UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-33982

LIBERTY INTERACTIVE CORPORATION
(Exact name of Registrant as specified in its charter)

State of Delaware (State or other jurisdiction of incorporation or organization)	**84-1288730** (I.R.S. Employer Identification No.)
12300 Liberty Boulevard **Englewood, Colorado** (Address of principal executive offices)	**80112** (Zip Code)

Registrant's telephone number, including area code: **(720) 875-5300**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐ (do not check if smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the Registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes ☐ No ☒

The number of outstanding shares of Liberty Interactive Corporation's common stock as of October 31, 2015 was:

	Series A	Series B
QVC Group	467,611,468	29,223,910
Liberty Ventures	134,782,953	7,092,111

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[redacted]

LIBERTY INTERACTIVE CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements Of Comprehensive Earnings (Loss)

(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2015	**2014**	**2015**	**2014**
	amounts in millions			
Net earnings (loss)	$ 198	139	608	355
Other comprehensive earnings (loss), net of taxes:				
Foreign currency translation adjustments	5	(117)	(76)	(98)
Unrealized holding gains (losses)	of	(1)	—	—
Share of other comprehensive earnings (losses) of equity affiliates	(4)	(5)	(19)	(5)
Share of other comprehensive earnings (losses) of discontinued oc (n				

LIBERTY INTERACTIVE CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements Of Cash Flows

(unaudited)

	Nine months ended September 30,	
	2015	**2014**
	amounts in millions	
Cash flows from operating activities:		
Net earnings (loss)	$ 608	355
Adjustments to reconcile net earnings to net cash provided by operating activities:		
(Earnings) loss from discontinued operations	—	(48)
Depreciation and amortization	479	493
Stock-based compensation	81	71
Cash payments for stock-based compensation	(11)	(15)
(e		

simplification initiative and applies to entities that measure inventory using a method other than last-in, first-out (LIFO) or the retail inventory method. The new standard is effective for the Company for fiscal years and interim periods beginning after December 15, 2016. The Company has determined there is no significant effect of the standard on its ongoing financial reporting.

As a result of repurchases of Series A QVC Group common stock (formerly the QVC Group

Interactive common stock outstanding on October 13, 2014, the record date of the dividend, with cash paid in lieu of fractional shares The distribution date for the dividend was October 20, 2014, and the Liberty Interactive common stock began trading ex-dividend on October 15, 2014. The reattributed Digital Commerce companies were comprised of Liberty's consolidated subsidiaries Backcountry.com ("Backcountry"), Bodybuilding.com, LLC, Provide Commerce, Inc. ("Provide"), CommerceHub, Evite, Inc. and LMC Right Start, Inc. (collectively, the "Digital Commerce" companies). The reattribution of the Digital Commerce companies is presented on a prospective basis from the date of the reattribution in Liberty's condensed consolidated financial statements and attributed financial information, with October 1, 2014 used as a proxy for the date of the reattribution. In connection with the reattribution, the Liberty Interactive tracking stock trading symbol "LINTA" was changed to "QVCA" and the "LINTB" trading symbol was changed to "QVCB," effective October 7, 2014. Other than the issuance of Liberty Ventures shares in the fourth quarter of 2014, the reattribution of tracking stock groups had no consolidated impact on Liberty. Effective June 4, 2015, the name of the "Liberty Interactive common stock" was changed to the "QVC Group common stock."

The term "QVC Group" does not represent a separate legal entity, rather it represents those businesses, assets and liabilities that have been attributed to that group. Following the reattribution, the QVC Group is primarily

LIBERTY INTERACTIVE CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial S

Series A and Series B Liberty Ventures Common Stock

Excluded from diluted EPS, for all periods presented, are less than a million potential common shares because their inclusion would be antidilutive.

