. This presentation is designed to be read in conjunction with the August 7, 2019 earnings release, which is available on our website.

Revenue and Adjusted OIBDA

Business Segment Contribution

Q2 2019



\$1.8B eCommerce Revenue

Note: Percentages exclude intersegment eliminations and unallocated corporate costs

Revenue & Adjusted OIBDA

Year-on-Year Quarterly Comparative

REVENUE ¹							
	2018					2019	
	Q1	Q2	Q3	Q4	FY 2018	Q1	Q2
QxH ²	-2%	-2%	0%	1%	-1%	-4%	-1%
QVC International	14%	7%	1%	-3%	4%	-5%	-2%
QVC International (Constant Currency)	2%	1%	2%	-1%	1%	1%	1%
Zulily ³	17%	13%	18%	5%	12%	-5%	-13%
Cornerstone	-8%	-9%	-7%	-4%	-7%	-10%	-11%
QURATE RETAIL TOTAL⁴	3%	1%	1%	0%	1%	-4%	-4%
QURATE RETAIL TOTAL (Constant Currency)⁵	1%	0%	2%	1%	1%	-3%	-3%
ADJUSTED OIBDA							
	2018					2019	
	Q1	Q2	Q3	Q4	FY 2018	Q1	Q2
QxH	-4%	-2%	4%	-6%	-3%	-5%	-1%
QVC International	9%	-7%	-6%	-12%	-5%	-6%	6%
QVC International (Constant Currency)	-1%	-12%	-7%	-11%	-8%	-1%	10%
Zulily	80%	12%	50%	-11%	19%	-37%	-76%
Cornerstone	-50%	-10%	-200%	-50%	-54%	0%	-26%
QURATE RETAIL TOTAL	0%	-3%	0%	-9%	-4%	-7%	-5%
QURATE RETAIL TOTAL (Constant Currency)	-2%	-3%	0%	-8%	-4%	-5%	-5%

¹ Excludes private label credit card income for 2018 rate calculations

² QxH as reported for 2018: Q1 through Q4 is 0%, 0%, 1%, and 2%, respectively. Full year is 1%

³ Zulily as reported for 2018: Q1 through Q4 is 17%, 13%, 18%, and 6%, respectively. Full year is 13%

⁴ Qurate Retail Total as reported for 2018: Q1 through Q4 is 4%, 2%, 2%, and 1%, respectively. Full year is 2%

⁵ Qurate Retail Total (constant currency) as reported for 2018: Q1 through Q4 is 1%, 1%, 2%, and 1%, respectively. Full year is 2%



QxH Category Performance

Prior Year Comparative

CATEGORY	2018					2019	
	Q1	Q2	Q3	Q4	FY 2018	Q1	Q2
Home	●	●	●	●	●	●	●
Apparel	●	●	●	●	●	●	●
Beauty	●	●	●	●	●	●	●
Accessories	●	●	●	●	●	●	●
Electronics	●	●	●	●	●	●	●
Jewelry	●	●	●	●	●	●	●

NOTABLE BRANDS

belle
KIM GRAVEL

ring

BAREFOOT DREAMS®

CURTIS STONE

TEETER

RASTELLI
MARKET FRESH



AFTERSHOKZ

PRIVÉ REVAUX
EYEWEAR

SKINN®
DIMITRI JAMES

TRAEGER
WOOD PELLET GRILLS

Dachel
HOLLIS

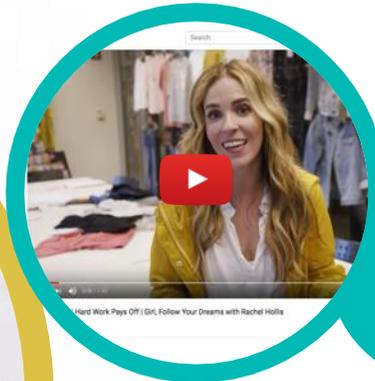


Executing on Product Curation and Digital Priorities

\$1M+ Sales in First 2 Months	3,500+ New Customers	80% New Customers Ages 25-44
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Digital-Only Launch
May 3, 2019



