



On May 8, 2015, ~~1555~~ Interactive Corporation (the "~~Company~~") issued a press release (the "Earnings Release") ~~discussing~~ discussing financial information, which is intended to supplement the financial statements and related Management's Discussion and Analysis of ~~Financial Condition and Results M d f iscc~~ Financial Condition and Results M d f iscc

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Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 11, 2015

LIBERTY INTERACTIVE CORPORATION

By: /s/ Wade Haufschild  
Name: Wade Haufschild  
Title: Vice President





Englewood, Colorado, May 8, 2015 - Liberty Interactive Corporation ("Liberty Interactive") (Nasdaq: QVCA, QVCB, LVNTA, LVNTB) today reported first quarter 2015 results. Highlights include :

Attributed to QVC Group

- Grew QVC US revenue by 3% and adjusted OIBDA by 2% in the first quarter
  - QVC US operating income decreased by 5%
  - QVC.com revenue as a percent of total US revenue increased to 47%, a 188 basis point increase
  - QVC US mobile penetration was 52% of QVC.com orders, a 1,566 basis point increase
- QVC consolidated mobile penetration was 52% of QVC.com orders, a 1,366 basis point increase
- Refinanced QVC bank credit facility, increased capacity to \$2.25 billion
  - Improved terms, including lower interest rate and extension of maturity to 2020
- QVC France on track for planned summer 2015 launch

Attributed to Liberty Ventures Group

- Continuing Digital Commerce companies grew revenue 10%, adjusted OIBDA 29% and operating income 25%
  - Driven by strong margin performance at Backcountry.com

"QVC posted solid results in the US and outstanding local currency results in both the UK and Germany, with adjusted operating income of \$1.1 billion, up from \$1.0 billion in the first quarter of 2014."

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- Excluding the pre-retribution impact of the Digital Comyibu









Adjusted OIBDA for the continuing Digital Commerce companies increased 29% to \$22 million in the first quarter. For the quarter, the growth in Adjusted OIBDA was primarily the result of increased revenue, as discussed above, with the most noticeable increase being at Backcountry.com. Adjusted OIBDA represented 8.0% of revenue in the first quarter of 2015, as compared to 6.8% of revenue in the first quarter of 2014, primarily the result of improved product margins and cost containment efforts offset by increased marketing and promotional spend

Operating income for the continuing Digital Commerce companies increased 25% to \$5 million in the first quarter.

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There were no repurchases of Liberty Ventures Group common stock (Nasdaq: LVNTA) from February 1, 2015 through April 30, 2015. The total remaining repurchase authorization for Liberty Ventures Group stock is approximately \$709 million, which includes \$59 million remaining under the Liberty TripAdvisor spin-off authorization.

The businesses and assets attributed to the Liberty Ventures Group are all of Liberty Interactive's businesses and assets other than those attributed to the QVC Group, including its interests in Expedia, Interval, Lending Tree and FTD, its subsidiaries Backcountry.com, Bodybuilding.com, CommerceHub, The Right Start and Evite, and minority interests in Time Warner Inc. and Time Warner Cable.

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1a Liberty Interactive's President and CEO, Greg M

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Unless otherwise noted, the foregoing discussion compares financial information for the three months ended March 31, 2015 to the same period in 2014.

The following financial information with respect to Liberty Interactive's equity affiliates and available for sale securities is intended to supplement Liberty Interactive's condensed consolidated statements of operations which are included in its Form 10-Q.

Fair Value of Public Holdings

<i>(amounts in millions)</i>				
HSN	\$	1,521	\$	1,366
Expedia	\$	1,992	\$	2,197
FTD		355		305
Interval Leisure Group and Tree.com		482		592
Other Public Holdings		1,210		1,9 Tr

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Total cash and liquid investments attributed to the QVC Group increased by \$96 million during the first quarter. Cash flow from operations and the proceeds of a \$10 per share special dividend received from HSNi were partially offset by stock repurchases, debt repayments and capital expenditures. Total debt attributed to the QVC Group decreased by \$122 million, primarily due to repayments on the 1% ETE

