



# Liberty Media Investor Meeting 9.21.2007



# Today's Agenda

09:00 – 09:15	Liberty Interactive	Greg Maffei
09:15 – 09:45	QVC	Michael George
09:45 – 10:00	Provide Commerce	Jonathan Sills
10:00 – 10:10	BUYSEASONS	Jalem Getz
10:10 – 10:20	Backcountry.com	Jim Holland
10:20 – 10:40	Break	
10:40 – 11:10	Liberty Capital/ Liberty Entertainment	Greg Maffei
11:10 – 11:30	Starz	Bob Clasen
11:30 – 11:45	FUN/GSN	David Goldhill
11:45 – 12:15	DirecTV	Chase Carey
12:15 – 1:00	Conclusion and Q&A	John Malone/Greg Maffei

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# 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 financial guidance, business strategies, market potential, future financial performance, new service and product launches 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 issues, continued access to capital on terms acceptable to Liberty Media and the satisfaction of the conditions to the reclassification of Liberty's existing tracking stock structure. These forward-looking statements speak only as of the date of this presentation, and Liberty Media 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 Media'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 Media, including the most recent Form 10-Q for additional information about Liberty Media and about the risks and uncertainties related to Liberty Media's business which may affect the statements made in this presentation.

At today's meeting we will discuss certain non-GAAP financial measures. Please refer to the Appendix at the end of this presentation for definitions of EBITDA and OCF as well as applicable GAAP reconciliations. The Appendix will also be available on our website [www.libertymedia.com](http://www.libertymedia.com) throughout this conference.

## Additional Information

Nothing herein shall constitute a solicitation to buy or an offer to sell shares of the reclassified Liberty Capital tracking stock or Liberty Entertainment tracking stock. The offer and sale of Liberty's tracking stocks in the proposed reclassification will only be made pursuant to its effective registration statement. Liberty stockholders and other investors are urged to read the registration statement, including the proxy statement/prospectus contained therein, filed by Liberty with the SEC on September 7, 2007, because it contains important information about the transaction. A copy of the registration statement including the proxy statement/prospectus is available free of charge at the SEC's website (<http://www.sec.gov>).

## Participants in Solicitation

The directors and executive officers of Liberty and other persons may be deemed to be participants in the solicitation of proxies in respect of proposals to approve the reclassification. Information regarding Liberty's directors and executive officers and other participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, are available in the proxy statement/prospectus filed by Liberty with the SEC.



# Liberty Evolves

Gregory B. Maffei  
President and CEO



# 2004 Status

- Liberty Media – holding company
    - Complex story
      - US and international assets
      - Distribution, content, telecom, media, and technology
      - Controlled and non-controlled assets
  - Wide discount to NAV
    - Low tax basis
    - Complexity = challenge to analyze
    - Difficult strategic story
-

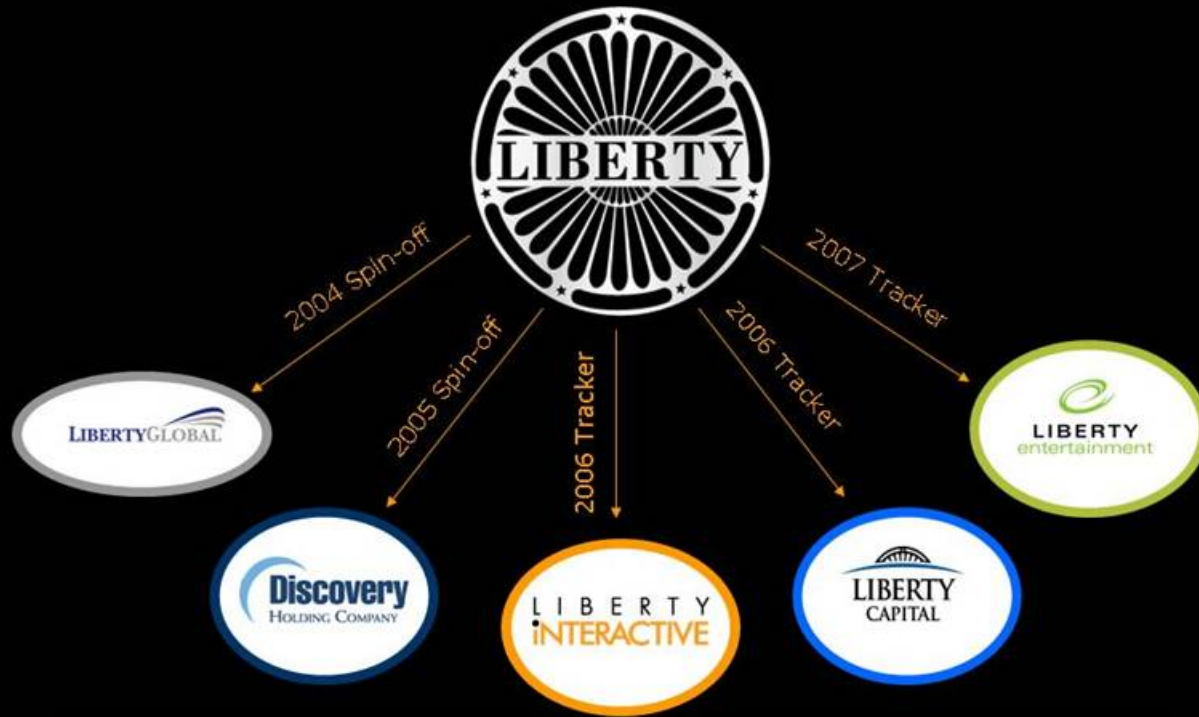
# 2004 - Plethora of Brands



# Ch, Ch, Changes...

- 2004: Separated ownership of international distribution and programming assets via spin-off of Liberty Media International
    - LMI later merged with UGC to form Liberty Global
  - 2005: Separated ownership of Ascent Media Group and 50% interest in Discovery Communications via spin-off of Discovery Holding Company (DHC)
    - Discovery Communications repurchased Cox Communications 25% interest (May 2007)
    - DHC now owns 2/3rds of DCI
  - 2006: Issued Liberty Capital and Liberty Interactive tracking stocks
  - 2007: Plan to split Liberty Capital into Liberty Entertainment and new Liberty Capital tracking stocks
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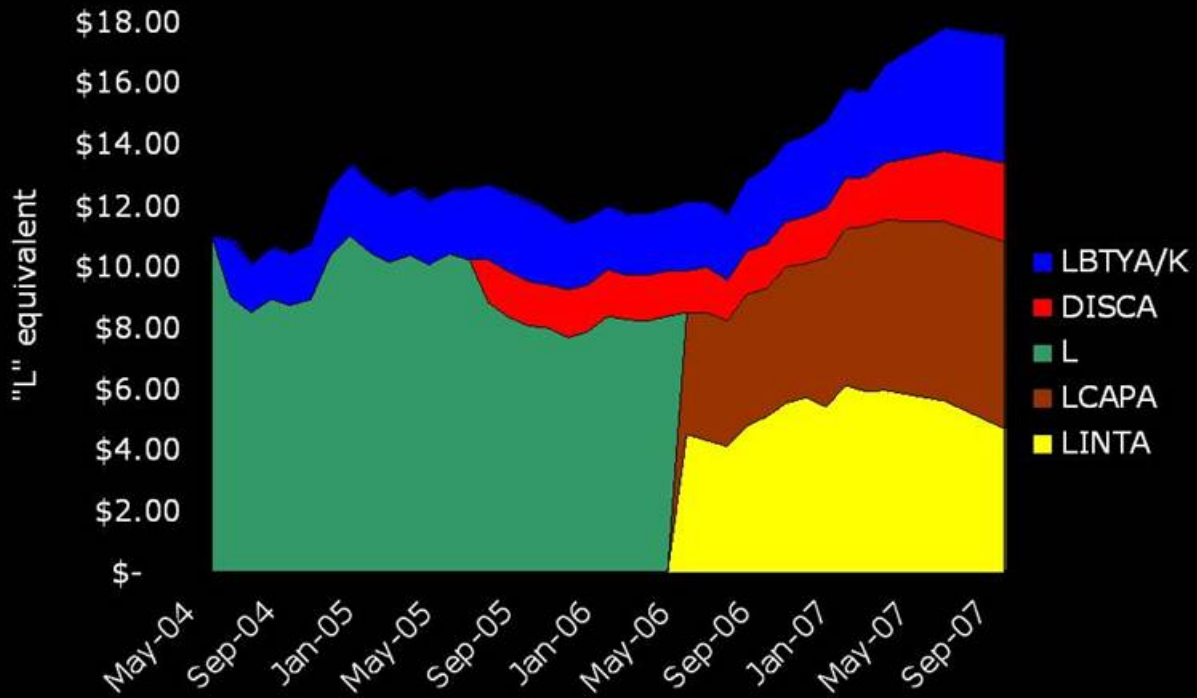
# Spin-offs and Trackers



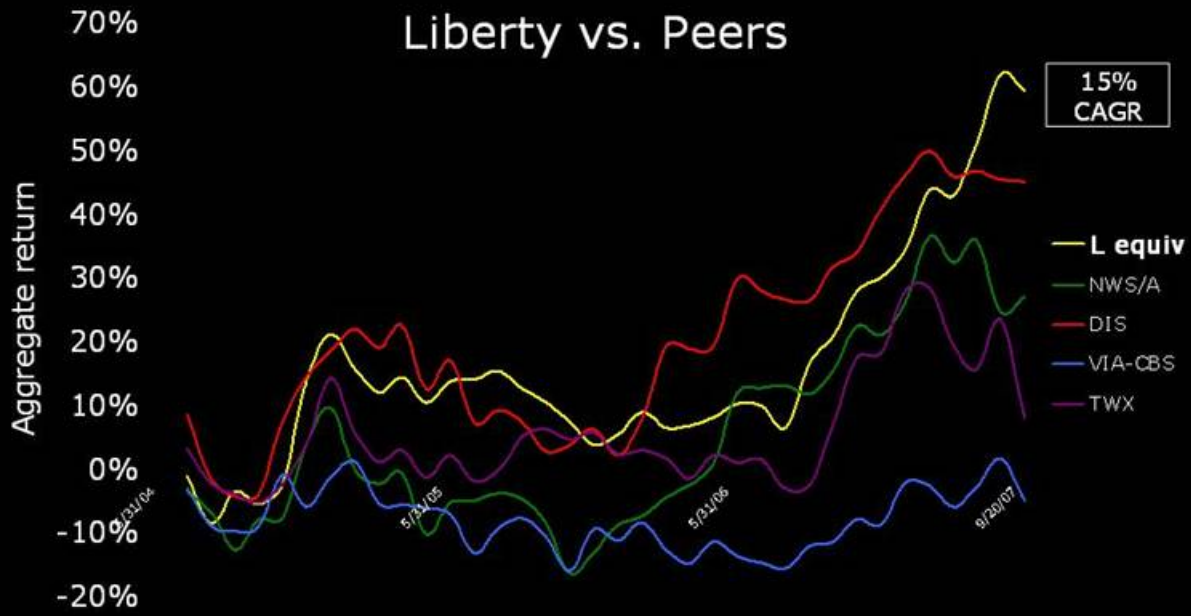


# Liberty Performance

Since LMI Spin-off



# Liberty Out-Performance



# 2008 Objectives and Strategy

- "New" Liberty Capital
    - Simplify
    - Rationalize non-core assets (tax-efficiently)
  - Liberty Entertainment
    - Create fairly-valued currency to enable strategic flexibility
    - Use distribution to drive content and strategic opportunities
  - Liberty Interactive
    - Grow existing operations
    - Expand e-commerce businesses
    - Rationalize non-consolidated assets (tax-efficiently)
    - Make strategic acquisitions / brand investments
    - Shrink equity
-



