

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
LIBERTY INTERACTIVE CORPORATION		84-1288730	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
INVESTOR RELATIONS	844-795-9468	INVESTOR@LIBERTYEXPEDIA.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
12300 LIBERTY BOULEVARD		ENGLEWOOD, CO 80112	
8 Date of action		9 Classification and description	
11/4/16		REDEMPTIVE EXCHANGE OF COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
53071M856		LVNTA	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ ON NOVEMBER 4, 2016, LIBERTY INTERACTIVE CORPORATION REDEEMED 0.4 OF EACH OUTSTANDING SHARE OF ITS SERIES A LIBERTY VENTURES COMMON STOCK ("LVNTA") HELD AS OF THE REDEMPTION DATE FOR 0.4 OF A SHARE OF LIBERTY EXPEDIA HOLDINGS, INC. SERIES A COMMON STOCK ("LEXEA"). 0.6 OF EACH SHARE OF LVNTA REMAINED OUTSTANDING. CASH WAS PAID IN LIEU OF FRACTIONAL SHARES.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ 40% OF THE TAX BASIS OF A LVNTA SHARE HELD PRIOR TO THE SPLIT-OFF IS ALLOCATED TO THE 0.4 LEXEA SHARE. 60% OF THE TAX BASIS OF A LVNTA SHARE HELD PRIOR TO THE SPLIT-OFF IS ALLOCATED TO THE 0.6 LVNTA SHARES RETAINED AFTER THE SPLIT-OFF. EACH SHAREHOLDER SHOULD CONSIDER THEIR OWN INDIVIDUAL CIRCUMSTANCES AND CONSULT A TAX ADVISOR.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶

	SHARES	PERCENT
LVNTA	0.6	60%
LEXEA	0.4	40%
	1.0	100%

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► THE SPLIT-OFF IS INTENDED TO QUALIFY AS A TAX-FREE EXCHANGE UNDER IRC SECTIONS 355 AND 368(a)(1)(D). UNDER IRC SECTION 358, THE AGGREGATE BASIS OF THE LVNTA SHARES BEFORE THE EXCHANGE SHOULD BE THE SAME AS THE AGGREGATE BASIS OF THE LVNTA AND LEXEA SHARES AFTER THE EXCHANGE. CASH RECEIVED IN LIEU OF FRACTIONAL SHARES IS TAXABLE.

18 Can any resulting loss be recognized? ► IF A STOCKHOLDER RECEIVES CASH IN LIEU OF A FRACTIONAL SHARE OF LEXEA OR LVNTA, THE STOCKHOLDER WILL BE TREATED AS RECEIVING SUCH FRACTIONAL SHARE AND THEN SELLING SUCH FRACTIONAL SHARE FOR THE AMOUNT OF CASH RECEIVED. SUCH SALE MAY RESULT IN THE RECOGNITION OF LOSS IF THE BASIS OF SUCH FRACTIONAL SHARE EXCEEDS THE AMOUNT OF CASH RECEIVED IN RESPECT OF SUCH FRACTIONAL SHARE, WHICH LOSS WILL BE CAPITAL LOSS IF SUCH FRACTIONAL SHARE WOULD BE A CAPITAL ASSET. OTHERWISE, NO LOSS MAY BE RECOGNIZED IN CONNECTION WITH THE EXCHANGE.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REPORTABLE TAX YEAR IS THE CALENDAR YEAR ENDING DECEMBER 31, 2016.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►



Date ► 11/18/16

Print your name ► TY KEARNS

Title ► VICE PRESIDENT

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

JSA