Marketing

- Email
- YouTube
- Instagram
- Podcast



D3

Design, Development, and Discovery



Social

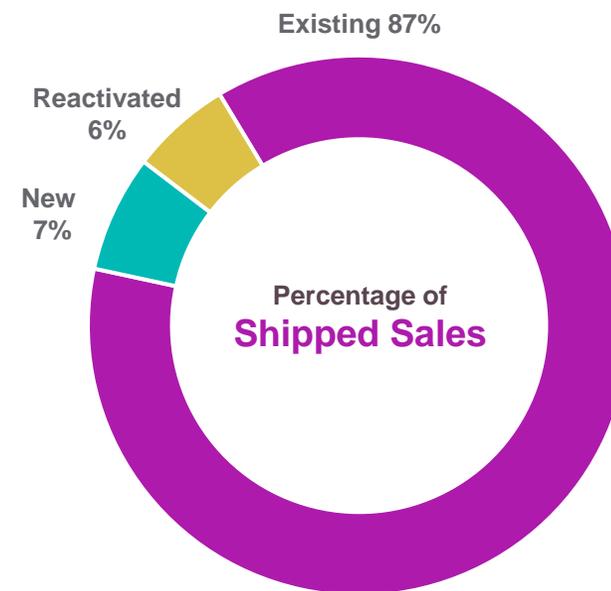
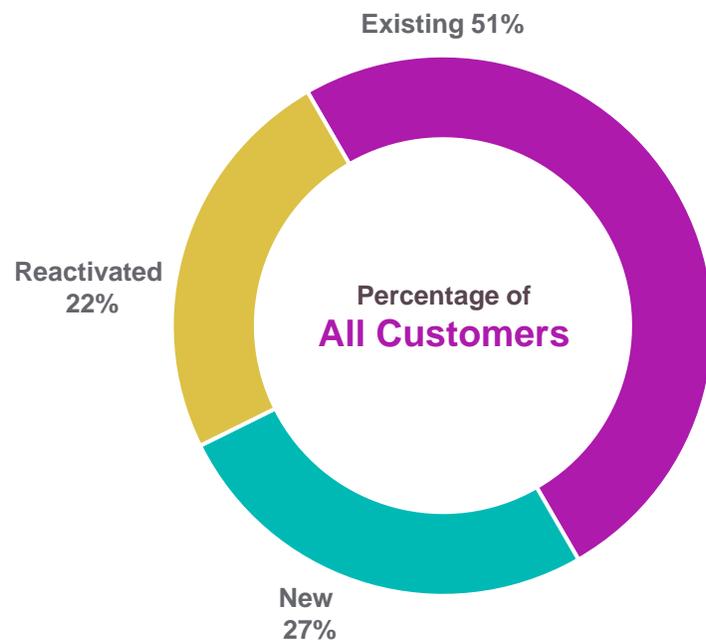
Amplification through Rachel's network

- YouTube
- Facebook Live
- Vlogs



QxH Customer Profile¹

TTM June 2019



EXISTING CUSTOMERS

Annual Purchases: **28** Items purchased | **\$1.5K** Spend

¹ Existing customer: Customer who made a purchase in two consecutive 12 month periods
New customer: Never purchased previously
Reactivated customer: Purchased in past, but not in last 12 months

QxH Adjusted OIBDA Margin Q2 Performance

Year-on-Year Basis Point Change

CONTRIBUTING FACTOR	Q2 2019
Commissions ¹	130
Product Mix Impact ²	5
Warehouse ³	(55)
Freight (QxH Operated Facilities)	(45)
Inventory Management ⁴	(25)
Marketing	(20)
Other ⁵	10
TOTAL	Flat

¹ Includes accounting changes, synergies from renegotiated contracts, and growth in off-air

² Includes initial margin, in-period returns, S&H revenue, ASP deleverage, freight (drop ship) and bad debt

³ Includes ramp up of Ontario, CA fulfillment center and start up costs associated with network optimization

⁴ Includes inventory obsolescence reserve adjustments, liquidations and costs associated with clearing Ingenious Designs (IDL) brands