# Liberty Evolves

Gregory B. Maffei  
President and CEO

Investor Meeting  
9.21.2007



# Evolution Since May 2006

- **Strategic Acquisitions**
    - Provide Commerce
    - BUYSEASONS
    - Backcountry.com
  - **Equity Shrink**
    - \$1 billion open market share repurchases
    - \$500 million self tender
  - **Growth Strategies**
    - Enhance brand awareness
    - Leverage market position → strategic investments
    - Evaluate new markets and platforms
-

# Liberty Interactive Today



# Today's Special Value:

(\$ in billions)



Liberty Interactive market cap	\$11.9
Adjustments:	
IAC stake	(2.0)
EXPE stake	(2.1)
GSI stake & other	(0.3)
Other e-commerce subs (cost)	(0.6)
Net debt	5.8
Implied QVC Enterprise Value	<u>12.9</u>
EV / trailing 12 months OCF	7.7x

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# QVC Compares Favorably

- Trailing twelve months OCF growth entirely organic (no new stores)
- Trailing twelve months OCF growth rate depressed by International
- Cap ex cycle peaking
- OCF - Cap ex yield expected to increase

	TTM 6/30/07 OCF	TTM OCF GR%	TTM OCF - CAPEX	EV / TTM OCF	EV / TTM OCF - CAPEX	TTM OCF - CAPEX YLD	OCF Multiple to Growth
eBay	\$2.3	22.2%	\$1.8	21.1x	26.2x	3.6%	1.0x
Amazon	0.7	41.7%	0.5	49.5x	66.9x	1.5%	1.2x
Costco	2.1	3.2%	0.8	11.7x	31.5x	3.0%	3.6x
JC Penney	2.4	16.2%	1.4	6.8x	12.1x	9.2%	0.4x
Nordstrom	1.2	13.8%	0.9	11.2x	16.1x	6.9%	0.8x
Kohls	2.4	23.2%	0.9	8.4x	22.2x	4.8%	0.4x
<b>WAVG (EV)</b>	<b>\$1.8</b>	<b>22.5%</b>	<b>\$1.1</b>	<b>22.3x</b>	<b>33.5x</b>	<b>4.0%</b>	<b>1.3x</b>
<b>QVC</b>	<b>\$1.7</b>	<b>11.3%</b>	<b>\$1.4</b>	<b>7.5x</b>	<b>9.3x</b>	<b>11.4%</b>	<b>0.7x</b>

Source: Bloomberg, Stock Prices at 9/20/07; Other data: 12 months trailing using most recently available.



# Action Plan

- Drive operational excellence
  - Pursue growth initiatives
    - Geographic and platform expansion
    - Brand enhancement
    - Internet
  - Rationalize equity stakes tax efficiently
  - Utilize capital
    - Strategic acquisitions and growth initiatives
    - Equity shrink
  - Maintain optimal capital structure
    - Optimize financial flexibility
-

## E-commerce Assets Undervalued

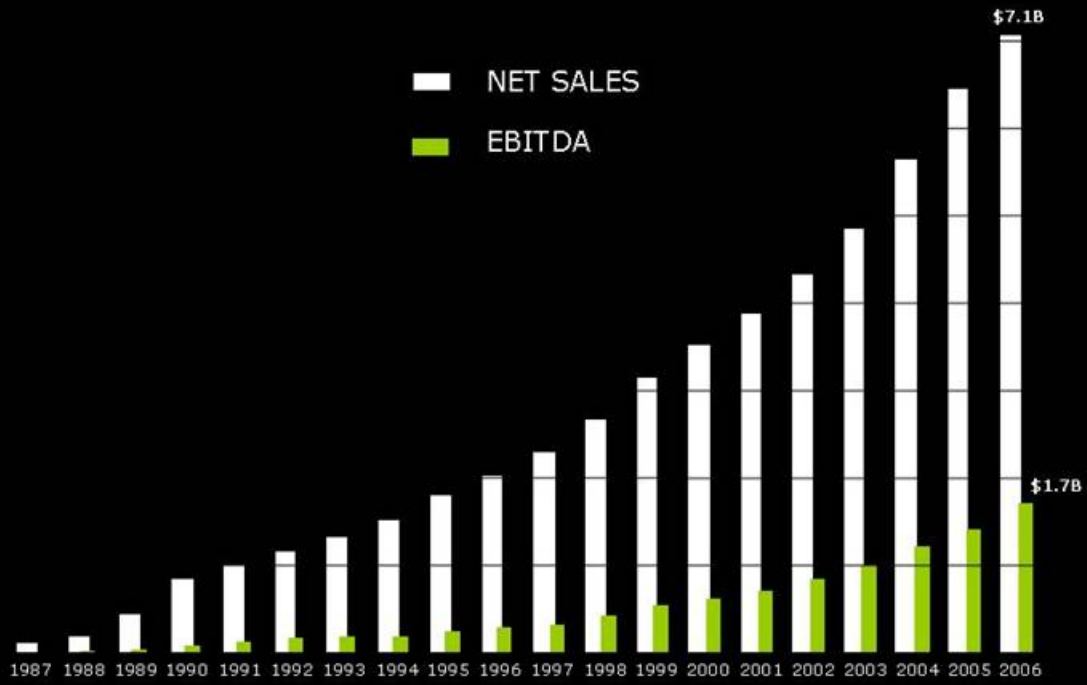
- High growth assets with strong cash flow characteristics
  - Category leaders
  - Strong management teams
  - Acquired at reasonable prices
    - Provide Commerce, BuySeasons and BackCountry acquired for ~\$600m
    - Implied OCF multiples are low relative to historical and expected growth rates
-



**QVC**  
Mike George  
President & CEO



# STRONG GROWTH TRACK RECORD



## SUSTAINED U.S. GROWTH AT FULL DISTRIBUTION



8% average revenue growth

- With only 2% sub growth and flat HH penetration

Quarterly revenue variability higher

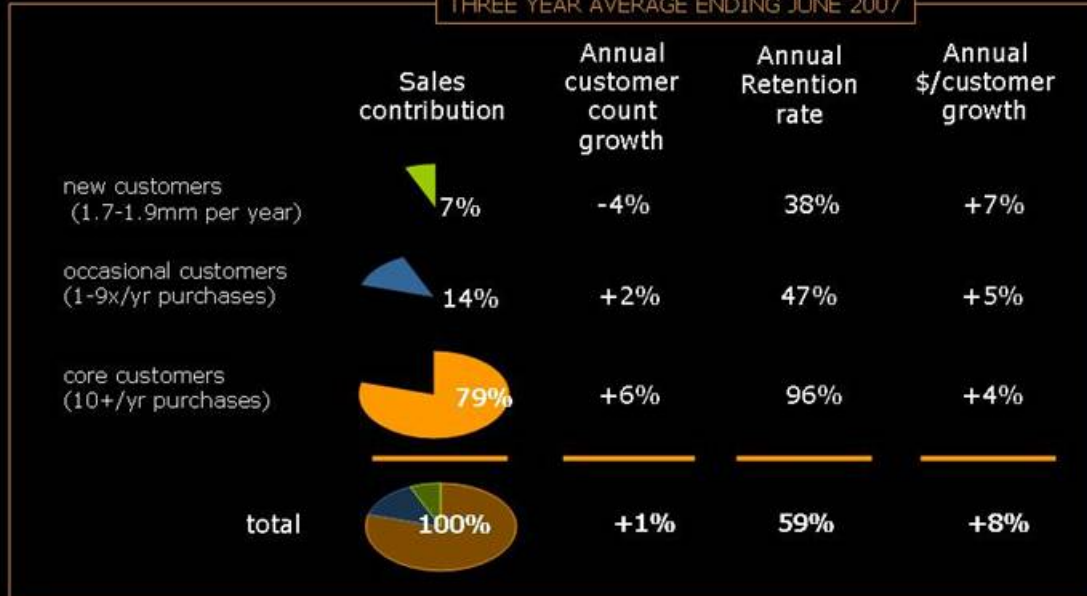
- Execution, LY comp's, category trends, consumer spending, long-term orientation

11% average EBITDA growth

- Stable/growing gross margins despite revenue variability

# INCREASING CUSTOMER SPEND DRIVES GROWTH

THREE YEAR AVERAGE ENDING JUNE 2007



# MANAGING GROWTH & MARGIN EXPANSION



Consistent execution of the fundamentals:

- Compelling products at great values, engaging programming, newness & diversity
- Price integrity
- No hard sell
- Service beyond expectations
- Community

Additional focus on product/program diversity in Germany & Japan given recent market challenges

EBITDA margin expansion (esp. Int'l) through productivity, fixed cost leverage, other initiatives

# GROWTH PILLARS

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## ELEVATE THE BRAND INTO THE TRUSTED SHOPPING AUTHORITY

1. Updated Brand Identity/Expanded Marketing Programs

### MAKE QVC THE PREEMINENT MULTIMEDIA RETAILER

2. Leadership Brands & Distinctive Items
3. Unmatched Multi Channel Experience
4. Enhanced Social Network

### EXPAND INTO ADJACENT GROWTH ARENAS

5. New International Markets
6. Brand Alliances/Network Monetization
7. New Forms of Video Retailing



# 1. BRAND IDENTITY / MARKETING

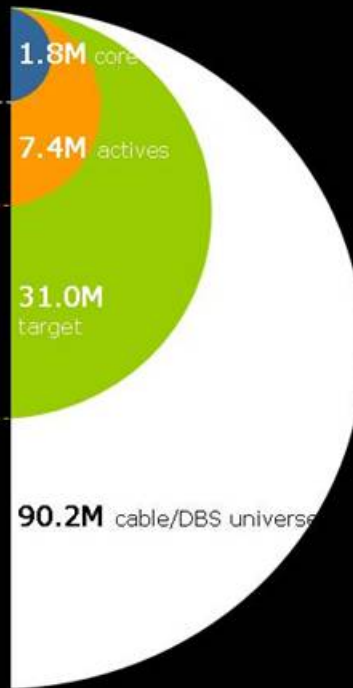
Extensive research to codify brand values and define market opportunity

**THREE  
BRANDING  
GOALS:**

**I. DELIGHT CORE CUSTOMERS**

**II. NURTURE OCCASIONAL CUSTOMERS**

**III. ATTRACT NEW CUSTOMERS**



# UPDATING THE BRAND IDENTITY

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The evolution of QVC's brand has not kept with evolution of its business.



1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006

\$7.1B



## BRAND IDENTITY

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### THE RIBBON LOGO

Works across all platforms; dynamic multimedia applications

Suggests feeling of a ribbon unfolding or package opening

Helps us own the "Q" - our customers' shorthand for QVC



# BRAND IDENTITY



The image shows a section of the QVC website. At the top, there is a navigation bar with the QVC logo on the left and links for Sign Out, Order Status, My Account, Customer Services, Wish List, and Cart on the right. Below the navigation bar is a search bar with the text "Search: Enter keyword or item" and a dropdown menu set to "All of QVC.com". To the right of the search bar is a "LAUNCH QVC LIVE PLAYER" button. The main content area is divided into several sections. On the left, there is a vertical menu with the following items: TODAY'S SPECIAL VALUE, ITEM ON AIR, HOT PICKS, FASHION DAY, UPCOMING SHOWS, QVC ON TV, WATCH LIVE TV, ITEMS RECENTLY ON AIR, TV PROGRAM GUIDE, COMMUNITY, IQdoU?, HOW DO YOU BE?, MEET THE HOSTS, NEWSLETTER, and SIGN UP TODAY. The central part of the page features a large promotional banner for a "Dialogue" cardigan. The banner includes the text "Dialogue", "ULTRAMERINO TEXTURED ONE BUTTON LONG CARDIGAN", "Today's Special Value", and the price "\$42.28". To the right of the cardigan is a smaller image of a woman's face with a play button overlay, and a "LAUNCH QVC LIVE PLAYER" button. Below the banner are three smaller images: "ASK THE EXPERTS" featuring a man, "NEW TODAY" featuring a handbag, and "HOST PICKS" featuring a woman. At the bottom right of the banner area, there are buttons for "ADD TO CART", "SPEED BUY", and "ADD TO WISH LIST".

before

after

# BRAND IDENTITY

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before



after

# BRAND IDENTITY



before



after

# BRAND IDENTITY

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before



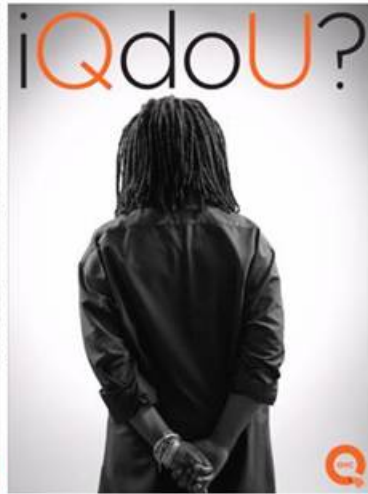
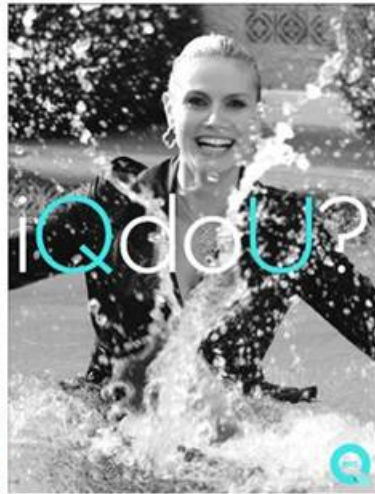
after

iQdoU?



