

February 9, 2018



## **Liberty 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 Inc. by Meredith Corporation**

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Liberty Interactive LLC ("Liberty"), a subsidiary of Liberty Interactive Corporation (Nasdaq: QVCA, QVCB, LVNTA, LVNTB), announces an Extraordinary Additional Distribution to the holders of its 0.75% Exchangeable Senior Debentures due 2043 (the "Debentures"). The amount of the Extraordinary Additional Distribution is \$11.9399 per \$1,000 original principal amount of Debentures (a "Debenture"), which is 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 ("Meredith").

Liberty expects to pay the Extraordinary Additional Distribution on March 1, 2018, to holders of record of the Debentures on February 14, 2018, the special record date for the Extraordinary Additional Distribution.

Under the Indenture for the Debentures, the original principal amount of the Debentures is reduced by an amount equal to each extraordinary additional 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 0.75% of the adjusted principal amount. This latter adjustment, to the extent it is made by reason of a particular Extraordinary Additional 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, Liberty has previously made one Extraordinary Additional Distribution to holders of the Debentures. On June 16, 2016, Liberty 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.

Adjustments to the principal amount of the Debentures do not affect the amount of the semi-annual 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. Below is a detail of the amount of the Extraordinary Additional Distribution being made on the Debentures announced today and the adjusted principal amount resulting from that payment, per \$1,000 original principal amount of the Debentures:

| March 1, 2018 Beginning<br>Adjusted Principal | Extraordinary Additional<br>Distribution | March 1, 2018 Ending<br>Adjusted Principal |
|-----------------------------------------------|------------------------------------------|--------------------------------------------|
| \$378.6220                                    | \$11.9399                                | \$366.6821                                 |

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 February 14, 2018, the special record date for payment of the Extraordinary Additional Distribution.

As a result of the acquisition of Time, the reference shares attributable to each \$1,000.00 original principal of Debentures now consist of a basket of 3.1648 shares of Class A common stock of Charter (NASDAQ: CHTR) and 5.1635 shares of common stock of Time Warner, Inc. (NYSE: TWX).

#### About Liberty Interactive LLC

Liberty Interactive LLC is an intermediate subsidiary of Liberty Interactive Corporation, owning interests in a broad range of electronic retailing, media, communications, and entertainment businesses.

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#### **Liberty Interactive Corporation**

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