

June 19, 2018



Qurate Retail Announces Payment of Extraordinary Additional Distribution and Adjusted Composition of Reference Shares under 0.75% Exchangeable Senior Debentures Due 2043 Arising from the Acquisition of Time Warner Inc. by AT&T Inc.

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Qurate Retail, Inc. ("Qurate Retail") (Nasdaq: QRTEA, QRTEB) announces an Extraordinary Additional Distribution to the holders of the 0.75% Exchangeable Senior Debentures due 2043 (the "Debentures") issued by its direct wholly-owned subsidiary, Liberty Interactive LLC ("LI LLC"). The amount of the Extraordinary Additional Distribution is \$277.5381 per \$1,000 original principal amount of Debentures (a "Debenture"), which is attributable to the cash consideration of \$53.75 per share paid to former holders of common stock of Time Warner Inc. ("TWX") on June 15, 2018 in connection with AT&T Inc.'s ("AT&T") acquisition of TWX ("AT&T/TWX Acquisition"). As of March 30, 2018, 1,116 Debentures remained outstanding in an aggregate adjusted principal amount of \$407,917. After giving effect to the Extraordinary Additional Distribution, the aggregate adjusted principal amount of Debentures outstanding will be approximately \$98,184.

LI LLC expects to pay the Extraordinary Additional Distribution on July 16, 2018, to holders of record of the Debentures on June 29, 2018. Under the indenture governing the Debentures, the original principal amount of the Debentures is reduced in an amount equal to each Extraordinary Additional Distribution that is made to holders of the Debentures. Thereafter, the adjusted principal amount is further reduced on each successive quarterly interest payment date to the extent necessary to cause the quarterly interest payment to represent the payment of an annualized yield of 0.75% of the adjusted principal amount. This latter adjustment will take effect on September 30, 2018, the second succeeding interest payment date after the payment of the Extraordinary Additional Distribution.

To date, LI LLC has made two prior Extraordinary Additional Distributions to holders of the Debentures. On June 16, 2016, LI LLC made an Extraordinary Additional Distribution of \$614.4332 per \$1,000 original principal amount of the Debentures attributable to the cash distribution made to former holders of common stock of Time Warner Cable, Inc. ("TWC") on May 18, 2016, in connection with the mergers involving Charter Communications, Inc. and TWC. On March 1, 2018, LI LLC made an Extraordinary Additional Distribution of \$11.9399

per \$1,000 original principal amount of Debentures attributable to the cash consideration of \$18.50 per share paid to former holders of common stock of Time Inc. ("Time") on January 31, 2018, in connection with the acquisition of Time by Meredith Corporation.

Reductions to the principal amount of the Debentures do not affect the amount of the quarterly interest payments received by holders of the Debentures, which will continue to be a rate equal to 0.75% per annum of the original principal amount of the Debentures.

As a result of the Extraordinary Additional Distribution being made on the Debentures in connection with the AT&T/TWX Acquisition, the adjusted principal amount of the Debentures will be reduced by \$277.5381 per \$1,000 original principal amount of the Debentures.

Holders of the Debentures will not be entitled to the Extraordinary Additional Distribution if they transfer or submit through DTC a notice of exchange prior to June 29, 2018, the special record date for payment of the Extraordinary Additional Distribution.

As a result of the AT&T/TWX Acquisition, the reference shares attributable to each \$1,000.00 original principal of Debentures consist of a basket of 3.1648 shares of Class A common stock of Charter (NASDAQ: CHTR) and 7.4199 shares of common stock of AT&T Inc. (NYSE: T).

About Qurate Retail, Inc. (formerly Liberty Interactive Corporation)

Qurate Retail, Inc. operates and owns interests in a broad range of digital commerce businesses. Qurate Retail, Inc.'s businesses and assets consist of its subsidiaries QVC, Inc., HSN, Inc., and zulily, llc (collectively, the Qurate Retail Group) as well as its interests in ILG and FTD, among other things.

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