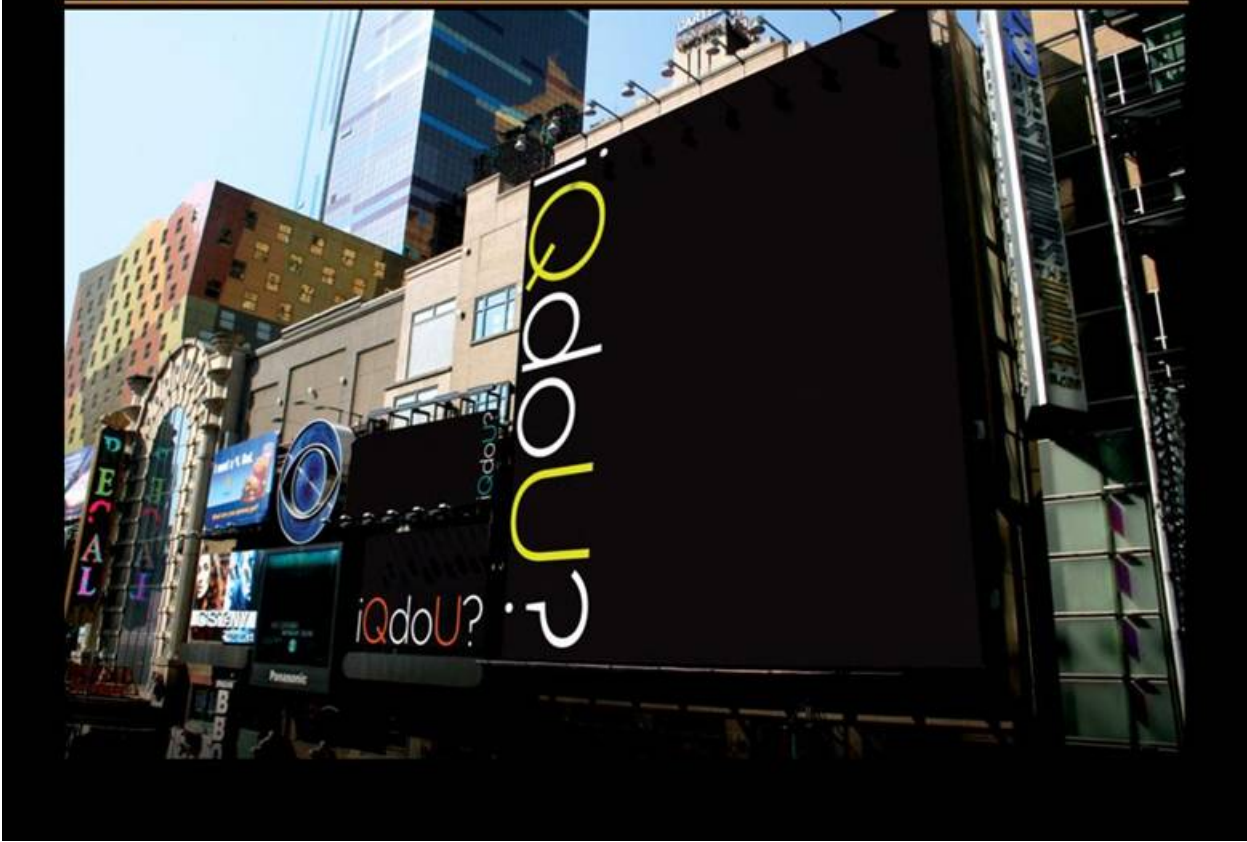
# BRAND EXPRESSION

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# TEASER CAMPAIGN



# TEASER CAMPAIGN



# TEASER CAMPAIGN



## GROWTH PILLARS

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### ELEVATE THE BRAND INTO THE TRUSTED SHOPPING AUTHORITY

1. Updated Brand Identity/Expanded Marketing Programs

### MAKE QVC THE PREEMINENT MULTIMEDIA RETAILER




2. Leadership Brands & Distinctive Items
3. Unmatched Multi Channel Experience
4. Enhanced Social Network

### EXPAND INTO ADJACENT GROWTH ARENAS

5. New International Markets
6. Brand Alliances/Network Monetization
7. New Forms of Video Retailing

## 2. LEADERSHIP BRANDS & DISTINCTIVE ITEMS

### RESPECTED BRANDS & PERSONALITIES

	2006	2007
national brands	      	       
exclusive diffusion lines	  	   
proprietary brands	  	       

## 2. LEADERSHIP BRANDS & DISTINCTIVE ITEMS

### CULTIVATING THE ITEM BUSINESS



Your chance to become a QVC Success Story!





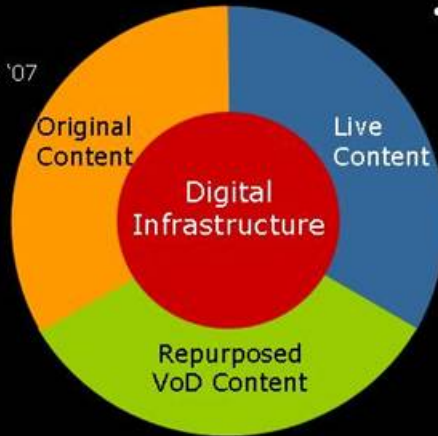
### 3. UNMATCHED MULTI CHANNEL EXPERIENCE

#### Dynamic Live Show

- Compelling destination programming
  - NFL, Runway: '07
- Improved look
  - sets, graphics, visual mdsg: '07
- New remote production capabilities: '07

#### Next Generation Internet Shopping Experience

- QVC.com relaunch: Oct '07



#### New Platforms to Increase Convenience, Capability & Control

- Adobe desktop widget: '08
- Interactive buy button: UK '03, US test '08
- Mobile: JN '05, UK '07, US '08

#### Interruptive Marketing

- RSS: '07
- SMS: '08

#### New Platforms to Extend Reach

- Dish Channel Position: July '07
- Cable VoD: test '08
- HD Tier - '08/'09
- AOL - '06
- YouTube - Fall '07

# INDUSTRY LEADING WEB/VIDEO INTEGRATION

**QVC** Sign Out | Order Status | My Account | Customer Services | Wish List | Cart

Fashion | Jewelry | Beauty | For the Home | Cooking & Dining | Electronics | Sports & Leisure

Search: Enter keyword or item # All of QVC.com LAUNCH QVC LIVE PLAYER

**TODAY'S SPECIAL VALUE**

- ITEM ON AIR
- HOT PICKS
- FASHION DAY
- UPCOMING SHOWS

QVC ON TV:  
WATCH LIVE TV  
ITEMS RECENTLY ON AIR  
TV PROGRAM GUIDE  
NEW TODAY

**Dialogue**  
ULTRAMERINO TEXTURED ONE BUTTON LONG CARDIGAN  
Today's Special Value  
**\$42.28**

ADD TO CART  
SPEED BUY  
ADD TO WISH LIST  
MORE DETAILS

COMMUNITY:  
IQdoU? | HOW DO YOU BET | MEET THE HOSTS | NEWSLETTER: | SIGN UP TODAY

ASK THE EXPERTS | NEW DOONEY & BOURKE | HOST PICKS

Need Help? Click here for [Customer Service](#)

E-Mail Sign-Up | Gift Cards | QVC Community | Site Map

# INDUSTRY LEADING WEB/VIDEO INTEGRATION

The screenshot displays the QVC website interface. At the top, there is a navigation bar with the QVC logo on the left and links for Sign Out, Order Status, My Account, Customer Services, Wish List, and Cart. Below this is a secondary navigation bar with categories: Fashion, Jewelry, Beauty, For the Home, Cooking & Dining, Electronics, and Sports & Leisure. A search bar is located below the navigation, with a dropdown menu currently showing 'All of QVC.com'. To the right of the search bar is a 'LAUNCH QVC LIVE PLAYER' button.

The main content area features a large video player on the left, showing a woman in a black cardigan. To the right of the video player is a product information box for 'Today's Special Value' item A73045, 'Dialogue Ultramerino Textured One Button Long Cardigan'. The product details include: Retail Value \$88.00, QVC Price \$55.00, Shipping and Handling \$4.47, and Today's Special Value \$42.28. Below the price is a 5-star rating and three buttons: 'ADD TO CART', 'SPEED BUY', and 'ADD TO WISH LIST', along with a 'MORE DETAILS' link.

On the left side of the page, there is a vertical navigation menu with the following sections: 'TODAY'S SPECIAL VALUE' (highlighted), 'ITEM ON AIR', 'HOT PICKS', 'FASHION DAY', 'UPCOMING SHOWS', 'QVC ON TV:', 'WATCH LIVE TV', 'ITEMS RECENTLY ON AIR', 'TV PROGRAM GUIDE', and 'NEW TODAY'. Below this menu is a 'COMMUNITY' section with links for 'IQ do IT', 'HOW DO YOU SEE?', 'MEET THE HOSTS', 'NEWSLETTER:', and 'SIGN UP TODAY'.

At the bottom of the main content area, there are three featured sections: 'ASK THE EXPERTS' with a photo of a man, 'NEW DOONEY & BOURKE' with a photo of a handbag, and 'HOST PICKS' with a photo of a woman. Below these sections is a link for 'Need Help? Click here for Customer Service'.

The footer of the page contains links for 'E-Mail Sign-Up', 'Gift Cards', 'QVC Community', and 'Site Map'.