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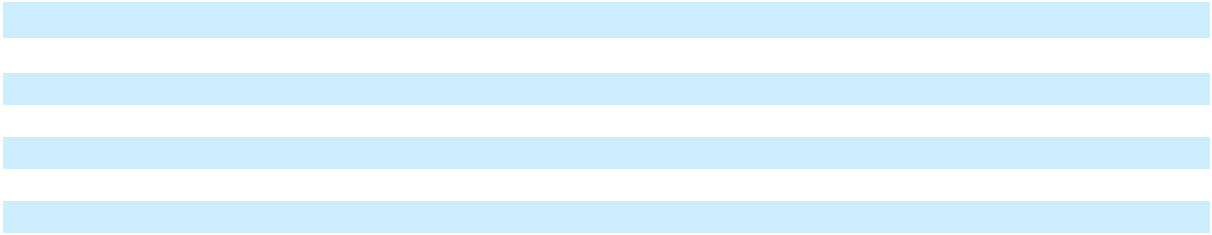
As a supplement to Liberty Interactive's condensed consolidated statements of operations, which are included in its Form10-Q, the following is a presentation of quarterly information and operating metrics on a stand-alone basis for the largest business owned by Liberty Interactive (QVC) at March 31, 2015, which Liberty Interactive has identified as a reportable segment.

Please see below for the definition of adjusted OIBDA and a discussion of why management believes the presentation of adjusted OIBDA for QVC provides useful information for investors. See Schedule 2 to this press release for a reconciliation of QVC's adjusted OIBDA to operating income for the same period, as determined under GAAP.