	Liberty Ventures Common Stock			
	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
	number of shares in millions			
Basic EPS	141	73	141	73
Potentially dilutive shares	2	1	2	1
Diluted EPS	143	74	143	74

(6) Assets and Liabilities Measured at Fair Value

For assets and liabilities required to be reported at fair value, GAAP provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs, other than quoted market prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

The Company's assets and liabilities measured at fair value are as follows:

	Fair Value Measurements at September 30, 2015			Fair Value Measurements at December 31, 2014		
Description	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
	amounts in millions					
Cash equivalents	$2,367	2,367	—	2,147	2,147	—
Short term marketable sec(7						

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(8) Investments in Affiliates Accounted for Using the Equity Method

Liberty has various investments accounted for using the equity method. The following table includes Liberty's carrying amount, fair value, and percentage ownership of the more significant investments in affiliates at September 30, 2015 and the carrying amount at December 31, 2014:

	September 30, 2015			December 31, 2014
	Percentage ownership	Fair value (Level 1)	Carrying amount	Carrying amount
	dollar amounts in millions			
QVC Group				
HSN, Inc. (1)	38 %	$ 1,146	$ 159	328
Other	various	NA	45	47
Total QVC Group			204	375
Ventures Group				
Expedia, Inc.	18 %	$ 2,778	626	514
FTD Companies, Inc.	36 %	304	343	355
Other	various	NA	333	389
Total Ventures Group			1,302	1,258
Consolidated Liberty			$ 1,506	1,633

(1) As further discussed in note 10, HSN, Inc. ("HSNi") declared a special dividend during January 2015 of $10 per share from which Liberty received approximately $200 million in cash during February 2015. Accordingly, the carrying amount of Liberty's investment in HSNi was reduced by this return of our investment during the period.

The following table presents Liberty's share of earnings (losses) of affiliates:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
	amounts in millions			
QVC Group				
HSN, Inc.	$ 15	15	52	46
Other	(2)	(2)	(6)	(5)
Total QVC Group	13	13	46	41
Ventures Group				
Expedia, Inc.	45	38	125	42
FTD Companies, Inc. (1)	(14)	NA	(9)	NA
Other	(13)	(15)	(41)	(45)
Total Ventures Group	18	23	75	(3)
Consolidated Liberty	$ 31	36	121	38

(1) As discussed in note 3, on December 31, 2014, Liberty completed a transaction with FTD for Provide, which was one of Liberty's wholly-owned Digital Commerce businesses (as defined in note te ee vupṅ

[illegible]

LIBERTY INTERACTIVE CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Continued)

(unaudited)

(10) Long-Term Debt

Debt is summarized as follows:

	Outstanding principal at September 30, 2015	Carrying value September 30, 2015	Carrying value December 31, 2014
	amounts in millions		
QVC Group			
Corporate level debentures			
8.5% Senior Debentures due 2029	$ 287	285	285
8.25% Senior Debentures due 2030	505	501	501
1% Exchangeable Senior Debentures due 2043	346	362	444
Subsidiary level notes and facilities			
QVC 3.125% Senior Secured Notes due 2019	400	399	399
QVC 7.375% Senior Secured Notes due 2020	—	—	500
QVC 5.125% Senior Secured Notes due 2022	500	500	500
QVC 4.375% Senior Secured Notes due 2023	750	750	750
QVC 4.850% Senior Secured Notes due 2024	600	600	600
QVC 4.45% Senior Secured Notes due 2025	600	599	599
QVC 5.45% Senior Secured Notes due 2034	400	399	399
QVC 5.95% Senior Secured Notes due 2043	300	300	300
QVC Bank Credit Facilities	920	920	508
Other subsidiary debt	76	76	75
Total QVC Group debt	$ 5,684	5,691	5,860
Ventures Group			
Corporate level debentures			
4% Exchangeable Senior Debentures due 2029	$ 437	267	294
3.75% Exchangeable Senior Debentures due 2030	437	278	291
3.5% Exchangeable Senior Debentures due 2031	346	315	325
0.75% Exchangeable Senior Debentures due 2043	850	1,261	1,220
Subsidiary level notes and facilities	43	43	61
Total Ventures Group debt	$ 2,113	2,164	2,191
Total consolidated Liberty debt	$ 7,797	7,855	8,051
Less current classification		(894)	(946)
Total long-term debt		$ 6,961	7,105

QVC Senior Secured Notes

On April 15, 2015, QVC completed the redemption of $500 million principal amount of its 7.375% Senior Secured Notes due 2020, whereby holders received consideration of $1,036.88 for each $1,000 of principal tendered. As a result of the redemption, a $21 million extinguishment loss is included in "Other, net" in the accompanying condensed consolidated statement of operations for the nine months ended September 30, 2015.