# ENHANCED SHOPPING TOOLS


Search: 
All of QVC.com
LAUNCH QVC TV LIVE

## TV Program Guide Daily View

Eastern Time Zone
Monday, May 20th
Show Title Search: 
QVC Channel Finder ZIP Code:

Daily View | Weekly View
Print Schedule
SET REMINDERS

← Previous Day
Monday May 20, 2007
Next Day →

Time	Shows																							
12:00 - 02:00 AM	By Popular Demand	Show Details	See Show's Products																					
02:00 - 03:00 AM	14k Gold Jewelry	Watch & Live	See Show's Products																					
03:00 - 04:00 AM	Patio & Garden	Show Details	Add Reminder																					
04:00 - 05:00 AM	Silver Sunrise - Silver Jewelry Special	Show Details	Add Reminder																					
05:00 - 06:00 AM	<div style="display: flex;"> <div style="flex: 1;">  </div> <div style="flex: 2; padding-left: 10px;"> <p><b>Dooney &amp; Bourke</b> Monday, May 20, 2007 05:00 - 6:00AM ET</p> <p>Timeless designs, unmistakable craftsmanship and enduring quality are the hallmarks of Dooney &amp; Bourke - handbags and accessories as distinctive as the women who wear them.</p> <p><b>Upcoming Shows:</b></p> <table border="1" style="width: 100%; border-collapse: collapse; font-size: small;"> <tr><td>Thu 6/14/2007</td><td>12 AM - 01 AM</td><td>Add Reminder</td></tr> <tr><td>Thu 6/14/2007</td><td>02 PM - 03 PM</td><td>Add Reminder</td></tr> <tr><td>Mon 6/18/2007</td><td>03 PM - 04 PM</td><td>Add Reminder</td></tr> <tr><td>Thu 6/21/2007</td><td>04 PM - 05 PM</td><td>Add Reminder</td></tr> <tr><td>Fri 6/22/2007</td><td>11 PM - 12 AM</td><td>Add Reminder</td></tr> <tr><td>Sun 6/24/2007</td><td>11 AM - 12 PM</td><td>Add Reminder</td></tr> <tr><td>Thu 6/28/2007</td><td>04 PM - 05 PM</td><td>Add Reminder</td></tr> </table> </div> </div>	Thu 6/14/2007	12 AM - 01 AM	Add Reminder	Thu 6/14/2007	02 PM - 03 PM	Add Reminder	Mon 6/18/2007	03 PM - 04 PM	Add Reminder	Thu 6/21/2007	04 PM - 05 PM	Add Reminder	Fri 6/22/2007	11 PM - 12 AM	Add Reminder	Sun 6/24/2007	11 AM - 12 PM	Add Reminder	Thu 6/28/2007	04 PM - 05 PM	Add Reminder	Hide Details	Add Reminder
Thu 6/14/2007	12 AM - 01 AM	Add Reminder																						
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Sun 6/24/2007	11 AM - 12 PM	Add Reminder																						
Thu 6/28/2007	04 PM - 05 PM	Add Reminder																						
06:00 - 07:00 AM	Easy Solutions	Show Details	Add Reminder																					

SET REMINDERS

# ENHANCED SHOPPING TOOLS



[Sign Out](#) | [Order Status](#) | [My Account](#) | [Customer Services](#) | [Wish List](#) | [Cart](#)

[Fashion](#) | [Jewelry](#) | [Beauty](#) | [For the Home](#) | [Cooking & Dining](#) | [Electronics](#) | [Sports & Leisure](#)

Search:

[LAUNCH QVC LIVE PLAYER](#)

QVC: Rems Recently On Air

## Items Recently On Air

On Earlier Today

02pm **Dooney & Bourke Handbag Special**

01pm [The Thrill Of The Grill](#)

12pm [Denim & Co](#)

11am [Cook's Essentials](#)

10am [Fit Figure! Solutions Swimwear](#)

09am [The QVC Morning Show](#)

08am [Gemstone Jewelry Clearance](#)

07am [Kitchen Ideas](#)

06am [Mally Beauty - Color Cosmetics](#)

Yesterday's Shows

11pm [The Thrill Of The Grill](#)

### Dooney & Bourke Handbag Special

[Watch the Show](#)

[See Show Details](#)

[Remind Me](#)



A4479  
Dooney & Bourke Patent  
Leather Bitsy Bag

[Quick Look](#)



A4479  
Dooney & Bourke Patent  
Leather Bitsy Bag

[Quick Look](#)



A4479  
Dooney & Bourke Patent  
Leather Bitsy Bag

[Quick Look](#)



A4479  
Dooney & Bourke Patent  
Leather Bitsy Bag

[Quick Look](#)



A4479  
This Item Shows Highlight  
Functionality

Photo Videos



Today's Special Value **E03061**

### Dialogue Pima Cotton 3/4 Sleeve Jewel Neck Top

Retail Value: \$31.00  
QVC Price: \$24.00  
Introductory Price:

**Buy 3 and get \$10.00 OFF!**

[Auto-Delivery Available](#)

# 4. ENHANCED SOCIAL NETWORK

## A SOCIAL SHOPPING DESTINATION

For customers, vendors, designers & hosts

Leveraged content unique to QVC

### ENGAGE WITH THE LIVE SHOW

Voting



Ask Us



Product Reviews

Polls

Virtual Shopping Experiences

### ENGAGE WITH EACH OTHER



### ENGAGE WITH PERSONALITIES

Blogs

Live Chats

Moderated Forums



## GROWTH PILLARS

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### ELEVATE THE BRAND INTO THE TRUSTED SHOPPING AUTHORITY

1. Updated Brand Identity/Expanded Marketing Programs

### MAKE QVC THE PREEMINENT MULTIMEDIA RETAILER

2. Leadership Brands & Distinctive Items
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### EXPAND INTO ADJACENT GROWTH ARENAS

5. New International Markets
6. Brand Alliances/Network Monetization
7. New Forms of Video Retailing

## 5. NEW INTERNATIONAL MARKETS

	Country	GDP (\$B)	Multi Channel Homes (M)
Active discussions underway in several markets	US	\$ 13,195	90,200
	China	\$ 9,240	141,060
	Japan	\$ 4,461	30,140
	India	\$ 3,885	66,076
Rapid expansion of multi channel HH's in many markets	Germany	\$ 2,534	32,878
	France	\$ 1,899	10,832
	UK	\$ 1,882	16,825
	Italy	\$ 1,698	6,761
Opportunity to open 2-3 markets over next 3-5 years	Brazil	\$ 1,596	17,480
	Russia	\$ 1,576	11,027
	South Korea	\$ 1,078	16,433
	Spain	\$ 1,031	3,604
	Taiwan	\$ 579	5,589
	Poland	\$ 578	7,530
	Netherlands	\$ 503	7,055

Sources: TBI Yearbook 2008; Cable and Satellite Yearbook 2007; Asia Pacific TV, 11<sup>th</sup> Edition; Western European TV, 9<sup>th</sup> Edition. German TV homes include Austria



## 6. BRAND ALLIANCES / NETWORK MONETIZATION

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CREATING WIN-WIN PARTNERSHIPS  
WITH BRANDS THAT BENEFIT FROM  
THE QVC NETWORK EFFECT

Royalties

Warrants

Equity investments

BORBA

BARE ESSENTUALS  
san francisco

philosophy®

## 7. NEW VIDEO/INTERNET SHOPPING MODELS

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EVALUATING NEW SHOPPING PLATFORMS IN PARTNERSHIP  
WITH OTHER TRAFFIC AGGREGATORS





**QVC**

Mike George  
President & CEO

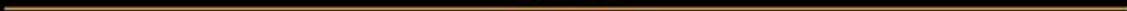
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# provide-commerce

Jonathan Sills  
Senior Vice President  
Strategy and Corporate Development



# provide-commerce

ProFlowers  
The Art of Fresh Flowers™



SECRET SPOON™  
Sweets



- Collection of branded websites each offering high quality, perishable products shipped fresh from the supplier to the consumer
  - Designed specifically around the way consumers shop
  - Our proprietary technology allows us to eliminate multiple intermediaries from the legacy supply chain, thereby realizing significant cost advantages and higher margins
-

## Size of the Floral Market and Growth Trends

- The U.S. Department of Commerce's Bureau of Economic Analysis estimates the size of the floriculture industry at retail to be about \$19.4 billion.
  - The floricultural market has grown at an average annual pace of +4.1% over the last 10 years
  - Online floral sales represent approximately \$1 billion of the overall floral market
-

# Business Model Advantages

## Consumer Benefits



- Internet-enabled:  
NOT order aggregators
- Direct from the supplier
- Virtual model
- Removes cost from transaction
- Overnight delivery via FedEx/UPS

## Supplier Benefits



- Great value
- 7-day freshness guarantee
- Prime varieties
- Accurate fulfillment
- 3 confirmation e-mails

- Enhanced profitability
- Broader customer reach
- Monthly feedback
- Improved quality
- Optimize production

## Business Strategy Highlights

- **Focus on the Customer**
    - Ongoing website improvements
    - Ongoing investment in quality
  - **Optimize the Core Business**
    - Increase AOV and conversion
    - Product development and portfolio optimization
- 



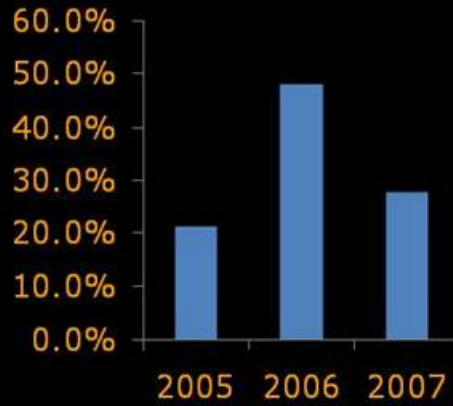


# Revenue and EBITDA Percentage Growth CY05,06,07 (1<sup>st</sup> half)

### Revenue



### EBITDA



---

Provide was acquired by Liberty effective 2/06

## Growth Opportunities Going Forward

- Continue to gain market share in the flower industry
- Build out other brands
- International expansion



## “Wins” through Liberty

- Learning how to market through television more effectively
  - Scale efficiencies from managing vendor contracts
  - Best practice sharing with other companies, as well as one of the brightest minds in all the business world
-



# BuySeasons, Inc.



Jalem M. Getz  
President and CEO



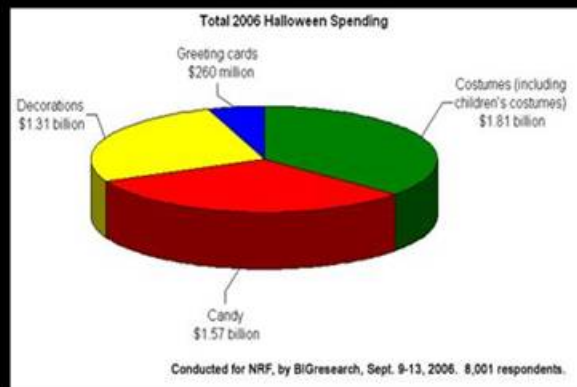
# About BuySeasons, Inc.

- Founded in 1999
  - Largest retailer and supplier for Costumes, Halloween and Party merchandise on the Internet
  - BuyCostumes.com is the #1 destination for Costumes and Halloween products on the internet
  - Buy-Seasons Direct only end-to-end Halloween and Party supplier for large "e" retailers like Target.com and Grandin Road
-

# The Halloween Market

Consumer spending on Halloween has increased 20% per year since 2003

- Halloween fastest growing (retail) holiday in the U.S.
- Halloween costumes and decorations approximately \$3 billion marketplace in U.S.
- Second most decorated holiday of the year
- Mass market retailers challenged in addressing shifting demand
- Young adults (18-24) are the fastest growing demographic



Source: NRF

# Business Model Advantages



## Consumer Benefits

- Largest assortment Halloween Costumes and Party Supplies on the internet
- Competitive pricing reflecting quality and availability
- Focus on customer web experience and support
- Cost effective and rapid delivery (closest delivery time to Halloween day) in the US and Canada

## Retail Partner Benefits

- Large assortment without inventory investment
  - No markdown risk
  - Private Label solution
  - Industry leader in fulfillment turnaround and accuracy
-

# Business Strategy Highlights 2007

**HAIRSPRAY**

- Build exclusivity with private label and exclusive products
- Highly scalable retail drop-ship network
- Grow décor and party supply business
- Relentless focus on the customer



Hairspray costumes and wigs sold exclusively at [BuyCostumes.com](http://BuyCostumes.com)

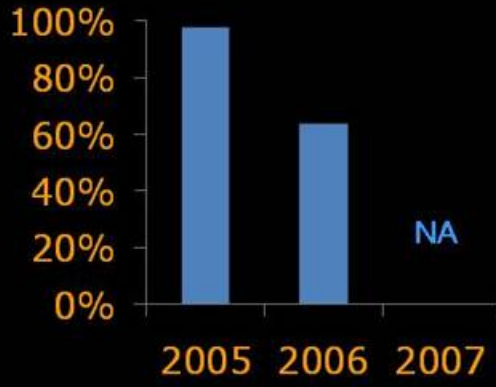


# Revenue and EBITDA Percentage Growth CY05,06,07 (1<sup>st</sup> half)

## Revenue



## EBITDA



---

BuySeasons was acquired by Liberty effective 8/06

## Growth Initiatives

- Expanding International Capabilities to ship to UK and Australia (Halloween markets growing even faster than the US)
- Increase penetration into synergistic party and decor markets
- BUYSEASONS-Direct Expansion with new retailers
- Expansion into synergistic specialty and seasonal merchandise categories



