

July 2, 2018



Qurate Retail Announces Quarterly Interest Payment and Regular Cash Dividend Amount on 0.75% Senior Exchangeable Debentures Due 2043

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Qurate Retail, Inc. ("Qurate Retail") (Nasdaq: QRTEA, QRTEB) today announced the payment of a quarterly interest payment to the holders as of June 15, 2018 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 quarterly interest payment is \$1.875 per \$1,000 original principal amount of Debentures. As of June 30, 2018, 1,116 Debentures remained outstanding in the aggregate adjusted principal amount of \$406,589, after giving effect to today's quarterly interest payment. As previously announced, on July 16, 2018, LI LLC expects to pay an Extraordinary Additional Distribution in connection with AT&T's ("AT&T") acquisition of Time Warner Inc. ("TWX") to the holders of record on June 29, 2018. After giving effect to today's quarterly interest payment and the Extraordinary Additional Distribution, the aggregate adjusted principal amount of Debentures outstanding will be approximately \$96,857⁽¹⁾.

Under the Indenture for 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, to the extent it is made by reason of a particular Extraordinary Additional Distribution that results in a reduction to the principal amount of the Debentures, takes effect on the second succeeding interest payment date after the payment of that Extraordinary Additional Distribution.

To date, LI LLC has made two Extraordinary Additional Distributions to holders of the Debentures. On June 16, 2016, LI LLC made an Extraordinary Additional Distribution (the "TWC 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 (the "Charter/TWC Merger"). The TWC Extraordinary Additional Distribution was based on the "average transaction consideration" paid in the Charter/TWC Merger, as that term is defined in the Indenture for the Debentures. 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. On July 16, 2018, LI LLC expects to pay an Extraordinary Additional Distribution of \$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 TWX on June 15, 2018 in connection with AT&T’s acquisition of TWX (“AT&T/TWX Acquisition”).

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. Below is a detail of the amount of the quarterly interest payment being made on the Debentures, its allocation between payment of interest and repayment of principal and the revised adjusted principal amount of the Debentures resulting from such payment, per \$1,000 original principal amount of the Debentures:

June 30, 2018 Beginning Adjusted Principal	Payment	Interest	Payment of Principal	June 30, 2018 Ending Adjusted Principal
\$365.5170	\$1.875	\$0.6853	\$1.1897	\$364.3273 ⁽²⁾

LI LLC also announced the payment today, to holders of the Debentures as of June 15, 2018, of an additional distribution of \$2.0783 per Debenture, which is attributable to the regular quarterly dividends paid by TWX of \$0.4025 on May 1, 2018. Payments of additional distributions attributable to regular cash dividends do not result in a reduction to the principal amount of the Debentures.

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).

(1) This number is different than that cited on our June 19, 2018 press release due to the application of today’s quarterly interest payment, as well as the Extraordinary Additional Distribution.

(2) Before giving effect to the Extraordinary Additional Distribution LI LLC expects to pay on July 16, 2018. After giving effect to today’s quarterly interest payment and the Extraordinary Additional Distribution, the revised adjusted principal amount of the Debentures resulting from such payments, per \$1,000 original principal amount of the Debentures will be \$86.7892.

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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