

Annual Meeting of
Stockholders
August 8, 2012

LIBERTY
iNTERACTIVE
CORPORATION

Forward Looking Statements

This presentation includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about business strategies, market potential, future financial prospects, international expansion, new service and product offerings, the creation of the Liberty Ventures tracking stock, the continuation of our stock repurchase program, and other matters that are not historical facts. 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, including, without limitation, possible changes in market acceptance of new products or services, competitive issues, regulatory matters affecting our businesses, continued access to capital on terms acceptable to Liberty Interactive, our ability to satisfy the conditions to the creation of the Liberty Ventures tracking stock and market conditions conducive to stock repurchases. These forward-looking statements speak only as of the date of this presentation, and Liberty Interactive expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Liberty Interactive's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Please refer to the publicly filed documents of Liberty Interactive, including the most recent Forms 10-Q and 10-K, for additional information about Liberty Interactive and about the risks and uncertainties related to Liberty Interactive's business which may affect the statements made in this presentation.

At today's meeting we will discuss certain non-GAAP financial measures including adjusted OIBDA and adjusted OIBDA margin. The required definitions and reconciliations (Preliminary Note and Schedules 1 - 3) can be found at the end of this presentation. Unless otherwise noted, this presentation compares financial information for the quarter ended June 30, 2012 to the same period in 2011. Certain prior period amounts have been reclassified for comparability with the current presentation.