## "Wins" through Liberty

- Starz Fear Fest promotion - 2006 and 2007
  - Discovery Licensing – Animal Planet and other Discovery branded costumes for 2008.
  - Wide assortment of costumes on QVC.com 2006, 2007
  - QVC on air September 2007
  - Commerce Hub Party and Costume partner
- 





Backcountry.com™

Jim Holland  
CEO/Co-Founder



# Backcountry.com™

- Founded in 1996 with \$2,000 investment
- Run six category-leading online stores that focus on high-end outdoor gear, snowboarding, skiing and closeout gear
- Fastest growing, action sports online retailer
- Average revenue growth 90%, Average EBITDA growth 150%, 2003-2006
- Offer 120,000 products from over 475 brands



# Brands We Offer



# Awards and Recognitions

- BizRate "Circle of Excellence"  
Platinum Award — 2004, 2005, 2006
- *Internet Retailer* Top 50 Best of the Web for 2003 and 2006
- Named to *Inc. Magazine's* Inc. 500 list of the fastest growing privately held businesses in 2004 and 2006
- Named one of the top 25 retailers by *Outdoor Business* in 2004 and 2005



## Our Philosophy

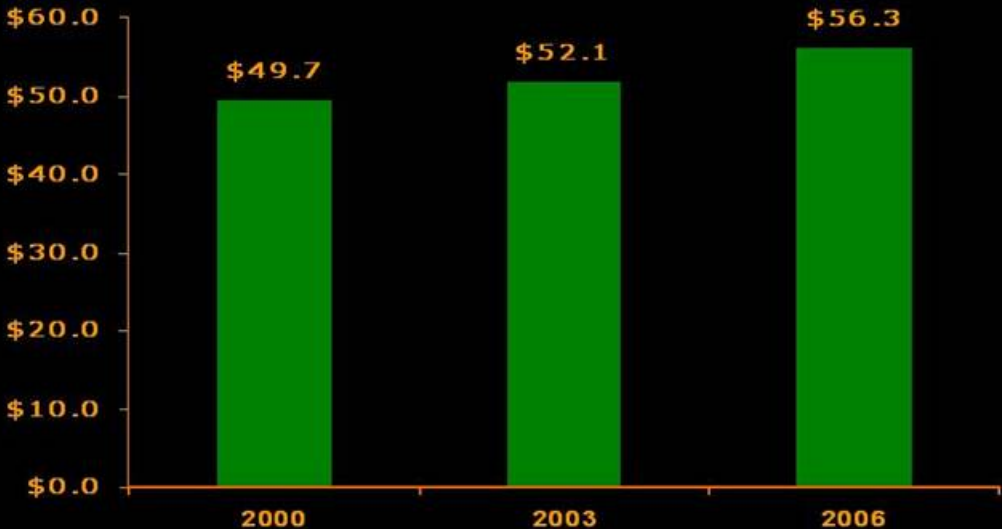
- Use the gear we sell & sell the gear we love
  - Provide the best customer experience imaginable
  - Continuously innovate and evolve
- 





# Sporting Goods Industry is Huge

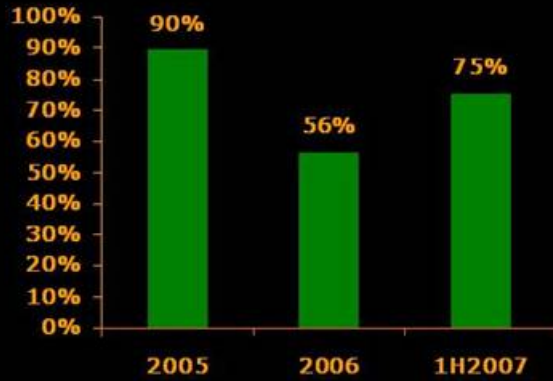
Estimated Addressable Market for Sporting Goods, 2000-2006E



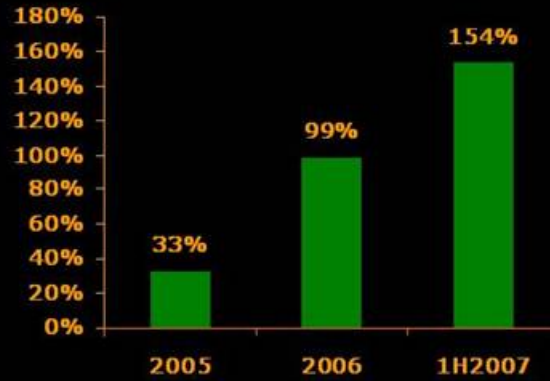
Compound Annual Growth Rate  
1995-2000: 2.8%  
2000-2005E: 2.5%  
2005E-2010E: 2.2%

# Revenue and EBITDA Growth (FY2004-07)

## Revenue (% Growth)



## EBITDA (% Growth)



---

Backcountry.com was acquired by Liberty effective 6/07

# Opportunities/Challenges

- 
- Hiring the best people
  - Customer generated content
  - Building Customer Loyalty
  - Developing House Brands
  - International Expansion
  - One-Deal-at-a-Time Site Potential
-

## Wins through Liberty



- Correlations between QVC and our ODAT sites
  - Leveraging larger scale for better pricing on contracts
  - Sharing ideas and comparing metrics across companies
  - Financial support for small acquisitions
-

# "We Use The Gear We Sell®"

Backcountry.com staff using the gear we sell:





# Liberty Evolves

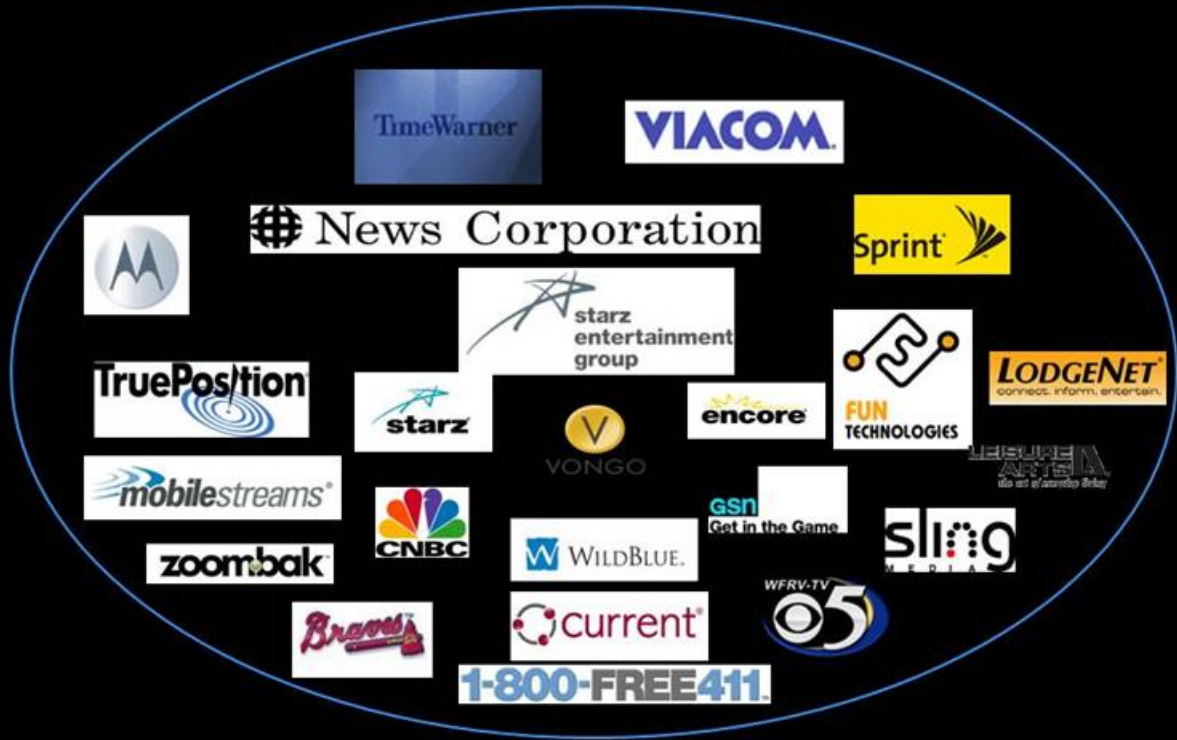
Gregory B. Maffei  
President and CEO



# Evolution Since May 2006

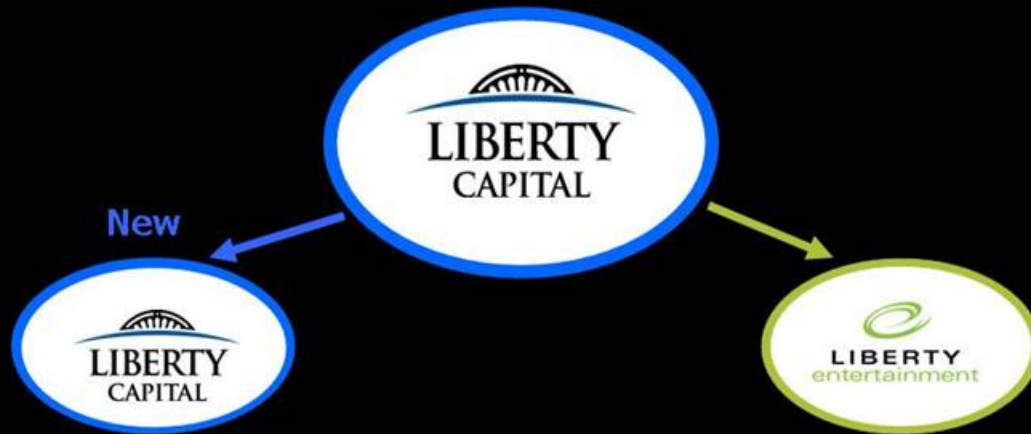
- Tax efficient restructurings
    - News Corp exchange (pending)
    - CBS exchange
    - IDT exchange
    - Time Warner exchange
  - Simplifying transactions
    - On Command sale
    - OpenTV sale
  - Equity shrink
    - \$1.3 billion self-tender
  - Reduced complexity
    - Derivative unwinds and expirations
    - Announced Liberty Entertainment tracker
-

# Liberty Capital Tracker Today





# Liberty Capital Tracker Spawning



Starz Media  
TruePosition  
Atlanta Braves  
Time Warner  
Sprint  
Other

DirecTV  
Starz/Encore  
Regional Sports Networks  
Fun  
GSN  
WildBlue

# Liberty Entertainment Rationale

- Create currency for acquisitions
    - Focus synergistic entertainment business
    - Improve transparency
  - Contain complexity to new Liberty Capital tracker
    - Highlight discount to NAV
  - Enhance shareholder choice
  - Unlock value
-

# Missing Value?

- ~25% discount
- Unlock the gap

## *Public assets:*

DirectTV	\$11.5	
Time Warner	1.7	
Sprint	1.4	
Other & derivatives	2.4	
	<hr/>	
Public asset market value		\$17.0

## *Private assets: (analyst consensus)*

Starz Entertainment	\$2.5	
RSNs	0.6	
Atlanta Braves	0.5	
Starz Media	0.4	
TruePosition	0.3	
GSN	0.2	
Other	0.2	
Private asset market value		\$4.9
Net debt (pro forma News deal)		<hr/> <b>(1.3)</b>
<b>LCAPA equity value (NAV)</b>		<b>\$20.6</b>
<b>Current LCAPA market value</b>		<b>\$15.7</b>
		<hr/>
<b>Valuation Gap</b>		<b>\$4.9</b>

---

# Liberty Entertainment Action Plan

- Create strong currency for acquisitions
  - Make strategic acquisitions
    - Content
    - Distribution
  - Optimize capital structure
    - Leverage cash flow
    - Shrink equity
-