QVC Bank Credit Facilities

On March 9, 2015, QVC entered into a second amended and restated senior secured credit agreement (the "Second Amended and Restated Credit Agreement") which is a multi-currency facility that provides for a $2.25 billion revolving credit facility with a $250 million sub-limit for standby letters of credit and $1.5 billion of uncommitted incremental revolving loan commitments or incremental term loans. QVC may elect that the loans extended under the senior secured credit facility bear interest at a rate per annum equal to the ABR or LIBOR, as each is defined in the senior secured credit

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Other Information

		Capital

not disclose separately. For a more detailed discussion and analysis of the financial results of the principal reporting segments, see "Results of Operations—Businesses" below.

Operating Results

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
	amounts in millions			
Revenue				
QVC Group				
QVC	$ 2,007	2,020	5,943	[illegible]

Share of earnings (losses) of affiliates. The following table presents our share of earnings (losses) of affiliates:

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
	amounts in millions			
QVC Group				
HSN, Inc.	$ 15	15	52	46
Other	(2)	(2)	(6)	(5)
Total QVC Group	13	13	46	41
Ventures Group				
Expedia, Inc.	45	38	125	42
FTD	(14)	NA	(9)	NA
Other	(13)	(15)	(41)	(45)
Total Ventures Group	18	23	75	(3)
Consolidated Liberty	$ 31	36	121	38

During May of 2015, Expedia, Inc. sold its controlling interest in eLong Inc. The increase in Liberty's share of Expedia's earnings for the nine months ended September 30, 2015 as compared to the corresponding periods in the prior year is primarily due to the gain Expedia recognized related to the sale of eLong. The share of loss in the other category of the Ventures Group, in all periods, is primarily related to our investments in alternative energy solution entities. These entities typically operate at a loss and because we account for these investments as equity method affiliates, we record our share of such losses. We note these entities typically have favorable tax attributes and credits which are recorded in our tax accounts.

Realized and unrealized gains (losses) on financial instruments.

buyback program and additional investments in existing or new businesses. On October 1, 2015, approximately $1.2 billion in cash from the QVC Group was used to fund Liberty's acquisition of zulily (see note 2 in the accompanying financial statements). Subject to the satisfaction of the applicable closing conditions, we expect to invest up to $2.4 billion in Liberty Broadband (see note 2 in the accompanying financial statements). We also may be required to make

periods ended September 30, 2015, QVC-Japan's shipped sales in local currency increased primarily in the home and beauty categories partially offset by declines in accessories, apparel and electronics. For both the three and nine monthperiods ended September 30, 2015, QVC-U.K.'s shipped sales growth in local currency increased primarily in the jewelry and apparel categories offset by declines primarily in electronics. For the three months ended September 30, 2015, QVC-Italy's shipped sales growth in local currency increased primarily in the electronics, accessories and beauty categories offset by declines in jewelry. For the nine months ended September 30, 2015, QVC-Italy's shipped sales growth in local currency increased primarily in the beauty, apparel and accessories categories offset by declines in electronics and jewelry.

QVC's future net revenue growth will primarily depend on international expansion, sales growth from e-commerce and mobile platforms, additions of new customers from households already receiving QVC's television programming and increased spending from existing customers. QVC's future net revenue may also be affected by (i) the willingness of cable television and direct-to-home satellite system operators to continue carrying QVC's programming service; (ii) QVC's ability to maintain favorable channel positioning, which may become more difficult due to governmental action or from distributors converting analog customers to digital; (iii) changes in television viewing habits because of personal video recorders, video-on-demand and Internet video services; and (iv) general economic conditions.

QVC's gross profit percentage was 36.9% and 37.4% for the three and nine months ended September 30, 2015, respectively, compared to 37.3% for each of the three and nine month periods ended September 30, 2014. For the three months ended September 30, 2015, the gross profit percentage decreased primarily in the U.S. due to increased obsolescence and freight costs partially offset by improved product margins. For the nine months ended September 30, 2015, the gross profit percentage remained relatively stable compared to the prior period.

QVC's operating expenses are principally comprised of commissions, order processing and customer service expenses, credit card processing fees, telecommunications expenses and production costs. Operating expenses decreased $4 million or 2.2% and decreased $19 million or 3.5% for the three and nine months ended September 30, 2015, respectively.