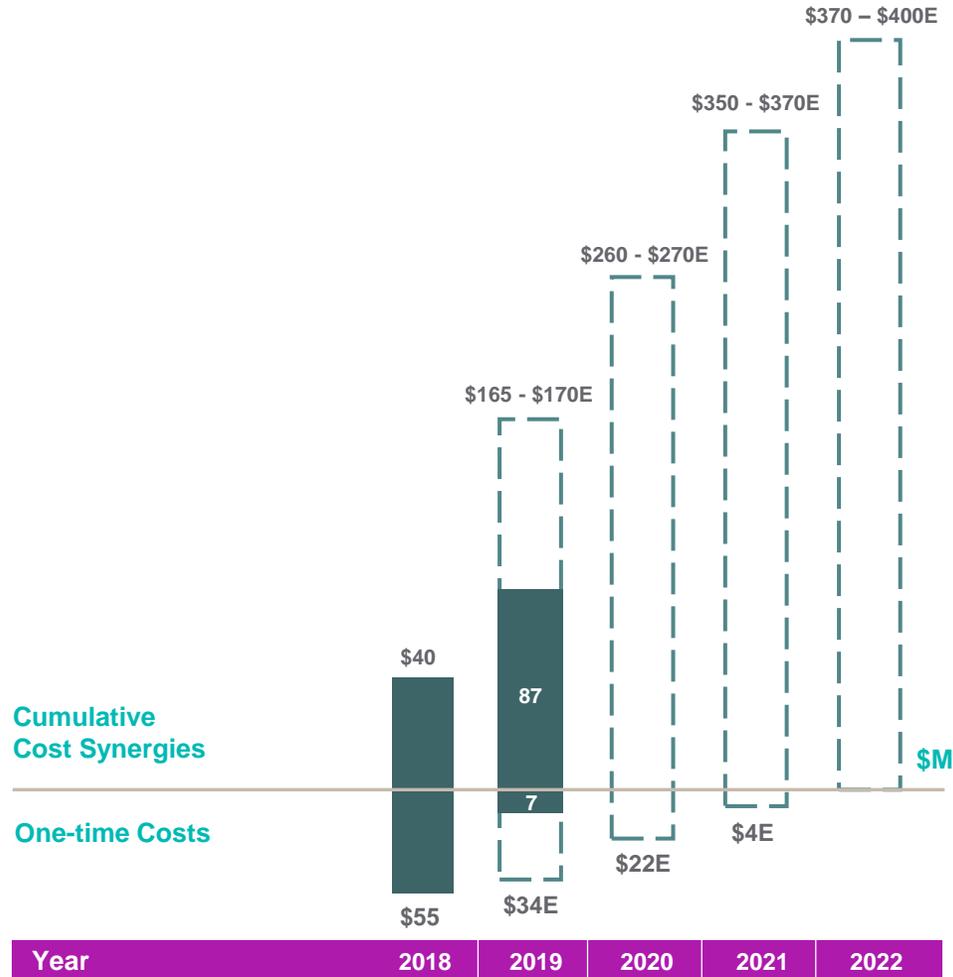
⁵ Includes customer service, SG&A deleverage, returns reserve adjustment, and other

Note: All figures rounded to the nearest 5 bps



QxH Cumulative Synergies Update

Q2 2019



	FY 2018	YTD 2019
Cumulative Cost Synergies		
Included in Adjusted OIBDA	32	79
Below Adjusted OIBDA	8	8
	40	87
One-Time Costs		
Included in Adjusted OIBDA	(4)	(7)
Below Adjusted OIBDA	(51)	0
	(55)	(7)
Net Synergies		
Included in Adjusted OIBDA	28	72
Below Adjusted OIBDA	(43)	8
TOTAL NET SYNERGIES	(15)	80



Glossary

On-Air Sales

Sales of products that appear on a QxH TV network that calendar day

Off-Air Sales

Sales of products that did not appear on a QxH TV network that calendar day, including sales of products that have never appeared on air. Off-Air Sales come largely via our digital platforms

Digital-Only Sales

A subset of Off-Air Sales. Products that we offer only via our digital platforms