# Liberty Capital Action Plan

- Rationalize non-core attributed assets (tax-efficiently)
  - Convert non-core assets to cash and controlling interests in operating businesses
  - Capital structure optimization
    - Financial flexibility
    - Potential equity shrink
-

## New Liberty Capital - Value of Attributed Assets

- Market value of public securities and derivatives ~\$5.4 billion
  - Three largest operating businesses estimated to be worth at least \$1.0-1.5 billion (with relatively high tax basis)
    - Other private assets have meaningful value
  - Net debt ~\$2.0 billion
  - Deferred tax liabilities
  - Need / opportunities to restructure tax efficiently
-



# Starz, LLC

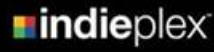
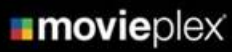
Robert Clasen  
Chairman & CEO



# The New Starz: Controlling Our Own Destiny



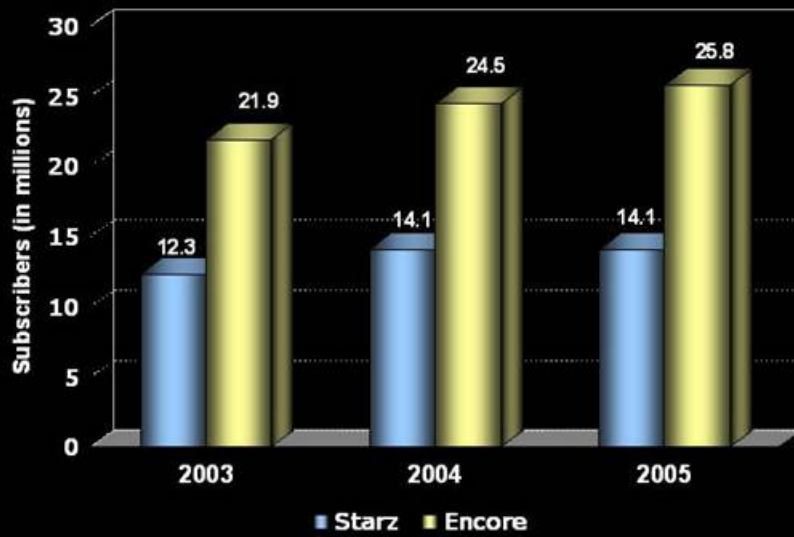




VONGO  
Choose Now. Watch Now.



# Subscriber Growth



- Starz and Encore Compound Annual Growth Rate between 2003 and 2005 was 6.9% and 8.4%, respectively



# Starz: In 2005

## #10 of 73 Basic and Pay Channels in HH Coverage Rating

### 2005 Total Day Basic and Premium Channel Ranking

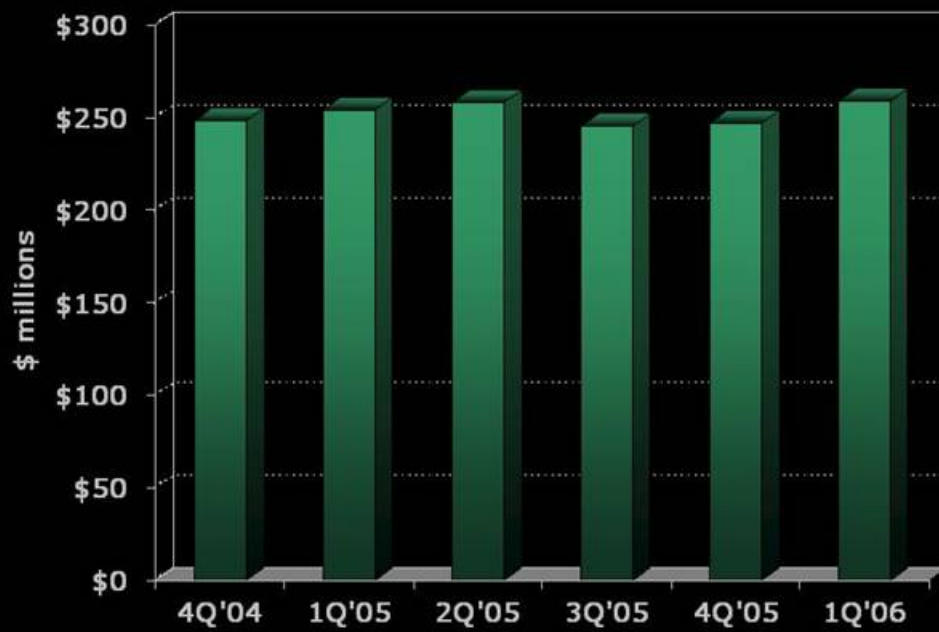
Households			Households		
Rank	Channel	HH Rating	Rank	Channel	HH Rating
1	Nickelodeon*	1.8	21	Court TV*	0.5
2	TNT	1.2	21	Sci Fi	0.5
2	Cartoon Network*	1.2	21	Food Network*	0.5
2	HBO	1.2	21	HGTV*	0.5
4	Disney Channel	1.1	21	CNN	0.5
5	Lifetime*	1.0	21	Showtime	0.5
5	USA	1.0	31	BET	0.4
7	TBS	0.9	31	TLC*	0.4
7	Fox News Channel	0.9	33	Sportsouth	0.4
7	Cinemax	0.9	34	E!*	0.3
<b>10</b>	<b>Starz</b>	<b>0.7</b>	34	Weather Channel	0.3
10	ESPN	0.7	34	VH1	0.3
10	Hallmark Channel*	0.7	34	Animal Planet	0.3
13	MTV	0.6	34	WGN Superstation*	0.3
13	ABC Family*	0.6	34	GSN*	0.3
13	A&E*	0.6	34	ESPN2	0.3
13	Spike*	0.6	34	Toon Disney	0.3
13	FX*	0.6	34	MSNBC	0.3
13	TV Land	0.6	34	NOGGIN/The N	0.3
13	Lifetime Movie Network	0.6	44	Headline News	0.2
13	History Channel*	0.6	44	TV Guide Network	0.2
<b>21</b>	<b>Encore</b>	<b>0.5</b>	44	Bravo*	0.2
21	Discovery*	0.5	44	CMT	0.2
21	AMC	0.5	44	Travel Channel	0.2
21	Comedy Central*	0.5	44	WE*	0.2
			44	DiscoveryHealth	0.2
			44	SoapNet	0.2
			44	Oxygen*	0.2
			44	TV1	0.2
			44	National Geographic*	0.2
			44	Nicktoons	0.2
			56	Versus	0.1
			56	The Outdoor Channel	0.1
			56	CNBC*	0.1
			56	Golf Channel	0.1
			56	ESPN Classic	0.1
			56	Speed	0.1
			56	ESPN News	0.1
			56	Great American Country	0.1
			56	Style Channel*	0.1
			56	BBC America	0.1
			56	Discovery Times	0.1
			56	Discovery Science	0.1
			56	Military Channel	0.1
			56	G4*	0.1
			56	Biography*	0.1
			56	History International*	0.1
			56	MTV2	0.1
			73	Fit TV	0.0
			73	Fuse	0.0

Note: Includes all networks programming at least 51% of the daypart. Networks with asterisks (\*) do not program the entire daypart.

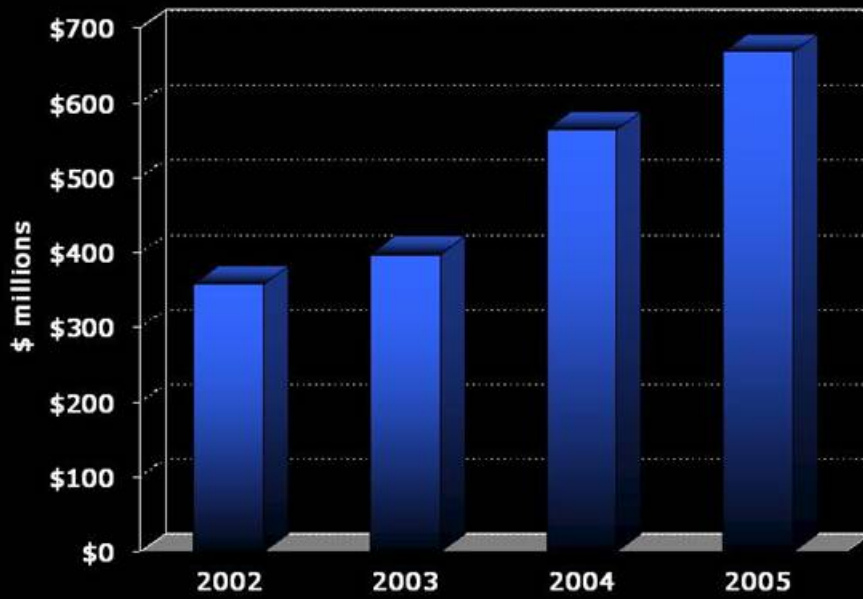
SOURCE: Nielsen NPower. Ranked on household coverage rating percentage, total day (M-Su 6A-6A), January-December, 2005. Subject to qualifications available on request.