For the three months ended September 30, 2015, operating expenses decreased due to foreign currency exchange rate impacts of $10 million, partially offset by a $3 million increase in commissions, a $2 million increase in credit card processing fees, and a $1 million increase in customer service expenses. For the nine months ended September 30, 2015, operating expenses decreased due to foreign currency exchange rate impacts of $33 million, partially offset by a $8 million increase in commissions and a $6 million increase in credit card processing fees.

For the three months ended September 30, 2015, the increase in commission expenses was primarily dueto increased sales in the U.S. The increase in customer service expenses was primarily due to increased personnel costs. For the nine months ended September 30, 2015, the increase in commissions was due to increased sales in the U.S. and higher programming distribution expenses in Japan. For both the three and nine month periods ended September 30, 2015, the increase in credit card processing fees was due to increased sales in the U.S.

QVC's SG&A expenses include personnel, information technology, provision for doubtful accounts, credit card income and marketing and advertising expenses. Such expenses remained flat for the three months ended September 30, 2015 compared to the prior year and decreased $3 million for the nine months ended September 30, 2015 compared to the prior year. SG&A expenses as a percent of net revenue remained flat at 6.8% and increased from 7.0% to 7.1% for the three and nine months ended September 30, 2015, respectively, as compared to the three and nine months ended September 30, 2014.

For the three months ended September 30, 2015, the positive impact of foreign currency exchange rates was offset byincreases in personnel costs which was a result of staffing for the France start-up and an increase in bonus and merit primarily in Germany and Japan. For the nine months ended September 30, 2015, the decrease was primarily due to the positive impact of foreign currency exchange rates and an increase in credit card income due to favorable economics of the Q-Card portfolio in the U.S. offset by increases in personnel costs. The increase in personnel costs was primarily due to an increase in bonus, benefit and merit primarily in the U.S. and Japan, an increase in severance costs primarily in the U.S., and staffing for the France start-up.

Depreciation and amortization consisted of the following:

	Three months ended		Nine months ended	

period was primarily due to increased order volume, driven by increased unique website visitors, on slightly decreased average order values. Decreased average order values were primarily due [illegible]

- Establish a more comprehensive review and approval process at QVC for authorizing user access to information technology systems and monitoring user access to ensure that all information technology controls designed to restrict access to operating systems, applications and data, and the ability to make program changes, are operating in a manner that provides the Company and QVC with assurance that such access is properly restricted to the appropriate personnel.
- Evaluate responsibilities to provide for appropriate segregation of duties among the personnel.
- Develop and implement adequate training for QVC's personnel to reinforce pre-established and new information technology controls and their financial reporting objectives enabling a better understanding of the internal control environment to improve our ability to detect and prevent potential deficiencies.
- Engage external experts to assess and improve financial application access rights to optimize appropriate segregation of duties.

Throughout the process, the Company and QVC management have been closely monitoring the implementation of these initiatives and have been making necessary changes to the overall design to ensure operational effectiveness. As described above, QVC has substantially completed the implementation of a new suite of products to automate and better control user access and testing controls QVC has put into place. These steps are critical to the successful execution of management's remediation initiatives. Under the direction of the Audit Committee of the Board of Directors, the Company's and QVC's management will continue to review and make necessary changes to the overall design of QVC's internal control environment to improve the overall effectiveness of internal control over financial reporting.

Once fully implemented, the Company and QVC believe the foregoing efforts will effectively remediate the material weakness. Because the reliability of the internal control process requires repeatable execution, the successful remediation of this material weakness will require review and evidence of effectiveness prior to concluding that the controls are effective and there is no assurance that additional remediation steps will not be necessary.

Although no assurance can be given as to when the remediation plan will be fully completed, the Company and QVC believe that controls have been designed and implemented to substantially remediate its noted information technology general control deficiencies. Testing to evaluate the operating effectiveness of QVC's information technology general controls will occur during the fourth quarter of 2015.