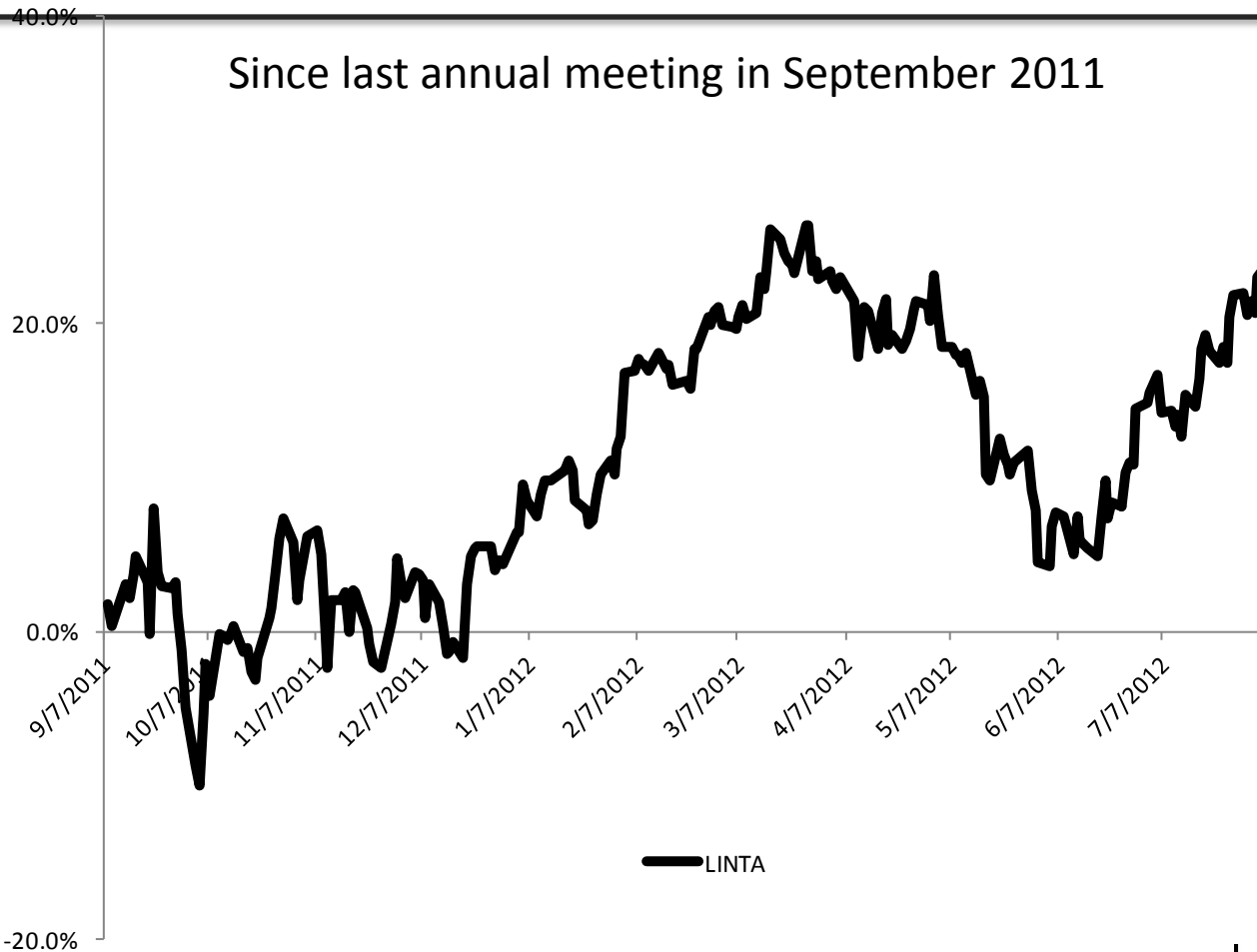
Additional Information

Nothing in this presentation shall constitute a solicitation to buy or an offer to sell shares of Liberty Interactive's proposed new tracking stock or Liberty Interactive's existing common stock. The offer and sale of shares of the proposed tracking stock will only be made pursuant to Liberty Interactive's effective registration statement. Liberty Interactive stockholders and other investors are urged to read the registration statement filed with the SEC, including the definitive proxy statement/prospectus contained therein, because they contain important information about the issuance of shares of the proposed tracking stock. Copies of Liberty Interactive's SEC filings are available free of charge at the SEC's website (<http://www.sec.gov>). Copies of the filings together with the materials incorporated by reference therein are also available, without charge, by directing a request to Liberty Interactive Corporation, 12300 Liberty Boulevard, Englewood, Colorado 80112, Attention: Investor Relations, Telephone: (720) 875-5408.

Participants in a Solicitation

The directors and executive officers of Liberty Interactive and other persons may be deemed to be participants in the solicitation of proxies in respect of proposals relating to the approval of the issuance of the new tracking stock. Information regarding the directors and executive officers of Liberty Interactive and other participants in the proxy solicitation and a description of their respective direct and indirect interests, by security holdings or otherwise, is available in the definitive proxy materials filed with the SEC.

LINTA Stock Performance



As of 8/6/12

LIBERTY
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Post Liberty Ventures Creation

LIBERTY
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- QVC
- Provide Commerce
- Backcountry.com
- Bodybuilding.com
- Celebrate Interactive
- CommerceHub
- Lockerz
- Right Start
- HSN

- Expedia
- TripAdvisor
- Time Warner
- Time Warner Cable
- Interval International
- AOL
- Tree.com

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Liberty Interactive Corporation

- Liberty Interactive will become two tracking stocks
 - Liberty Interactive – LINTA/LINTB
 - Liberty Ventures – LVNTA/LVNTB
- Liberty Ventures will issue subscription rights to acquire common stock of Liberty Ventures
 - Raise capital for investments in new business opportunities to be attributed to Liberty Ventures
- Liberty Ventures will begin trading on Friday, August 10

Rationale

- Increases transparency and investor choice
 - Liberty Interactive
 - Increases focus/clarity on Liberty Interactive as video and eCommerce operating business
 - Highlights operations and financial strength of these businesses
 - Further simplifies story
 - Better aligns Liberty Interactive with retail, eCommerce comp universe
 - Isolates complexity discount to Liberty Ventures
 - Liberty Ventures
 - Better highlights investments at Liberty Ventures that were previously overlooked because of the size of QVC
 - Liberty Ventures is similar to Liberty Capital, bet on management's ability to
 - Efficiently monetize investments
 - Make attractive investments
- Better capital raising prospects at both tracking stock groups
- Tracking stock structure maintains tax efficiency