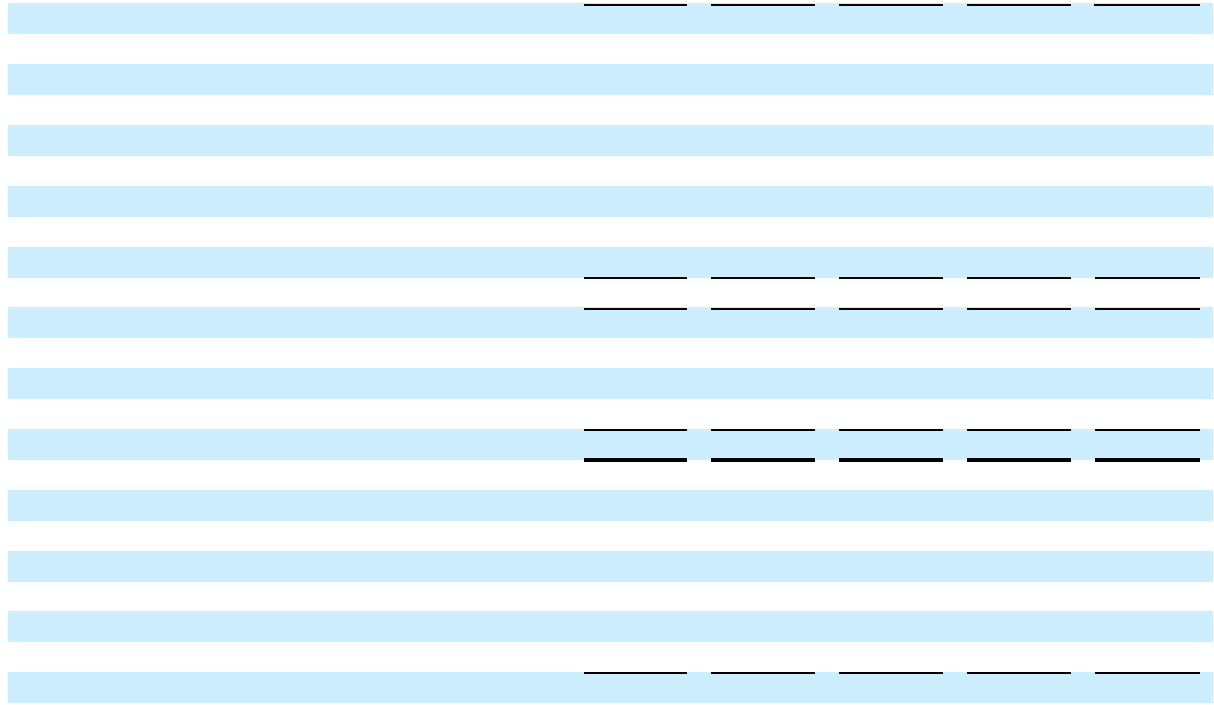
QUARTERLY SUMMARY

<i>(amounts in millions)</i>	1Q14	2Q14	3Q14	4Q14	1Q15
Revenue - US	\$3,065	\$3,151	\$3,161	\$2,030	\$1,342
Revenue - International					

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amounts in millions

**Current assets:**

Cash and cash equivalents	\$ 530	1,820	—	2,350
Trade and other receivables, net	836	31	—	867
Inventory, net	966	183	—	1,149
Short-term marketable securities	9	851	—	860
Other current assets	260	11	(205)	75
<b>Total current assets</b>		<b>??</b>		<b>?? \$B'</b>

Investments in available-for-sale securities and other cost investments 4 1,232 — 1,086 Å Ml Curreffi affuriset

Investments in affiliates, accounted for using the equity method 1930— 1,206 o — o 18419 M

Property and equipment, net 971 670 2360 0 Kfi affu X-ty and eq 1,038

Intangible assets not subject to amortization 7,576 268 — 7,844

Intangible assets subject to amortization, net 1,061 610 roerats t auito tff affuriset 1,122

Other assets, at cost, net of accumulated amortization otio o o o o o

	amounts in millions		
<b>Revenue:</b>			
Net retail sales	\$ 1,938	276	2,214
<b>Operating costs and expenses:</b>			
Cost of sales	1,221	194	1,415
Operating, including stock-based compensation	169	22	191
Selling, general and administrative, including stock-based compensation	159	45	204
Depreciation and amortization	152	16	168
	<u>1,701</u>	<u>277</u>	<u>1,978</u>
Operating income (loss)	237	(1)	236
<b>Other income (expense):</b>			
Interest expense	(75)	(20)	(95)
Share of earnings (losses) of affiliates, net	24	(21)	3
Realized and unrealized gains (losses) on financial instruments, net	(10)	6	(4)
Other, net	8	7	15
	<u>(53)</u>	<u>(28)</u>	<u>(81)</u>
Earnings (loss) before income taxes	184	(29)	155
Income tax benefit (expense)	(24)	21	(3)
Net earnings (loss)	160	(8)	152
Less net earnings (loss) attributable to noncontrolling interests	9	—	9
Net earnings (loss) attributable to Liberty stockholders	<u>\$ 151</u>	<u>(8)</u>	<u>143</u>

	amounts in millions		
<b>Revenue:</b>			
Net retail sales	\$ 2,434	—	2,434
<b>Operating costs and expenses:</b>			
Cost of sales	1,556	—	1,556
Operating, including stock-based compensation	213	—	213
Selling, general and administrative, including stock-based compensation	253	3	256
Depreciation and amortization	162	1	163
	<u>2,184</u>	<u>4</u>	<u>2,188</u>
Operating income (loss)	250	(4)	246
<b>Other income (expense):</b>			
Interest expense	(76)	(19)	(95)
Share of earnings (losses) of affiliates, net	21	(23)	(2)
Realized and unrealized gains (losses) on financial instruments, net	1	(26)	(25)
Other, net	1	6	7
	<u>(53)</u>	<u>(62)</u>	<u>(115)</u>
Earnings (loss) from continuing operations before income taxes	197	(66)	131
Income tax benefit (expense)	<u>(73)</u>	<u>33</u>	<u>(40)</u>
Net earnings (loss) from continuing operations	124	(33)	91
Net earnings (loss) from discontinued operations, net of tax	<u>(4)</u>	<u>23</u>	<u>19</u>
Net earnings (loss)	120	(10)	110
Less net earnings (loss) attributable to noncontrolling interests	10	18	28
Net earnings (loss) attributable to Liberty stockholders	<u>\$ 110</u>	<u>(28)</u>	<u>82</u>

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