

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM 8-K**  
**CURRENT REPORT**

Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **May 10, 2018**

**QURATE RETAIL, INC.**  
(Exact name of registrant as specified in its charter)

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**Item 2.02. Results of Operations and Financial Condition.**

On May 10, 2018, Qurate Retail, Inc. (the "Company") issued a press release (the "Earnings Release") setting forth information, including financial information, which is intended to supplement the financial statements and related Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed with the Securities and Exchange Commission (the "SEC") on May 10, 2018.

This Item 2.02 and the Earnings Release attached hereto as Exhibit 99.1, insofar as they disclose historical information regarding the

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**SIGNATURE**

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, 2018

QURATE RETAIL, INC.

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



## **QURATE RETAIL, INC. REPORTS FIRST QUARTER 2018 FINANCIAL RESULTS**

Englewood, Colorado, May 10, 2018 – Qurate Retail, Inc. ("Qurate Retail") (Nasdaq: QRTEA, QRTEB) today reported first quarter 2018 results. Highlights include :

First quarter operating results:

- Qurate Retail revenue of \$3.2 billion
  - Qurate Retail eCommerce revenue of \$1.8 billion
  - Qurate Retail reported
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In addition, under new revenue recognition standards, Qurate Retail now recognizes revenue at the time of shipment as opposed to delivery. Operating results for QVC and zulily in the first quarter of 2018 as presented in this press release include a modest positive impact due to this adjustment, with a more significant impact at zulily than other segments, but this impact is expected to balance out over 2018. As such, comparable results presented in this press release are not adjusted to exclude this change. HSNi previously recognized revenue at the time of shipment, so there is no impact to HSNi's reported results.

**FIRST QUARTER 2018 FINANCIAL RESULTS**

<i>(amounts in millions)</i>	1Q17	1Q18	% Change	% Change Constant Currency
<b>Revenue</b>				
QVC US	\$ 1,370	\$ 1,417	3 %	
QVC International	595	676	14 %	2 %
Total QVC revenue	\$ 1,965	\$ 2,093	7 %	3 %
HSN	562	509	(9)%	
zulily	359	419	17 %	
Cornerstone	225	207	(8)%	
Intersegment eliminations	(1)	-	NM	
<b>Total Qurate Retail Revenue (pro forma)</b>	<b>\$ 3,110</b>	<b>\$ 3,228</b>	<b>4 %</b>	
Former Liberty Ventures corporate and other	4	2		
Pre-acquisition HSNi results	(787)	-		
<b>Total Qurate Retail Revenue (as reported)</b>	<b>\$ 2,327</b>	<b>\$ 3,230</b>		
<b>Operating Income</b>				
QVC US	\$ 202	\$ 25Mty		



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9%	WSX	Ho	7.0%	7.3%	40
			(6.0%)	(6.0%)	390 bps
			7.0%	6.0%	220
			7.0%	6.0%	290 bp
			4.9	6.1	24 %

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**Cornerstone**

Operating Income Margin (%)	0.4 %	(4.3)%	NM
Adjusted OIBDA Margin (%)	2.7 %	1.4 %	(1)U


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c) Indemnity from GCI Liberty, pursuant to an indemnification agreement with respect to the 1.75% exchangeable debentures due 2046 (the





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SCHEDULE 1

The following table provides a reconciliation of Qurate Retail's adjusted OIBDA to its operating income calculated in accordance with GAAP for the three months ended March 31, 2017, June 30, 2017, September 30, 2017, December 31, 2017 and March 31, 2018, respectively.

**CONSOLIDATED PRO FORMA OPERATING INCOME AND ADJUSTED OIBDA RECONCILIATION**

*(amounts in millions)*

	1Q17	2Q17	3Q17	4Q17	1Q18
<b>Qurate Retail, Inc. Operating Income</b>	\$ 213	\$ 254	\$ 208	\$ 368	\$ 294
Depreciation and amortization					







**QURATE RETAIL, INC.**  
**BALANCE SHEET INFORMATION**  
**(unaudited)**

	March 31, 2018	December 31, 2017
amounts in millions		
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,055	903
Trade and other receivables, net	1,273	1,726
Inventory, net	1,510	1,411
Indemnification asset	253	—
Other current assets	212	125
Total current assets	<u>4,303</u>	<u>4,165</u>
Investments in equity securities	611	2,363
Investments in affiliates, accounted for using the equity method	204	309
Property and equipment, net	1,357	1,341
Intangible assets not subject to amortization	11,019	11,011
Intangible assets subject to amortization, net	1,172	1,248
Other assets, at cost, net of accumulated amortization	49	50
Assets of discontinued operations	—	3,635
Total assets	<u>\$ 18,715</u>	<u>24,122</u>
<b>Liabilities and Equity</b>		
Current liabilities:		
Accounts payable	992	1,151
Accrued liabilities	968	1,125
Current portion of debt	1,850	996
Other current liabilities	127	169
Total current liabilities	<u>3,937</u>	<u>3,441</u>
Long-term debt	6,388	7,553
Deferred income tax liabilities	2,090	2,500
Other liabilities	332	242
Liabilities of discontinued operations	—	303
Total liabilities	<u>12,747</u>	<u>14,039</u>
Equity/Attributed net assets (liabilities)	5,861	9,984
Non-controlling interests in equity of subsidiaries	107	99
Total liabilities and equity	<u>\$ 18,715</u>	<u>24,122</u>

**QURATE RETAIL, INC.**  
**STATEMENT OF OPERATIONS INFORMATION**  
(unaudited)

	Three months ended March 31,	
	2018	2017
<b>Revenue:</b>		
Total revenue, net	\$ 3,230	2,327
<b>Operating costs and expenses:</b>		
Cost of retail sales	2,093	1,505
Operating	228	151
Selling, general and administrative, including stock-based compensation	452	250
Depreciation and amortization	163	208
	<u>2,936</u>	<u>2,114</u>
Operating income (loss)	294	213
<b>Other income (expense):</b>		
Interest expense	(98)	(90)
Share of earnings (losses) of affiliates, net	(14)	(27)
Realized and unrealized gains (losses) on financial instruments, net	99	175
Other, net	4	1
	<u>(9)</u>	<u>59</u>
Earnings (loss) from continuing operations before income taxes	285	272
Income tax benefit (expense)	(29)	(84)
Earnings (loss) from continuing operations	256	188
Earnings (loss) from discontinued operations, net of taxes	141	331
Net earnings (loss)	397	519
Less net earnings (loss) attributable to noncontrolling interests	13	12
Net earnings (loss) attributable to Liberty Interactive Corporation shareholders	<u>\$ 384</u>	<u>507</u>