Liberty Interactive Tracking Stock

Assets

- QVC
- eCommerce companies
- 36% interest in HSN
- Cash of ~\$0.5b⁽¹⁾

Liabilities

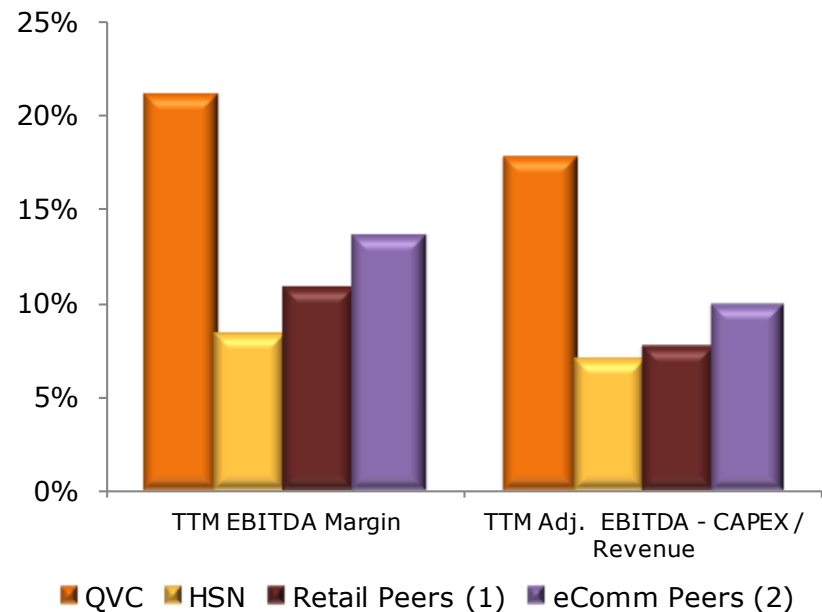
- QVC Debt
 - \$2.5b of bonds (includes \$500m issuance 7/2012)
 - \$2b bank credit facility, expected balance of \$1.1-1.3b at closing
- Senior Notes
 - \$309m 5.7% due 2013
 - \$287m 8.5% due 2029
 - \$504m 8.25% due 2030

1) Cash from various sources including cash on hand, cash from operations and proceeds from QVC bank credit facility. Expected balance of QVC bank credit facility at closing of \$1.1-1.3 billion.

QVC Operational Strength

- Advantaged operating model
 - No store fronts
 - First price, lowest price
 - Category exclusivity
 - Proprietary brands
 - Differentiated eCommerce experience
- Disciplined pricing
- Benefits of scale
- Adj. OIBDA margins among highest in industry

Profitability Statistics



1) Retail peers include Dillards, Sears, The Limited, The Gap, Best Buy, jcpenny, Nordstrom, Macy's, Kohls
2) eCommerce peers include Amazon, eBay, Expedia, Priceline, Netflix, Overstock, 1-800 Flowers

Note: Peer financial information as reported by CapIQ: fiscal Q1 '12 for retail, 1-800 Flowers, and Priceline; all others as of 6/30/12

Liberty Interactive Priorities

- Continued growth at QVC
 - Attract new customers and grow loyal base
 - Engage over multiple platforms – video, Internet, mobile, tablet, etc.
 - International expansion
- Growth at the eCommerce companies
 - Organic growth
 - New eCommerce launches and acquisitions
- Focus on achieving and exceeding market peer multiples
- Strong cash flow conversion
- Effective use of capital to drive shareholder value

Liberty Ventures Tracking Stock

Assets

- Non-consolidated assets consisting of interests in⁽¹⁾:
 - AOL – \$67m
 - Expedia⁽²⁾ – \$2.0b
 - Interval – \$319m
 - Time Warner – \$906m
 - Time Warner Cable – \$487m
 - Tree – \$37m
 - TripAdvisor – \$994m
 - Green investments
- Cash of ~\$1.325b⁽³⁾

Debt

- Exchangeable debentures
 - \$1,138m 3.125% due 2023 – TWX, TWC, AOL⁽⁴⁾
 - \$469m 4% due 2029 – S/CTL
 - \$460m 3.75% due 2030 – S/CTL
 - \$373m 3.5% due 2031 – MSI
 - \$414m 3.25% due 2031 – V/CBS

