
Barton Evans Crockett

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... I wanted to ask a question about the Liberty Media tracking stock structure, and it seems pretty clear now that you have 3 businesses that will be in each 3 of the trackers and the length of those businesses. It would seem to be a natural step that at some point, these would be threefold separate asset-backed stocks. But I think we're all struggling with how long it could take to get there. What the steps could be to get us there? And I was wondering if you could comment on that, because that kind of view that that's a natural future makes sense right now, and is this going to be a 4- or 5-year process as you wait to season some of these companies as actively-traded businesses that you've got in there?

Gregory B. Maffei

... I think, if you look in particular, we have used hard spins when we just thought there was undervaluation. There was a reason why, the market would be better served by having independent asset-backed company. Candidly, I think, we'll take Formula 1, we're pretty long way away from that having not yet closed the second step and completing the back-end. And we think there's a lot to be done under Chase and that management team. But we'd like to think we can be a positive factor. I think that's true of a lot of cases where we've been involved that it's only at the point when we think our contribution is reduced. It's not so much about only structural issues. But when is it that the market's better served by an independent, our contributions reduced, and it sets up, either another combination, witness DIRECTV getting merged with AT&T or the like that, that becomes more necessarily responsive to the market et cetera.

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Unknown Attendee

... Formula 1 is a content asset, but in general, you have a lot of other content assets in your portfolio. How do you guys think about those assets going forward?

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Gregory B. Maffei

So I'll take a cut at the content side. I think, there are 2 trends that are making content — there's some other trends that may reduce, but there are 2 big trends, which are making content theoretically more valuable. An increased number of distributors, many over-the-top bidding for content by definition pushes it up. Similarly, the ability to take content more and more globally and use it across multiple markets increase the value of content. There's some other trends we can talk about that may — you may worry about in scripted programming going from 200 originals 4 or 5 years ago to 420 or something this year. That's got to go the other way. But if you take an asset like Formula 1 or take an asset like the Braves or take an asset like Live Nation, all of which are in the content business, we think those all have unique aspects. Baseball may not be quite as global, but there is some — certainly some international limit. But the first, the Live and Formula 1 take the benefit of having that global scale, that ability to reuse, that ability to have multiple ways to distribute, and baseball probably has done the last part as well as anybody through

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BAM and finding not only to get the broadcast revenues, not only to get the venue revenues, but to get over-the-top revenues. All those are positive forces. And so, we have not been lucky enough to own Facebook or Google or own a massive platform, digital platform. I talked about one, in TripAdvisor, it's about as big a digital platform as you can find out there. But we don't own one that has a distribution content license in the same way. We can, however, own and have found a way to own several really excellent content assets, which benefit from those trends - digital trends, and that's why one of the reasons, I think, we were very interested in them. John, you want to add?

John C. Malone

Chairman of the Board, Director, Liberty Media Corporation

Yes. No, I think the thing that's unique about Formula 1, we've watched businesses built on sports rights. And if you have to renew them, pretty much the owner of the sports rights sucks out the profitability every time there's a renewal. The alternative to that is to do long-term escalating agreements like ESPN has done. And that, of course, that represents a business risk if, in fact, the business doesn't develop the way you project. So the very unique thing about Formula 1, the reason, I really love this deal, it's a great deal. It's a great structure. It's a great tax arrangement. But on top of that, you actually own it. You don't have to renew the rights periodically. And so, if you do succeed in developing, with your partners and the teams as your partners, a great business, you're not at risk to see most of the economics get wiped out when you then turn around to renew the contract. And that's really unique. You can build a business on — Ted Turner, when we were there, built the TNT network on 2 years of 8 games on Sunday night at the NFL. It was great. But after 2 years, he couldn't renew the contract. He couldn't afford the escalation in cost. Fortunately, we were able to replace the programming with something else, which some in the industry called bait and switch, but it worked.

Forward-Looking Statements

The foregoing communicai fs

The directors and executive officers of Liberty Media and other persons may be deemed to be participants in the solicitation of proxies in respect of any proposals relating to the proposed acquisition. Information regarding the directors and executive officers of Liberty Media is available in its definitive proxy statement, which was filed with

the SEC on July 8, 2016, and certain of its Current Reports on Form 8-K. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be available in the proxy materials regarding the proposed acquisition (a preliminary filing of which has been made with the SEC). Free copies of these documents may be obtained as described in the preceding paragraph.