July 15, 2008

# Liberty Announces Semi-Annual Payment on 3.5% Senior Exchangeable Debentures Due 2031

## Results in Further Reduction of Adjusted Principal Amount

ENGLEWOOD, Colo., July 15 /PRNewswire-FirstCall/ -- Liberty Media Corporation (Nasdaq: LINTA, LCAPA, LMDIA) ("Liberty") announced a semi-annual payment to the holders of its 3.5% Senior Exchangeable Debentures due in 2031 (the "Debentures"). The amount of the payment is $17.50 per $1,000 of original principal amount of the Debentures.

This semi-annual payment will result in the further reduction of the adjusted principal amount of the Debentures. As previously announced, the principal amount of the Debentures was reduced in the amount of $162.616 per Debenture, resulting in an adjusted principal amount equal to $837.384 per Debenture. This adjustment resulted from an extraordinary distribution of cash that was paid to bondholders on January 10, 2007 in accordance with the indenture governing the Debentures (the "Indenture"). This extraordinary distribution arose from Freescale Semiconductor's merger with an entity controlled by a consortium of private equity firms in exchange for cash. At that time, Liberty announced that, in accordance with the Indenture, the adjusted principal amount of the Debentures would be further reduced on each successive semi-annual interest payment date to the extent necessary to cause the semi-annual payment on that date to represent the payment by Liberty, in arrears, of an annualized yield of 3.5% of the adjusted principal amount of the Debentures.

The adjustments described above will not affect the amount of the semi-annual payments received by holders of the debentures, which will continue to be a rate equal to 3.5% per annum of the original principal amount of the Debentures. Below is a detail of the amount of the payment being made on the Debentures, its allocation between payment of interest and repayment of principal and the revised adjusted principal amount resulting from the payment, per $1,000 of original principal amount of the Debentures:

| July 15, 2008 Beginning Adjusted Principal | Payment | Interest | Additional Payment of Principal | July 15, 2008 Ending Adjusted Principal |
|---|---|---|---|---|
| 831.6426 | $17.50 | 14.5537 | 2.9463 | 828.6963 |

The semi-annual interest payment and additional distribution are expected to be made on July 15, 2008 to holders of record of the Debentures on July 1, 2008.

Liberty Media Corporation owns interests in a broad range of electronic retailing, media, communications and entertainment businesses. Those interests are attributed to three tracking stock groups: (1) the Liberty Interactive group, which includes Liberty's interests in QVC.com, Provide Commerce, Backcountry.com, BUYSEASONS, Bodybuilding.com, IAC/InterActiveCorp, and Expedia, (2) the Liberty Entertainment Group, which includes Liberty's interests in the DIRECTV Group, Inc., Starz Entertainment, FUN Technologies, Inc., GSN, LLC, Wildblue Communications, Inc., and Liberty Sports Holdings LLC, and (3) the Liberty Capital group, which includes all businesses, assets and liabilities not attributed to the Interactive Group or the Entertainment Group including our subsidiaries Starz Media, LLC, Atlanta National League Baseball Club, Inc., and TruePosition, Inc., and minority equity investments in Time Warner Inc. and Sprint Nextel Corporation. For more information, please see http://www.libertymedia.com.

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