1) Market values based on 8/6/2012 closing prices

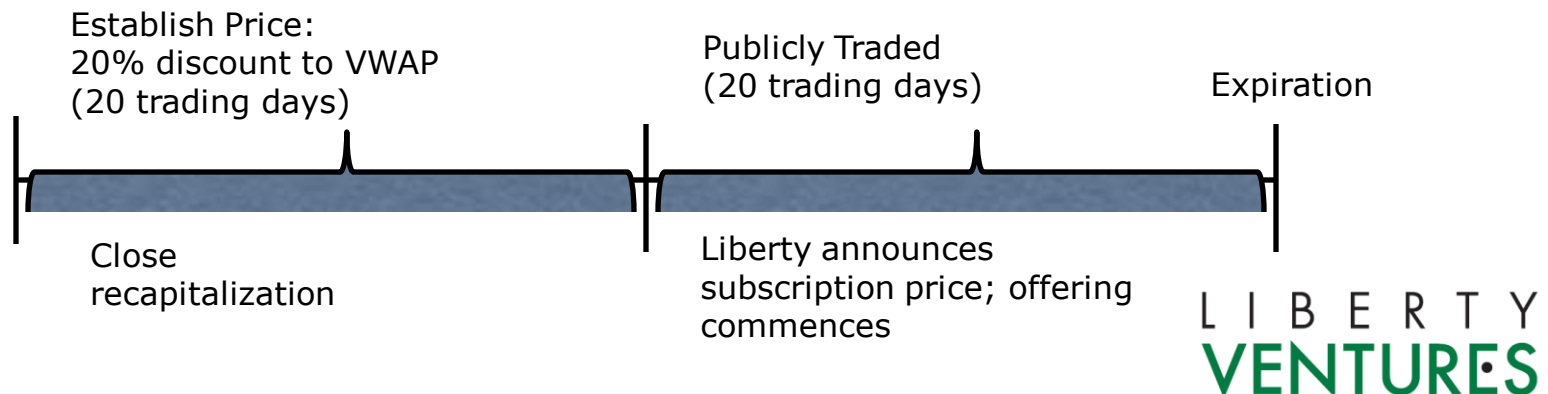
2) Liberty Interactive has entered in to a forward sale contract with respect to 12 million shares of Expedia.

3) Cash from various sources including cash on hand, cash from operations and proceeds from QVC bank credit facility. Expected balance of QVC bank credit facility at closing of \$1.1-1.3 billion

4) Put/call exercisable 4/2013

Subscription Rights Offering

- Dividend ratio: 1 subscription right for every 3 shares of Liberty Ventures tracking stock distributed
- Subscription price: 20% discount to the 20 trading day VWAP of the Liberty Ventures tracking stock
- Timing (see timeline below)
 - Rights offering commences - once subscription price is determined and announced
 - Rights become publicly traded
 - Rights offering expires – 20 trading days following commencement
- Use of proceeds: Raise capital for investments in new business opportunities to be attributed to Liberty Ventures



Liberty Ventures Priorities

- Complete rights offering
- Efficiently monetize equity stakes
- Invest capital

Reconciling Schedules

Preliminary Note

This presentation includes references to adjusted OIBDA, which is a non-GAAP financial measure, for each of Liberty Interactive, QVC (and certain of its subsidiaries), and the eCommerce businesses. Liberty Interactive defines adjusted OIBDA as revenue less cost of sales, operating expenses and selling, general and administrative expenses (excluding stock and other equity-based compensation) and excludes from that definition depreciation and amortization, restructuring and impairment charges and legal settlements that are included in the measurement of operating income pursuant to GAAP. Further, this presentation includes adjusted OIBDA margin, which is also a non-GAAP financial measure. Liberty Interactive defines adjusted OIBDA margin as adjusted OIBDA divided by revenue.

Liberty Interactive believes adjusted OIBDA is an important indicator of the operational strength and performance of its businesses, including the ability to service debt and fund capital expenditures. In addition, this measure allows management to view operating results and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Because adjusted OIBDA is used as a measure of operating performance, Liberty Interactive views operating income as the most directly comparable GAAP measure. Adjusted OIBDA is not meant to replace or supersede operating income or any other GAAP measure, but rather to supplement such GAAP measures in order to present investors with the same information that Liberty Interactive's management considers in assessing the results of operations and performance of its assets. Please see the attached schedules for a reconciliation of adjusted OIBDA to operating income (loss) calculated in accordance with GAAP for Liberty Interactive (Schedule 1) and for QVC (and certain of its subsidiaries) and the eCommerce businesses (Schedule 2).

