



June 18, 2018

Qurate Retail, Inc. Agrees to Repurchase a Portion of its 1.75% Charter Exchangeable Debentures

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Qurate Retail, Inc. ("Qurate Retail") (Nasdaq: QRTEA, QRTEB) announced that its direct, wholly-owned subsidiary, Liberty Interactive LLC ("LI LLC"), has agreed to repurchase a portion of its 1.75% Charter Exchangeable Debentures due 2046 (the "Exchangeable Debentures") in privately negotiated transactions (the "Repurchase"). Approximately \$418 million of the Exchangeable Debentures are expected to be repurchased for total cash consideration of approximately \$457 million, including accrued interest. Pursuant to the Repurchase Indemnity (as defined below), GCI Liberty, Inc. ("GCI Liberty") made an indemnification payment of approximately \$133 million in cash to LI LLC. The balance of the Repurchase will be funded from cash on hand at Qurate Retail.

Pursuant to an indemnification agreement among Qurate Retail, LI LLC and GCI Liberty, GCI Liberty is obligated to indemnify LI LLC for the difference between the purchase price of any Exchangeable Debenture purchased in one or more privately negotiated transaction, a tender offer or other purchase transactions, and the cash delivered in the March 9, 2018 reattribution with respect to each such purchased debenture, plus any tax benefits associated with early extinguishment of such purchased debenture (the "Repurchase Indemnity"), provided that such purchase offer was made on terms reasonably acceptable to GCI Liberty. The Repurchase Indemnity will continue to apply to any Exchangeable Debentures so purchased in any additional purchase offer through September 9, 2018.

Qurate Retail also continues to benefit from an indemnification agreement with GCI Liberty with respect to the Exchangeable Debentures for any payments made in excess of the adjusted principal amount of the debentures to any holder thereof that exercises its exchange right on or before the put/call date of October 2023 (the "Exchange Indemnity"). The Exchange Indemnity is supported by a negative pledge in favor of Qurate Retail on the 1.0 million referenced shares of Class A common stock of Charter held at GCI Liberty that underlie the Exchangeable Debentures pro forma for the Repurchase. GCI Liberty's Exchange Indemnity obligation and the number of shares subject to the negative pledge will be ratably reduced with respect to any Exchangeable Debentures repurchased by LI LLC in connection with the Repurchase Indemnity.

There are 2.9317 shares of Charter Class A common stock attributable to each \$1,000 principal amount of the Exchangeable Debentures, representing an initial exchange price of approximately \$341.10 for each share of Charter Class A common stock.

This press release is neither an offer to purchase, nor a solicitation of an offer to buy any debentures.

This press release includes certain forward-looking statements, including statements about privately negotiated transactions regarding the Exchangeable Debentures and indemnification by GCI Liberty. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. These forward-looking statements speak only as of the date of this press release, and Qurate Retail expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Qurate Retail's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

About Qurate Retail, Inc.

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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