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PART II—OTHER INFORMATION

Item 1. Legal Proceedings

Two putative class action complaints were filed in the Court of Chancery of the State of Delaware on August 27, 2015 and September 21, 2015, respectively. The first complaint was filed against Liberty, Mocha Merger Sub, Inc. (“Purchaser”), Ziggy Merger Sub, LLC (“Merger Sub 2”), zulily, inc. (“zulily”) and members of the zulily board of directors, and the second complaint was filed against Liberty, Purchaser, Merger Sub 2, £torsĎ ľ

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SIGNATURES

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

LIBERTY INTERACTIVE CORPORATION

Date: November 4, 2015	By:	/s/ GREGORY B. MAFFEI Gregory B. Maffei *President and Chief Executive Officer*
Date: November 4, 2015	By:	/s/ CHRISTOPHER W. SHEAN Christopher W. Shean *Senior Vice President and Chief Financial Officer* *(Principal Financial Officer and Principal Accounting Officer)*

Exhibit 31.2

CERTIFICATION

I, Christopher W. Shean, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Interactive Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

d) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2015

/s/ CHRISTOPHER W. SHEAN

Christopher W. Shean
Senior Vice President and Chief Financial Officer

[redacted]

Exhibit 99.1

Unaudited Attributed Financial Information for Tracking Stock Groups

The following tables present our assets and liabilities as of September 30, 2015, revenue and expenses for three and nine months ended September 30, 2015 and 2014 and cash flows for the nine months ended September 30, 2015 and 2014. The tables further present our assets, liabilities, revenue, expenses and cash flows that are attributed to the QVC Group and the Ventures Group, respectively. The financial information in this Exhibit should be read in conjunction with our unaudited condensed consolidated financial statements for the nine months ended September 30, 2015 included in this Quarterly Report on Form 10-Q.

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SUMMARY ATTRIBUTED FINANCIAL DATA

QVC Group

		September 30, 2015	December 31, 2014
		amounts in millions	
Summary balance sheet data:			
Cash and cash equivalents	$	512	422
Trade and other receivables, net	$	876	1,196
Inventory	$	1,166	882
Investments in affiliates, accounted for using the equity method	$	204	375
Total assets	$	12,588	13,012
Long-term debt	$	5,682	5,851
Deferred income tax liabilities	$	926	1,033
Net assets attributable to Liberty Interactive common stock shareholders	$	[illegible]	4,280

		Three months ended September 30,		Nine months ended September 30,	
		2015	2014	2015	2014
		amounts in millions			
Summary operations data:					
Revenue	$	2,007	2,330	5,943	7,247
Cost of sales		1,266	1,488	3,721	4,602
Operating expenses		174	203	517	633
Selling, general and administrative expenses (1)		162	226	478	751
Impairment of intangible assets		—	—	—	7
Depreciation and amortization		141	166	442	493
Operating income (loss)		264	247	785	[illegible]
[illegible]		(70)	(80)	[illegible]	[illegible]
Share of earnings (losses) of af [illegible]					

BALANCE SHEET INFORMATION

September 30, 2015

(unaudited)

	Attributed (note 1)			
	QVC Group	Ventures Group	Inter-group Eliminations	Consolidated Liberty
	amounts in millions			
Assets				
Current assets:				
Cash and cash equivalents	$ 512	2,034	—	2,546
Trade and other receivables, net	876	57	—	933
Inventory, net	1,166	66	—	1,232
Short-term marketable securities	15	893	—	908
Other current assets	271	8	(206)	73
Total current assets	2,840	3,058	(206)	5,692
Investments in available-for-sale securities and other cost investments (note 2)	4	1,335	—	1,339
Investments in affiliates, accounted for using the equity method (note 3)	204	1,302	—	1,506
Property and equipment, net	997	37	—	1,034
Intangible assets not subject to amortization	7,594	126	—	7,720
Intangible assets subject to amortization, net	892	39	—	931
Other assets, at cost, net of accumulated amortization	57	6	—	63
Total assets	$ 12,588	5,903	(206)	18,285
Liabilities and Equity				
Current liabilities:				
Intergroup payable (receivable) (note 7)	$ 48	(48)	—	—
Accounts payable	722	30	—	752
Accrued liabilities	564	37	—	601
Current portion of debt (note 4)	9	885	—	894
Current deferred tax liabilities	—	1,274	(206)	1,068
Other current liabilities	171	90	—	261
Total current liabilities	1,514	2,268	(206)	3,576
Long-term debt (note 4)	5,682	1,279	—	6,961
Deferred income tax liabilities	926	802	—	1,728
Other liabilities	205	13	—	218
Total liabilities	8,327	4,362	(206)	12,483
Equity/Attributed net assets (liabilities)	4,155	1,549	—	5,704
Noncontrolling interests in equity of subsidiaries	106	(8)	—	98
Total liabilities and equity	$ 12,588	5,903	(206)	18,285