Reconciling Schedules (Schedule 1)

(\$ millions)	<u>2Q11</u>	<u>3Q11</u>	<u>4Q11</u>	<u>1Q12</u>	<u>2Q12</u>
Liberty Interactive⁽¹⁾					
Adjusted OIBDA	\$ 450	\$ 377	\$ 618	\$ 418	\$ 455
Depreciation and amortization	(148)	(151)	(193)	(143)	(147)
Stock compensation	(14)	(2)	(17)	(17)	(18)
Operating Income	\$ 288	\$ 224	\$ 408	\$ 258	\$ 290

The information shown above provides a reconciliation for Liberty Interactive of adjusted OIBDA to operating income calculated in accordance with GAAP for the three months ended June 30, 2011, September 30, 2011, December 31, 2011, March 31, 2012 and June 30, 2012, respectively.

Reconciling Schedules (Schedule 2)

(\$ millions)

Liberty Interactive	<u>2Q11</u>	<u>3Q11</u>	<u>4Q11</u>	<u>1Q12</u>	<u>2Q12</u>
QVC Adjusted OIBDA					
QVC US	305	259	401	270	315
QVC Japan	59	61	78	63	70
QVC Germany	41	40	69	46	39
QVC UK	26	24	40	20	21
QVC Italy	(13)	(11)	(9)	(9)	(7)
QVC International adjusted OIBDA	\$ 113	\$ 114	\$ 178	\$ 120	\$ 123
Consolidated QVC adjusted OIBDA	\$ 418	\$ 373	\$ 579	\$ 390	\$ 438
Depreciation and amortization	(131)	(133)	(176)	(127)	(129)
Stock compensation	(6)	(6)	(6)	(5)	(8)
Operating Income	\$ 281	\$ 234	\$ 397	\$ 258	\$ 301
QVC Operating Income					
QVC US	204	159	254	171	214
QVC International	77	75	143	87	87
Total QVC Operating Income	\$ 281	\$ 234	\$ 397	\$ 258	\$ 301
eCommerce Businesses					
Adjusted OIBDA	\$ 36	\$ 9	\$ 49	\$ 34	\$ 23
Depreciation and amortization	(16)	(17)	(17)	(17)	(16)
Stock compensation	(1)	6	(2)	(2)	(8)
Operating Income	\$ 19	\$ (2)	\$ 30	\$ 15	\$ (1)

The information shown above provides a reconciliation for QVC (and certain of its subsidiaries) and the eCommerce businesses of adjusted OIBDA to that entity's operating income calculated in accordance with GAAP for the three months ended June 30, 2011, September 30, 2011, December 31, 2011, March 31, 2012 and June 30, 2012, respectively.

Reconciling Schedules (Schedule 3)

(amounts in millions)

	<u>3/31/12</u>	<u>6/30/12</u>
Cash and liquid investments ⁽¹⁾	802	790
Less: Short-term marketable securities	8	-
Total Liberty Interactive Cash (GAAP)	\$ 794	\$ 790
Debt:		
Senior notes and debentures ⁽²⁾	1,100	1,100
Senior exchangeable debentures ⁽³⁾	2,965	2,854
QVC senior notes ⁽²⁾	2,000	2,000
QVC bank credit facility	382	302
Other	97	118
Total Liberty Interactive Debt	\$ 6,544	\$ 6,374
Unamortized discount	(19)	(19)
Fair market value adjustment	(342)	(306)
Total Liberty Interactive (GAAP)	\$ 6,183	\$ 6,049

1) Includes \$8 million of short-term marketable securities with an original maturity greater than 90 days as of March 31, 2012 which are included in other current assets on Liberty Interactive's balance sheet.

2) Face amount of Senior Notes and Debentures with no reduction for the unamortized discount or fair market value adjustment.

3) Face amount of Senior Exchangeable Debentures with no reduction for the fair market value adjustment.