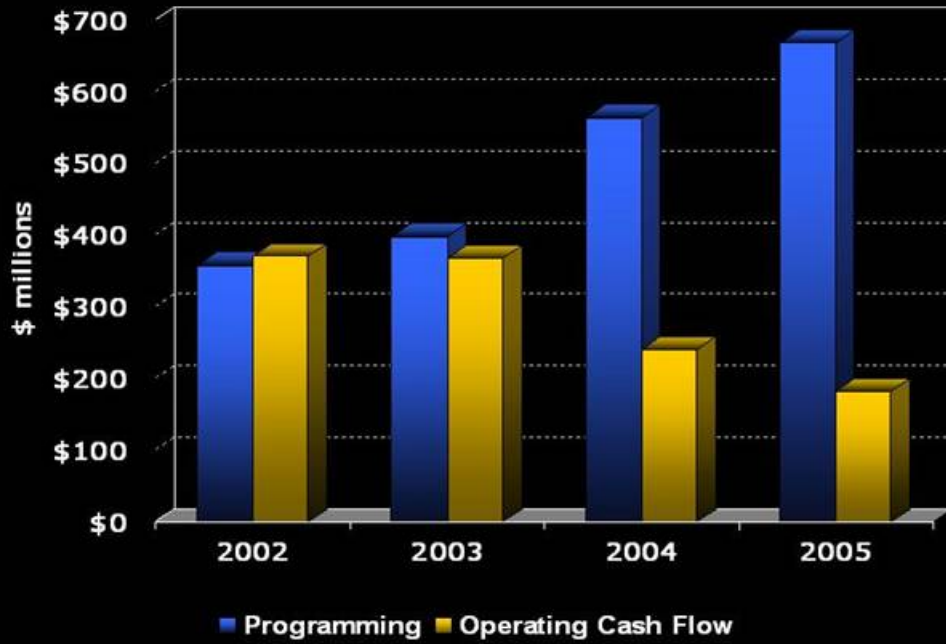
# Revenue Flattening



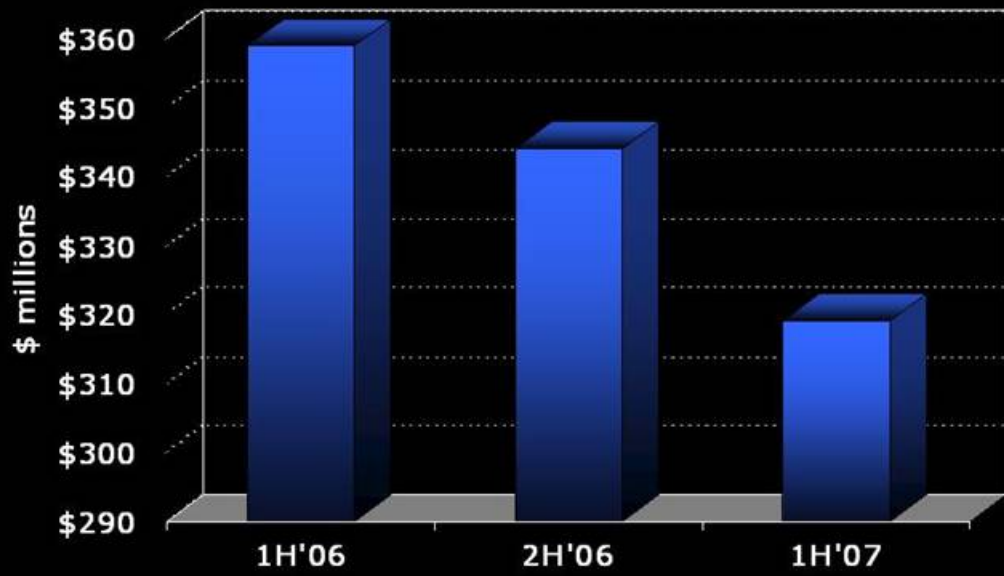
# Programming Costs Increasing



# Reducing Cash Flow



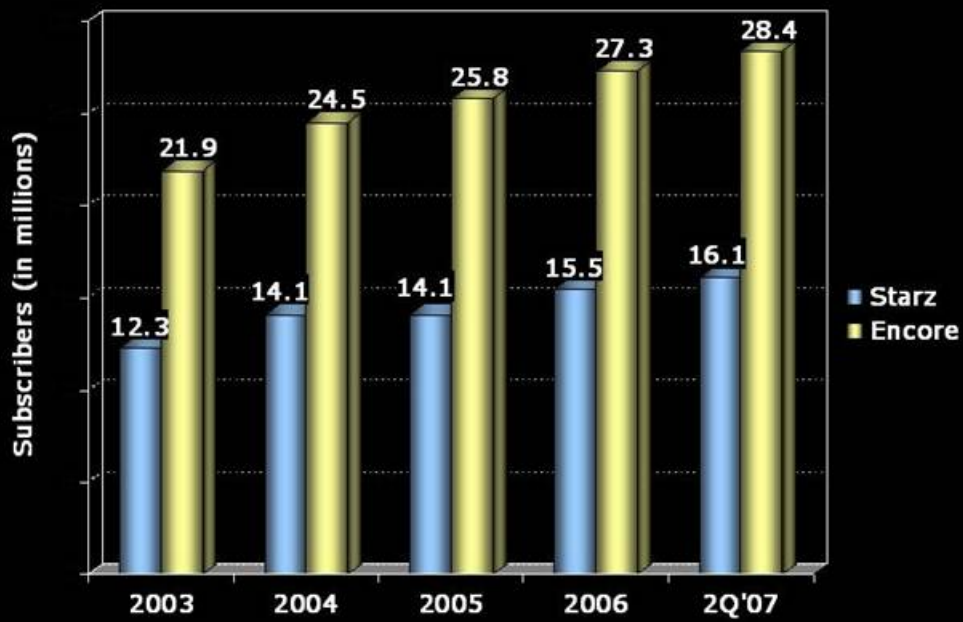
# Programming Costs Now Declining



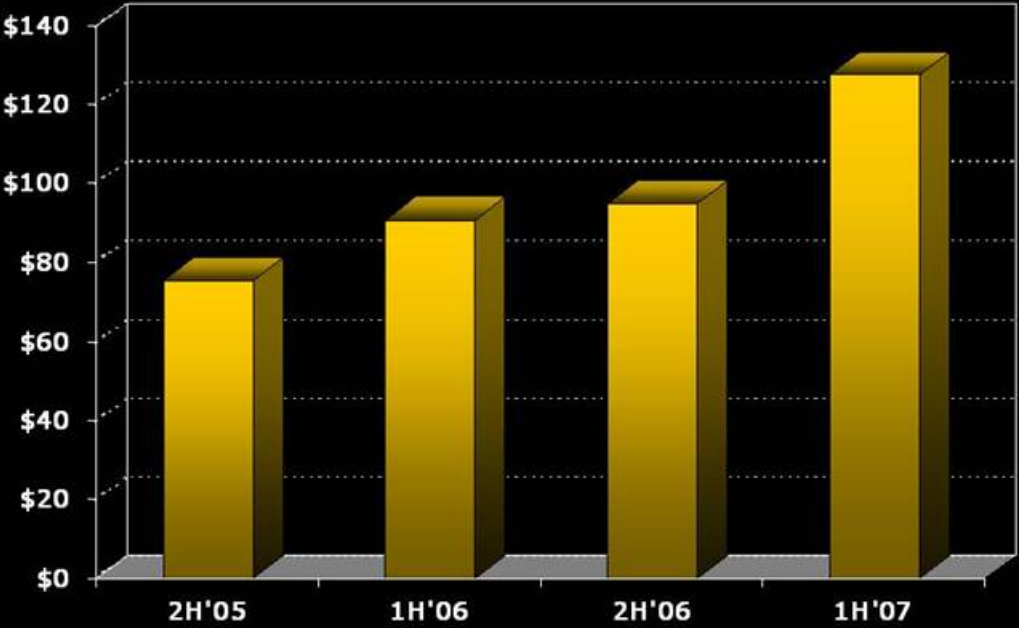




# Continued Subscriber Growth



# Cash Flow Improving



# Starz: In First Half of 2007

## #12 of 76 Basic and Pay Channels in HH Coverage Rating

### 2007 Total Day Basic and Premium Channel Ranking

January-June Household Coverage Rating Average

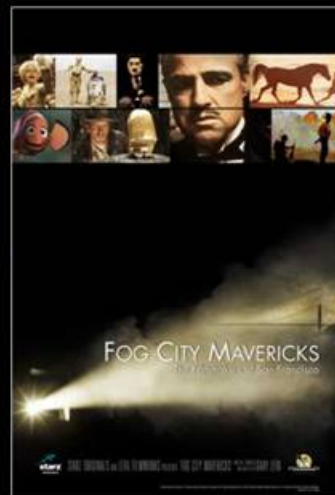
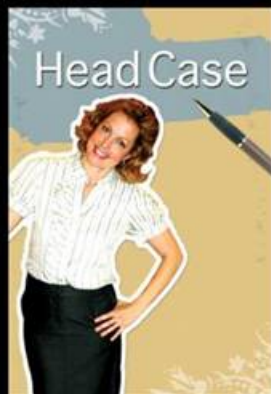
Rank	Channel	HH Rtg	Rank	Channel	HH Rtg	Rank	Channel	HH Rtg
1	Nickelodeon*	1.8	19	TVLand	0.5	46	Biography*	0.2
2	Disney Channel	1.3	19	HGTV*	0.5	46	SoapNet	0.2
3	USA	1.1	29	<b>Encore</b>	<b>0.4</b>	46	Oxygen*	0.2
3	TNT	1.1	29	BET	0.4	46	MTV2	0.2
5	Cartoon Network*	1.0	29	VH1	0.4	46	TVOne	0.2
5	HBO	1.0	29	TLC*	0.4	46	Speed	0.2
7	Lifetime*	0.8	29	Lifetime Movie Network	0.4	46	WE*	0.2
7	TBS	0.8	29	ShowTime	0.4	46	Versus	0.2
7	Fox News Channel	0.8	35	E!*	0.3	61	Outdoor Channel	0.1
10	A&E*	0.7	35	The Weather Channel	0.3	61	TV Guide Network	0.1
10	Hallmark Channel*	0.7	35	Bravo*	0.3	61	Golf Channel	0.1
12	<b>Starz</b>	<b>0.6</b>	35	Animal Planet	0.3	61	ESPN Classic	0.1
12	ESPN	0.6	35	WGN Superstation*	0.3	61	ESPN News	0.1
12	Discovery*	0.6	35	GSN*	0.3	61	Great American Country*	0.1
12	Court TV*	0.6	35	ESPN2	0.3	61	Style*	0.1
12	FX*	0.6	35	Toon Disney	0.3	61	BBC America	0.1
12	History Channel*	0.6	35	MSNBC	0.3	61	Discovery Times	0.1
12	Cinemax	0.6	35	NOGGIN/The N	0.3	61	Military Channel	0.1
19	MTV	0.5	35	National Geographic*	0.3	61	G4*	0.1
19	ABC Family*	0.5	46	Headline News	0.2	61	History International*	0.1
19	CNN	0.5	46	CNBC*	0.2	61	NFL Network	0.1
19	Spike*	0.5	46	CMT	0.2	74	Fit TV	<<
19	AMC	0.5	46	Travel Channel	0.2	74	Fuse	<<
19	Food Network*	0.5	46	Discovery Science	0.2	74	VH1 Classic	<<
19	Comedy Central	0.5	46	Nicktoons	0.2			
19	Sci Fi	0.5	46	Discovery Health	0.2			

Note: Includes all networks programming at least 51% of the daypart. Networks with asterisks (\*) do not program the entire daypart.

SOURCE: Nielsen Market Breaks Live + 7 household coverage ratings. Ranked on household coverage rating percentage, total day (M-Su 6A-6A), January-June, 2007. Subject to qualifications available on request.



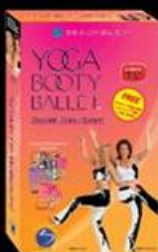
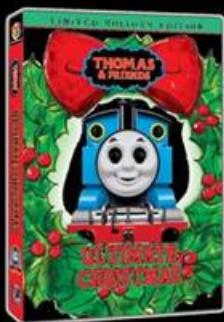
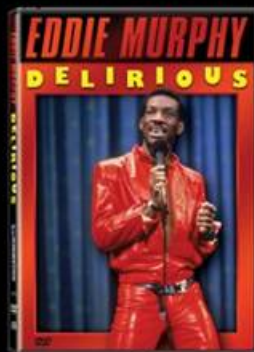
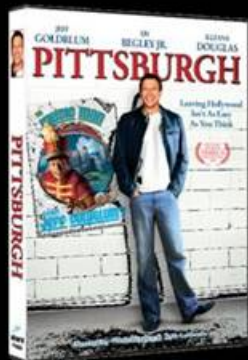
# Starz Originals



# Starz Media



# Anchor Bay





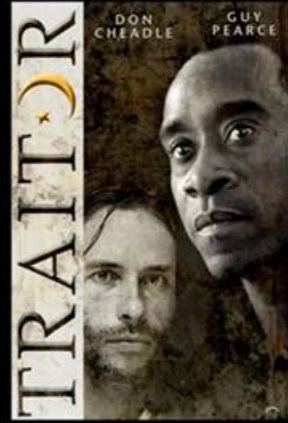
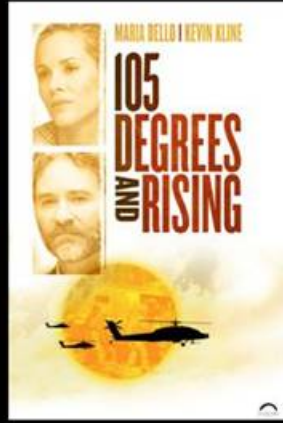
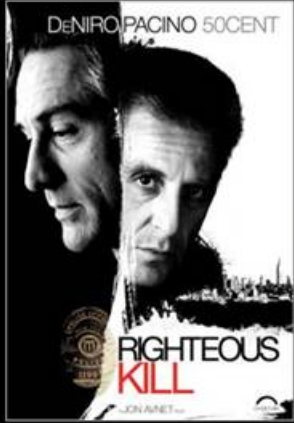
OVERTURE  
FILMS

a **starz** company



# Overture Films

## MAD MONEY





# Other Starz Media Units



Masters of Science Fiction  
Sands of Oblivion  
Wow! Wow! Wubbzy



The Simpsons  
King of the Hill  
Slacker Cats



VeggieTales  
Nine  
Everyone's Hero




# Space Chimps



# The New Starz

## Starz Entertainment


**Linear**



starz  
starz edge  
encore  
encore warm  
encore action  
starz inBlack  
starz cinema  
encore mystery  
encore love  
starz kids & family  
starz comedy  
encore drama  
encore westerns


movieplex retroplex indieplex

**HD**




starz HD  
starz kids & family HD  
starz edge HD  
starz comedy HD

**On Demand**



starz on demand  
starz On Demand HD  
encore on demand

**Internet**



starz play  
VONGO  
Watch More. Watch Here.