STATEMENT OF OPERATIONS INFORMATION

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STATEMENT OF OPERATIONS INFORMATION

Nine months ended September 30, 2014

(unaudited)

	Attributed (note 1)		
	QVC Group	**Ventures Group**	**Consolidated Liberty**
	amounts in millions		
Total revenue, net	$ 7,247	—	7,247
Operating costs and expenses:			
Cost of sales	4,602	—	4,602
Operating, including stock-based compensation	633	—	633
Selling, general and administrative, including stock-based compensation (note 5)	751	17	768
Impairment of intangible assets	7	—	7
Depreciation and amortization	493	—	493
	6,486	17	6,503
Operating income (loss)	761	(17)	744
Other income (expense):			
Interest expense	(235)	(57)	(292)
Share of earnings (losses) of affiliates, net (note 3)	41	(3)	38
Realized and unrealized gains (losses) on financial instruments, net	9	(57)	(48)
Other, net	(46)	18	(28)
	(231)	(99)	(330)
Earnings (loss) from continuing operations before income taxes	530	(116)	414
Income tax benefit (expense)	(190)	83	(107)
Net earnings (loss) from continuing operations	340	(33)	307
Earnings (loss) from discontinued operations, net of taxes	(15)	63	48
Net earnings (loss)			

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(2) Investments in available-for-sale securities, including non-strategic securities, and other cost investments are summarized as follows:

	September 30, 2015	December 31, 2014
	amounts in millions	
QVC Group		
Other	$ 4	4
Total QVC Group	4	4
Ventures Group		
Time Warner Inc.	302	375
Time Warner Cable Inc.	961	815
Other	72	30
Total Ventures Group	1,335	1,220
Consolidated Liberty	$ 1,339	1,224

(3) The following table presents information regarding certain equity method investments:

	September 30, 2015			Share of earnings (losses)			
				Three months ended September 30,		Nine Months Ended September 30,	
	Percentage ownership	Carrying value	Market value	2015	2014	2015	2014
	dollar amounts in millions						
QVC Group							
HSN, Inc.	38 %	$ 159	1,146	15	15	52	46
Other	various	45	NA	(2)	(2)	(6)	(5)
Total QVC Group		204		13	13	46	41
Ventures Group							
Expedia, Inc.	18 %	626	2,778	45	38	125	42
FTD (1)	36 %	343	304	(14)	NA	(9)	NA
Other	various	333	NA	(13)	(15)	(41)	(45)
Total Ventures Group		1,302		18	23	75	(3)
Consolidated Liberty		$ 1,506		31	36	121	38

(1) As previously discussed, on December 31, 2014, Liberty announced the closing of the acquisition by FTD of Provide, which was one of Liberty's wholly-owned Digital Commerce businesses. Under the terms of the transaction, Liberty received approximately 10.2 million shares of FTD common stock representing approximately35% of the combined company and approximately $145 million in cash. Subsequent to completion of the transaction, Liberty accounts for FTD as an equity-method affiliate based on the ownership level and board representation.

B common stock of each group are entitled to ten votes per share. Holders of Series C common stock of each group, if issued, are entitled to 1/100th of a vote per share in certain limited cases and will otherwise not be entitled to vote. In general, holders of Series A and Series B common stock will vote as a single class. In certain limited circumstances, the board may elect to seek the approval of the holders of only Series A and Series B QVC Group common stock or the approval of the holders of only Series A and Series B Liberty Ventures common stock.

At the option of the holder, each share of Series B common stock is convertible into one share of Series A common stock of the same group. At the discretion of our board, the common stock related to one group may be converted into common stock of the same series that is related to the other group.

(7) The intergroup payable (receivable) is primarily attributable to intergroup income taxes payable from the QVC Group to the Ventures Group.