

January 14, 2013



# Liberty Announces Adjustment to 3.125% Senior Exchangeable Debentures Due 2023

## Additional Distribution a result of AOL Special Dividend

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Liberty Interactive LLC ("Liberty"), a subsidiary of Liberty Interactive Corporation (NASDAQ: LINTA/LINTB and LVNTA/LVNTB ) announced a cash distribution to the holders of its 3.125% Senior Exchangeable Debentures due in 2023 (the "Debentures"). This distribution is the result of AOL, Inc.'s special dividend of \$5.15 per share paid on December 14, 2012.

Each Debenture is exchangeable into a basket of securities consisting of 19.1360 common shares of Time Warner Entertainment ("TWX"), 4.8033 common shares of Time Warner Cable ("TWC") and 1.7396 common shares of AOL, Inc. ("AOL").

Pursuant to the indenture governing the Debentures, this distribution is considered an extraordinary distribution of cash. As a result, each Debenture holder will be entitled to receive a cash payment of \$8.9589 per bond. The distribution is expected to be made on January 15, 2013 to holders of record on December 31, 2012.

Also pursuant to the indenture, on any date that we pay or make an additional distribution to the holders of the debentures that is attributable to an extraordinary distribution on the reference shares, the original principal amount of each debenture will be reduced by the amount of the additional distribution that is paid or made with respect to that debenture. Thereafter, the adjusted principal amount will 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 of 3.125% of the adjusted principal amount of the debentures. An adjustment for purposes of ensuring that Liberty does not pay an annualized yield of more than 3.125% of the adjusted principal amount of the debentures that is necessary by the payment of an additional distribution to holders of the debentures will take effect on the second succeeding interest payment date after the payment of that distribution. We will issue a press release each time an adjustment is made to the adjusted principal amount of the debentures.

Payment Date	Beginning Adjusted Principal per Bond	Extraordinary Distribution	Ending Adjusted Principal per Bond
1/15/2013	\$1000.00	\$8.9589	\$991.0411

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 of interest equal to 3.125% per annum of the original principal amount of the debentures.

#### 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