## Starz Media



starz HOME ENTERTAINMENT

OVERTURE FILMS  
a starz company

ANCHOR BAY ENTERTAINMENT  
a starz company

MANGA VIDEO

starz PRODUCTIONS

starz ANIMATION

FILM ROMAN  
a starz company



# GSN & Fun Technologies

David Goldhill

President & CEO - GSN  
Chairman - FUN Technologies





**Get in the Game**

- 50/50 joint venture with Sony Pictures Entertainment



**FUN**  
**TECHNOLOGIES**

- Publicly traded company;  
LSE (AIM): FUN  
TSX: FUN
  - Liberty Interest 53%
  - Businesses:
    - FUN Games
    - Fun Sports
    - Don Best
-

# GSN

- Only games-centric cable network
  - 65.8 million US TV homes
  - 0.3 full-day HH rating
  - 23.4 minutes average length of tune-in
  - 700K monthly uniques on GSN.com casual games site
-

# Cost-effective programming with timeless appeal

- GSN original game shows
- Exclusive cable rights to the largest classic game show libraries
- Acquired major modern game show brands



# GSN.com casual games site

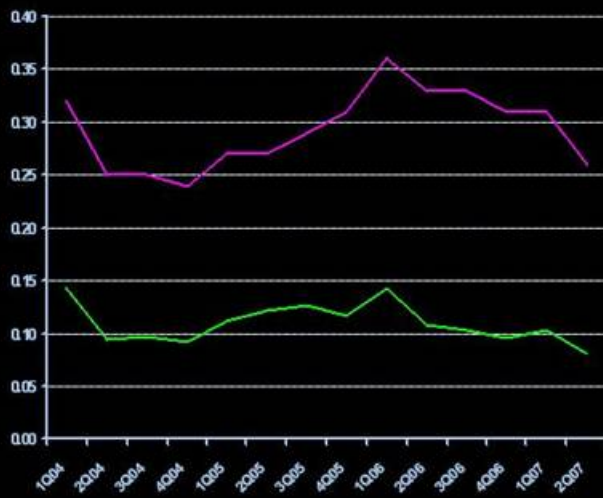
- 4.9 million registered users
- 700K monthly uniques
- 5.0 million casual game plays per month
- 475K skill game plays per month on WorldWinner



Sources: ComScore Media Metrix, July 2007; GSN internal reporting

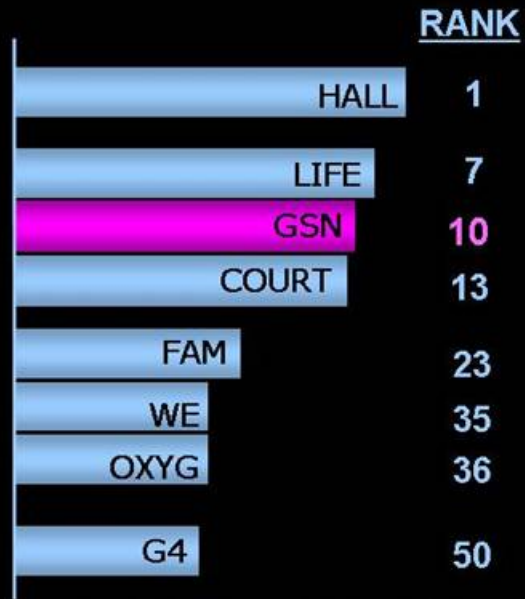


# Stable but highly engaged audience



HH RATINGS

A25-54 RATINGS



LENGTH OF TUNE-IN

GSN = 23.4 minutes avg.

Source: Nielsen; length of tune-in rankings out of 62 major basic cable networks on full-day HH basis

# But a broader opportunity



casual game



mobile game



board game



TV game show



slot machine

# GSN strategy

- **Large potential market: 54 million US casual gamers and growing**
    - Fit with GSN demographic
    - Affinity for GSN content
    - Available across all platforms
  - **Strong potential partners**
  - **Unique asset: TV network in 65.8 million homes**
  - **Embrace the core**
    - Tighten focus on casual games and game show content
    - Service the core GSN demographic both on air and online
-

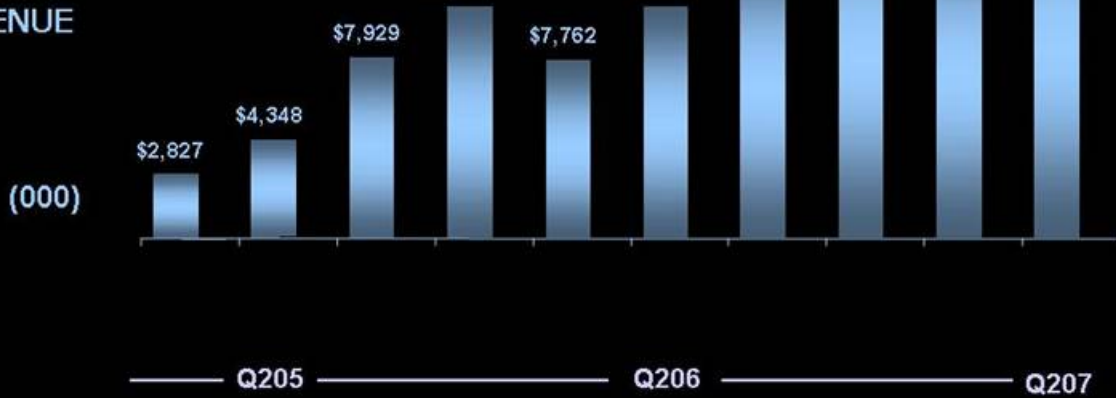
# FUN Technologies

- Emerging leader in two fast growing sectors of legal online games:

- Skill-based games
- Fantasy sports

- 30 million registered customers

REVENUE



Source: FUN Technologies

# FUN Games financial performance



Source: FUN Technologies

# WorldWinner

- The leader in online competitive entertainment and skill-based online cash games



# WorldWinner is an "upsell" for the most passionate online players

PLAYING DAYS / MONTH:

AVG. = 4 DAYS

12 DAYS+  
(74% of users)



Sources: ComScore Media Metrix, July 2007; WorldWinner study

# WorldWinner business model

- Provides pay-to-play skill-based online games and tournaments
    - All players pay entry fees, winners earn cash prizes
    - Skill games eliminate elements of chance
    - FairMatching™ algorithm ensures level playing field
  - Revenue derived from tournament administration fees
    - 20% retained by WorldWinner for administering competition
    - Entry fees range from \$1.00 to \$10.00
    - Average entry fee = \$1.90
-



# WorldWinner / GSN demographics

	WorldWinner top 2,500 customers	WorldWinner all unique visitors	GSN TV audience
Female comp:	72%	57%	66%
Age: 25-54	80%	62%	29%
Income: \$30K - \$75K	48%	55%	35%
HH size : 3-4	17%	53%	35%
Education: college	33%	22%	16%

Sources: ComScore Media Metric; Axiom study on WW top 2,500 customers; Nielsen

# GSN and FUN collaborations

- GSN.com skill games players compete exclusively on the WorldWinner platform
- Lingo tournament promotion
  - Online champion becomes TV contestant
  - Involves all WW affiliate site players (GSN, AOL, MSN, Pogo)
  - Lingo rose to #1 word game, top-5 game overall on WW
  - 117% increase in cash account activations



Sources: WW reporting, 117% increase is weekly average during the 13-week promotion compared to the 5-weeks immediately prior

# Fantasy sports overview

- Over 10 million fantasy football players, and over 3 million fantasy baseball players in the US
  - Desirable demographic
    - 93% male
    - High average income
  - Highly engaged:
    - Average player spends approx. 3 hours per week managing his team
-

# FUN Fantasy Sports

- The only major operator with:
  - Full spectrum of games across all major sports
  - Fantasy sports as core offering – not ancillary (i.e. Yahoo, ESPN)



**LEAGUE COMMISSIONER**

League commissioner allows you to set up fully customizable fantasy leagues through an intuitive set up wizard, utilize a live draft room during your fantasy draft, and follow your team with Commissioner's live scoring during the season.

**PLAY NOW**

Commissioner leagues:  
Community, competition  
for bragging rights



**DRAFT AND PLAY FANTASY HOCKEY**

- Featuring **LIVE** online drafts.
- Draft a roster of 12 starters & 8 reserves
- Compete to win \$100 using easy point-style scoring

**Enter Now!**

Draft & Play:  
Incorporating rivalry of  
Commissioner  
Cash prizing



**FOOTBALL CHALLENGE**

**ROTISSERIE SCORING**

- Manage a team of 20 players using a \$30,000,000 salary cap.
- Compete using robbisserie-style scoring and 8 stat categories.
- Enter for only \$39.95
- Compete for the **\$25,000** Cash Grand Prize

**Enter Now!**

Prize games:  
Anonymity, competition  
for cash prizes

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# The opportunity

- 65 million US online players, 54 million+ are casual gamers
- Skewed toward adult women 30+
- “Sticky” sites, high frequency & duration
- Multiple revenue models (ad, subscription, download, cash games, virtual goods)
- Revenue growth outpacing rest of games segment



This presentation includes a presentation of operating cash flow (OCF or EBITDA), which is a non-GAAP financial measure, for QVC, Inc. and Starz Entertainment Group LLC together with a reconciliation of that non-GAAP measure to the privately held entity's operating income, determined under GAAP. Liberty defines operating cash flow as revenue less cost of sales, operating expenses, and selling, general and administrative expenses (excluding stock and other equity-based compensation). Operating cash flow, as defined by Liberty, excludes depreciation and amortization, stock and other equity-based compensation and restructuring and impairment charges that are included in the measurement of operating income pursuant to GAAP.

Liberty believes operating cash flow 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 operating cash flow is used as a measure of operating performance, Liberty views operating income as the most directly comparable GAAP measure. Operating cash flow is not meant to replace or supercede 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's management considers in assessing the results of operations and performance of its assets. Please see the schedules included below for a reconciliation for each of QVC and Starz Entertainment of operating cash flow to operating income calculated in accordance with GAAP for the applicable periods.

<i>(amounts in millions)</i>	2003	2004	2005	2006
<b>QVC, INC.</b>				
Operating Cash Flow	\$ 1,013	1,230	1,422	1,656
Depreciation and Amortization	(222)	(437)	(449)	(476)
Stock Compensation Expense	(6)	(33)	(52)	(50)
<b>Operating Income</b>	<b>\$ 785</b>	<b>760</b>	<b>921</b>	<b>1,130</b>

<i>(amounts in millions)</i>	Trailing 12 Months
<b>QVC, INC.</b>	
Operating Cash Flow	\$ 1,680
Depreciation and Amortization	(492)
Stock Compensation Expense	(25)
Other Non-Cash Charges	-
<b>Operating Income</b>	<b>\$ 1,163</b>

<i>(amounts in millions)</i>	2002	2003	2004	2005	2006
<b>STARZ ENTERTAINMENT GROUP LLC</b>					
Operating Cash Flow	\$ 371	368	239	171	186
Depreciation and Amortization	(69)	(75)	(63)	(49)	(26)
Stock Compensation Expense	(5)	130	(28)	(17)	3
Other Non-Cash Charges	-	(157)	-	-	-
<b>Operating Income</b>	<b>\$ 297</b>	<b>266</b>	<b>148</b>	<b>105</b>	<b>163</b>

<i>(amounts in millions)</i>	2H05	1H06	2H06	1H07
<b>STARZ ENTERTAINMENT GROUP LLC</b>				
Operating Cash Flow	\$ 76	91	95	128
Depreciation and Amortization	(26)	(14)	(12)	(12)
Stock Compensation Expense	(17)	-	3	(14)
<b>Operating Income</b>	<b>\$ 33</b>	<b>77</b>	<b>86</b>	<b>102</b>