

July 19, 2013



## Liberty Interactive Announces Extraordinary Cash Distribution and Reference Share Adjustment on its Senior Exchangeable Debentures Relating to Sprint Common Stock

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Liberty Interactive LLC ("Liberty"), a subsidiary of Liberty Interactive Corporation (Nasdaq: LINTA, LINTB, LVNTA, LVNTB), announced today that it will make an extraordinary cash distribution to holders of record on July 10, 2013, of its 4.0% Senior Exchangeable Debentures due 2029 and 3.75% Senior Exchangeable Debentures due 2030 (the "Debentures"). The cash distribution to be made per \$1,000 principal amount of each Debenture is indicated in the table below (the "Extraordinary Distribution"). The distribution date for the Extraordinary Distribution is August 7, 2013.

The Extraordinary Distribution is being made by Liberty as a result of the closing of the merger transaction (the "Merger Transaction") between Sprint Nextel Corporation ("Sprint Nextel") and SoftBank Corp. Stockholders of Sprint Nextel were given the election (the "Merger Consideration Election"), for each share of Sprint Nextel Series 1 common stock held by them, to receive either (i) one share of common stock, par value \$0.01 share ("Sprint Common Stock"), of a new corporation named "Sprint Corporation" ("Sprint") or (ii) cash in the amount of \$7.30, subject to proration and reallocation pursuant to the terms of the Merger Transaction. Sprint has publicly announced that, in connection with the Merger Consideration Election, Sprint has issued an aggregate of 850,899,628 shares of Sprint Common Stock and paid an aggregate of \$16,639,999,897 in exchange for the 3,026,063,027 shares of Sprint Nextel Series 1 common stock that were eligible to participate in the Merger Consideration Election.

Under the Indenture relating to the Debentures, the Merger Consideration Election constituted a "reference share offer" which requires a "reference share offer adjustment" to the number of reference shares underlying each Debenture. Hence, in addition to the Extraordinary Distribution, Liberty has made a "reference share proportionate reduction" to the number of reference shares underlying the Debentures. The following table illustrates the payments and reference share adjustments being made by Liberty.

### **Extraordinary Distribution and Reference Share Proportionate Reduction**

	<b>4.0% Debentures</b>	<b>3.75% Debentures</b>
<b>Pre-merger Exchange Ratio (shares per bond)</b>	Sprint Nextel: 11.4743 CenturyLink: .7860	Sprint Nextel: 8.3882 CenturyLink: .5746
<b>Post-merger Exchange Ratio (shares per bond)</b>	Sprint : 3.2265 CenturyLink: .7860	Sprint: 2.3587 CenturyLink: .5746

<b>Cash Distribution per bond</b>	\$63.0960	\$46.1258
<b>Total Cash Distribution</b>	\$29,578,250	\$21,217,832

In accordance with the Indenture, the principal amount of the Debentures is to be reduced by the amount of each extraordinary cash distribution that we pay on the Debentures. In addition, the adjusted principal amount is to be further reduced on each successive semi-annual interest payment date to the extent necessary to cause the semi-annual interest payment on that date to represent the payment by Liberty, in arrears, of an annualized yield equal to the stated cash coupon rate on the adjusted principal amount of the Debentures. In no event will the reductions to the principal amount of the Debentures affect the amount of the semi-annual interest payments received by holders of the Debentures, which will continue to be a rate of interest equal to the stated cash coupon rate per annum of the original principal amount of the Debentures. The following table illustrates the adjustment made to the principal amount of the Debentures attributable to the Extraordinary Distribution.

	<b>Beginning Adjusted Principal Amount per Bond</b>	<b>Principal Adjustment per Bond</b>	<b>Ending Adjusted Principal Amount per Bond</b>	<b>Beginning Total Principal Outstanding</b>	<b>Ending Total Principal Outstanding</b>
<b>4.0% Debentures</b>	\$1000.0000	\$63.0960	\$936.9040	\$468,782,000	\$439,203,750
<b>3.75% Debentures</b>	\$1000.0000	\$46.1258	\$953.8742	\$459,999,000	\$438,781,168

#### About Liberty Interactive LLC

Liberty Interactive LLC is a wholly owned subsidiary of Liberty Interactive Corporation and owns interests in a broad range of electronic retailing, media, communications, and entertainment businesses.

Liberty Interactive Corporation  
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Source: Liberty Interactive Corporation