

July 13, 2012



Liberty Interactive Announces Semi-Annual Payment on 3.5% Senior Exchangeable Debentures Due 2031 and Changes to Date in Adjusted Principal Amount

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Liberty Interactive LLC ("Liberty"), a subsidiary of Liberty Interactive Corporation (Nasdaq: LINTA, LINTB), 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.

History of Changes to Reference Securities

Date (on or about)	Corporate Event	Reference Securities Underlying Debenture	Shares per Bond
7/15/2001	Debenture issuance	Motorola Inc.	36.8189
	Motorola spins-off	Motorola Inc.	36.8189 MOT
12/2/2004	Freescale Semiconductor to shareholders	Freescale (Class B)	4.0654 FSL.B
12/4/2006	Freescale taken private at \$40 per share	Motorola Inc.	36.8189 MOT
	Motorola Inc. changes name, splits-off Motorola Mobility and effects reverse stock split	Motorola Solutions Motorola Mobility	5.2598 MSI 4.6024 MMI
1/4/2011			
5/22/2012	Google buys Motorola Mobility for \$40 per share	Motorola Solutions	5.2598 MSI

Changes to Principal Amount

Under the Indenture for the Debentures, the principal amount of the Debentures is adjusted in an amount equal to each extraordinary distribution made to holders of the Debentures. Thereafter, the adjusted principal amount is further reduced on each successive semi-annual interest payment date to the extent necessary to cause the semi-annual interest payment to represent the payment of an annualized yield of 3.5% of the adjusted principal amount. This

latter adjustment, to the extent it is made by reason of a particular extraordinary distribution that results in an adjustment to the principal amount of the Debentures, takes effect on the second succeeding interest payment date after the payment of that extraordinary distribution.

To date, there have been two extraordinary distributions to holders of the Debentures. On January 10, 2007, Liberty made an extraordinary distribution of \$162.6160 per \$1,000 original principal amount of Debenture arising from Freescale Semiconductor's going private transaction. On June 20, 2012, Liberty made an extraordinary distribution of \$184.0960 per \$1,000 original principal amount of Debenture arising from Motorola Mobility Holdings, Inc ("MMI") acquisition by Google

As of the date of this press release, the adjusted principal amount of a Debenture in the original principal amount of \$1,000 is \$619.0964. With respect to the extraordinary distribution that resulted from the Google/MMI transaction, the first related principal adjustment will occur on the interest payment scheduled for January 15, 2013.

History of Changes to Principal Amount

The adjustments described above do not affect the gross amount of the semi-annual payments received by holders of the Debentures, which continues to be a rate equal to 3.5% per annum of the original principal amount of the Debentures. Below is detail of the payments made on the Debentures, the allocations 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:

Date/Purpose	Beginning Adjusted Principal	Payment	Interest	Reduction of Principal	Ending Adjusted Principal
Jan 10, 2007/ Freescale	\$1,000.00			\$162.6160	\$837.3840
Semi-annual interest periods from 1/15/2007 through 1/15/2012	\$837.3840	\$192.50	\$161.6933	\$30.8067	\$806.5773
June 20, 2012/ MMI	\$806.5773			\$184.0960	\$622.4813
Semi-annual interest period of 7/15/2012	\$622.4813	\$17.50	\$14.1151	\$3.3849	\$619.0964

The semi-annual interest payment and additional distribution are expected to be made on July 13, 2012 to holders of record of the Debentures on July 1, 2012. Subsequent to this payment, the aggregate outstanding adjusted principal amount of the Debentures is \$371.5 million.

About Liberty Interactive LLC

Liberty Interactive LLC is an intermediate holding company of Liberty Interactive Corporation, owning interests in a broad range of digital commerce businesses.

Liberty Interactive Corporation
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Source: Liberty Interactive Corporation